



Kalamazoo River Community Recreational Foundation 2019-2020 Annual Report



Letter from the Chair

Welcome to the seventh annual report of the Kalamazoo River Community Recreational Foundation. The Foundation was established in 2013 to provide for the long-term care and support of five public access sites to the Kalamazoo River. I'm pleased to report those sites continue to serve well an ever-expanding base of river enthusiasts and novices, and the Foundation remains in excellent financial condition.

Our work continues to focus on improving the experience of river users which is becoming a popular trend with other funders in the local community. With assistance from the Enbridge Donation Fund Program and other local philanthropic groups, the City of Marshall is implementing a significant improvement to Ketchum Park. With guidance from the Foundation, a master plan for the park was created, and the Foundation continued to assist the Ketchum Park Advisory Committee with design reviews and fundraising advice. The Cronin Pavilion and Confluence Garden are scheduled to open in 2020.

At Calhoun County's Historic Bridge Park, the Foundation offered insights to the process of restoring raingardens along with funding from the Enbridge Donation Fund Program. The raingardens help in protecting the ecology of Dickinson Creek, a tributary to the Kalamazoo River and a designated cold water trout stream, by intercepting rainwater from the parking lot, allowing sediments and pollutants to settle and cooling the runoff before it enters the creek.

Our own Ceresco Green will see improvements in the form of a restroom through efforts initiated in 2019. A meeting in Ceresco was held to gain thoughts about the site and the need for the restroom, and a Special Use Permit was granted by Marshall Township. The addition of the restroom offers river users the same conveniences provided at Saylor's Landing and Paddler's Grove.

The Foundation remains healthy, with the endowment value in 2019 reaching nearly its original amount through thoughtful investment and careful expenditures. While Angler's Bend is temporarily closed due to the reconstruction of the M-311 crossing of the Kalamazoo River, Saylor's Landing, Paddler's Grove, and Ceresco Green continue to draw users in growing numbers. In addition, the contributions of a committed and active Board of Directors continue to keep the Foundation focused on advocating for a vibrant, healthy, and attractive Kalamazoo River.

Sincerely,

Brad Shamla
Chair

Background

The Kalamazoo River Community Recreational Foundation (KRCRF) was established by Enbridge Energy, Limited Partnership, as part of a pledge to restore the local river environment following a large oil release into the Kalamazoo. Enbridge's goal of increasing public access and fostering the enjoyment and appreciation of the river and its surroundings is evidenced by the responsible and expanded recreational activity seen on the river. The Kalamazoo River Community Recreational Foundation, created in 2013, continues to advance that goal by ensuring a series of sites are perpetuated as a safe and legal means of public access to the Kalamazoo River.

Mission

As stated in its Articles of Incorporation, the Foundation's mission is to support public access to the Kalamazoo River and provide for the ongoing care and maintenance of amenities located in Calhoun County, Michigan, including stewardship activities, and to foster appreciation and enjoyment of the river and its surroundings.

The Kalamazoo River is one of the most significant natural resources in Calhoun County and a valued natural recreational asset in Southwest Michigan. Perpetuating four river access sites and funding certain maintenance activities of Historic Bridge Park through the Foundation ensures they will serve generations of river users and Calhoun County residents and visitors.

Beneficiaries and Programming

The Kalamazoo River access sites remain the primary focus of the Foundation's activities. Between its most upstream location at Saylor's Landing to Paddler's Grove at approximately 11.6 miles downstream, the river access sites support convenient, safe, legal and perpetual access to the river. With a new pavilion and water access being constructed by the City of Marshall at Ketchum Park, river users will have a new opportunity for engaging Rice Creek, a major tributary of the Kalamazoo River. Foundation directors played a significant role in assisting volunteers of the Ketchum Park Advisory Committee in creating a master plan for the park, helping to shape philanthropic support for a new pavilion, and defining design directions for the new pavilion and river access. While the Foundation, through the Enbridge Donation Fund Program, provided the bulk of the project's funding, other donors contributed significantly to making the project a reality. Construction began in Fall 2019 and is scheduled to be completed in 2020.



The Cronin Millrace Pavilion under construction at Ketchum Park. (Courtesy of the Ketchum Park Advisory Committee)



Implementing the Ketchum Park Master Plan with ongoing upgrades made possible through a grant from the Enbridge Donation Fund Program. (Courtesy of the Ketchum Park Advisory Committee)

The Foundation, again through the Enbridge Donation Fund Program, contributed funding to a memorial in honor of Tiffany Welsh that was implemented at Ceresco Green. The memorial was dedicated as part of the annual *Kanoe the Kazoo* event that began at Ceresco Green and finished at Paddler's Grove. Tiffany was a tireless supporter of the Kalamazoo River and advocate for the creation of improved public river access. She lost her battle with cancer in 2019. A memorial situated on the banks of the Kalamazoo River is fitting for her long-time efforts to improve the river.



More than any other entity, those choosing to recreate on the Kalamazoo River are the ultimate beneficiaries of the Foundation. (Courtesy of the Kalamazoo River Watershed Council)

With increasing use of the river, the river access sites continue to see greater visitation. Our contractor continues to serve these sites well, keeping them attractive and functioning. Still, directors have noted the potential for illegitimate activity at these sites, particularly at Paddler's Grove which is somewhat remote in its sparsely populated neighborhood. To limit activity that might discourage appropriate use of Paddler's Grove, the Foundation will invest in a camera surveillance system in 2020. The cost of this system is minor in comparison to ensuring the comfortable and secure use of the site for hundreds of legitimate users each year.

The Foundation is working toward a significant improvement at Ceresco Green, where a restroom will be implemented to serve river users. Funds gained from the Enbridge Donation Fund Program will support the design and construction of the restroom project. While Saylor's Landing and Paddler's Grove provide full-service restrooms, Ceresco Green offered no such comforts, even as the site serves as the beginning, end, or stop-over point for just about every river journey in this reach of the Kalamazoo River. The Foundation is working toward implementation of the restroom during 2020.



Preliminary design for Ceresco Green restroom, located near the dam remnant and the river.

Note that in 2019 as part of bridge refurbishing near the Angler's Bend site, it was determined by the Michigan Department of Transportation (MDOT) that a portion of the site was owned by the State of Michigan, not Tri-State Holdings LLC (Tri-State) as indicated during the original real estate transaction. As a result, MDOT has asserted its ownership right, compelling Tri-State to remove the site amenities and discontinue public access until bridge work is completed, at which time site conditions will be reevaluated and access to the river restored by Tri-State. There are physical site limitations at this property, especially since MDOT extended the guard rail a considerable distance near the site and the topography is very steep off the edge of the road. The Foundation has been in communication with MDOT, and they still consider this an active work site until June of 2020.

While care of the river access sites is key to the Foundation's mission, the long-term success of the Foundation comes from its more expansive efforts related to the Kalamazoo River community. The Foundation continues its support of Kanoë the Kazoo, the community's signature event on the river that brings together nearly a hundred canoeists and kayakers for a float typically beginning at Ceresco Green and ending at Paddler's Grove.

Enbridge Donation Fund Program

During early 2019, the Foundation finalized its role in disbursing funds made available through the Enbridge Donation Fund Program with a single grant in the amount of \$1,471 to the City of Battle Creek/Kanoe the Kazoo to erect a memorial at Ceresco Green in the name of Ms. Tiffany Welsh, an environmental manager for the City of Battle Creek and a long-time steward of the Kalamazoo River. The grant from the Donation Fund was matched by funds and in-kind contributions from other entities and individuals. After distributing more than \$3.5 million over the last several years, the Donation Fund program is now discontinued.

Special Project Funding

Outside of the core purpose of the Foundation to support the five river access sites, the Foundation may grant special project funding to support cooperative and/or unique opportunities that will significantly contribute to the overall goal of enhancing public access on the Kalamazoo River, including stewardship opportunities. These projects advance the Foundation's mission but fall outside of the Foundation's primary funding objectives. In 2019, there were no special project grant applications outside of the Enbridge Donation Fund Program.

Partnerships

Calhoun County Parks and Recreation

Calhoun County, through its Parks and Recreation Department, owns and manages Historic Bridge Park, one of four county park and trail facilities. Enbridge, with approval by the Calhoun County Road Commission, facilitated significant improvements to Historic Bridge Park in 2011 and 2012. The costs of maintaining and operating those new introductions to the park are addressed as a part of the Foundation's endowment. The goal of this gift from Enbridge to the County was to create an improved park that would generate increased use by the public. The improvements continue to draw park users in great numbers.

The county is making improvements to Historic Bridge Park using funding from the Enbridge Donation Fund Program including restoration of raingardens and an expansion of pavement areas under picnic tables.



View of the Kalamazoo River at Historic Bridge Park. (Courtesy of Calhoun County)

Balance Sheet Summary
As of December 31, 2019
(in thousands)

Financial Management

Enbridge endowed the Foundation in 2013 with a contribution of \$2.5 million. The amount was based on the ability to cover projected annual operating costs of the Foundation, including administration, annual site operations and maintenance, and long-term replacement costs of site infrastructure. In 2019, the Foundation's investment portfolio participated in an exceptional market environment, resulting in approximately \$290,000 of growth that was not budgeted. The Board does not anticipate this type of outsized financial gains on a regular basis.

The Foundation's Finance Committee meets throughout the year to track expenses and prepare a budget for consideration by the Foundation's Board of Directors. The committee also consults with the Foundation's financial advisor to review the Investment Policy Statement and determine any necessary modifications. As outlined in the 2019 Foundation budget documents, no changes were recommended to the Investment Policy Statement.

Looking Forward

The Kalamazoo River Community Recreational Foundation continues to advance our mission through the direct care for Ceresco Green, Saylor's Landing, Angler's Bend, and Paddler's Grove and the provision of funding supporting the partial care of Historic Bridge Park. Through its *Capital Improvement Program*, the Foundation plans for long-term replacement of site features through capital reinvestment aimed at perpetuating the originally constructed improvements at the river access sites. As part of its 2020 budget, the Board of Directors directed over \$17,000 toward capital improvements at the river access sites.

	2018	2019
Financial Assets	2,562.4	2,795.9
Liabilities	0	0
Income	263.6	464.5
<i>Investment Income</i>	(107.7)	464.5
<i>Ceresco Green grant</i>	371.3	0
Expenses	156.3	169.7
<i>Site Maintenance</i>	73.9	85.2
<i>Special Projects</i>	0	0
<i>Insurances</i>	10	9.6
<i>Foundation Management*</i>	52.3	55.8
<i>Investment Advisor/Fees</i>	15.3	15.2
<i>Accounting</i>	2.2	2.5
<i>Legal</i>	0	0
<i>Federal Income Tax</i>	2.6	1.4
Grants	0	0
Total Net Assets	2,562.4	2,795.9

*Includes Administration, Trust management fees, Director reimbursements, and 2019 tax filing consistent with the Foundation's financial statements.

	2018	2019
Enbridge Donation Fund	883	0
Liabilities	0	0
Fund Balance	47	0
Income	2.7	0
<i>Donation Fund</i>	2.7	0
Grants	939.8	1.2
<i>Donation Fund</i>	939.8	0

(numbers shown in thousands)

Foundation Board of Directors

The Foundation welcomed one new Director who began their term in 2019 and reappointed one. Mike Moeller, Director Great Lakes Region, Enbridge, was appointed and Lisa Wilson, Director, U.S. Law for Enbridge, was reappointed and will continue her role as Secretary to the Board of Directors.

The current Board of Directors is comprised of the following members:

Brad Shamla, Chair

Vice President, U.S. Operations, Enbridge

Michael Schroeder, President

Robert Yaremko, Treasurer

Director, Accounting, Liquid Pipelines, Enbridge

Lisa Wilson, Secretary

Director, U.S. Law, Enbridge

Michael Moeller*, Director

Director, Great Lakes Region, Enbridge

Meredith Powell, Director

Bryan Stiemsma, Director

Manager, Environment Line 6B, Enbridge

*Appointment effective January 1, 2019

Board Committees

Finance Standing Committee	Director Recruitment Ad Hoc Committee	New Initiatives Charged by the Board Ad Hoc Committee*
Meredith Powell	Vacant	Mike Moeller
Michael Schroeder	Meredith Powell	Meredith Powell
Lisa Wilson	Bryan Stiemsma	Michael Schroeder
Robert Yaremko		Bryan Stiemsma

*This ad hoc committee was originally charged with assessing the relationships with the Calhoun Conservation District and Calhoun County. The KRCRF Board of Directors later charged this ad hoc committee with other initiatives including assessing the need for a restroom at Ceresco Green and evaluating potential ownership options for the river access sites.

Foundation Administrator

If you would like additional information, please contact:

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Volunteer and Make a Difference

If you would like to volunteer, please contact the Foundation.