

**MINUTES OF THE NOVEMBER 13, 2014 BOARD MEETING  
HIGHLAND COMMUNITY FOUNDATION, INC  
LINCOLN CENTER, HIGHLAND, INDIANA**

Roll Call:

President Jim Dal Santo called the meeting to order at 6:40 PM

- Present – Jim Dal Santo, Paul Doherty, Kathy Grimler, Richard Krooswyk, Cheryl Nicksic, Cecile Petro, Pat Popa and Richard Underkofler. Three members arrived after the meeting began: Ed Stone (6:50 p.m.) Patty Dunham (6:59 p.m.) and Judy Vaughn (7:20 p.m.).
- Absent –Terry Krooswyk, who requested an excused absence.
- Guests: Abe Rivera, Bridget DeYoung

New Board Member:

Motion by Pat Popa to accept a nomination of Richard Underkofler to appoint Abe Rivera to become the newest member of our governing board. Motion was seconded by Cecile Petro. Motion passed by unanimous consent.

Minutes:

Motion by Cheryl Nicksic to approve the minutes from the board meeting held August 7, 2014. Motion was seconded by Pat Popa. Motion passed by unanimous consent.

Guest Presentation:

Bridget DeYoung, President, Highland Main Street and Highland Redevelopment Commission Member asked the Board to consider a motion that would authorize our Foundation to serve as a Fiscal Agent for grants and tax-deductible contributions for the Town Theatre Project until IRS approval is received for 501(c)(3) tax exempt status for a nonprofit organization yet to be organized that would manage, operate and maintain the theater. Richard Underkofler reported the board officers had considered and supported the request. A \$50,000 ArtPlace National Grant application was submitted for restoring the marquee on presumption this motion would be approved. It had an 11/3/14 due date and required identification of a fiscal agent.

Cecile Petro said the Redevelopment Commission Attorney will be helping to organize the nonprofit organization and approving the form of articles of incorporation, bylaws and an application for 501(c)(3) status. Petro said the Redevelopment Commission could be an alternative fiscal agent for which donors could make tax-deductible contributions, but its accounting procedures are more cumbersome requiring time-consuming processes for approval of appropriations and expenditures by both the Redevelopment Commission and the Town Council. She said it could take at least a year for the application for tax exempt status to be approved by the IRS.

Ed Stone said our role as fiscal agent would be limited to receiving contributions and disbursing contributions received at the written direction of a designated officer of the theater's governing board. Underkofler said our role would be equivalent to the fiscal agent role Legacy Foundation assumed for the accounting and reporting of our Operating and Endowment Funds. Although it's been suggested that we should make an arrangement to receive online donations, we

presently do not have that capability except for contributions received on our behalf by Legacy Foundation. Legacy Foundation is willing to establish sub-accounts for donor advised uses in our Endowment Fund, but the administrative time and expense would be confusing to separately account for theatre operations. The third party processing fee for receipt of online donations reduces their value. Checks would need to be made payable to Highland Community Foundation with "Town Theatre" written in the memo line. If a motion is approved to accept a fiscal agent role, an agreement will be drafted for consideration and potential board approval at a subsequent meeting.

Motion by Pat Popa to authorize our Foundation to serve as a Fiscal Agent for grants and tax-deductible contributions for the Town Theatre. Pat said this role would be consistent with our mission to serve as a catalyst for community projects. Motion was seconded by Ed Stone. The motion was approved by all members present except Richard Krooswyk, who voted "No" articulating concern this role may adversely affect our fundraising from potential donors opposed to the project, and Cecile Petro, who abstained.

#### Financial Statements:

- Standard Bank Funds: At October 31, 2014, there was a \$16,595.45 balance in our Operating Fund. Ed Stone distributed a monthly cash flow sheet for funds in this account. It showed a \$15,395.45 balance after checks written in November.
- Legacy Foundation Funds: Legacy Foundation distributes financial statements on a semi-annual basis. At June 30, 2014 there was a \$7,929.87 balance in the Endowment Fund; \$3,738.68 in an Operating Fund, which is restricted for an Ashley Ritz Memorial Sculpture.

#### Secretary's Report:

- Oktoberfest: Net income was \$10,232.19 from our third annual event held October 2, 2015 after expenses of \$5,522.81. A worksheet compared results of this year's fundraiser, the budget and results of previous year's events. Members suggested the event could have been better with authentic German entertainment; locating the buffet line more distant and the bar closer to the patron entrance; and providing tall cocktail tables to encourage more patron interaction. Lowering the ticket price for couples and a lack of sponsors resulted in less income. Kathy Grimler suggested pre-selling tickets for the silent auction or raffle items. The ticket price is considered high, but it has not adversely affected the number of tickets sold. 145 tickets were sold; only 121 tickets were collected. If a ticket was collected from every patron who attended, there were 25 no shows. Motion by Ed Stone to once again sponsor an Oktoberfest on the first Thursday of October 2015 and to request use of the Lincoln Center Banquet Hall as the venue for the event. Motion was seconded by Pat Popa. Motion passed by unanimous consent.
- Neighborhood Spotlight: Our organization was not selected by Legacy Foundation for a grant this year. \$50,000 grants were awarded to Gary and Hobart neighborhoods. Another grant will be offered next year. Jim Dal Santo said he would support submitting another application, but only if Underkofler is willing to manage the project and more active participation is demonstrated by community leaders.

- Endowment Committee: Two meetings have been held. Minutes were forwarded with the meeting agenda for review. The Committee concluded a short list of projects should be recommended for endowment funding. Assisting with the Town Theatre restoration project emerged as a priority, but other projects should be identified for potential donors who do not wish to assist the theatre project. The members favored a community tree inventory and an annual tree replacement program as the next highest priority project. A draft strategic plan update will be considered at the next committee meeting.
- 45<sup>th</sup> Street Project: Phase 1 of the Ambrose Landscaping Service site preparation contract with the Park Board is substantially complete. Three change orders were approved, which reduced the value of the contract from \$55,929.15 to \$49,724.78. A \$3,822.48 retainage has been withheld pending completion and approval of remaining work. The irrigation system donated by Rainmaker Irrigation is complete. Krooswyk Materials donated a plastic cover for the backflow prevention device that looks like a large rock. NIPSCO will provide an electric service drop after a meter is installed and wire is pulled through conduit installed before the concrete work began. Labor and equipment for the electrical service extension is being donated by EMCOR Hyre Electric.

Engraved Brick Paver Sales Committee:

\$2,300 is the value of contributions received for pavers. Our goal for paver contributions is \$20,000 to help underwrite the cost of Phase 2 landscape features at the 45<sup>th</sup> Street Project. Kyle Ambrose, design/build project manager on our 45<sup>th</sup> Street Project, suggested we should replace the temporary sign located on the site with a new one to help market contributions. Quotes were secured from Vision Integrated Graphics, Inc. and Region Signs, Inc. for design, fabrication and installation of a replacement sign to be installed on existing posts. Region Signs submitted the lowest responsible quote. \$275 has been encumbered for this procurement.

Public Art Committee:

Earlier this year, Artist Randy Simko reported he was willing to fabricate and install the Ashley Ritz Memorial Sculpture for a \$16,800 lump sum fee. An installation plan drawing sealed by a design professional licensed in Indiana was desired by Simko and necessary to comply with the Highland Building Code. The sculpture base was installed during the Ambrose site preparation contract. From contributions received for the sculpture, checks were disbursed from our Standard Bank account for design and construction of the sculpture base at a \$7,140 cost: \$700 for geotechnical engineering services by K & S Engineers, Inc.; \$3,000 for architectural design by The Arsh Group, Inc.; \$3,440 for concrete construction by Coex, Inc. After costs incurred for the base, we presently have \$7,030 remaining from contributions restricted for the sculpture. A \$10,000 grant application for the sculpture is still pending from the Dean and Barbara White Family Foundation. Sufficient funds should be available to finance the cost of a sculpture contract if October 30, 2015 is established as the completion date after more grants and contributions are received and income from our 2015 Oktoberfest. A contract with Randy Simko will be drafted for consideration and potential approval at the next board meeting.

New Business:

45<sup>th</sup> Street Project Phase 2 Cost: Excluding the sculpture, plaza pavers and a pergola, \$34,788 was the cost estimate for the Phase 2 contract with Ambrose Landscaping Service during the 2015 construction season. Underkofler asked the board to consider identifying deductible scope of work items, if fundraising is not sufficient by the start of next year's construction season.

Underkofler said a few work items were moved forward by change orders to the Ambrose contract: \$1,400 for four street trees planted along 45<sup>th</sup> Street and \$1,500 for construction management coordination by the Arsh Group. Other scope of work items anticipated in the Phase 1 Ambrose contract will not be claimed or completed this year: \$1,500 was anticipated for Licenses and Permits, but the actual cost was \$415.25; \$1,111.50 was anticipated for seeding that will be postponed until next summer; and, \$500 was anticipated for a backflow prevention device for the irrigation system, which was paid from our Standard Bank account rather than by the Ambrose contract.

If engraved paver sales haven't yielded \$20,000, the deficiency will need to be added to the contract amount to complete the engraved brick paver memorial plaza. A pergola is not planned until the 2016 construction season.

A revised scope of work and itemized cost estimate for the Phase 2 Ambrose contract will be considered at the next board meeting. We need about \$45,349.75 more fundraising revenue to meet budget for operating expenditures, the Simko sculpture contract and a grant to the Park Board to underwrite Phase 2 of the Ambrose contract during the 2015 construction season.

<b>Cash Balance at 11/13/14:</b>		
Standard Bank		\$ 15,395.45
Legacy Foundation		\$ 3,738.68
Town Capital Project Fund		\$ 6,204.37
<b>Sources</b>		<b>\$ 25,338.50</b>
<b>Planned 2015 Expenditures (Excludes Pergola):</b>		
Operating Expenditures		\$ 2,000.00
Simko Sculpture Contract		\$ 16,800.00
Ambrose Contract Grant		\$ 51,888.25
<b>Uses</b>		<b>\$ 70,688.25</b>
<b>Balance Needed by 6/2015</b>		<b>\$ 45,349.75</b>

*Postscript: On the day after the meeting, Legacy Foundation reported a \$200 check had been received from Apache Energy, an employer match to a sculpture donation by Dan Nicksic. There*

*is concern that the balance needed by June next year may be beyond the capability of potential Highland donors.*

Fund Raising Idea: The board members supported follow-up on a proposal to sponsor another fundraising event to be held during the spring that would appeal to a different market of potential donors. Jason Owens d/b/a Beer Geeks, located at 3030 45<sup>th</sup> Street in the mall near our 45<sup>th</sup> Street Project, may be willing to host a craft beer and blues entertainment event together with nearby restaurants.

Election of 2015 Officers: Jim Dal Santo reported Pat Popa is willing to extend her term on the board for another year. All other board officers are willing to serve another term. He asked if other members desired to volunteer. Motion by Cecil Petro to re-elect incumbent officers for the 2015 calendar year. Motion was seconded by Cheryl Nicksic. Motion passed by unanimous consent.

Next Meetings:

- Endowment Committee: Tuesday, December 16, 2014: 6:30 p.m., Lincoln Center
- Next Board Meeting: Thursday, February 12, 2015: 6:30 p.m., Lincoln Center.

Adjourn: The meeting adjourned at 8:02 p.m.

Respectfully submitted,

*Richard Underkofler*  
Secretary