



Shorewood Foundation Board Meeting
Tuesday, November 8, 2022 - 4:30 PM
Cloud Red, 4488 N. Oakland Ave., Shorewood, WI 53211

Attendees: Jean Casey, Rose Spano Iannelli, Steve Kavalasuskas, Patrick Kessenich, Melissa Marschka, Sadhna Morato-Lindvall, Alan Purintun, Jamie Reeve, Matt Simon, Saj Thachenkary, Rebecca Osborn and Christa Shields.

Excused: Carolyn Curran, Mary McCormick

Associate: Annysa Johnson

Guest: Ann McCullough McKaig, Shorewood Village President

Meeting was called to order at 4:33 p.m.

Review/Approval of Minutes: Directors reviewed minutes, and no changes were proposed. Director Reeve moved to approve the minutes. Treasurer Kavalasuskas seconded the motion. The board voted unanimously to adopt the minutes for the September 2022 meeting.

Welcome/Introductions: President Morato-Lindvall welcomed Village President Ann McKaig. President McKaig recapped her tenure in the Village as a volunteer, trustee and now Village President. She updated the Foundation board on several issues and developments in the Village. Among the highlights:

- **Closure of Tax-incremental Financing District 1** (Oakland and Capitol Drive) – This marks the first year that tax revenue will flow to the general fund, increasing the tax base 4.2% and helping to mitigate expected tax increases in a year of high inflation.
- **On economic development** – There are no new TIF proposals currently. However, there are two privately financed projects underway. One, on the former Sunseekers property, will be seeking Village and County support to include affordable housing units.

- **Public Works facility** – After 14 years of study, the Village Trustees have commissioned another analysis of the Public Works facility and are expected to make a decision on its fate in the coming months. President McKaig said the building cannot be remodeled as a public works facility and a decision will have to be made whether to demolish or repurpose it.
- **Village-Schools collaboration** – The “Bi-Board” of school and village representatives have been meeting to discuss their shared interests and how they can partner on issues of equity, diversity and inclusion. They will host a film together on Martin Luther King day.
- **The Ghost Train** – The present Board of Trustees is not interested in maintaining donations for the installation, which has not been fully functional in recent years. The issue has prompted the Trustees to begin formulating a donations policy to ensure that future initiatives are sustainable. Foundation Directors Kessenich and Casey shared correspondence from Development Committee Co-Chair Mary McCormick stating that the Ghost Train is 90% restored and that the Public Arts Committee is exploring options for a maintenance contract. Treasurer Kavalauskas confirmed the Foundation is holding \$17,000 in a dedicated fund that may be used for repairs.,
- **Crime and communications** – President McKaig lauded new Police Chief Heather Wurth, saying Shorewood is not immune to the crime seen in the broader community. President McKaig said the Department no longer sends out Nixle alerts discussing crime but that the Village is exploring other options.

President’s Report: President Morato-Lindvall shared her report while board members were completing their stewardship notecards. She thanked the board for their dedication and support to our community and provided the following updates:

- Board members are invited to attend the Shorewood BID holiday party on December 1 at Buttermint. Sadhna will send a link for people to register.
- Winterfest - the Shorewood BID’s winter event - will be held Saturday, December 5 from 3-7:30 pm; a tree and menorah lighting is scheduled for Wood Square and board members are invited to attend.
- President Morato-Lindvall has invited leaders from SEED, Shorewood BID, Shorewood Mens’ Club and Shorewood Womens’ Club to attend a quarterly informational sharing meeting. The first meeting will be in late January 2023.
- Charlie DeSando is interviewing President Morato-Lindvall next week for his YouTube show, “Cooking Secrets for Men.”

Treasurer’s Report: Treasurer Kavalauskas shared copies of the latest financial statement. Highlights for the two-month period ending 10/31/2022 included:

- **\$25,741 available for new grants**, excluding the Habeck endowment. This is up about \$7,000 from the last report due to general contributions of \$1,500 plus grant and expense adjustments of \$5,500.

- **Dedicated Fund Reductions** – The Police Department fund of \$339.05 was paid out and closed. Friends of Shorewood Nature Preserve is down about \$1,000 due to payment of \$1,592 for the Nature Preserve landscape evaluation and additional donations coming in. The Shorewood Historical Society withdrew \$500 from the Sonja Ivanovich Scholarship fund, which after discussion will be transferred in full to the Historical Society to manage as it is a 501C3. Fourth of July dedicated funds will be eliminated on the next financial report and listed as Fourth of July campaign income (similar to Annual Appeal campaign); funds will be available through the General Fund.
- **Grant(s) to be paid out** – \$1,000 for the Women's History project/Shorewood Historical Society.
- **Budgeted expenses** – Adjustments were made to line items to match year-end projections.
- **YTD revenue** – Benjamin Fund Maintenance Fee line item added of \$1,592. Contribution income rose about \$1,470, including \$756 in tips earned from the Shorewood Feast bartending event; two gifts totaling \$700 and \$14 from Amazon Smiles were received.
- **YTD expenses** – Dedicated funds paid out total \$4,000 for Friends of Atwater Beach, Friends of Shorewood Nature Preserve, Shorewood Police Department and Sonja Ivanovich Fund (AB, FSNP, Police, Ivanovich). Approved Foundation grants paid totaled \$6,500 (Friends of Shorewood Nature Preserve, Village/Library DEI Youth Programming).
- **Other operational expenses** – up per normal billings.
- **Benjamin Fund** – Down \$79,000.
- **Habeck Fund** – Down \$87,000.
- **Treasurer Kavalaszkas recommended** the Audit and Finance Committee undertake a review of the Treasurer's Report to ensure it reflects changes in the Foundation's finances due to the Habeck Fund. Director Simon shared this will be covered in his report.

Committee Reports:

Finance & Audit Committee Report: Director Simon updated the board on the 10/31/22 meeting between Foundation officials (Simon, Morato-Lindvall, Kavalaszkas) and Baird regarding the status of the Habeck and Benjamin funds. Performance of both funds was down, however, the Habeck Fund outperformed the Benjamin Fund because it includes investments in private real estate and private equity. Director Simon and Treasurer Kavalaszkas agreed a six-month check-in with Baird would be prudent. Baird suggested no change in the Foundation's investment policies or allocations. Simon said the committee may formalize disbursements from the Habeck Fund, but any changes would be brought to the full board for a vote.

Director Simon also updated the board on plans for a review of the Foundation's financial policies and procedures by the accounting firm Scribner & Cohen. The Foundation's bylaws require an annual audit. Simon said the board should amend the bylaws to eliminate that requirement. But he supports the Scribner review. Costs are estimated at \$9,100. Director Purintun moved to allocate up to \$10,000 for the Scribner work. Director Reeve seconded the motion. Board members voted unanimously to approve the motion.

Director Purintun updated board members on the second draft of the proposed Habeck Fund policy. Among issues discussed were whether the fund should mirror the Benjamin Funds' bi-annual disbursement schedule, whether unused funds should roll into the next disbursement cycle, and whether the Foundation should entertain requests to tap the fund's principal. Directors reached a consensus to continue developing the guidance, with the Audit and Finance Committee leading that work. Foundation President Morato-Lindvall recommended Director Purintun for his work on this effort and asked that he and Director Reeve, as lead of Grants Committee, work together to finalize disbursement guidance and approval protocol for review and approval at the January 2023 meeting. She informed the board that the Shorewood Business Improvement District plans to seek a larger grant in Spring.

Grants Committee: There was no formal grants report shared at the meeting. Following the meeting, Chairperson Reeve emailed the board the Shorewood Artisan Market's year-end report. This report was shared following the receipt of a 2022 Foundation grant, and showed \$2,359 in expenses were covered by the grant.

Marketing/Communications/Events: Co-chair Thachenkary reported on the committee's meeting with the editors of Shorewood Today magazine and the history of the Foundation's support for the publication. He said the committee recommends cutting its advertising to once a year and placing a greater emphasis on editorial content. Director Thachenkary shared that the committee is comfortable with the current level of support (\$5,000 annually), but that it asked to be kept in the loop on any cost increases and to be included in the discussions when the Village sends out its next request for proposals. Director Casey updated the board on plans for the next Shark Tank, scheduled for Feb. 16, 2023, at Three Lions Pub. A posting has been written for social media, and that Director Marschka has created a new logo and is working with Shorewood Today to feature it as a story in its Winter edition. Applications will be available on the Foundation website.

Development Committee: Co-Chair Patrick Kessenich updated the board on the progress of the Annual Appeal, which was due to be mailed in the coming days. There was a concerted effort to move the process earlier this year, and those deadlines were met. As in past years, two lists were created, one for donors and one for non-donors. A decision was made to use last year's non-donor list, with updates for those who moved, and to increase the number of donors solicited. In all, we mailed 4,493 non-donor letters and 541 donor letters this year, an increase of 160 letters. Final costs were not yet determined, however, postage totaled \$636.43. Shorewood Press said to expect a 5%-10% increase over last year from inflation alone. Director Kessenich then reminded board members to complete their stewardship assignment in writing personal notes to a handful of donors. Board members received their notecards, envelopes and donor list at this meeting.

Board Development/Nominating Committee: President Morato-Lindvall informed the board of two new board interests, Doug Armstrong and Frank Cumberbatch. Members of the committee have met with Mr. Armstrong, who has expressed an interest to serve as treasurer.

We are continuing to meet with Mr. Cumberbatch, who brings great skill sets to support our Finance and Audit committee work.

Adjournment: Director Simon made a motion to adjourn the meeting. Director Thachenkary seconded. Board members voted unanimously for the meeting to adjourn at 6:29 p.m.