



*2018 Annual Report*

SERVING, HELPING,  
SUPPORTING  
*Our* COMMUNITY



# YOUR GIFTS ARE BUILDING A STRONG FOUNDATION *for today and for the future.* **THANK YOU.**

**OUR MISSION:** To receive and administer funds to support the mission of McLaren Northern Michigan and support programs that enhance the well-being of the community.

**OUR PROMISE:** You will have unwavering confidence that your gift will be optimized to provide superior patient care and knowledge that your generosity will impact you, your family, and your community for generations to come.

**CONTACT US:** We would love to meet with you or send you more information about how you can make an impact. Please contact us at:

McLaren Northern Michigan Foundation  
360 Connable Ave., Petoskey, MI 49770-2272  
(231) 487-3500  
[mclaren.org/NorthernMichiganFoundation](http://mclaren.org/NorthernMichiganFoundation)

**WHO WE ARE:** The McLaren Northern Michigan Foundation is a supporting organization of McLaren Northern Michigan. Both are 501(c)(3) nonprofit organizations committed to providing quality health care in northern Michigan.

**AREAS WE SUPPORT:** We provide funding in support of programmatic needs, major equipment, minor equipment, patient and colleague assistance, educational scholarships, facilities, and IT improvements for the following:

- Boulder Park Terrace
- McLaren Adult Day Center
- McLaren Home Care & Hospice
  - ~ Cheboygan/Otsego Region and the Cheboygan Hospice House
  - ~ Petoskey/Emmet Region and the Hiland Cottage
  - ~ Rogers City/Alpena Region
- McLaren Northern Michigan
  - ~ Cheboygan Campus
  - ~ Petoskey Campus

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**2019 BOARD OF TRUSTEES:** Elise F. Hayes, Chair | Robert (Ham) Schirmer, Vice Chair • Matthew J. Frentz, CPA, Treasurer • Miriam Hollar, Secretary • Kal Attie, MD • Robbie Buhl • Steven C. Cross • Arthur G. Hailand, III • Patrick Leavy • Marilyn Kapp Moran • Deborah K. Nachtrab • Julia M. Norcross • James Schroeder, PhD • Darcie Sharapova, MD • Tracy Souder, M.A. CCC-SLP • Pamela L. Wyett • Jennifer Woods, Interim CEO, McLaren Northern Michigan • Patrick J. Schulte, CFRE, Vice President & Chief Development Officer, McLaren Northern Michigan Foundation

# DEAR FRIENDS

2018 was an exciting year! Your generosity enabled us to disburse **\$6,862,669** to McLaren Northern Michigan and its affiliates. Your gifts provided educational scholarships, patient assistance, hospice care, major medical equipment, and more. You can read about all the ways we put your funds to work on page 8.

We also launched the public phase of the Building the Future of Health Care Capital Campaign and disbursed **\$4,400,000** to the hospital for the transformational new wing (see page 11). Philanthropy is such an important part of this project, and we are grateful to each of you who have contributed.

We are so thankful for your support. The following pages highlight some of the amazing people who are making a difference for patients today and tomorrow. Their stories are representative of all of your stories.

Together, you are helping, serving, and supporting our community.

Thank you,



PATRICK J. SCHULTE, CFRE  
*Vice President &  
Chief Development Officer*



ELISE F. HAYES  
*Board Chair*



## Donor Highlight: **BILL McMASTER**

**P**etoskey is his hometown, it is where he owns his business and where he gives back. Just over a year ago, Bill McMaster was attending the Petoskey Chamber Breakfast for Champions and he began having a heart attack. Bill went in to the emergency room later that day and was soon having surgery.

“I’m just so grateful that I went in when I did, and that the doctors were able to save my life,” said Bill. Like so many others, he’s filled with appreciation for his medical team.

Bill’s heart attack could have ended differently if it weren’t for the amazing care he received at McLaren Northern Michigan. Bill is grateful for his care, which allowed him to return to farming and to service. Bill not only serves on the boards of several nonprofits in town, he’s offered his support to the Building the Future of Health Care Campaign.

“The hospital was here for me when I needed it. I’m building the future of health care for my friends and family and for my community. They all deserve to have health care when they need it, too,” said Bill.

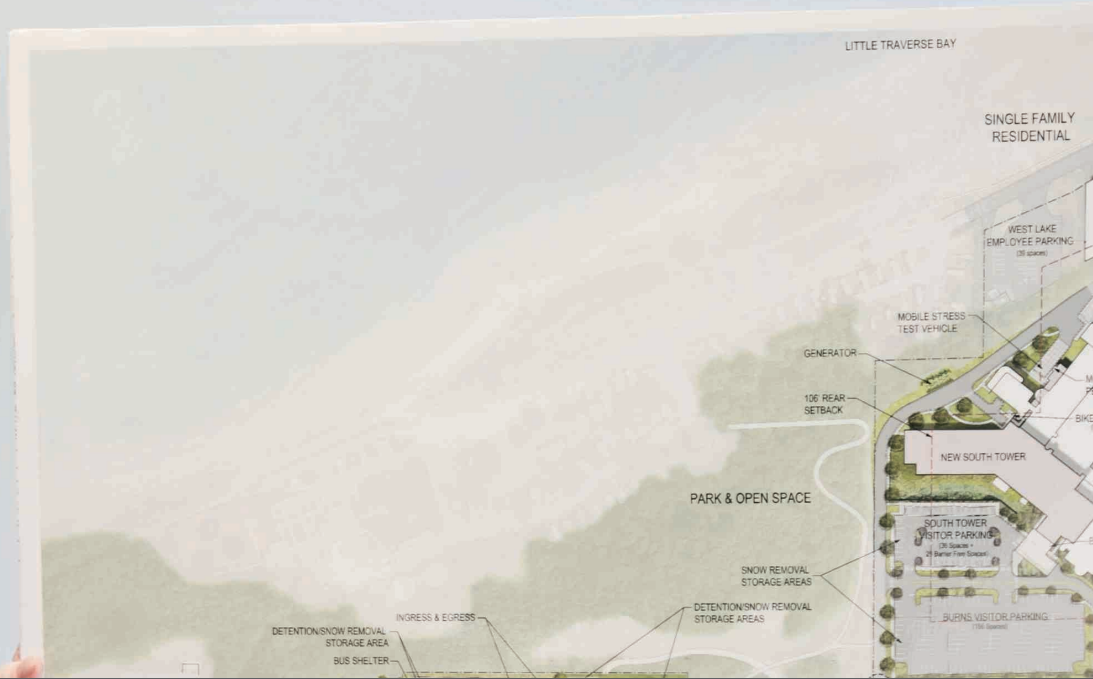
*“The hospital was here for me when I needed it. I’m building the future of health care for my friends and family and for my community. They all deserve to have health care when they need it, too.”*

—BILL McMASTER



*Bill McMaster, Owner, Bill's Farm Market, gladly supports the Building the Future of Health Care Campaign.*

# HELPING HIS COMMUNITY



*Donna Rudy, Director of Surgical Services, helped develop the plans for the new surgical suite.*

# SERVING HER COMMUNITY



## Donor Highlight: **DONNA RUDY**



*"It was important to me to support this project, because I believe in it. I think it is going to be great for the communities we serve."*

—DONNA RUDY, BSN,  
MSNH, CNML, CNOR,  
Director of Surgical Services



Donna Rudy has been a nurse for the past 41 years. With experience as an educator, clinical supervisor, and director, Donna, Director of Surgical Services at McLaren Northern Michigan, oversees a staff of nearly 100. Her primary goal is making sure the operating rooms run efficiently and effectively so that caregivers can do their jobs well and patients can receive the best care possible. With 35-40 surgeries in a variety of specialties every day, Donna must coordinate countless details to ensure that each procedure runs smoothly.

Donna has played an instrumental role in the development of the new surgical suite, which is part of the Building the Future of Health Care Project currently underway. She created multiple opportunities to seek input in the operating room design from the medical professionals who will be using them. "It was important to get feedback from the surgical team members who would be utilizing

the new operating rooms every day. A lot of people have had input into the new suite," she said.

Some changes to the rooms include increasing the room size to fit necessary larger equipment and more team members; adding storage for easier access to sterile instruments; and mounting booms to the ceilings for easier access to monitors, camera boxes, and lights. "Trying to retrofit our current facility would have been really, really difficult," said Donna. "The new operating rooms are going to greatly increase our efficiency and workflow." She adds that the new waiting rooms and patient areas will also make things more comfortable and private for families and patients.

Donna has not only contributed her time and expertise to the project planning, she has also contributed financially. "It was important to me to support this project, because I believe in it. I think it is going to be great for the communities we serve," she said.

## Donor Highlight: **CATHY KALAHAR**

Cathy Kalahar believes the hospital is “the heart of the community.” Since her first gift in 1985, she has given consistently to McLaren Northern Michigan for the past 32 years.

Cathy is well acquainted with the medical field, having worked as a child psychologist for over 20 years, and having walked with several family members (including her longtime partner, Marana Tost) through illnesses.

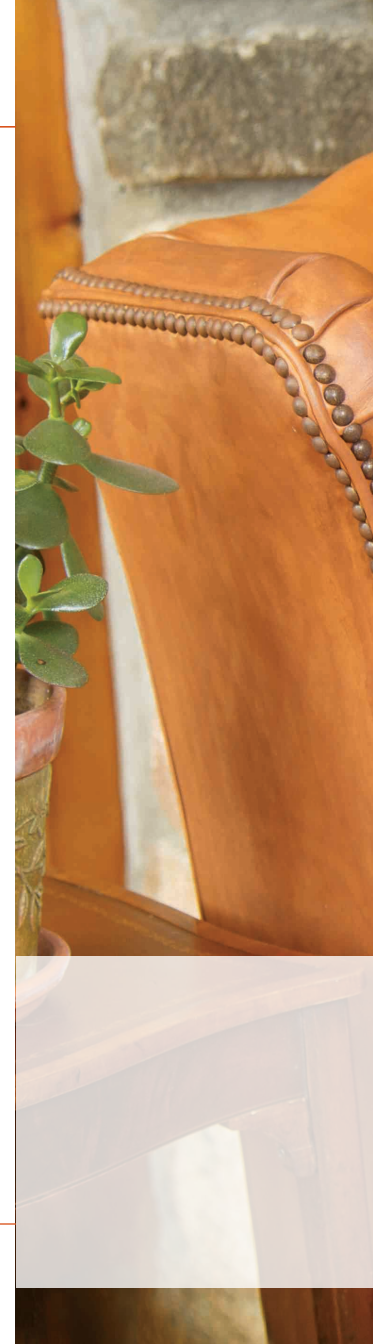
In 2014, Cathy established the Marana W. Tost Oncology Endowment Fund, which honors Marana, who passed away from cancer in 2011. The fund, managed by Cathy and Marana’s niece and nephew, has distributed more than \$35,000 to help oncology patients with costs associated with the continuum of care from diagnosis through hospice.

Cathy also established the Tost and Kalahar Family Pediatric Assistance Fund, which helps children and their families pay for travel to specialists in other cities.

Recently, Cathy made a significant pledge to support the Building the Future of Health Care Capital Campaign. “The hospital is so vital,” she said. “It is crucial to our community and surrounding areas. It is certainly due for an update, and I think it is great that the update is happening now.”

*“I think the hospital is the heart of the community... It provides health services, employment, education. It is crucial to our community and surrounding areas in the region.”*

—CATHY KALAHAR







*Cathy Kalahar supports multiple health care projects for her northern Michigan neighbors.*

# SUPPORTING HER COMMUNITY

# YOUR GIFTS MADE AN INCREDIBLE IMPACT

Fiscal Year 2018: Oct. 1, 2017-Sept. 30, 2018

In fiscal year 2018,  
**2,657 donors**  
**GENEROUSLY GAVE**  
 contributions totaling  
**\$19,094,168**  
 to support programs  
 and the building project.

Our **return on investment** was **\$6.85**  
 for every \$1 spent on fundraising and management  
 and administrative costs.

Investment earnings from our  
 restricted funds and endowments  
**EARNED**  
**\$1,383,854**

Our cost to raise a dollar was **\$0.15**

**EXPENSES TOTALED**  
**\$2,790,377**

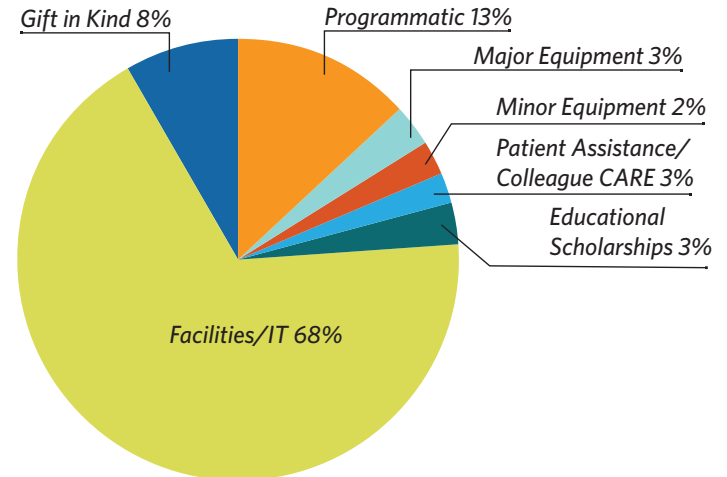
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**\$1,805,686**  
 FUNDRAISING

**\$984,691**  
 MANAGEMENT AND  
 ADMINISTRATIVE COSTS

**FY2018**  
 Year-End  
 Disbursement  
 Report  
*October 1, 2017 - September 30, 2018*

**\$6,862,669**



	FY2017	FY2018
<b>REVENUE</b>		
Contributions	\$17,272,639	\$19,094,168
McLaren Home Care & Hospice Grants*	\$92,967	\$232,685
Investment Earnings	\$2,639,618	\$1,383,854
<b>TOTAL REVENUE</b>	<b>\$20,005,224</b>	<b>\$20,710,707</b>
<b>EXPENSES</b>		
Fundraising	\$1,120,432	\$1,805,686
Management & Administrative	\$1,379,234	\$984,691
Grants & Contributions Disbursed (see pie chart on the left)	\$4,149,383	\$6,862,669
<b>TOTAL EXPENSES</b>	<b>\$6,649,049</b>	<b>\$9,653,046</b>
<b>NET ASSETS</b>		
Unrestricted Funds	\$12,650,741	\$12,378,835
Restricted Funds (including Capital Campaign Commitments)	\$19,826,046	\$28,899,344
Permanent Endowment Funds	\$8,959,654	\$10,563,271
<b>TOTAL NET ASSETS</b>	<b>\$41,436,441</b>	<b>\$51,841,450</b>

\*Contributions were paid directly to McLaren Home Care & Hospice Adult Day Center, but were raised by the Foundation staff.  
For a complete copy of our audited financial statements, please contact our office.

OUR FOUNDATION IS VIABLE AND STRONG,  
WITH NET ASSETS OF OVER **\$51 MILLION.**

## Your Donations at Work in Your Community

Every dollar you give is invested in health care and wellness initiatives, programs, people, and facilities that provide services for our community members. As we work together, our communities grow stronger.

In 2018, the Foundation disbursed **\$6,862,669** to McLaren Northern Michigan for the Building the Future of Health Care Project, and for additional programs and services, a selection of which are listed below.

*Here's how we put your donations to work:*

<p><b>CARDIOLOGY SERVICES:</b> <b>\$164,331</b> <i>Special equipment, ultrasound machines, heart pillows for patients, continuing education</i></p>	<p><b>CHEBOYGAN CAMPUS:</b> <b>\$79,306</b> <i>Campus upgrades, orthopedic surgical instruments, new equipment for cardiac rehab</i></p>	<p><b>BUILDING THE FUTURE OF HEALTH CARE PROJECT:</b> <b>\$4,400,00</b> <i>New wing site preparation and construction</i></p>	<p><b>McLAREN HOME CARE &amp; HOSPICE:</b> <b>\$475,199</b> <i>Care and comfort for Hospice patients, Adult &amp; Child Bereavement Programs</i></p>	<p><b>DIALYSIS CENTER:</b> <b>\$19,056</b> <i>Food supplements, dialysis machine, continuing education</i></p>
<p><b>REHABILITATION:</b> <b>\$26,802</b> <i>Car simulator, Parkinson's disease therapy programs, three-wheel bicycle, pool supplies, Autism therapy program</i></p>	<p><b>ONCOLOGY:</b> <b>\$300,409</b> <i>Nurse Navigators, bella blankets, cancer support groups, education</i></p>	<p><b>TRAUMA CENTER/ EMERGENCY DEPARTMENT:</b> <b>\$51,619</b> <i>Pediatric patient comfort bags, defibrillator, ultrasound machines, Stop the Bleed Community Training</i></p>	<p><b>WOMEN AND CHILDREN'S SERVICES:</b> <b>\$124,917</b> <i>FitKids360 program, newborn hearing screening equipment, fetal heart monitors, Child Life Therapist position</i></p>	<p><b>SURGERY:</b> <b>\$12,762</b> <i>Surgical instruments for orthopedics, urology, and neurosurgery</i></p>

Disbursed in 2018: **\$4,400,000**

## Your Generosity Paves the Way for Growth

In July 2018, the Building the Future of Health Care Campaign shifted from the Leadership Phase to the Community Phase, marked by several community celebrations, a ceremonial groundbreaking at the construction site, and outreach to our northern Michigan communities.

Your commitment to Building the Future of Health Care has amazed us. Thanks to you, we were able to begin the project in 2017 with site preparation and construction. As of September 30, 2018, we disbursed \$4,400,000 to the hospital to begin this work, and your gifts will allow us to continue this important and transformational project that will modernize McLaren Northern Michigan for future generations.

Thank you!



*Here's what your gifts have done so far:*

**PHASE 1:** Site Preparation • *Completed*

- Underground Utility Upgrade / Relocation
- New Cooling Towers
- New Mobile PET / CT Dock
- New Location for Maintenance Garage
- New Fuel Tanks
- New Patient / Visitor Parking
- New Staff Parking Lot / Shuttle
- Jackson Street Realignment
- Certificate of Need approved by the State of Michigan



*Here's what is coming up in 2019:*

**PHASE 2:** Construction • *In Process*

In the coming months, work will be focused on the following areas.

- Creating Model Patient Rooms • *Completed*
- Excavating and Building Earth Retention System • *Completed*
- Pouring Concrete Foundation
- Fabricating / Erecting Structural Steel
- Installing New Emergency Generators
- Renovating the Robert W. Considine Heart and Vascular Center

## Grant Highlight: IT'S NEVER 2 LATE

### **Therapeutic Technology Helps Boulder Park Terrace Residents**

Hands-on programs on an interactive computer at Boulder Park Terrace range from Skype and email to coloring, fishing, and matching games. Patients can also enjoy sermons, Ted Talks, audio books, and music therapy.

The computer and programming, titled It's Never 2 Late, and paid for by a grant from the Charlevoix County Community Foundation distributed by the McLaren Northern Michigan Foundation, has empowered residents, sharpening mental and physical abilities, and proving that one can interact with technology at any age.



*Guild members gather for the annual Tree of Lights celebration.*

*“Being a part of the Cheboygan Guild has allowed me to feel like I am really giving back to my community, connecting with others, and making a difference in the lives of patients.”*

—BRENDA BUTTS, President,  
McLaren Cheboygan Campus  
Guild

## Volunteer Highlight: **CHEBOYGAN CAMPUS GUILD**

### **Dedicated Support for Local Health Care**

In 1958, a group of Cheboygan women formed what is now the McLaren Cheboygan Campus Guild. For the past 60-plus years, the Guild has worked together to support health care services for the community of Cheboygan. Through fundraisers and special events, these diligent women have raised more than \$163,000 in the past seven years of their association with McLaren Northern Michigan. Funds have supported a vast number of projects at the McLaren Northern Michigan Cheboygan Campus. In 2018, the group held its most successful fundraiser ever, the Taste of Up North/ Peace Pole Auction, which raised \$28,600.

## Service Highlight: **HOSPICE**

**H**undreds of families in our service area depend on hospice services. Thanks to your generosity, patients facing end of life receive the support and care they need. All of your donations stay local, helping families with homemaker services, personal care, transportation, and medical and nursing care. Many patients come to us without sufficient health insurance, and your gifts provide the ability for them to receive services.

*Lucille Hume visits with her friend Sharon Smith at the Cheboygan Hospice House, where Lucille is currently a resident.*



# YOUR GIFTS *Make A Difference.*

We need your ongoing support for McLaren Northern Michigan and its affiliates. Your gifts help provide important medical services, equipment, education, and support. We also need additional funds to reach our capital campaign goal for the Building the Future of Health Care Project. There are many ways you can give today to support your community.

*All gifts to McLaren Northern Michigan Foundation stay local and support programs and services that benefit our community. Thank you for choosing to make health care a priority!*

### *Ways to Give*

- Mail a one-time gift in the envelope provided via a check or credit card number.
- Set up a recurring monthly gift via a check or credit card number using the envelope provided.
- Make a planned gift in your will or estate plan; contact our office or your financial advisor for details.
- Realize significant tax advantages by giving appreciated stock or giving through your IRA.
- Create a lasting legacy by establishing an endowment fund or by making a gift through your will or estate plan.
- Text "GIVE" to (231) 487-6033.
- Give online at:  
[mclaren.org/NorthernMichiganFoundation/giving](http://mclaren.org/NorthernMichiganFoundation/giving)



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Petoskey, MI 49770  
(231) 487-3500

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**Websites:** McLarenNorthernBuilds.org  
[mclaren.org/northernmichiganfoundation.org](http://mclaren.org/northernmichiganfoundation.org)

*SHARE!* Tell your friends and family why you support this project - **#mclarennorthernbuilds**

