

2016 Annual Report
Ernest C. Oberholtzer Foundation



MALLARD ISLAND IN RAINY LAKE

A STILL, CALM MORNING ON MALLARD

PHOTO BY DOROTHY ZERBE

Organization incorporated in 1964, a 501(c)3 nonprofit and a private operating foundation

Employer ID # 41-6042619 ~ Visit www.eober.org

**"The Ernest C. Oberholtzer Foundation maintains Ober's legacy
and north woods island home as a source of inspiration, renewal, and connection
to Indigenous Peoples, kindred spirits, and the natural world."**

Dear Friends of Mallard Island and the Oberholtzer Foundation,



How do I encapsulate a year when it is the details that made it shine? I write this page with a great deal of humility as I begin my tenth year in this role as executive director. Today, I also write looking back from my desk in April, since today over one-quarter of 2017 has already passed.

Three themes stand out from 2016: One is smooth transition of board leadership; one is resilience in a storm, and a final theme is about the forward-thinking of planning and design.

Our board of directors is a loyal bunch, to be sure. What fun to work with a group of leaders who all show up! Our board tenure allows three five-year terms (that's right, *fifteen* years!) and in June we witnessed the transition of five (!) board members: Jean Sanford Replinger, Jim Davis, Robin Monahan, Mary Swalla Holmes and Harry Sweatt. Each of them brought strong and colorful threads to the quilt that is this particular board of directors, and we miss them. I am proud about the peaceful and grateful transition that we made, and I'm energized by the newcomers.

Resilience again showed up as a theme when four tree-workers, having arrived on a July Sunday to do some "trimming," experienced a late evening micro-burst of wind unprecedented on Mallard. The sound was explosive and the cracking horrific. Elaine and Steve Thrune were down in the Front House, and Mandy and Tim Youngquist were in Ober's Big House on the other end of the island. In 20 minutes it was all over, yet in the darkness the four could not reach each other. All were safe, they soon determined, and they chose to sleep the darkness away. In the morning, it took a couple of hours to be able to traverse the 1100 foot island. Eleven trees were completely broken or downed, some up by the roots, others, like one huge spruce just east of Bird House, were snapped like toothpicks. The miracles in all of this were a) that all were safe, b) that their chainsaws were sharpened and ready, and c) that these four workers were able to cut, stack, drag and clear the trees-- allowing Island program weeks to continue unabated. Everyone who saw the ragged stumps were grateful, all summer long.



Finally, I speak of planning. This year the board completed a Strategic Plan, and one that is good reading, too! Our goals will be modified some, across the next few years, but they are forward-thinking and they give spine to the work ahead of us. The endowment campaign was part of that planning. You are a part of all that, too, and this report names every volunteer and donor. We intend to use our written plan; it won't gather dust on a shelf. Special thanks to Peggy Anne Smith, board secretary, for all she did to facilitate the process and help finalize the plan document. (copies are available)

With our renewed mission, we go forward into 2017. I'm excited to see how many of the summer weeks now reflect the intention to put Indigenous Peoples back into the center of our mission. We will also again begin the summer with ceremony. Stay with us; keep reading our newsletters; enjoy your own summer seasons and please hold this tiny, rocky island with all of its big ideas in your hearts. We can't do it without a community, without folks like each one of you.

Beth Waterhouse ~ Executive Director

[Stump photo by Jami Gaither] -2-

Accomplished by Everyone during 2016: (a partial listing)

- ❖ Ten of Ober's favorite planning or travel maps were digitized and are now available at <http://reflections.mndigital.org>, through the University of Minnesota Digital Library.
- ❖ The board of directors put the island's and organizational values in writing.
- ❖ We added ceremony and fasting to the beginning of the summer season.
- ❖ New wood storage shed; newly refurbished composter down at Front House.
- ❖ Three new summer programs: women poets, landscape architects, and healing plants.
- ❖ Excellent clean-up after the July 5 storm that left eleven trees down on Mallard Island.
- ❖ All Island weeks were filled-- summer attendance on Mallard reached 138 (w/30% new).
- ❖ Excellent board development committee planning work has begun.
- ❖ We dug deeply into the Robert Hugh Monahan files to glean more of our history.
- ❖ Our Strategic Plan was approved in September. Copies are available upon request.
- ❖ Endowment Campaign reached 60% of goal in its major donor phase-- went into the public phase with an October special mailing to 1,000. [Has now reached 77% of goal.]
- ❖ Six new Trustees Emeritus were named in the fall 2016, *Mallard Island Newsletter*.
- ❖ Determination set to improve safety of swimming areas with no-wake buoys in 2017.

A Word from our Board President, Jim Fitzpatrick

This spring we hope that we will see the true meaning of the phrase “April showers brings May flowers.” What a cool wet spring we are having here in Ober's land. But the birds are back, and soon Mallard Island will be bustling with new people for the summer. I hope and trust that they will all be directed to review the new strategic plan that the Board of Directors has developed and agreed upon for the next three years beginning this past January.

The year 2016 was a glorious year, because every time I was on Mallard we had sunshine. It was a big year in terms of the Board where we had five long-standing Board members phase out in June and two new members join us. Some of those we said farewell to were friends of Ober himself, and those folks are hard to find nowadays. We also had a board development committee begin work on finding who we all are and what we each do best, so the board is renewing itself.

Perhaps the most important thing we did was to come out of the woodwork with our Endowment Campaign, because we had attained 60% of our \$500,000 fundraising goal. So we asked everyone on our mailing list (over 1,000 people) to make some form of a pledge or one time contribution to our endowment. Many people came forward, and we are pleased to say that we are now at 77% of our endowment goal. We're working to find new donors to finally take us over the top. I know we can do it. We have the rest of this year and 2018 to finish the campaign. Thank you to all of the donors to both the Endowment Campaign and for Annual Operating Funds. You'll all see yourselves listed in this report.

We discussed an item of some importance, and it was finalized at our early 2017 meeting. It had to do with water safety around all of the Review Islands. For quite some time now everyone has noticed heavy and very fast boat traffic between Crow and Grassy Islands. This traffic is heaviest on July weekends and holidays. This year we have been given permission to put out six “Slow No-Wake” buoys around the islands to direct traffic to either slow way down or go around Gull, Mallard and Crow Islands. This is to keep the traffic in between all of the islands safe for swimming and canoeing. We will be working with the Koochiching Sheriff to enforce the new buoys and keep those waters calm and safe.

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~ Jim Fitzpatrick (continued on page six)

**Statement of Operating Revenue and Expenses – Unaudited
Ernest C. Oberholtzer Foundation - for Calendar Year 2016**

REVENUE (rounded to nearest dollar)		<u>% of total</u>
Funds from Previous Fund Campaigns (spent this year)	1,410	1%
Grants from Foundations	15,500	15%
Dividends and Interest from Investments	14,377	14%
Revenue from Oil & Gas Royalties	13,800	14%
Donations from Individuals this year	21,204	21%
Program Fees for Island Use in 2016	20,600	20%
Sales of photos, prints, and books	1,166	1%
Funds from Unrestricted Assets in Operating Reserves (1x)	<u>14,022</u>	14%
Total for Year.....	\$ 102,079	

EXPENSES (rounded to nearest dollar)		
Staff Salary / Wages and benefits	46,837	
Island Utilities / Organizational Storage	2,441	
Administration and Fundraising (Insurance here)	17,455	
Board Meeting Expenses and Travel	10,203	
Outreach and Education (newsletter costs here)	3,145	
Archives and Collections Management	567	
Direct Summer Program Expenses	4,320	
Capital Improvements & Repairs (all volunteers and reuse!)	90	
Forestry Tasks (greatly multiplied by volunteer energy)	1,410	
Equipment Replacement (new boat motor this year)	8,039	
Book and Archival Projects supporting the Legacy	1,156	
Contingency / Misc. costs and Excise Taxes	<u>1,785</u>	
Total Expenses.....	\$ 97,448	
Transfer to emergency fund*.....	<u>5,000</u>	
Total for Year.....	\$102,448	
Excess / Deficit, Operating Costs	(\$ 369)	

This was a very “normal” year except for the replacement of a boat motor. We assumed no new expenses due to the summer storm. Endowment expenses (special mailing with brochure, etc) show here in the Admin/FR line. Salaries support one person at 65% time plus two summer staff people working 4 weeks ea. on the island. * Note: Each year, the board designates \$5,000 to a self-insurance/emergency fund. The total by year-end 2016 in that fund, co-mingled in our investments, was \$55,000. ~ Due in part to the effect of the designated endowment campaign on other giving patterns, we needed to pull from unrestricted operating reserves this year.

Portfolio of Investments—held with Robert W. Baird & Co., Chicago, Illinois
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With the assistance of Ms. Rosa Ebling at R.W. Baird & Co, Chicago, the Foundation manages a diverse portfolio of investments. Total investments as of 12-31-16 were valued at \$664,180 (increase of 6.8% in value this year). We benefit from \$235,077 in donor-designated endowment gifts as of year end. Special thanks are extended to Rebecca Wallenfelz and Antoinette Hickey of Chapman & Cutler LLP, Chicago, for their assistance with legal and tax compliance over many years. We could not accomplish what we do without our friends in Chicago.

Recognition of Volunteers & More

Work Week Volunteers

Don Maronde
Michael Reid
Sue Nielsen
Ann De La Vergne
Craig Fernholz
Anneliese Stuhlt
Doug Kelley
Sherry Rovig
Nance Kunkel
Mairi Doerr
Vickie Heggen
Peggy Anne Smith
Mary Alice Smith
Janet Wilkinson
Jackie Comito
Laura Kelly
David Jackson
Mary Swalla Holmes
Emily Larscheidt

Archives Week Volunteers

Kristen Eide Tollefson
Ted Tollefson
Sue Carver
Elizabeth Hutchins
David Duggan
Bernard Derr
Gordy Paquette
Paula DeMars
Clay Gustafson
Lisa Gustafson
Jane Lund

Special Thanks to our Newsletter Layout Editor,

Nance Kunkel

Mallard Island Caretakers during 2016

Mairi Doerr (*)
Mary Swalla Holmes
Emily Larscheidt
Prudence Johnson (*)
Jane Lund
Elaine and Steve Thrune
Jennie Ross
Judy Blais
Diane Tessari
Mark Granlund
Jim Fitzpatrick
Laura Pawlacyk
Danielle Sosin
(*) summer program directors

Steadfast Island Opener and Closer Volunteers

Pam and Darrell Rundell
& the Rundell family
David & Nancy Markwardt
Tim Heinle
Gary & Gaila Olsen
Joe & Rosemary B. Spillane
Don Maronde

Incoming Caretaker Trained this Summer

Paula DeMars
Daniel Laurence Andersen

Special Thanks to 2016 Forestry Volunteers on All Four Islands

Elaine and Steve Thrune
Tim and Mandy Youngquist
Kevin and Amber Wagner
Blake Fisher

Endowment In-Kind Assistance in 2016:

Karen McCall
Minuteman Press Central
Tim and Joan Heinle

Gifts Expand the Frances Andrews Build- ing Endowment Fund

At year end 2016, the Frances Elizabeth Andrews Building Endowment Fund sat at a generous total of \$70,000. Proceeds from this endowment (counted within the main endowment total) were specially raised in the name and legacy of Frances E. Andrews, Ober's friend and patron during his years on Rainy Lake. Your gift can join this building fund.

Our Office Has Moved: Excelsior to Edina, MN

In mid-April 2017, Beth Waterhouse and Don Maronde have moved. Therefore, the new home office address is: 4370 Brookside Court, #205, Edina, Minnesota 55436. Mail is being forwarded for some time. All phone numbers and email contact information remains the same as in prior years.

Ernest C. Oberholtzer Foundation Board of Directors: (current in 2017)

- Jim Fitzpatrick Hastings, Minnesota
- George Glazier Devens, Massachusetts
- Mark Granlund St. Paul, Minnesota
- Tim Heinle Scottsdale, AZ and Ranier, MN
- Bob Hilke International Falls, Minnesota
- Alicia Johnson Placitas, New Mexico
- Pebaamibines (Dennis) Jones Minneapolis, MN and Ontario
- Charles A. Kelly Tucson, AZ and Ranier, MN
- Denise Lajimodiere Moorhead, Minnesota
- Bob Norbie Great Falls, Montana
- Michael Reid St. Paul, Minnesota
- Margaret (Peggy) Anne Smith Thunder Bay, Ontario
- Diane Crawford Tessari Excelsior, Minnesota
- Elaine Thrune Sartell, Minnesota (retiring in June)

President's Letter, continued from page three

Though the week of the July 4th holiday was a “rest week” on Mallard, that was certainly not true for Mother Nature. She conjured up some very heavy winds on July 5th, and eleven large trees came tumbling down, some even uprooted. Luckily, Steve and Elaine Thrune and Tim and Mandy Youngquist were there to do tree work, and within a few days they had the entire island cleaned up. We will have firewood to split for years, and we are very grateful for this help.

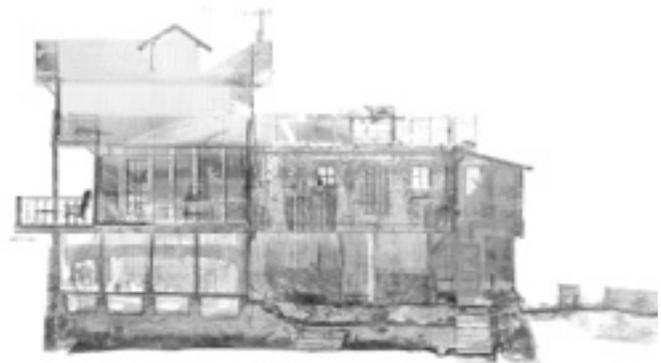
I want to thank all of the island participants and volunteer caretakers for a wonderful year. We could not have made it through without everyone's participation. On to 2017!

~ Jim Fitzpatrick

Architects Experience Mallard Island

In 2016, historic landscape architects worked to create a narrative report as well as architectural renderings of a few of Ober's buildings. The Oberholtzer Board of Directors is enthusiastic about this work and looks forward to learning through the eyes and minds of these individuals. Welcome back in 2017!

LiDAR scan of Big House, by Dana Lockett.



2016 Operating Fund Gifts Listed Here:

Michael L. Anderson
Rolf Anderson
Sheldon & Brenda Baker
Ashley & Emmanuel Benites
James Bruggeman
Richard Burke
Susan Carver
Claudia Christiansen
Joanne Church
Jacqueline Comito
Joseph Conrad
Lynn & Jerry Cox
Chapman & Cutler LLP, in-kind
Thomas Dean
Thomas Deupree
Peter Doughty
Barbara Lynn Draper
David & Alice Duggan
Barbara & Laverne Dunsmore
Rosa Ebling
James & Janet Edlund
Bruce & Marlene Ehresman
Charlene Erickson
Paula Fayerman
Carmen & Sally Fernholz
Katie Fernholz
Karen & Doug Franchot
Jami Gaither
Kristen Garey
Brent Gish
Mary Graves
Richard & Jan Green
Janet C. Green
John R. Gregg
Christopher Hale
Mary Harrelson
Bonnie Haugen
Tim & Joan Heinle
Robin & Randy Hilfer
Bob Hilke (& Eddie Blaha)
Mary Swalla Holmes
Elizabeth Hutchins
David & Colleen Jackson
Philip Jemielita
Wendy Kay Jerome
Alicia & Jim Johnson
William E. Johnson
Campbell & John Jolly
Nancy Jones
Larry & Jo Kallemeyn
Patricia Kallsen
Brenda Kayzar
Martin & Esther Kellogg
Gayle M. Knutson
Nance Kunkel
Barbara LaMotte
Minnesota Land Trust
Paul & Kay Larsen
Barbara LaVallaur

Liz Magee
Doriene Marshall
Barbara Mattson
Margo McCreary
Harry G. McNeely, Jr.
Gladys Meade
Ward & Linda Merrill
Robin Monahan
Robert and Ancy Morse
David H. Moss
Lynn Naeckel
Richard Niemi
Bob Norbie
Laurie Oberholtzer
Gary & Gaila Olsen
Eric L. Olson
Martha Otis
Richard Paper
Thomas J. Paper
Carol Pavleck
Sheree Peterson
Martha Greene Phillips
Roger & Constance Powell
Daniel Ray
Michael & Anne Reid
Eric Replinger
Daniel Rieppel
James Robertson
Marilyn Rohlfing
David Rolloff
J. Arlene Ronda
Jennie Ross
Lavonne Schildt
Julia Schmitt
Diana & Stewart Sheldon, Jr.
George & Ruth Simmons
Steve Robert Simmons
Wallace & Rose Simpson
Charles W. Skrief
G. Barton Sleper
Mary Alice Smith
Peggy Anne Smith
Danielle Sosin
Gloria Stapp
Diane & Tom Stevens
Miranda Stone
Margaret Mary Sulentic Dowell
Diane Crawford Tessari
Elaine & Steve Thrune
Paul Van Gorp
Jean Velleu
Jim & Dawn Voegeli
David Walsh
Ann Marie Waterhouse
Beth Waterhouse
Bob & Elaine Waterhouse
Lois Whitcomb
Dennis & Cleora White
Michael & Mary Williams
Carol Zapfel

*Endowment Donors are listed on
the insert to this report.*

Foundation Gifts:

Dorsey Whitney Fund
Longview Foundation
Winter Wheat Foundation

Gifts in Honor or In Memory of Family and Friends:

Sheree Peterson, a gift in honor
of Jean Sanford Replinger

Endowment Pledges were made this year in mem- ory of the following:

From Kathy Kirchner, Joe Ben-
nett, Thomas Bennett, Ruth and
Dave Hoff and Phyllis and Dale
Callaghan, gifts given in mem-
ory of Elizabeth & Larry Doyle.

Mairi Doerr, a pledge in mem-
ory of her parents, Henry and
Katherine Doerr.

Barb and Dave Fisher, a gift in
memory of Dr. Mary Ghostley.

Robert C. Waterhouse, a gift in
memory of Elaine Waterhouse.

Joe and Nancy Paddock, a
pledge in memory of Nancy's
sister, Janet Pearson. Patricia
Brophy also donated in memory
of Janet.

Paul and Kay Larsen and Ann
and Barry Sampson, a gift in
memory of their sister, Melinda
J. Larsen.

~ ~ ~

*Thank you! The island is verg-
ing on its centennial, and the
legacy of Ernest Oberholtzer is
at least that old and growing in
its importance to the history of
Minnesota. Your memorial gift
is a lasting one.*

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