



2018-2019
ANNUAL REPORT



**ROTARY
CHARITIES**
Resources for change.



“No one can step in the same river twice.”

-HERACLITUS



Change is the one constant in our work and lives. Both of our organizations have navigated the currents of change over the course of this past year.

We said goodbye to Marsha Smith, our beloved executive director of 25 years. Rotary Charities pivoted to a new grantmaking strategy that encourages applicants to collaborate more deeply and get further upstream on complex problems.

We modeled this ourselves, by working closely with 10 community foundations and the Frey Foundation to create an 8-month Leadership Learning Lab in five locations throughout northern Michigan. The focus of the cohort-style experience is to learn and practice adaptive leadership – something we know is needed in this time of rapid change.

Rotary Camps & Services welcomed new leadership as well. Nationwide searches brought us Jamie Lewis Hedges at GOREC and Matt McDonough at the Discovery Center. Jamie and his team are opening GOREC to the community at large for the first time in years. Matt is working on a strategic plan to bolster the work of our partners and develop the pier for robust community use.

This report is a reflection on our new strategies and leadership. We continue to learn as we work with the community and adapt to rapidly changing environments. Step into the river with us and celebrate the evolving landscape of our region!

-Becky Ewing, Executive Director

We've started to think about how we could increase the impact of our grantmaking by looking at things more holistically. It's clear that our economic environment, our physical environment, and our social environment are intimately connected. They have to be in sync if the community is going to continue to develop in a positive way. This year we prioritized funding initiatives that reflect a collaborative, systems approach, through which partner organizations are working together to address the root causes of issues - not just the symptoms. We're excited to see what this makes possible in our region.



-Elaine Wood, Board Chair



We envision a region that is fair, thriving and resilient. We know we won't get there alone. It's our mission to help changemakers work better together to address our region's complex problems and create community assets for all.

Rotary Charities serves the **five-county Grand Traverse region.**

Total grants: \$1,767,967

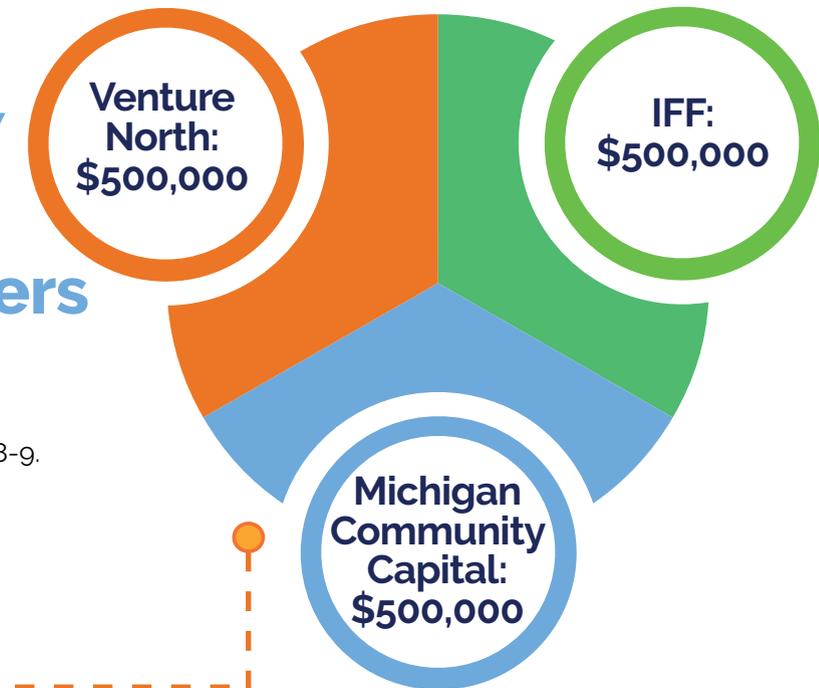
Read more about our grants on pages 4-7.

Over 500 Changemakers supported with capacity building services

Read about our capacity building program on pages 8-9.

Total impact investments: \$1.5 million

Read more about our Impact Investments on page 10.





COMMUNITY ASSETS FOR ALL

"Parallel 45 brought magic to the park. New people came to the park who didn't realize its potential before."

- Kristine Erickson, Director of Grand Traverse County Parks and Recreation



BRINGING ART TO CIVIC CENTER PARK

Public-nonprofit partnerships are bringing new life to Civic Center Park. This summer, Parallel 45 Theatre expanded to a dynamic outdoor space and brought professional theater to downtown Traverse City, with the support of Grand Traverse County's Parks and Recreation. Together they turned a neglected concrete slab into a modern performance venue, reflecting the vision of the community and commissioners to bring arts and culture to the heart of the park. Parallel 45's first summer theater season brought over 3,000 patrons to the Civic Center for a collective cultural experience. We contributed a \$50,000 grant to this project to build Grand Traverse County Civic Center Amphitheater. Nonprofit partners continue to activate the Civic Center with creativity and new audiences, including American Legion Baseball, Center I.C.E., Grand Traverse Bay YMCA, Kiwanis Club of Traverse City, Norte, TART Trails, and Traverse City Roller Derby.

ASSETS FOR THRIVING COMMUNITIES GRANTS

- \$65,000 to Arts for All to expand the Art Escapes program.
- \$10,000 to Peninsula Community Library to build the new library.
- \$10,000 to Friends of Sleeping Bear Dunes to construct the universally accessible portion of the new Kettles Trail.
- \$10,000 to Glen Lake Community Library to renovate and expand the library.
- \$100,000 to Food Rescue of Goodwill Northern Michigan to increase access to and education about healthy food.
- \$25,000 to Grand Traverse Pavilions Foundation to establish the Program for All-Inclusive Care for the Elderly.
- \$75,000 to Inland Seas Education Association to renovate Captain Thomas M. Kelly Biological Station.
- \$50,000 to Northwestern Michigan College Foundation to construct West Hall Innovation Center and Library.
- \$35,000 to Paddle Antrim to launch the Chain of Lakes Water Trail.
- \$50,000 to Parallel 45, Inc. to construct the Grand Traverse County Civic Center Amphitheater.
- \$50,000 to SEEDS to convene and support institutions working toward clean energy goals.

SEED GRANTS FOR COMMUNITY ASSETS

- \$10,000 to Village of Bellaire Downtown Development Authority to plan for the renovation of Bellaire Community Hall.
- \$10,000 to Preserve Hickory for business and marketing plans for their new facility.
- \$10,000 to Crosshatch Center for Art & Ecology to plan for Commongrounds Listening Room.
- \$10,000 to TART Trails for a fundraising feasibility study for the Traverse City to Charlevoix trail.
- \$10,000 to Human Nature School for a land assessment and plan for development.
- \$10,000 to ReWild Michigan to investigate a supportive structure to implement wildlife action plans.
- \$10,000 to Kalkaska Downtown Development Association for a feasibility study for a rail transfer station.
- \$10,000 to Traverse City Downtown Development Authority to develop a strategy to unify the lower Boardman River.
- \$10,000 to 20Fathoms for capacity building to leverage additional grant dollars.
- \$10,000 to Benzie County Aquatic Center for a feasibility study.
- \$10,000 to Northport Arts Association for program development.
- \$10,000 to Spark in the Dark for program development.
- \$10,000 to Networks Northwest for the Be Counted MI Census 2020 program.
- \$7,500 to Networks Northwest to study land-based investment solutions for housing needs.



SYSTEMS CHANGE

PROTECTING THE WEST MICHIGAN FRUITBELT

We are facing the largest transfer of farmland in our nation's history. In our region, acreage approximately five times the size of Old Mission Peninsula will change hands within the next 15 years. Despite the fact that agriculture contributes \$100 billion to our state's economy, there is no formal plan to protect the land for agricultural use, which is under threat from development interests. Meanwhile, traditional lending tools that might support new farmers cannot meet the current demand for land and do not serve the direct sale and agri-tourism farm businesses that shape our region's farm economy.

The Food & Farming Network is bringing farmers, advocates and institutions together to build local solutions to the national farmland crisis. They are connecting farmland owners to up-and-coming farmers in need of land through Farmer2Farmer, in partnership with Grand Traverse Regional Land Conservancy, Leelanau Conservancy, MSU Extension and Taste the Local Difference. They are also researching and prototyping an innovative farmland investment program, a social investment vehicle to bolster farmland succession. We contributed a \$82,635 grant to this initiative, providing backbone support to the network.

SYSTEMS CHANGE ACCELERATOR GRANTS

\$140,000 to Great Lakes Naturalist Initiative to mobilize citizen scientists to better understand the fish community and address invasive species in Grand Traverse Bay. Partners include Cerulean Center, Inland Seas Education Association and Grand Traverse Regional Land Conservancy.

\$82,635 to Northwest Michigan Food & Farming Network to address unprecedented challenges in farmland and farming.

\$140,000 to Traverse Bay Children's Advocacy Center to build public will for cultivating abuse-free communities. Partners include Michigan State University and 35 local Multidisciplinary Team agencies that support justice for children.

\$140,000 to Homeless Youth Initiative to ensure youth homelessness is rare, brief and non-recurring. Partners include Northwest Michigan Community Action Agency, Goodwill Northern Michigan, Traverse City Housing Commission, Child and Family Services, Greater Grand Traverse Area Continuum of Care, Traverse City Area Public Schools, Grand Traverse Band of Ottawa and Chippewa Indians, STEP, and Michigan Department of Health and Human Services.

SEED GRANTS FOR SYSTEMS CHANGE

\$6,000 to Health Department of NW Michigan for a health needs assessment at Central Lake School.

\$10,000 to Cerulean Center to map the system and plan to address threats to the Great Lakes ecosystem.

\$5,000 to Norte to map the system and plan for Safe Routes to School.

\$10,000 to Venture North to execute a study on Early Childhood Education in the region.

OTHER GRANTS

\$25,000 to Grand Traverse Regional Community Foundation to support their Health and Wellbeing strategic priority.

\$25,000 to Watershed Center Grand Traverse Bay to support enhanced collaboration on the Boardman River.

\$75,000 to Networks Northwest to support Housing North.

\$23,375 to Northwest Michigan Arts and Culture Network to build their capacity to serve as the Michigan Council for Arts and Cultural Affairs re-grant administrator.

\$25,000 to Northwestern Michigan College to administer NorthSky Nonprofit Network courses.

\$350,000 to Rotary Camps & Services to support operations and programming at Discovery Center Great Lakes and GOREC.

\$600 to Grand Traverse Regional Land Conservancy for a trustee gift.

\$10,000 to Grand Traverse Regional Community Foundation to start the Marsha J. Smith Leadership Fund.

\$24,134 to support Rotary Club charitable activities.

LEARNING & COACHING FOR CHANGE

CHANGEMAKER FELLOWSHIP GRANTS

This year we launched the Changemaker Fellowship, supporting community members to learn new skills at the leading edge of changemaking and share their learning in community.



JOSH STOLTZ, GROW BENZIE, \$18,733

Josh attended Forum for the Future's international Basecamp School of Systems Change. He will share what he learned in a community workshop this December.



SETH BERNARD, TITLE TRACK, \$20,000

Seth will participate in cultural healing trainings alongside local nonprofits, and provide "collaborative songwriting for collective liberation" workshops to a wide range of institutions in the region.



LEISA ERCKLE HANKINS, UNITED WAY OF NORTHERN MICHIGAN, \$20,000

Leisa brought Bridgeway Partners to Traverse City to help organizations and collaboratives working in social determinants of health better align their work.

KEY CAPACITIES FOR CHANGE

As we learn about the skills and mindsets that will help us work better together and enable change, we are diversifying our programming.. This year, we provided capacity building related to:

LEADERSHIP & INTERPERSONAL SKILLS // SYSTEMS PRACTICE // TIME MANAGEMENT // FACILITATION SKILLS

<p>395 ATTENDEES IN 11 WORKSHOPS</p>	<p>10 LEADERS COACHED BY LUCILLE CHRISMAN TO DEVELOP AN ADAPTIVE LEADERSHIP STYLE</p>	<p>65 ATTENDEES AT A 2-DAY SYSTEMS THINKING FOR SOCIAL CHANGE EVENT</p>
<p>25 ATTENDEES AT A 3-DAY "OUR COMMUNITY LISTENS" EVENT</p>	<p>4 TEAMS IN 10-WEEK SYSTEMS PRACTICE COURSE</p>	<p>22 PARTICIPANTS FROM 6 INITIATIVES IN SYSTEMS CHANGE COMMUNITY OF PRACTICE</p>



Since 2007, we've complemented our grantmaking with capacity building through NorthSky Nonprofit Network to support organizations in every stage of their growth. This year we aligned our capacity building programming with our new grantmaking priorities, and partnered with other service organizations to continue the NorthSky legacy of building strong organizations.



BUILDING STRONG ORGANIZATIONS

Strong organizations create strong partnerships and more impact. Our partnership with NMC's Extended Educational Services supports technical NorthSky capacity building programs:

**BOARD DEVELOPMENT // FUND DEVELOPMENT
COMMUNICATIONS // MARKETING**



LEADERSHIP LEARNING LAB

In partnership with the Frey Foundation and 10 community foundations serving 22 counties, we launched an 8-month learning experience focused on adaptive leadership, time management, collaborative skills and nonprofit capacity building. Leaders experiment together in learning pods and build a network of support.

"The Lab has opened our minds to collaborations we might never have thought of before. Now, Habitat for Humanity is developing a program with the Great Lakes Chamber Orchestra. Because we support each other's visions we are coming up with something that can really support both of our organizations."

- Sarah Ulrich, Executive Director of NW Michigan Habitat for Humanity





IMPACT INVESTING

Through Impact Investing, we unlock traditionally invested capital for community benefit.

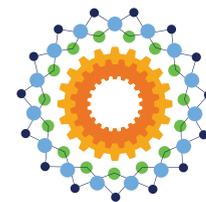
Unlike grantmaking, impact investing allows us to deploy our resources in a way that can be sustained over time. Through intermediary financial institutions, we provide low-interest loans to local projects that yield both social impact and financial returns. When our capital comes back, we can re-lend that money to other organizations in our community.

EAST BAY FLATS

Michigan Community Capital invested in East Bay Flats, a 60-unit housing complex in a former hotel building with units reserved for at-risk youth and individuals seeking workforce housing. The development is designed to support those seeking a “missing middle” option in our region’s housing market.

OUR INTERMEDIARIES

Our intermediaries put our capital to work in support of local projects, while also providing technical knowledge and additional funding. Our investments attract these institutions to do more work in our region.



ROTARY CHARITIES

Net assets, beginning of year

REVENUE AND GAINS

NorthSky- consulting fees
 Investment return, net of investment fees
 Oil and gas royalty income
 Contributions
 Grants and Other
TOTAL REVENUE AND GAINS

OPERATING EXPENSES AND GRANTS

Program Services
 Grants
 NorthSky
 Management and general
TOTAL OPERATING EXPENSES AND GRANTS

Change in net assets without donor restrictions
 Change in net assets with donor restrictions
 Change in net assets

Net assets without donor restrictions end of year
Net assets with donor restrictions end of year
TOTAL NET ASSETS END OF YEAR

FY 2019

\$48,462,553

FY 2018

\$ 46,890,511

97,100
 1,387,343
 107,825
 500,000
 128,173
 2,220,441

234,390
 3,548,580
 90,118
 500,000
 130,309
 4,503,397

-
 2,331,888
 278,121
 274,894
 2,884,903

-
 2,109,309
 578,543
 243,503
 2,931,355

(715,462)
 51,000
 (664,462)

1,575,630
 (3,588)
 1,572,042

47,789,800
 8,291
 \$47,798,091

48,441,423
 21,130
 \$48,462,553



ROTARY CAMPS & SERVICES

Net assets, beginning of year

REVENUE AND GAINS

Contributions
 Grants
 Rental income
 Sales proceeds, net of cost of goods sold
 Oil and gas revenue
 Investment return, net of investment fees
 Gain on sale of fixed asset
 Miscellaneous income
TOTAL REVENUE AND GAINS

OPERATING EXPENSES AND GRANTS

Program Services
 Camp Grelick
 Discovery Pier
 Rotary Camps
 Administrative and General
TOTAL OPERATING EXPENSES AND GRANTS

Change in net assets without donor restrictions
 Change in net assets with donor restrictions
 Change in net assets

Net assets without donor restrictions end of year
Net assets with donor restrictions end of year
TOTAL NET ASSETS END OF YEAR

FY 2019

\$4,045,389

FY 2018

\$4,139,971

414,928
 54,335
 63,241
 875
 484
 26,975
 106,622
 3,111
 670,571

468,443
 4,820
 46,109
 (1,025)
 400
 63,801
 -
 -
 582,548

-
 324,124
 346,741
 20,013
 92,240
 783,118

-
 275,267
 282,313
 37,970
 81,580
 677,130

(116,307)
 3,760
 (112,547)

(79,748)
 (14,834)
 (94,582)

3,905,831
 27,011
 \$3,932,842

4,022,138
 23,251
 \$ 4,045,389

*Our fiscal year runs from July 1 to June 30.



GOREC

Rotary Club President Clarence Greilick envisioned an outdoor space for teaching woodlore, leading to the 1923 purchase of the land that became Camp Greilick. In April of this year, Rotary Camps & Services hired Director Jamie Lewis Hedges to bring new life to that vision. Jamie weaves his experience in outdoor education with the Rotary vision of a legacy for the community.

What becomes possible when people engage with nature?

"The research on the benefits of time spent outdoors and in nature is indisputable. And I think our society is now reflecting this. In Michigan, the outdoor recreation economy generates \$2.1 billion in state and local tax revenue. Clarence Greilick's vision was ahead of its time, and for GOREC, this is our time to help create passion for our natural world."

12 Learn more at www.explore Gorec.org



How do your experiences as an educator inform your work as the leader of GOREC?

"I've been an adjunct college professor since 2004, and have found that experience truly is the best teacher. But my favorite classroom is the outdoors. That's where you can engage with some of life's greatest lessons. GOREC's 500 acres and proximity to public land is a phenomenal classroom."

Our region is well known for recreation opportunities, and we're lucky to have amazing stewards here. In your eyes, how can GOREC fit into the web of outdoor opportunities that surrounds it?

"GOREC gets people outside and teaches best practices for what to do when they get there. Our classroom between Traverse City State Forest and Brown Bridge Quiet Area is a basecamp to even greater adventures. We can support solo trekkers on the North Country Trail, Great Lakes kayak expeditions, and more. We are also offering day, weekend, and week-long events that can instill confidence, judgment, and leadership. By developing our offerings, we can support recreational opportunities and stewardship in the region, and be a pathway to the outdoor industry."

How can GOREC carry the legacy of Service Above Self - Rotary's central principle - into the future?

"I say I'm half hook and bullet, half tree huggin' dirt worshiper. It's been satisfying to see disparate groups like hunters and climbers come together in the support of public lands. Those communities reached past ideology to advocate the greater good: outdoor spaces that are a legacy for our country. GOREC has the potential to be a space for a diversity of people to come learn "woodlore". A hundred years ago, that meant skills to survive our world. Today, that means skills to help our world survive."

Everyone has their spot: this one is yours. What inspired the messaging for your first GOREC marketing campaign?

"If there's anything that defines an outdoorsman or outdoors woman, it's that they have one particular place that becomes so special, they hesitate to tell anyone about it. GOREC gives people 491 wooded, lakeside acres in the middle of Great Lakes and Northern Michigan outdoor destinations to explore, live, learn and find their own spot. This place embodies the Traverse City Rotary Club's slogan, a legacy for the community. In 2023, GOREC will celebrate 100 years of helping youth and adults enjoy the outdoors. And together, we are creating a space to be enjoyed by all for another 100 years."





DISCOVERY CENTER & PIER

"We'll be undertaking our strategic planning fall 2019, but it's safe to say that two areas of focus will be the pier and partnerships. We hope to develop a universally-accessible pier and small marina where folks of all abilities can access the bay - to fish, kayak, or take advantage of a program or recreational opportunity offered by our partners. I look forward to working alongside our partners on-site and new partners in the community to help us accomplish our mission of connecting people of all ages, needs and abilities to water."

-Matt McDonough, Discovery Center & Pier's first CEO, who assumed the helm in July, 2019.



OUR PARTNERS

Our partners bring Discovery Center & Pier to life. They use recreation, education and advocacy to cultivate Great Lakes stewards of all ages.

MARITIME HERITAGE ALLIANCE

"The pier will act as a beacon to bring the public to the bay front."

-Doug Roberts, MHA President

ON TRACK TO SERVE OVER

6,000

STUDENTS WITH EXPANDED PROGRAMMING.

INLAND SEAS EDUCATION ASSOCIATION

"We are excited about the ADA accessibility to our ships that the pier upgrades are going to provide, allowing us to reach more individuals. We are also excited about ramping up our youth boat building activities from our new facility on the Discovery Center campus."

-Fred Sitkins, Executive Director of Inland Seas Education Association

BROUGHT

\$1.5 m

IN GRANT FUNDING TO THE WATERSHED IN 2018.

THE WATERSHED CENTER

"The Watershed Center is thrilled to have recently moved our office to the Discovery Collaborative. We are excited to use that space to take advantage of opportunities to learn and collaborate with other water-related organizations. Along with this new space, we are also looking forward to the strategic planning process that will form a clear vision for the Discovery Center and Pier that will better connect people to Grand Traverse Bay."

-Christine Chrissman, Executive Director of The Watershed Center

31,289

VISITORS TO MUSEUM IN 2018.

GREAT LAKES CHILDREN'S MUSEUM

"We are looking forward to seeing how we can help our DCGL partners better accomplish their missions by bringing an early childhood perspective to the discussion."

-Michael Long, Executive Director of Great Lakes Children's Museum



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Jamie Lewis Hedges, GOREC Director
Nick Killian, GOREC Program & Education Manager
John Noonan, Program Director



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