

PRESIDENT'S ANNUAL MESSAGE TO THE MEMBERSHIP

Christa Walck, KLT President

I'm going to take a little risk here. I'm going to use the T word, the word that every media outlet repeats daily without surcease: Terror. On C-Span yesterday, Michigan's Senator Debbie Stabenow was using the T-word liberally. I listened closely. But she was not talking about terror from foreign extremists wishing us harm. She was talking about terror from the escalating price of prescription drugs, terror in the lives of those who had to make a hard choice between medicine and food. She repeated the word terror again and again, emphasizing that this terror was very real and very near, implying that we may ignore it as we rush to secure our homeland against the other terror so much in the news.

Don't get me wrong. The external threats to our security are real and we need to pay attention. But as Stabenow suggested, they are not the only threats to "homeland security," to our quality of life, indeed to life itself. There are other significant threats as well. The threat of the price of land escalating beyond the reach of ordinary citizens. The threat of land so degraded by agricultural and industrial practices that it cannot sustain life. The threat of sprawl that chews up our farmland, forestland, and wetland at a reckless pace. The threat of pollution from car and snowmobile exhaust reaching our wildest places, choking life from the air we all must breathe. These too are terrors that are very real and very near. Yes, I watched the towers fall, again and again, in slow motion and in fast, in disbelief. I also watch the land fall around me, acre by acre, in slow motion and in fast, in despair—habitat lost, beauty gone, soil and water contaminated. This too is a terror I would like to end.

In a new collection of essays, Small Wonder (HarperCollins, 2002), Barbara Kingsolver responds to the events of September 11. She observes that the terrorists did not try to "strike down our redwood forests or our fields of waving grain. Striving to cut us most deeply, they felled the towers that seemed to claim we buy and sell the world....I wish our national anthem were not the one about bombs bursting in air, but the one about the purple mountain majesties and amber waves of grain. It's easier to sing and closer to the heart of what we really have to sing about." (p. 29). I agree.

On the day after the towers fell, I attended a meeting of local folks, most of whom had never been out East, never seen the towers of New York City. While they were shaken by the television images, they also admitted that it felt remote to them—it had happened there, not here. I understood. It can be hard to feel the impact of destruction in faraway places—the Everglades, the rainforests, the deserts of Afghanistan. But what about here, right here in the Keweenaw? Our shoreline is under threat of the surveyor's plat; our forests are under threat of sale to meet our rapacious appetite for paper; our water is under threat of diversion to thirsty places and contamination by underwater drilling. These threats are right here, right now. We think it cannot happen here, but it can. It is.

The security of our own homeland, the Keweenaw, depends on the will of every inhabitant to work for its protection. In the pages that follow, we report what the Keweenaw Land Trust has done this year to protect our home and earn your trust. As you will see, we have been very busy, and need your help. Please join a committee. Volunteer your time. Contribute financially if you can. We have a lot of work to do.

TREASURER'S REPORT

Prepared by Steve Albee, Treasurer

Fiscal Year 2002 (ending June 30, 2002)

I. Statement of Revenues and Expenses

Revenues:	2002	2001
Memberships	\$6,555	\$4,515
Donations	4,787	-----
KLT T-shirt sales	20	42
Mason's pancake breakfast fundraiser	----	200
Interest on accounts	247	63
Grants	<u>5,000</u>	<u>-----</u>
Total Revenues	\$16,609	\$4,820
Expenses		
Photocopies, publications, and postage	\$1,007	\$673
Computer services and supplies	231	340
Meeting expenses (Annual, workshops)	2,429	561
P.O. Box and Bank Box Rental	110	110
Land Trust Rally and other travel	600	-----
Organizational Memberships (LTA)	225	475
Liability Insurance (LTA comprehensive)	750	450
Indemnity Bonding and Incorporation Renewal	100	110
Title insurance and document recording fees	631	-----
Property taxes	-----	762
Professional services and independent contractors	3,920	532
Donations:		733
Northwoods Conservancy, 7-mile Point purchase	400	-
Michigan Nature Association	100	-
Houghton-Keweenaw Conservation District	<u>300</u>	<u>-----</u>
Total Expenses	\$10,803	\$4,600
Net Revenue	\$5,806	\$ 220
Carryover	<u>\$6,707</u>	<u>\$6,347</u>
Current Funds Available	<u>\$12,513</u>	<u>\$6,567</u>
Restricted Funds	\$ 4,989	
Non-Restricted Funds	\$ 7,524	

TREASURER'S REPORT (continued)

Fiscal year 2002 (ending June 30,2002)

II. Statement of In-Kind Donations*

Board members, member volunteers, and friends contributed in-kind donations of time, professional services, equipment, space rentals and out-of-pocket expenses:

	2002	2001
Total Hours	1,850	822
Valued @ \$10/hr.	\$18,500	\$8,220
Professional services, equipment and space rental	2,137	300
Miscellaneous out-of-pocket expenses	2,043	107
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Total	\$22,680	\$8,627

* In-kind items utilize the same definition as cash categories to reflect the value of services, and materials which are provided to KLT by volunteers or outside parties at no cash cost to KLT.

III. Endowment Funds

	2002	2001
Keweenaw Community Foundation Endowment Fund	\$25,735	\$18,204

IV. Land Assessed Value

	2002	2001
Paavola Wetlands Preserve (40 acres)	\$10,600	\$ 7,600
Sixmile Creek Preserve (200 acres)	28,026	28,026
Marsin Conservancy (40 acres)	<u>20,000</u>	<u>-----</u>
Total	\$58,626	\$35,626

The KLT Board of Directors is grateful to everyone who donated their time, funds, and land to advance the mission of the Keweenaw Land Trust! Thank you!

KLT COMMITTEE REPORTS

First, a note about KLT committees. At the beginning of each fiscal year, Board members choose to serve on KLT committees, and each committee also includes member volunteers. This year, the heavy workload, overlapping committee responsibilities, and significant organizational development activities meant that the Board often acted as a “committee of the whole.” So, although we list formal committee membership and report activities under each committee’s formal responsibility, the work of many committees was only accomplished by a true team effort across the Board.

MEMBERSHIP COMMITTEE REPORT

Members: Pat Toczydlowski (chair), Jim Boyce, Dave Harmon, Dana Richter

I. Membership

Current membership: 141 households
New members: 25 households
Net increase in 2002: 13 households

Membership categories remain: Basic \$20, Protector \$50, Guardian \$100, Steward \$250, Conservator \$1000.

II. Activities

Board members sent personalized mailings with annual reports and newsletters to solicit memberships this year. This was a successful way to recruit new members.

All Horse Tail Scramble participants and donors were sent newsletters this past year. At the next Scramble we will clearly identify what portion of donations reflect membership and what reflects endowment contributions. Cards and letters of appreciation continue to be sent to all donors to KLT.

III. Future Plans:

- Maintain membership by keeping members informed about our activities and accomplishments.
- Solicit new members with interesting activities such as the visits of Glenn Chown from Grand Traverse Conservancy, and Peter Forbes from the Trust for Public Land.

LAND MANAGEMENT AND OPERATIONS COMMITTEE REPORT

Members: Steve Albee (Chair), Joe Kaplan, Greg Kudray, Dana Richter, Mark Roberts,
Pat Toczydlowski,

I. Activities

This was a very busy year for land management and operations. We completed a number of projects begun last year; applied for grants in partnership with local units of governments to acquire and protect land; and initiated negotiation and baseline data gathering for conservation easements on three KLT members' properties.

In April the Copper Country Masons donated an additional 10-acre parcel to the Paavola Wetlands Nature Preserve, bringing the total preserve to 40 acres and adding frontage on U.S Highway 41 Historic Corridor. We can now announce the existence of the preserve with a sign on US 41, and provide access with an expanded nature trail. KLT is again grateful to the Masons for this gift and looks forward to continued partnership developing the nature preserve. Special thanks go to CC Masons Jim Baker, Howard Anderson, and Bob Bessonen for bringing this land transfer to a successful conclusion.

In May KLT received a 40-acre land donation from Mary Sinish to establish the Marsin Conservancy. This property is off the Houghton Canal Road past Schmidt's Corner, adjacent to the Red Brick Road. The baseline documentation for the property includes a master plan for the creation of a nature trail and parking area. KLT member Dana Richter worked with Mary for over a year to incorporate her ideas for a nature education center into her donation. We thank Mary for her generous donation and look forward to moving ahead with work on this preserve.

We are also happy to report that the Kingsley-Kinzel conservation easement donation to KLT is now complete after a year's work. This easement contains 490 acres of cutover forest land between Lake Annie Road to the east and the Hancock Canal Road (M-203) to the west, in the Spring Creek watershed in Quincy Township. Terry Kinzel and Sue Ellen Kingsley's dreams include allowing the land to reforest itself while managing it as an uneven-aged Northern Hardwood timber stand, and keeping it undeveloped for community non-motorized recreation (this property includes part of the Churning Rapids ski trails, which connect to Maasto Hiihto). KLT members Steve Albee and Greg Kudray worked with Terry and Sue Ellen to bring this project to completion.

In January the Michigan Department of Environmental Quality's Coastal Management Program announced a \$7 million grant competition for coastal and water quality restoration projects in the Great Lakes region. This is a one-time appropriation through the U.S. Department of Commerce. Only state and local units of government were eligible to apply, but they could partner with non-profit organizations and boost maximum funding to \$500,000 per application. KLT partnered with the City of Hancock and Keweenaw Nordic Ski Club to apply for a grant to protect the Swedetown Creek Gorge, and with the Houghton-Keweenaw Conservation District (HKCD) to protect shoreline at Dan's Point near Copper Harbor. The grant applications totaled \$751,700 and if awarded will fund purchase of the properties by the units of government and conservation easements by KLT. Both applications have passed the first cut in the process, and final

determination of the awards will be made in fall 2002. KLT members Valorie Troesch and Christa Walck put in the lion's share of the work on developing these two grant applications, and KLT thanks the City of Hancock, the Keweenaw Nordic Ski Club and HKCD for partnering with us and working to complete the grant application on such short notice.

Currently we have are working with three KLT members on conservation easement donations on their properties to KLT. One landowner resides along the Covered Road, another has land bordering the Lake Superior shoreline near the North Entry, while the third has land encompassing a portion of the old electric railway right-of-way near Highway Location. The amount of land being considered for protection through conservation easements totals approximately 200 acres.

II. Future Plans

- Look for ways to work more efficiently in handling inquiries and processing applications, and examine best ways to develop a stewardship program that involves landowners as partners in the process of protecting the conservation easements on their land. Based on the number of inquiries we received this year, it appears that KLT's land protection program is attracting the attention of members and friends.
- Summer 2002: This summer we have our first KLT intern, Salvadora Hernandez, a graduate student in Michigan Tech's Environment and Public Policy Program. She will work primarily with the Land Management committee under the guidance of KLT member Mark Roberts. Thanks for joining us, Salvadora!

PUBLICATIONS & EDUCATION COMMITTEE

Members: Christa Walck (chair), Emily Fiala, Valorie Troesch

I. Activities

Publications this year included two newsletters, a new web page, a planned giving brochure for fundraising, and our annual report. Our newsletter continues under the editorship of Valorie Troesch, with contributions from many board members. The newsletter is a major outreach effort to members and has grown in size. We are always interested in member feedback on the newsletter and suggestions for articles.

Thanks to the diligent efforts of web designer Sue Hill, we finally made good on our promise to produce a KLT web page. It can be found at www.keweenawlandtrust.org. Much thanks to Sue for the donation of her time and talents to make this web page a reality. The web page includes extensive information on our preserves, model conservation easements for members interested in pursuing this option for land protection, copies of our newsletters, and extensive links to other websites.

Outreach activities included public talks on land conservation by invited guest speakers, community presentations about KLT, activities at Paavola Wetlands Preserve, and building connections with other land trusts.

We have had an active speakers series. In June 2001, Tina Hall from The Nature Conservancy spoke at our annual meeting, and in August 2001, Glenn Chown from Great Lakes Regional Land Conservancy gave an inspiring public talk. This year, Renee Kivikko from Land Trust Alliance-Midwest is our annual meeting guest speaker, and she will also facilitate discussion of our proposed land protection plan. We have begun planning for a November workshop with Peter Forbes from the Trust for Public Land.

KLT Board President Christa Walck represented KLT on a community panel on land use organized by the Copper Country League of Women Voters, and KLT member Dana Richter gave a presentation on KLT at the new speaker's series at the Little Gem Theater in Lake Linden.

Two public events were held at the Paavola Wetlands Preserve—the third annual Snowshoe Walk on January 1 and a celebration of the additional donation of 10 acres by the CC Masons in May.

Finally, KLT is linking with other land trusts to increase our effectiveness. KLT is a participating member of a newly-formed Lake Superior Land Trust Partnership which includes land trusts and agencies involved in land protection in the Lake Superior watershed in both the U.S. and Canada. Organized by Renee Kivikko from Land Trust Alliance-Midwest, this group meets every other month in Ashland, WI, and is working to strengthen the land trust community's capacity to protect the watershed. Another opportunity to connect with other land trusts was the Land Trust Alliance Midwest regional meeting in Ann Arbor in April, at which KLT President Christa Walck gave a workshop on community outreach.

II. Future Plans

- Continue our speaker series with a public talk and workshop by Peter Forbes, the Trust for Public Land, in November 2002. Watch the web page for details.
- Update the webpage regularly to inform members about KLT activities between newsletters.
- Continue participation in the Lake Superior Land Trust Partnership; work toward a capacity building grant.

FUNDRAISING COMMITTEE

Members: Steve Albee (Chair) , Terry Kinzel, Sue Ellen Kingsley, Valorie Troesch, and Pat Toczydlowski.

I. Activities

Building KLT's endowment continued to be our committee's major focus. The Horse Tail Scramble was our sole fund-raising effort this year, and generated \$4,583 for the endowment. This included \$1,375 in challenge pledges from Bruce Rukkila, CPA, Mike Lahti, State Farm Insurance, and an anonymous contributor. Portage Health System and Keweenaw Memorial Medical Center again supported the Fitness Walk/Run as part of their community wellness programs.

KLT member Valorie Troesch developed a KLT brochure outlining planned giving choices for members and friends interested in long-term support of KLT. It was distributed in a newsletter mailing early in 2002, and additional copies are available by request. Depending on each individual's circumstances, planned giving can provide income, estate, and property tax advantages to the donor.

With the help of the Keweenaw Community Foundation, KLT is developing a brochure to solicit endowment contributions and remind members and friends about the Michigan tax credit which allows donors to claim 50 cents of every dollar contributed to the KLT Endowment as a tax credit on Line 21 of their Michigan Income Tax return. Individuals can receive a tax credit of up to \$100, and joint filers up to \$200.

II. Future Plans

- Send a mailing to members in November reminding them about the Michigan tax credit.
- July 4th: 5th Annual Horse Tail Scramble (and 10th Annual Fourth of July Celebration) at Churning Rapids. Seek more local business sponsorships for the Scramble.
- **If** the grant is approved, fundraise for KLT's commitment to provide \$10,000 in matching funds for the \$493,000 grant request to acquire properties and permanent conservation easements on the Swedetown Creek Gorge in Hancock. (Note: this is small part of the total match of 25% of the grant amount.)

BOARD DEVELOPMENT COMMITTEE REPORT

Committee Members: Emily Fiala (chair), Jim Boyce

I. Activities

As KLT grows as an organization, planning and development activities become critical to success. This year the KLT Board expended considerable time and energy on a series of development and training activities.

After completing KLT's strategic plan in March 2001, the Board recognized the need to build organizational capacity in order to accomplish the plan's goals. We invited Glen Chown, Executive Director of the Grand Traverse Regional Land Conservancy, to join us in August 2001 to speak to the issues of improving our organizational effectiveness and productivity. Glen gave an inspiring public presentation in August, 2001, and conducted a Board workshop the following day that encouraged us to apply for an organization development grant from the Land Trust Alliance Great Lakes Land Trust Matching Grants Program. With Glenn's assistance, KLT President Christa Walck wrote a successful capacity-building grant application for a \$5000 grant (with a \$5000 in-kind match of time and materials). The grant funded an assessment workshop; a workshop to set land protection priorities; the mapping of land protection priorities using GIS-techniques; and assistance with developing a larger grant to fund KLT staff.

In January, LTA-Midwest Director Renee Kivikko conducted the Board workshop to assess our organizational strengths based on LTA's Land Trust Standards and Practices. This exercise

reaffirmed many strengths, but also brought to light areas where we can do better, including establishing a budget tied to a work plan, and a proactive (vs. reactive) land protection program. KLT Treasurer Steve Albee subsequently developed a budget.

To develop a proactive land protection program, we hired Conservation Impact in Boulder, Colorado, to facilitate a February workshop for the Board and several active KLT members to develop a strategic set of land protection priorities. Criteria were developed to identify focus areas, which were then identified and prioritized. KLT member Keren Teschler subsequently produced a GIS map of the focus areas. The results of this workshop will be presented and discussed at the June 25, 2002 KLT Annual Meeting.

Other ongoing activities related to board development included the orientation session for new Board members on October 1, 2002, conducted by KLT Vice-President Emily Fiala; KLT President Christa Walck's attendance at the national Land Trust Rally in Baltimore, MD, where she gathered the latest information on land trust activities to share with the KLT Board; and the committee's continuing efforts to identify members and others in the community who can strengthen our organization with their contributions to a KLT committee or the Board. We are particularly interested in hearing your suggestions in this matter.

Finally, we thank Mike Duschene, Baraga, for his service on the Board in 2002, and regret his early resignation due to the demands of his new job as Conservation Officer at Keweenaw Bay Indian Community.

II. Future Plans

- Complete our LTA grant in consultation with Glen Chown of GTLRC to prepare a three-year staff capacity-building grant.
- Follow-up assessment of Board and organizational strengths and weaknesses by developing action steps.
- Recruit new Board Members from Keweenaw and Baraga Counties.