



TOWN OF CORNELIUS
Cornelius Town Hall - Assembly Room

**BOARD OF
COMMISSIONERS**

June 20, 2022

Agenda

PRE-MEETING - 5:00 PM

- **FY23 Resurfacing**
- **Agenda Review**

TOWN BOARD - 6:00 PM

- 1. CALL TO ORDER**
- 2. DETERMINATION OF QUORUM**
- 3. APPROVAL OF AGENDA**
- 4. MOMENT OF SILENCE AND PLEDGE OF ALLEGIANCE**
- 5. MAYORAL PROCLAMATIONS**
 - A. American Legion Post 86 Anniversary**
- 6. GAVEL PASS FROM MAYOR TO MAYOR PRO-TEM**
- 7. RULES FOR PUBLIC HEARINGS AND PUBLIC COMMENTS**
 - A. Adopted Rules**
- 8. CITIZEN CONCERNS/COMMENTS**
- 9. PUBLIC HEARING AND CONSIDERATION OF APPROVAL**
 - A. Smithville Revitalization Plan**
- 10. CONSIDERATION OF APPROVAL**
 - A. LDCAB Appointment**
 - B. Sale of Surplus Transformers**
 - C. Schedule of Fees Changes**
 - D. FY22 Operating Budget Amendment**
 - E. Capital Project Ordinance Amendment for Stream Restoration Projects**
 - F. Capital Project Ordinance Amendment 2015 Park Bonds**
 - G. Support Grant Agreement with Ada Jenkins Center**
- 11. CONSENT AGENDA**
 - A. Operating Budget Support Grant Agreement with Cain Center**
 - B. Support Grant Agreement with Senior Community Connections**
 - C. Support Grant Agreement with Arts & Science Council**
 - D. ARPA Policies**

- E. Cancel and Amend Regular Meetings Calendar**
- F. Tax Refunds**
- G. Approve Minutes - Closed Session**
- H. Approve Minutes - Regular Meeting**

12. MAYOR/COMMISSIONERS/MANAGER REPORTS

13. COMMISSIONER CONCERNS

14. ADJOURNMENT

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 20, 2022

To: Mayor and Board of Commissioners

From: Tyler Beardsley, Assistant Town Manager

Action Requested:

Staff will present the proposed FY23 Resurfacing List.

Manager's Recommendation:

Hear Presentation

ATTACHMENTS:

Name:	Description:	Type:
 FY_23_PAVING.pdf	Resurfacing List	Backup Material

FY 23 PAVING



TOWN OF CORNELIUS 2017

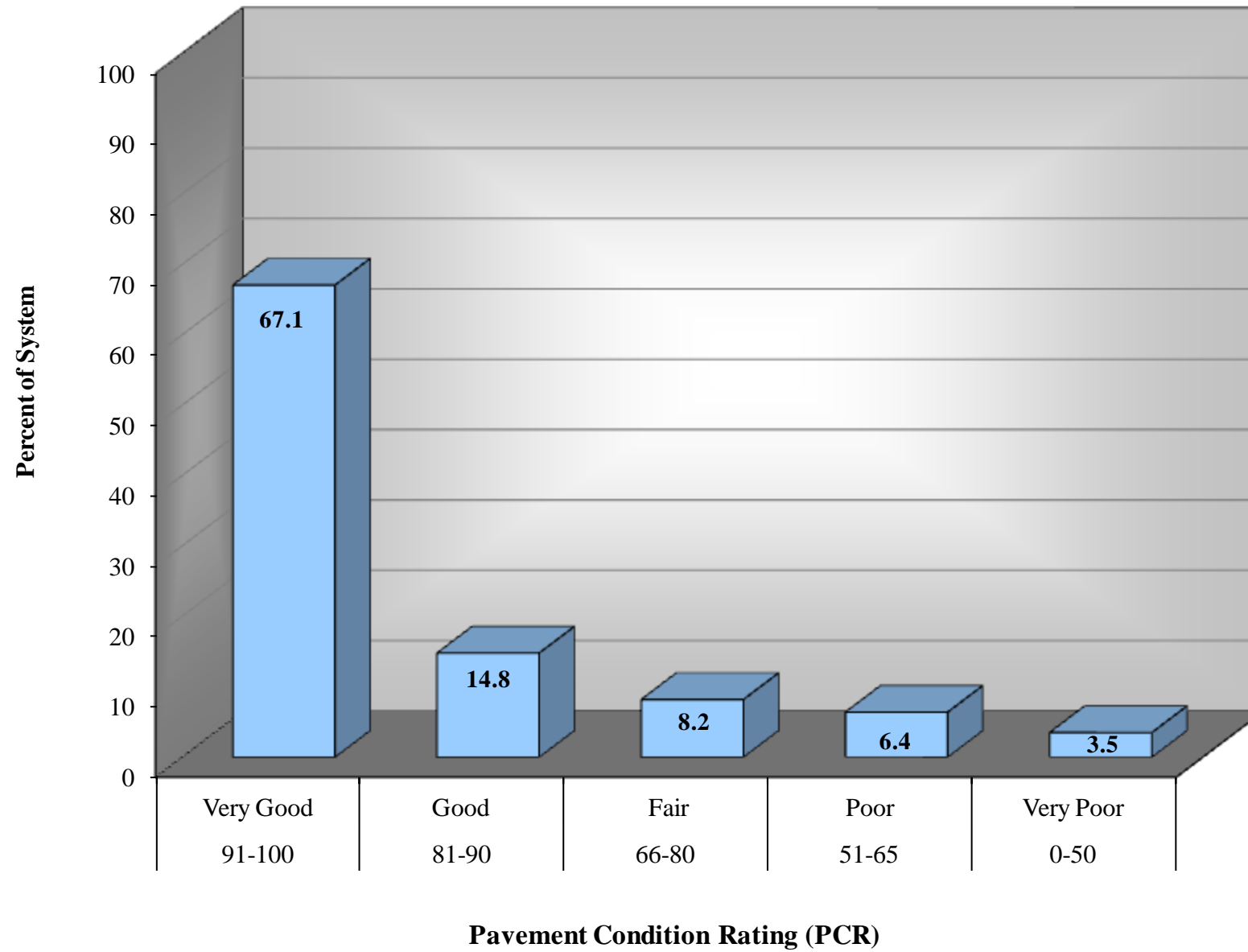
TOWN STREETS WITH ALL CATEGORIES

Rating (PCR) Order Street Listing (Ascending)

Note: This list does not include Concrete, Brick or Unpaved Streets.

D	STREET	TP	CL	BLK	BEG DESC	Inventory	LEN	Distress																Results						
						END DESC		P	W	L	C	CT	S-L	S-R	AH	AN	AL	AM	AS	BK	RF	RT	RV	BL	RQ	PA	PCR	TOTAL COST	ACT-1	ACT-2
	Barcica	Ln	A	16501	Dunsmuir Ct	Dead End	249	P	19	2	2	CR	N	N	0	1	0	0	9	N	N	N	L	N	L	N	6	\$8,127.00	PM1.5	FDP
	Willow Pond	Rd	A	20401	Willow Pond Rd Bulb Out NW	Pinyon Dr	639	P	25	2	2	SC	N	C	0	2	0	0	8	N	N	N	N	N	L	M	11	\$22,423.00	PM1.5	FDP
	Willow Pond	Rd	A	20731	Smith Cr	Begin Median	270	P	21	2	2	CR	N	C	0	2	0	0	8	N	N	N	N	N	L	L	16	\$8,668.00	PM1.5	FDP
	Jetton	Rd	B	19901	Manhattan Py	One Norman Bv	955	P	34	2	2	SC	C	C	0	3	1	1	5	L	N	L	N	N	M	L	17	\$47,791.00	PM1.5	FDP
	Village Harbor	Dr	A	8200	Begin Median	West Catawba Ave	294	P	16	1	2	SC	N	C	0	3	1	1	5	L	N	M	L	N	L	N	17	\$6,524.00	PM2	FDP
	One Norman	Bv	B	19701	Jetton Rd	Begin Median	509	P	29	2	2	SC	C	C	0	6	0	0	4	S	N	L	N	N	L	N	20	\$23,086.00	PM1.5+S	FDP
	Shady Glen	Dr	A	17015	Forest Shadow Cr	Poplar Ridge Ct	212	P	23	2	2	CR	N	N	0	2	0	0	8	N	N	N	N	N	L	N	21	\$7,108.00	PM1.5	FDP
	Northport	Dr	A	18003	Old Lyme Ct	End Maint	169	P	20	2	2	CR	N	C	0	2	0	0	8	N	N	N	N	N	L	N	21	\$5,298.00	PM1.5	FDP
	Pine Ridge	Dr	A	21101	Balsam Ct	Cul de Sac	1059	P	22	2	2	CR	N	N	0	3	0	0	7	L	N	N	N	N	L	N	26	\$32,633.00	PM1.5	FDP
	Sierra Vista	Dr	A	20801	San Mateo Pl	Rio Oro Dr	820	P	19	2	0		N	N	0	3	0	0	7	L	N	N	N	N	L	N	26	\$23,414.00	PM1.5	FDP
	America Cup	Rd	A	16601	Town Harbour Rd	Circle Cul de Sac	262	P	17	2	2	CR	N	N	0	3	0	0	7	L	N	N	N	N	L	N	26	\$7,090.00	PM1.5	FDP
	Jetton	Rd	B	19501	West Catawba Av	Greentree Wy	1104	P	33	2	2	SC	C	C	0	3	1	1	5	L	N	N	L	N	L	L	27	\$54,418.00	PM1.5	FDP
	Sefton Park	Rd	B	20201	Emporia St	Liverpool Py	462	P	28	3	2	SC	C	P	0	6	1	0	3	S	N	N	N	N	L	L	28	\$21,443.00	PM1.5+S	FDP
	Country Club	Cr	A	22101	Country Club Dr	Country Club Dr	1300	P	17	2	0		N	N	0	4	0	0	6	L	N	N	L	N	L	N	31	\$32,540.00	PM1.5	FDP
	Carriage	Ct	A	10301	Coachman's Trace	Cul de Sac	148	P	23	2	2	CR	C	C	0	3	0	0	7	N	N	N	N	N	L	N	31	\$4,668.00	PM1.5	FDP
	Oakmoor	Ct	A	8901	Shadow Bark Dr	Cul de Sac	131	P	24	2	2	CR	N	N	0	3	0	0	7	N	N	N	N	N	L	N	31	\$4,219.00	PM1.5	FDP
	John Connor	Rd	A	18601	Players Ridge Dr SE	Players Ridge Dr NW	31	P	32	2	2	CR	C	N	0	3	0	0	7	N	N	N	N	N	L	N	31	\$1,202.00	PM1.5	FDP
	Mary Ardrey	Cr	A	19101	Mary Ardrey Cr Bulb Out	Begin Cul de Sac	1319	P	22	2	0		N	N	0	4	0	0	6	L	N	N	N	N	L	N	36	\$37,931.00	PM1.5	FDP
	John Gamble	Rd	A	22501	Sandy Shore Ln	Cul de Sac	793	P	20	2	0		N	N	0	4	0	0	6	L	N	N	N	N	L	N	36	\$21,623.00	PM1.5	FDP
	Harbor Light	Bv	A	18001	Shipwatch Pl	Circle Cul de Sac	227	P	23	2	2	CR	N	N	0	4	0	0	6	L	N	N	N	N	L	N	36	\$6,698.00	PM1.5	FDP
	Sierra Vista	Dr	A	21001	Torrence Chapel Rd	San Mateo Pl	207	P	19	2	0		N	N	0	4	0	0	6	L	N	N	N	N	L	N	36	\$5,480.00	PM1.5	FDP
	Sefton Park	Rd	B	20201	Lake Edge Dr	Emporia St	440	P	28	2	2	SC	C	N	0	7	1	0	2	S	N	N	N	N	L	L	38	\$15,909.00	PM1.5+S	FDP
	Baltic	Dr	A	21301	Trintella Ln	Dufour Ct	443	P	19	2	2	SC	C	N	0	4	2	1	3	L	N	N	L	N	L	M	39	\$3,611.00	FDP	
	Northport	Dr	A	20117	Charles Towne Ln	Belair Ct	326	P	20	2	2	CR	N	C	0	5	0	0	5	L	N	N	N	N	L	L	40	\$8,222.00	PM1.5	FDP
	Ramsey Cove	Dr	A	18727	Taffrail Wy	Mizzenmast Av	127	P	18	2	2	SC	C	C	0	5	0	0	5	L	N	N	N	N	L	L	40	\$3,002.00	PM1.5	FDP
	Bethelwood	Ln	A	20301	Bethel Church Rd	Cul de Sac	3470	P	20	2	0		N	N	0	4	0	0	6	N	N	N	N	N	L	N	41	\$94,599.00	PM1.5	FDP
	Decora	Dr	A	20901	Shoveller Ct	Junco Ct	592	P	22	2	2	CR	C	N	0	4	0	0	6	N	N	N	N	N	L	N	41	\$17,035.00	PM1.5	FDP
	Charles Towne	Ln	A	19201	Autumn Meadow Ln	Southport Dr	477	P	21	2	2	CR	C	N	0	4	0	0	6	N	N	N	N	N	L	N	41	\$13,355.00	PM1.5	FDP

Figure 1 - Breakdown of Streets into PCR Categories for 2017



Since 2017 Study

- Town paved in FY 2019 approximately 5.4 miles
- FY2021 resurfacing was skipped due to the Old Canal Stabilization Project.
- With the FY 19 and FY 23 paving, of the Very Poor roads, the Town will have resurfaced 3.18 miles of the ~3.5 miles.
 - Town prioritizes road resurfacing based upon condition of road to complete logical areas to cause least amount of disturbance.
- Town is planning another Pavement Condition Survey in FY23.



<u>STREET NAME</u>	<u>LENGTH</u>
Betty Stough	1533
Mary Ardrey	3577
Forest Shadow	3703
Shadow Bark	665
Oakmoor	114
Mapledale	114
Shady Glen	374
Poplar Ridge	470
Windy Oaks	390
Sycamore Ridge	114
Schooner Dr	3415
Sandy Cove	2195
Country Club Cir	1248
John Connor	1792
Charlestowne	2946
Northport	1788
Cornelius St/Ct	2095
Catawba	350
Senlac	590
Willow Leaf /Ruffner	2250
TOTAL	5.62 miles

Schedule

- If Board is agreeable to this paving list
 - Town will release bids this week.
 - Bids due mid July.
 - Contract to Town Board in August.
 - Contractor will have until June 30, 2023 to complete.

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 20, 2022

To: Mayor and Board of Commissioners

From: Andrew Grant, Town Manager


Action Requested:

The American Legion Post 86 will be celebrating their 100th anniversary on June 27th.

Manager's Recommendation:

Recognize the 100th anniversary and present a Proclamation proclaiming June 27th as American Legion Post 86 Day.

ATTACHMENTS:

Name:	Description:	Type:
 American_Legion_Post_86_100th_Anniversary.pdf	Proclamation	Backup Material

***PROCLAMATION COMMEMORATING
THE AMERICAN LEGION POST 86
100th ANNIVERSARY***

WHEREAS, at the conclusion of the first world war soldiers returned to Cornelius and could be seen gathering in groups around the town to talk with each other about their war experiences; and

WHEREAS, Legion Post 86 was established in 1922 with Dr. J.W. McConnell as the first commander; and

WHEREAS, in 1925 the Legion was instrumental in organizing a volunteer fire department; and

WHEREAS, the famous Legion Baseball Team of North Mecklenburg was started by Post 86 in 1932; and

WHEREAS, some of the programs Post 86 does in our community include: semi-annual dinners for Veterans at the VA Hospital in Salisbury; the Blue Star Banners program; military/honor guard funerals; and annual programming for Memorial Day celebrations and Veterans Day ceremonies; and

WHEREAS, Post 86 has grown from a fifteen (15) member Post to one with more than a hundred twenty-five (125) members whose plan is to be active in the North Mecklenburg area for many years to come and serve not only veterans but the North Mecklenburg community.

WHEREAS, the Town of Cornelius is honored to be the home of American Legion Post 86.

NOW, THEREFORE, BE IT PROCLAIMED, I, Mayor Woody Washam, Jr. and the Cornelius Board of Commissioners hereby proclaim June 27th, 2022

American Legion Post 86 Day

and extend our congratulations on the 100th anniversary, as well as continued success for many years to come.

Woody Washam, Jr., Mayor

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the Town of Cornelius to be affixed this the 20th day of June 2022.

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 20, 2022

To: Mayor and Board of Commissioners

From: Andrew Grant, Town Manager

Action Requested:

Please sign up to speak before the meeting on the sign-up sheet located near the entrance to the board room.

Please be aware that all meetings of the Board of Commissioners are recorded and streamed live on the internet.

The Board will allocate up to 1 hour during each meeting to hear general Public Comments.

The Board will allocate up to 1 hour for each public hearing on the Agenda.

1. Provide your name and address before you begin your comments.
2. Comments are limited to 4 minutes.
3. Comments are to be directed to the entire board and not to individuals.
4. You may yield your comments to another speaker present at the meeting so that one speaker may address the board for up to 8 minutes.
5. A designated spokesperson for a group of three or more may be allocated 10 minutes to speak. At least three members of the group must be present and names and addresses of those members present must be submitted to the Town Clerk before the meeting begins.
6. Presentations by applicants seeking to rezone property are limited to 10 minutes. (Staff presentations and applicant time spent responding to questions from the Board is not subject to the 10-minute limit).
7. You must be civil in your language and presentation and act within reasonable standards of courtesy.
8. Use of slander, name-calling, personal attacks or threatening speech or behavior is prohibited.
9. The audience must maintain order and decorum in their conduct. Please refrain from applause, comments or disruptive speaking during the meeting.
10. The Mayor or a majority of the Board may suspend these rules at their discretion.
11. Failure to abide by these rules after receiving notice by the Mayor may result in 1) termination of your comment period and/or 2) your removal from the meeting.

Manager's Recommendation:

ATTACHMENTS:

Name:	Description:	Type:
No Attachments Available		

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 20, 2022

To: Mayor and Board of Commissioners
From: Wayne Herron, Deputy Town Manager

Action Requested:

In January of this year, the Smithville Community Coalition submitted a revitalization and Workforce Housing Plan. The Town Board referred the plan to the Planning Board, Park Board and Mayor's Housing Study Committee for review and recommendation. All three Boards have reviewed the plan and have recommended approval, some with comments.

On June 7th, the Town conducted an information session regarding the proposed Plan. Approximately 100 people were in attendance and some provided comments, which are attached. June 20th will be the official public hearing regarding the plan.

At this time, based on citizen committee reviews and recommendations, public information and Staff review, it is recommended that the Town Board endorse the Smithville Revitalization and Workforce Housing Plan as part of the Town's Land Use Plan and the policy be utilized in conjunction with land use and other decisions related to the Smithville community moving forward.

Manager's Recommendation:

Approval of the Smithville Revitalization and Workforce Housing Plan

ATTACHMENTS:

Name:	Description:	Type:
 6-7-22_Public_Meeting_Comments.pdf	6-7-22 Public Meeting Comments	Backup Material
 TB_5.16.22_Smithville.pdf	Smithville Plan with Conditions	Backup Material

Smithville Revitalization Plan

Public Meeting

June 7, 2022

5-7 PM, Cornelius Town Hall

Comments:

What is being done to keep developers from making prices go up to cause residents to not be able to continue living in Smithville? If people have to move out, will they get enough to be able to live here?

What requirements will they have to meet to get enough money.

Define "affordable" housing.

Too many factors not clearly defined for residents to make future plans.

Need more guarantees, too much not mandatory.

The complaints that \$ for Smithville homes is not fair. But Smithville is victim to decades of neglect that routinely drains \$ from residents to keep up their properties. Past due for pay back.

Name (Optional): Karen Asche & LINA Coleman 22415 MARKET ST
Apt 1427
Cornelius,

Address (Optional): 9049 McDowell Creek Ct.

over →

Do contractors for Center for Disease control qualify for
assistance (age 55, single, \$90,000)?

Cornelius residents deserve to know what ~~will~~ will be done
not maybe's.

Smithville Revitalization Plan
Public Meeting
June 7, 2022
5-7 PM, Cornelius Town Hall

Comments:

I feel like all you do is
TALK, TALK, TALK. Are these
Deliberate stall tactics?
Smithville should have had infrastructure
plus much MORE for 50+ years.
Do SOMETHING NOW —
people are moving out and it
will be too late, you are
stalling!

Name (Optional):

Brenda Heerdt

Address (Optional):

Baileys Glen

(Comments may also be emailed to bpartin@cornelius.org by 5:00 PM June 15, 2022)

Smithville Revitalization Plan
Public Meeting
June 7, 2022
5-7 PM, Cornelius Town Hall

Comments:

* Take care of the elderly!

* activities at the community center to keep them informed of what's going on in their neighborhood

* safe lightning (street lights)

* Street bumps on Smithville Lane

Name (Optional): _____

Address (Optional): _____

(Comments may also be emailed to bpartin@cornelius.org by 5:00 PM June 15, 2022)

Smithville Revitalization Plan
Public Meeting
June 7, 2022
5-7 PM, Cornelius Town Hall

Comments:

Smithville has been part of Cornelius for
50 years. It is time to treat it
like the rest of the town & provide
the infrastructure provided to the wealthier
Neighborhood. It is time to
make things right

Name (Optional): Harvey Wicks

Address (Optional): 11422 Dublin Crescent Rd Cornelius

(Comments may also be emailed to bpartin@cornelius.org by 5:00 PM June 15, 2022)

Thank you for the opportunity to share an idea on how business, government, and the community can come together to improve Smithville. This approach could make Cornelius an even better place to live by using fair and free market principles with a long-term perspective.

My name is Chris Kite and I have lived in Cornelius for 20 years. My 40-year career has focused on analyzing life insurance, annuities, and long-term care insurance and effectively using them to help families and businesses. I currently work for Financial Independence Group, one of the largest and fastest growing businesses in Cornelius. I believe the insurance principles of sharing risks and providing profitable long-term investments can be used to help Smithville. My wife Peggi and I have also been long involved in preserving histories, particularly for African American families.

The basic idea is to invite businesses in Cornelius to invest in Smithville to share the long-term benefits of providing affordable housing for current residents and business employees and share benefits of real estate appreciation along with community stability and growth. These benefits could also apply to our town in housing for city employees particularly for fire and police services.

In today's market, we have dramatic increases in home values and in businesses buying homes. Investors buying homes in Smithville could make quick profits after making improvements. They would make even more profit once the market is convinced that the town will improve services and infrastructure. Current residents typically do not have the funds to invest and may not get the fair and full value of improved services. Also, residents would like to preserve and build upon the heritage of the community.

The insurance concept would be for businesses to share returns of their investments depending on when homes are sold. The timing of sales would vary based on when the resident would no longer reside in the home due to disability, death, or personal choice. This pooling of risks and returns would smooth out the returns and reduce risks for all.

My understanding is there would be many improved and new homes to bring the total number of units from 55 to about 260 in Smithville according to plans. There could also be existing units where, with improvements, more people than the current resident or residents could comfortably live. I envision senior citizens and younger people who work in Cornelius helping each other. I would also like to see incentives for people to learn and help preserve the heritage of Smithville.

I hope this idea would complement the excellent work of the Smithville Coalition and also be an effective way to bring together different visions of how government and the market should be involved.

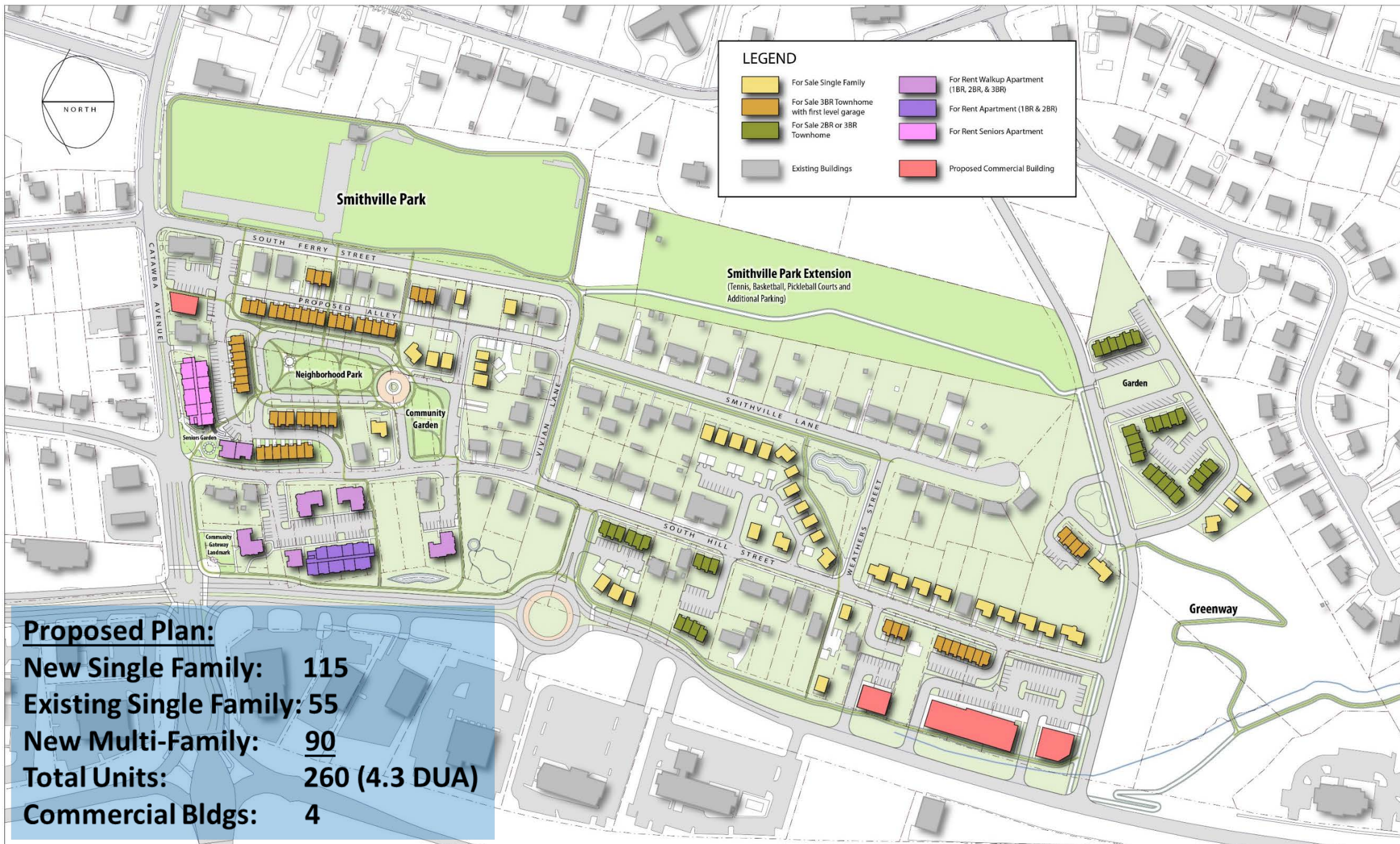
With our trust in you to work out this opportunity in Smithville, I would leave you with an inspirational point. This year is the 50th anniversary of Smithville becoming part of Cornelius. This is a Jubilee year with a rich tradition.

The seventh year of every seven years is a time of rest and freedom. The Jubilee year occurs after the seventh of these seven-year periods, thus, every 50 years. It is an economic, cultural, and communal rebalancing when the land and people rest, and freedom is celebrated in their communities. The Jubilee traditions focus on social relationship, economic security, stability, and the wellbeing of the community. They seek to ensure that people live in ways that reflect good relationships with God, with each other, and with creation.



SMITHVILLE REVITALIZATION AND WORKFORCE HOUSING PLAN

January 2022



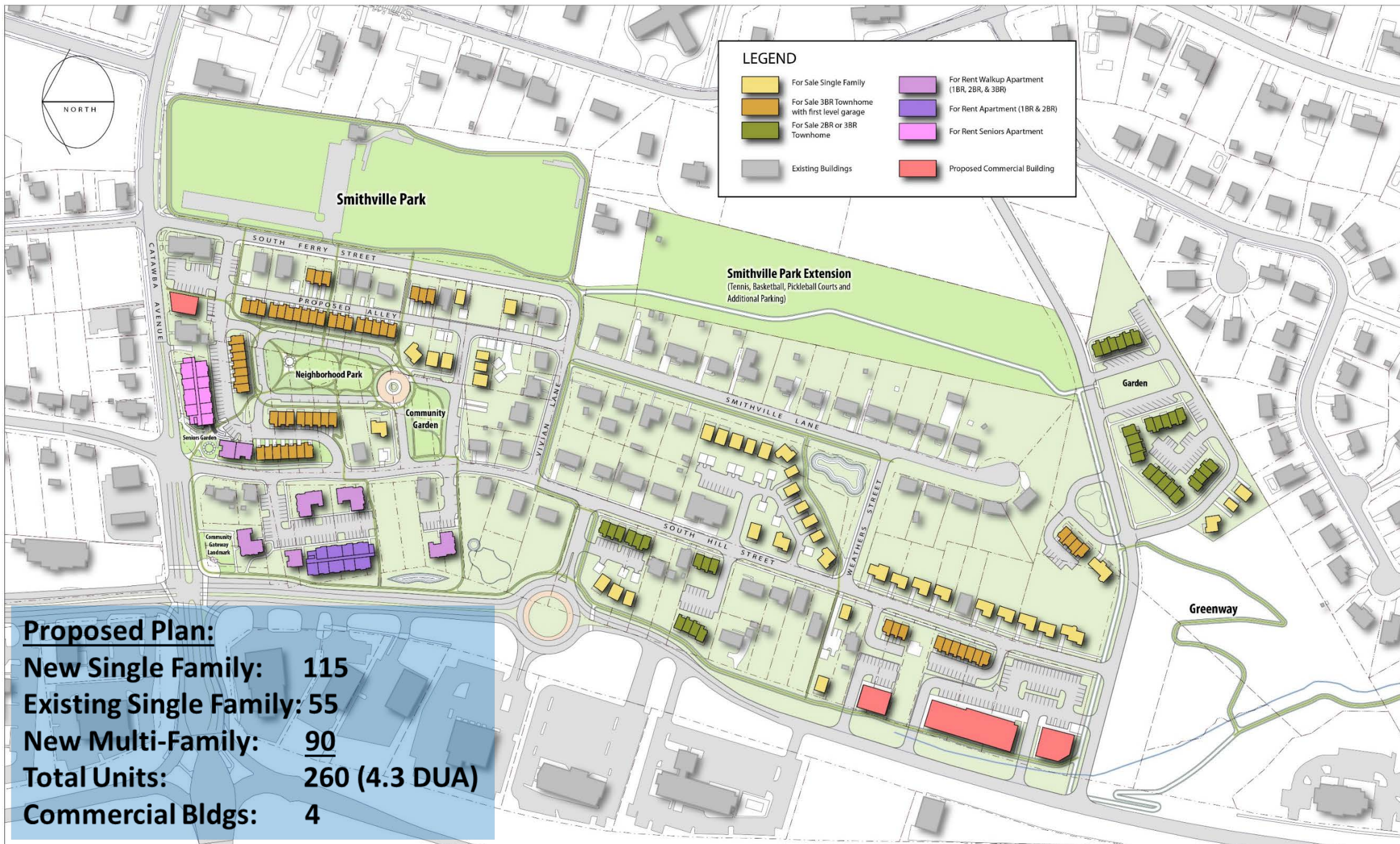
- Town Board referred the Smithville Revitalization Plan to the following for review and recommendation:
 - Planning Board
 - Park and Recreation Board
 - Mayor's Housing Study Committee
- In addition, the Architectural Review Board, Historic Preservation Committee and Transportation Advisory Board will be reviewing and providing feedback to the Town Board and the Smithville Community Coalition (SCC), as deemed appropriate.
- Also, the Town Board asked the Town Manager to review the proposed Revitalization Plan budget and make recommendations separately from the development plan review and decision, regarding Town funding availability and funding sources.

2/14/2022 PB Comments

- Support an expedited CZ process due to ARPA reporting requirements and threat of gentrification in the area
- Street connectivity between South Hill Street and Nannie Potts Lane
- Street & alley cross-sections that meet Town requirements as best integrated into existing neighborhood.
- Be pro-active on traffic calming mitigation efforts
- Consider relocating proposed single-family along Highway 21
- Reconfigure housing south of Nannie Potts Lane to face open area instead of parking; include buffer along border of Willow Pond

2/14/2022 PB Comments

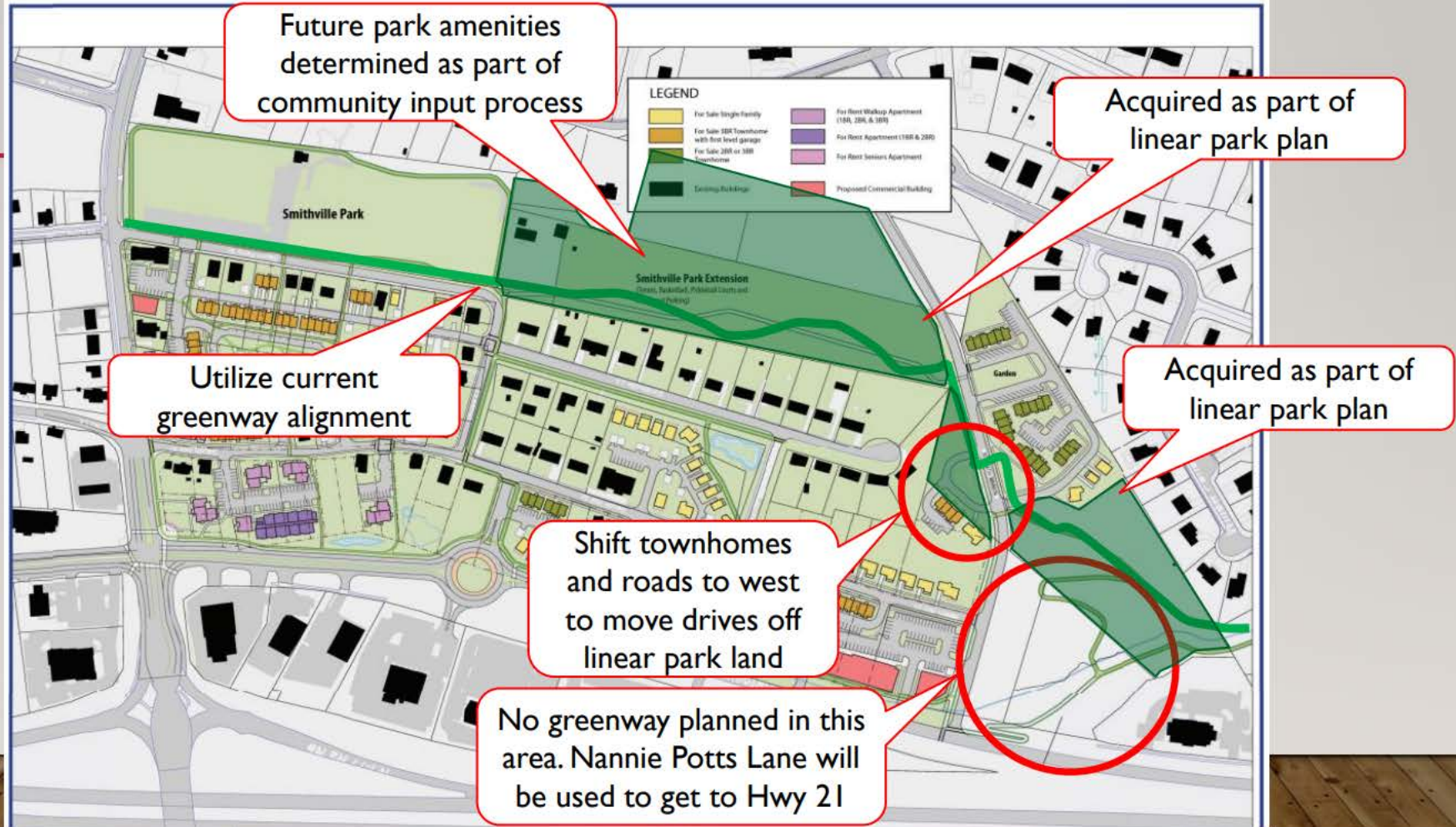
- State the desired maximum height of multi-family
- Commercial buildings & parking will be accessed by one driveway entrance along Highway 21 and by one driveway entrance along Nannie Potts Lane. Parking will be internal to the commercial development and located in the rear. Any parking lot facing a public street must be screened in accordance with Land Development Code requirements and parking ratios will meet the Land Development Code General Parking Requirements.
- Identify refuse containment locations and collection access for townhomes, multi-family, commercial buildings





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SMITHVILLE REVITALIZATION SITE PLAN





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SMITHVILLE REVITALIZATION SITE PLAN

Any other open space properties?

LEGEND	
For Sale Single Family	For Rent Walkup Apartment (1BR, 2BR, & 3BR)
For Sale 100 Townhome with first level garage	For Rent Apartment (1BR & 2BR)
For Sale 200 or 300 Townhome	For Rent Services Apartment
Existing Buildings	Proposed Commercial Building

What is planned and who manages garden area?

What facilities are planned and who manages mini park?

Is this simply the relocation of the existing community garden and who manages garden area?

What traffic calming methods will be deployed to reduce cut through and speeding?

Mayor's Housing Study Committee Statement Regarding The Smithville Revitalization Plan

The Cornelius Housing Study Committee has reviewed and discussed the proposed Smithville Revitalization & Workforce Housing Plan, prepared by the Smithville Community Coalition, dated January, 2022. The Housing Committee concludes that the proposed Revitalization Plan aligns with existing Cornelius plans, goals, and policies, including revitalizing this historic community with emphasis on diverse housing types, expanding workforce housing opportunities, supporting existing Smithville residents and their families within the framework of the Revitalization Plan, and accessing uniquely available sources of funding. The Committee concludes that activities proposed in this Smithville Revitalization Plan would complement other Town-wide objectives and actions being considered as part of a long-range Cornelius Comprehensive Housing Plan, and encourages the Town Board to move forward with consideration and participation in implementation of the Revitalization Plan.

Where Do We Go From Here?

- Town Public Input and Drop-In Meeting to be scheduled for June 7th
- Meeting will be drop-in from 5pm to 7pm with a formal presentation at 5:30pm.
- Final Town Board presentation and public comment on June 20th
Town Board Meeting. Town Board may choose to endorse the plan at the June 20th meeting or at any subsequent meeting.

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 20, 2022

To: Mayor and Board of Commissioners

From: Wayne Herron, AICP
Deputy Town Manager

Action Requested:

The Land Development Code Advisory Board (LDCAB) has one vacancy. Chair Cheryl Crawford, after consultation with Commissioners Furcht and Gilroy, is recommending the appointment of Lore Postman Schneider to fill the unexpired two-year term.

Manager's Recommendation:

Appoint Lore Postman Schneider to fill the unexpired two-year term to the Land Development Code Advisory Board.

ATTACHMENTS:

Name:	Description:	Type:
 2022_LDCAB.pdf	2022 Draft LDCAB Member List	Backup Material
 Lore_Postman_Schneider.pdf	Lore Postman Schneider Application	Backup Material

Land Development Code Advisory Board - 2022

NAME	YEAR APPTD	TERM	AFFILIATION	E-MAIL
David Gilroy	2021	12/21 - 12/23	Commissioner	dgilroy@cornelius.org
Colin Furcht	2021	12/21 - 12/23	Commissioner	cfurcht@cornelius.org
John Hettwer	2006	04/21 - 04/23	Citizen	JHettwer@payrollplus-hcm.com
Norris Woody	2006	04/21 - 04/23	Citizen - Vice Chair	norris.woody@equitable.com
Bob Bruton	2011	02/22 - 02/24	Citizen	bobbruton@hotmail.com
Keith Eicher	2015	04/21 - 04/23	PB - Member	eicherk@bellsouth.net
Joseph Dean	2017*	02/22 - 02/24	PB - Member	joejuggler@att.net
Cheryl Crawford	2010*	04/21 - 04/23	Citizen - Chair	cheryl@cccates.net - for public use Cheryl@ccagr.com for our use
Lore Postman Schneider	2022	02/22 - 02/24	Citizen	lorepstman@me.com
David Dunn	2016	04/21 - 4/23	Citizen	10davidhdunn@gmail.com
Karen Tovar	2017*	02/22-02/24	Citizen	Karen@TheTovarGroup.com
Laura Pegram	2016	02/22 - 02/24	Citizen	lpeggram@mac.com
Wayne Herron			Staff	wherron@cornelius.org
Becky Partin			Staff	bpartin@cornelius.org

* Unexpired Term at time of appointment

Summer Smigelski

From: Lori Harrell
Sent: Tuesday, March 22, 2022 11:54 AM
To: Summer Smigelski
Subject: FW: Online Form Submittal: Committee Appointment Form

From: noreply@civicplus.com <noreply@civicplus.com>
Sent: Tuesday, March 22, 2022 11:52 AM
To: Lori Harrell <lharrell@cornelius.org>
Subject: Online Form Submittal: Committee Appointment Form

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Committee Appointment Form

1

Contact Information

First Name	Lore
Last Name	Postman Schneider
Residence Address	20405 Church Street
Mailing Address (if different from above)	<i>Field not completed.</i>
Contact Number	704-654-0947
Description	Cell
Email Address	lorepostman@me.com
I Live:	Inside the Town of Cornelius
I Am Interested In Serving On The Following Board(s)	Land Development Code Advisory Board, Planning Board

2

Please list qualifications or reasons you would like to serve.

Thank you for considering my application. I believe I would be a strong contributor to either of these boards because:

1) I'm a critical thinker and a trained researcher with expertise in real estate development. I ask questions that help to stimulate discussions and spark ideas.

2) I'm a development "geek" who keeps up with local, state, and national trends and patterns affecting towns today and into the future. I've actually read the town's code book cover to cover for fun (ack!).

3) I love Cornelius. Looking critically at our codes, zoning, and land preservation opportunities is key to keeping Cornelius the best it can be.

Resume and/or Additional Information (*optional)

Field not completed.

Date

03/22/2022

3

Signature

Lore Postman Schneider

Note:

You may fax this form to the Town Clerk at 704-896-2462 or mail to PO Box 399, Cornelius, NC 28031

Email not displaying correctly? [View it in your browser.](#)

4

REQUEST FOR BOARD ACTION

 **Print**

Date of Meeting: June 20, 2022

To: Mayor and Board of Commissioners

From: David Lucore, ElectriCities Systems Manager

Action Requested:

The Town of Landis has requested to purchase a quantity of seven (7) transformers from the Town of Cornelius for a total price of \$4,414.

The transformers are dual voltage and were used during the conversion of 4 kV lines to 12 kV lines.

The transformers are no longer useful to the Town of Cornelius and would need reconditioning in order to be utilized. The cost of \$4,414 was derived from the initial purchase of \$595 each for 6 – 25 KVA units for a total of \$3,570 and 1 – 50 KVA transformer at a cost of \$844 for a total cost of \$4,414.

N.C.G.S. 160A-274 authorizes government entities to exchange real property with each other on terms and conditions it deems wise, with board approval.

Manager's Recommendation:

Approve a Resolution approving the purchase of transformers by the Town of Landis.

ATTACHMENTS:

Name:	Description:	Type:
 RES- Approving the sale of surplus transformers to the Town of Landis.pdf	Surplus Transformers	Resolution Letter

**RESOLUTION APPROVING THE SALE OF SURPLUS TRANSFORMERS TO THE
TOWN OF LANDIS, NORTH CAROLINA**

WHEREAS, The Town of Cornelius (“Town”) owns seven dual voltage transformers more particularly described on *Exhibit A* attached hereto and incorporated herein by reference (the “Property”); and

WHEREAS, the Town has received an offer from the Town of Landis, NC for the purchase of the Property in the amount of \$4,414.00; and

WHEREAS, the Property is no longer needed by the Town of Cornelius and constitutes surplus property; and

WHEREAS, the Town desires to sell the Property to the Town of Landis pursuant to the authority granted under N.C. Gen. Stat. § 160A-274 and pursuant to the terms setforth on the Bill of Sale attached hereto and incorporated herein by reference.

NOW, THEREFORE, BE IT RESOLVED:

1. The Property is hereby declared surplus; and
2. The Town Manager and/or his delegees are hereby authorized to sell the Property to the Town of Landis pursuant to those terms setforth in *Exhibit B*.

Adopted this 20th day of June 2022.

SEAL

David Gilroy, Mayor Pro-Tem

ATTEST:

APPROVED AS TO FORM:

Lori A. Harrell, Town Clerk

Town Attorney



EXHIBIT A:

List of Transformers to be Sold to Town of Landis
All Transformers are Single-Phase, Pad-Mount Type with CSP

Quantity	Manufacturer	Serial #	KVA Rating	HV Rating	LV Rating
1	Howard Ind	33021-1987	25	4160/2400 x 12470-7200	120/240
1	Southeastern	4606301	25	4160/2400 x 12470-7200	120/240
1	Southeastern	92474173	25	4160/2400 x 12470-7200	120/240
1	Trans Power Inc.	18745-1050	25	4160/2400 x 12470-7200	120/240
1	Southeastern	0812825	25	4160/2400 x 12470-7200	120/240
1	Southeastern	112940-3589	25	4160/2400 x 12470-7200	120/240
1	Trans Power Inc.	8217602	50	4160/2400 x 12470-7200	120/240

Total quantity of seven (7) transformers.



EXHIBIT B:
Bill of Sale

Please fill out the following information

Buyer Name ("Buyer"):	Town of Landis, North Carolina
Buyer Address:	
Buyer Contact Name:	
Buyer Contact Phone:	
Buyer Contact Email Address:	

In consideration of the sum of four thousand five hundred ninety-four dollars (\$4,594.00) the Town of Cornelius (the "Town") sells and delivers to Buyer the items described in the attached Exhibit A (the "Property") as of the date noted below in its "as-is" condition. The Town of Cornelius is an incorporated municipality in the state of North Carolina and is selling the Property to Buyer pursuant to authority granted the Town under NCGS § 160A-274. Buyer has been given the opportunity to inspect the Property or to have it inspected and the Buyer accepts the Property in its existing condition.

As additional consideration, the Buyer agrees to the following waiver of liability and indemnity provisions:

1. **Receipt of Assets.** The Buyer acknowledges receipt of the Property listed on Exhibit A in its existing, "as-is" condition.

2. **No Warranties.** The Town, including its officers, employees, and agents, make no representations whatsoever, extend no warranties of any kind, either express or implied, including but not limited to the implied warranties of merchantability or fitness for a particular purpose, and assumes no responsibilities whatsoever with respect to design, development, manufacture, or use of the Property. Furthermore, in no event shall the Town be liable for direct, indirect, special, consequential, incidental or punitive loss, damage or expenses arising out of or in connection with this agreement, including but not limited to recipient's use of the assets or removal of the assets from the Town's premises.

3. **Waiver of Liability.** Buyer does hereby waive, release and discharge any and all claims for damages for personal injury, death, property damage, any claim in tort, contract or any other claim, regardless of legal theory, that may hereafter accrue as a result of the use of the Property. The entire risk as to the performance of the Property is assumed by Buyer. In no event shall the Town or its officers, employees or agents, be responsible or liable for any direct, indirect, special, incidental, consequential damages, lost profits, or any other economic or physical loss or damage to any individual regardless of legal theory resulting from use of the Property. The above limitations on liability apply even though the Town may have been advised of the possibility of such damage.

4. **Indemnification.** Buyer agrees to indemnify and hold harmless the Town from any and all claims, liability and damages, arising from the use of the Property except those arising from the sole negligence or willful misconduct of the Town.

THE UNDERSIGNED, WHO IS AUTHORIZED TO REPRESENT THE BUYER HAS CAREFULLY READ THIS WAIVER OF LIABILITY AND INDEMNIFICATION AGREEMENT AND UNDERSTANDS ITS CONTENTS. RECIPIENT IS AWARE THAT THIS IS A COMPLETE RELEASE OF LIABILITY OF THE TOWN BY RECIPIENT.

Signature of Authorized Representative: _____ Date: _____

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 20, 2022

To: Mayor and Board of Commissioners

From: Julie Niswonger, Finance Director

Action Requested:

We amend our fee schedule independent of our budget document, so that mid-year budget amendments do not require the 4-page schedule of fees.

The attached schedule shows two columns on the right: "Amount Current" and "Proposed Change." The "Proposed Change" column notes any new or revised fee with this board action.


- Annually, Parks & Recreation staff and the Parks & Recreation Commission review Parks & Recreation fees and recommend changes based on use patterns, comparison with other agencies, and new services.
- The Parks & Recreation Commission unanimously recommended the proposed changes. Examples of Parks & Recreation fee changes include: Increase in resident and non-resident natural field rental, field preparation, gym rental, and rec center room rental fees.

Finance fee changes include an increase to the non-resident fees to rent the Community Hall, in order to keep up with the market.

Manager's Recommendation:

Approve the Schedule of Fees amendment as presented.

ATTACHMENTS:

Name:	Description:	Type:
 Town_Fees_FY23_(2).pdf	Schedule of Town Fees	Backup Material

**Town of Cornelius
Schedule of Fees**

		AMOUNT CURRENT	PROPOSED CHANGE
FINANCE			
	Returned check fees	35.00	
	Copies	0.15	
	Town Hall: (Community Room, per hour)		
	Security Deposit	250.00	
	Cancellation Fee	50.00	
	Kitchen Use Fee	30.00	
	A/V Equipment Fee	20.00	
	Resident		
	Non-Profit Users	50.00	
	For Profit Users	65.00	
	Non-Resident		
	Non-Profit Users	60.00	100.00
	For Profit Users	75.00	130.00
PLANNING AND LAND DEVELOPMENT			
SUBDIVISION APPLICATIONS			
	Construction Documents	250.00	
	Major / minor subdivision plat		
	Major subdivision final plat	100.00	
	Minor subdivision final plat	50.00	
	All other plats	50.00	
SITE PLAN			
	Applications:		
	Mixed use or commercial:		
	Under 10,000 square feet	250.00	
	10,000 - 29,999 square feet	500.00	
	30,000 - 49,999 square feet	750.00	
	50,000 + square feet	1,000.00	
REZONING PETITIONS			
	Conditional Zoning	1,250.00	
	Conditional Zoning Amendment	625.00	
	General Rezoning	1,000.00	
PERMITS AND VARIANCES			
	Special Use Permit (SUP)	500.00	
	Special Use Permit Amendment	250.00	
	Variance Request	350.00	
	Watershed Variance	500.00	
	Architectural Variations:		
	Major	250.00	
	Minor	100.00	
	House move on/off (\$1000 Bond required)	150.00	
	Temporary Use Permit	25.00	
	Building Permits		
	Residential		
	New home construction	50.00	
	Home addition/expansion	25.00	
	Pier	10.00	
	Demolition	10.00	
	Accessory Structures	25.00	
	Upfit renovations	10.00	
	Non-Residential		
	Upfit renovations	75.00	
	Sign Permits		
	Single Business	25.00	
	Multi-tenant Building	50.00	
	Banner Permit	50.00	

Town of Cornelius Schedule of Fees

		AMOUNT CURRENT	PROPOSED CHANGE
Home Occupation Permit		35.00	
Transient Occupancy		100.00	
OTHER			
Appeal of Zoning Decision		250.00	
Text Amendment		400.00	
Zoning Compliance Letter			
	1 Single Family Residence	50.00	
	Commercial	100.00	
TRAFFIC IMPACT ANALYSIS			
			TBD Pursuant to Town Ordinance 2015-00607
PUBLICATIONS			
Base Map			
	Color maps or plans		
	1:1100 scale (34" x 44")	15.00	
	1:1600 scale (22" x 34")	10.00	
	<i>Land Development Code Book</i>	25.00	
Miscellaneous:			
	24" x 36" copy, per page	1.00	
POLICE			
Police reports		2.00	
Finger print fees (Cornelius residents)		No charge	
Finger print fees (Cornelius non-residents)		10.00	
ANIMAL SHELTER			
Reclaim		25.00	
Boarding (after first 24 hours)		10.00 per day	
Rabies Vaccination		15.00	
Transportation		10.00	
Dog Adoption		95.00	
Cat Adoption		85.00	
Microchip (Impound only)		10.00	
Surrender Fee		40.00	
ALARM FEES			
Alarm registration fee		10.00	
Alarm annual renewal fee		10.00 annually	
Additional charges will be assessed as follows:			
a. False Alarms 1, 2		No charge (registered)	
b. False Alarms 3, 4, 5		\$50.00 per response	
c. False Alarms 6, 7		\$100.00 per response	
d. False Alarms 8, 9		\$250.00 per response	
e. False Alarms 10+		\$500.00 per response	
f. Audible Alarm over 15 minutes		\$100 per response	
Failure to register an alarm		\$100.00	
PARKS & RECREATION			
Baseball/Softball Practice/Game Fees (fees based on one hour of facility use)			
Resident	Field, Natural	21.00	22.00
	Field Lights	16.25	17.00
	Field Prep (Basic) per Practice/Game	22.00	23.00
	Field Prep (Full) per Practice/Game	32.50	34.00
	Admission Remittance, All Facilities	100.00/day	105.00
Non-Resident	Field, Natural	42.00	44.00
	Field Lights	32.50	34.00
	Field Prep (Basic) per Practice/Game	32.50	34.00

**Town of Cornelius
Schedule of Fees**

		AMOUNT CURRENT	PROPOSED CHANGE
	Field Prep (Full) per Practice/Game	54.50	57.00
	Admission Remittance, All Facilities	100.00/day	105.00
Multi-Purpose Practice/Game Fees (fees based of one hour of facility use)			
Resident	Field, Natural	21.00	22.00
	Field Lights	16.25	17.00
	Admission Remittance, All Facilities	100.00/day	105.00
Non-Resident	Field, Natural	42.00	44.00
	Field Lights	32.50	34.00
	Admission Remittance, All Facilities	100.00/day	105.00
Synthetic Turf Practice/Game Fees (fees based on one hour of facility use)			
Resident	Field	48.25	51.00
	Field Lights	16.25	17.00
	Admission Remittance, All Facilities	100.00/day	105.00
Non-Resident	Field	97.75	102.00
	Field Lights	32.50	34.00
	Admission Remittance, All Facilities	100.00/day	105.00
Baseball/Softball Tournament Fees (rates based on use of field per day [8am-8pm])			
			1930.00/wknd
	Baseball/Softball Field - All 4 WAC fields	1840.00/wknd	965/add'l days
	Baseball/Softball Field - Not at WAC	200.00	210.00
	Tournament Deposit	350.00	375.00
	Field Lights Tournament	43.00	45.00
	Concession Use	Contract	Contract
	Admission Remittance, All Facilities	225.00/day	235.00/day
	Field Prep (Basic)	35.00	37.00
	Field Prep (Full)	57.00	60.00
	Temporary Fence Fee (per field/per day)	75.00	79.00
Multi-purpose fees/Tournament			
	Tournament Deposit	367.50	375.00
	Field Lights Tournament- Resident	43.00	-
	Field Lights Tournament- Non-Resident	86.00	90.00
	MP Field - Synthetic turf	54.50	540/field/day
	Concessions	20% gross	-
	Admission Remittance	236.25/day	248/day
Gym Rental (fees based on one hour of facility use)			
Resident	Gym Rental	52.50	55.00
Non-Resident	Gym Rental	105.00	110.00
Gym Fees/Tournament (rates based on use of gym per day [8am-8pm])			
	Tournament Deposit	367.50	375.00
	Team Fee (per team per tournament)	84.00	88.00
	Gym Rental	84.00	88.00
	Admission Remittance, All Facilities	236.25/day	248.00
Tennis Court Rental (fees based on one hour of facility use)			
Resident	Court Rental	5.25	6.00
Non-Resident	Court Rental	10.50	12.00
Shelter Rental (fees based on one hour of facility use)[3-hour minimum rental]			
Resident	Picnic Shelter		
	Torrence Chapel, Bailey Road #1 & #2	10.50	11.00
	Bailey Road #3, Robbins	15.75	17.00
	Picnic Shelter (30-50 people)		
	Legion	15.75	17.00
	Smithville (Off-season Mid-September to Mid-May)	15.75	17.00
	Smithville (Peak season Mid-May to Mid-September)	26.25	28.00

Town of Cornelius
Schedule of Fees

		AMOUNT CURRENT	PROPOSED CHANGE
Non-Resident	Picnic Shelter		
	Torrence Chapel, Bailey Road #1 & #2	21.00	22.00
	Bailey Road #3, Robbins	31.50	34.00
	Picnic Shelter (30-50 people)		
	Legion	31.50	34.00
	Smithville (Off-season Mid-September to Mid-May)	31.50	34.00
	Smithville (Peak season Mid-May to Mid-September)	52.50	56.00
Other (fees based on one hour of facility use)			
Resident	Outdoor Courts (Pickleball, Gaga, Volleyball, Basketball)	5.25	6.00
	Bailey Road Track	18.50	19.00
	Rec Center Rooms	27.25	29.00
	Cafeteria (JV Washam or Bailey Middle)	43.00	45.00
	Admission Remittance, All Facilities	100.00/day	105.00
Non- Resident	Outdoor Courts (Pickleball, Gaga, Volleyball, Basketball)	10.50	12.00
	Bailey Road Track	36.75	39.00
	Rec Center Rooms	54.50	58.00
	Cafeteria (JV Washam or Bailey Middle)	86.00	90.00
	Admission Remittance, All Facilities	100.00/day	105.00

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 20, 2022

To: Mayor and Board of Commissioners

From: Julie Niswonger, Finance Director

Action Requested:

1. Amend the Asset Forfeiture Fund in the amount of \$18,000 for CAD Mapping.
2. A transfer of \$837 from the General Fund to the 911 Fund for expenditures that were previously recognized in the 911 Fund. The Town is not incurring additional expense; this transfer allows for the accounting recognition of the expense in the General Fund rather than 911 Fund.
3. This budget amendment allows for the transfer of \$300,000 from the General Fund to the Stream Restoration Project Fund for future stream restoration projects including Dana's Branch.
4. The Town received \$6,992 in the electric fund in insurance proceeds related to utility pole damages at Smith Circle and Catawba Avenue.

Manager's Recommendation:

Approve FY22 Operating Budget Amendment.

ATTACHMENTS:

Name:	Description:	Type:
 Amend #5 FY22 (1).pdf	FY22 Operating Budget Amendment	Ordinance

TOWN OF CORNELIUS
AN ORDINANCE AMENDING
THE OPERATING BUDGET FOR
FISCAL YEAR 2021-2022

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF
COMMISSIONERS OF THE TOWN OF CORNELIUS:**

SECTION 1. The following amounts are hereby authorized for all appropriations, expenditures and inter-fund transfers necessary for the administration and operation of the Town of Cornelius for the fiscal year beginning July 1, 2021 and ending June 30, 2022 in accordance with the following schedule of accounts heretofore established for this Town:

SCHEDULE A: GENERAL FUND

	Original Budget	Previous Amendment 4/18/2022	This Amendment 6/20/2022	Change
General Fund Revenues				
Ad Valorem Taxes	\$ 16,703,075	16,703,075	16,703,075	-
Local Option Sales Tax	3,850,000	3,850,000	3,850,000	-
Utility Franchise Tax	1,694,776	1,694,776	1,694,776	-
Powell Bill Allocation	685,000	685,000	685,000	-
Other Taxes and Licenses	297,091	297,091	297,091	-
Unrestricted Intergovernmental	1,199,147	1,199,147	1,199,147	-
Restricted Intergovernmental	740,942	740,942	740,942	-
Permits and Fees	667,950	667,950	667,950	-
Sales and Services	120,000	120,000	120,000	-
Investment earnings	47,000	47,000	47,000	-
Donations	20,000	23,760	23,760	-
Micellaneous	19,800	45,158	45,158	-
Debt Issued	2,143,000	2,143,000	2,143,000	-
Appropriated Fund Balance	889,140	2,037,050	2,355,050	318,000
Total General Fund Revenues	\$29,076,921	\$30,253,949	\$30,571,949	\$318,000
General Fund Expenditures				
Governing Board	\$ 83,735	83,735	83,735	-
General Government	1,985,139	1,985,139	1,985,139	-
General Services	365,506	365,506	364,669	(837)
Police	7,767,262	7,876,321	7,894,321	18,000
Communications	803,370	803,370	803,370	-
Fire Operations	3,044,728	3,044,728	3,044,728	-
Animal Control	234,779	452,066	452,066	-
Public Works	2,363,724	2,411,224	2,411,224	-
Powell Bill	1,378,000	1,378,000	1,378,000	-
Solid Waste/Recycling	2,212,892	2,212,892	2,212,892	-
Stormwater	566,400	566,400	866,400	300,000
Planning / Land Development	750,068	750,068	750,068	-
Tourism	412,188	412,188	412,188	-
Art Center	440,926	440,926	440,926	-
Parks, Arts, Recreation, and Culture	2,645,136	2,948,318	2,948,318	-
Transfer to Capital Project Funds/ 911 Fund	1,132,966	1,632,966	1,633,803	837
Debt Service	2,890,102	2,890,102	2,890,102	-
Total General Fund Expenditures	\$29,076,921	\$30,253,949	\$30,571,949	\$318,000

SCHEDULE B: ELECTRIC FUND

Electric Fund Revenues

	Original Budget	Previous Amendment 4/18/2022	This Amendment 6/20/2022	Change
Sales and Services	\$ 7,234,700	7,234,700	7,234,700	-
Fund Balance	2,210,114	2,210,114	2,210,114	-
Miscellaneous	15,000	18,658	25,650	6,992
Total Electric Fund Revenues	\$ 9,459,814	\$ 9,463,472	\$ 9,470,464	\$ 6,992

Electric Fund Expenditures

Electric Department	\$9,459,814	9,463,472	9,470,464	6,992
Total Electric Fund Expenditures	\$ 9,459,814	\$ 9,463,472	\$ 9,470,464	\$ 6,992

SCHEDULE C: 911 FUND

911 Fund Revenues:

911 Fee Revenue	\$191,037	191,037	191,037	-
Fund Interest Earnings	\$2,000	2,000	2,000	-
911 Appropriated Fund Balance	-	-	-	-
Total 911 Fund Revenues	\$ 193,037	\$ 193,037	\$ 193,037	\$ -

911 Fund Expenditures:

911 Department	\$193,037	193,037	193,037	-
Total 911 Fund Expenditures	\$ 193,037	\$ 193,037	\$ 193,037	\$ -

SECTION 2. An ad valorem tax rate of \$.222 per \$100 of assessed valuation is hereby established as the official tax rate for the Town of Cornelius for the fiscal year 2020-21. This rate is based on an estimated valuation of \$7,540,874,579 and an estimated 97.75% percent collection rate, which is at least the collection rate expected during the 2020-21 fiscal year.

SECTION 3. In accordance with G.S. §159-9 and G.S. §159-15, the Town Manager shall serve as the budget officer and is hereby authorized to reallocate appropriations among the objects of expenditure under the following conditions:

- a. The Town Manager may transfer amounts between line-item expenditures even among departments as believed to be necessary and prudent.
- b. He may not transfer any amounts between funds, except as approved by the Board of Commissioners in the Budget Ordinance as amended.

Adopted this the 20th day of June, 2022.

David Gilroy, Mayor Pro-Tem

SEAL

ATTEST:

APPROVED AS TO FORM:

Lori A. Harrell, Town Clerk

Karen Wolter, Town Attorney

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 20, 2022

To: Mayor and Board of Commissioners

From: Julie Niswonger, Finance Director


Action Requested:

This action authorizes the transfer of \$300,000 from the General Fund into the Stream Restoration Capital Project Fund. Since typically stream restoration projects may go on for more than one fiscal year, it's necessary to amend the current Stream Restoration Capital Project Fund with unspent stream restoration project funds remaining in the General Fund.

Manager's Recommendation:

Approve Stream Restoration Capital Project Fund Amendment.

ATTACHMENTS:

Name:	Description:	Type:
 Willow_Pond_Stream_Restoration_CPO_Amend_(1).pdf	Stream Restoration CPO Amend 1	Ordinance

**A CAPITAL PROJECT ORDINANCE TO AUTHORIZE THE FUNDING OF
THE WILLOW POND STREAM RESTORATION PROJECT AND OTHER
STREAM RESTORATION PROJECTS**

WHEREAS, it has been determined by the Board of Commissioners that in order to meet the demands of our growing community, it is necessary to provide a safe and healthy environment while remaining vigilant in their duty to control costs; and

WHEREAS, the Willow Pond Stream Restoration Project and other stream restoration projects have been identified to provide improved drinking water quality; and

WHEREAS, in accordance with North Carolina General Statute §159-13.2, the Town is authorized to establish a balanced project ordinance for projects involving the construction/acquisition of a capital asset.

NOW, THEREFORE, BE IT ORDAINED by the Board of Commissioners of the Town of Cornelius that a Project Ordinance is hereby established for the Willow Pond Stream Restoration Project and other stream restoration projects with the following schedule of appropriations and expenditures:

REVENUES

	<u>ORIGINAL</u>	<u>AMENDED</u>	<u>CHANGE</u>
Transfer from General Fund	\$300,000	\$600,000	\$300,000
NC DEQ Water Resources grant revenue	\$150,000	\$150,000	-0-
NC DEQ 310 grant revenue	\$150,000	\$150,000	-0-
Mecklenburg County reimbursement	\$202,780	\$202,780	-0-
<i>Total</i>	<u>\$802,780</u>	<u>\$1,102,780</u>	<u>\$300,000</u>

EXPENDITURES

Project design/construction	<u>\$802,780</u>	<u>\$1,102,780</u>	<u>\$300,000</u>
<i>Total</i>	<u>\$802,780</u>	<u>\$1,102,780</u>	<u>\$300,000</u>

BE IT FURTHER ORDAINED that the Town Manager is authorized to transfer amounts among the aforementioned line items at his discretion as he deems necessary necessitating further action by the Board only to change the total amount of the budget. The Town Manager or his designee is hereby authorized to expend funds in accordance with this Project Ordinance necessary to complete the project.

Adopted this 20th day of June, 2022.

David Gilroy, Mayor Pro-Tem

SEAL

ATTEST:

APPROVED AS TO FORM:

Lori A. Harrell
Town Clerk

Town Attorney

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 20, 2022

To: Mayor and Board of Commissioners

From: Julie Niswonger, Finance Director

Action Requested:

To recognize supplemental grant funds for McDowell Creek Greenway in the amount of \$1,025,566 from NCDOT.

Manager's Recommendation:

Approve Capital Project Ordinance Amendment-2015 Park Bonds.

ATTACHMENTS:

Name:	Description:	Type:
 CPO_(2).pdf	CPO Amendment	Ordinance

A CAPITAL PROJECT ORDINANCE TO AMEND THE FUNDING OF PARK BONDS CAPITAL

WHEREAS, it has been determined that G.S. 159-45 and related chapters allow local governments to finance capital projects through the use of General Obligation Bonds, and

WHEREAS, the citizens of Cornelius voted on November 5, 2013 and approved Park Bonds voting 72.09% in favor; and

WHEREAS, the Cornelius Town Board of Commissioners determined on August 18, 2014 to move forward with issuance of Park Bonds to fund greenways and additional capital renovations and expansions including planning, design, engineering, land purchase, right-of-way, and construction; and

WHEREAS, in accordance with North Carolina General Statute §159-13.2, the Town is authorized to establish a balanced project ordinance for projects involving the construction or acquisition of a capital asset.

NOW, THEREFORE, BE IT ORDAINED by the Board of Commissioners of the Town of Cornelius that a Project Ordinance is hereby amended for the 2015 Park Bonds with the following schedule of appropriations and expenditures:

REVENUES

	<u>ORIGINAL</u>	<u>PREVIOUS AMEND</u>	<u>CURRENT AMEND</u>	<u>CHANGE</u>
Proceeds from GO Bond Issue	\$3,400,000	\$4,200,000	\$4,200,000	\$ - 0 -
Carolina Thread Trail Grant	- 0 -	\$ 160,000	\$ 160,000	\$ - 0 -
NCDOT Grant revenue	- 0 -	\$2,868,000	\$3,893,566	\$1,025, 566
Transfer from General Fund	- 0 -	\$ 83,634	\$ 83,634	\$ - 0 -
Interest Earnings	- 0 -	\$ 2,000	\$ 2,000	\$ - 0 -
Total	<u>\$3,400,000</u>	<u>\$7,313,634</u>	<u>\$8,339,200</u>	<u>\$1,025,566</u>

EXPENDITURES

Design, Land Purchase, and Construction	<u>\$3,400,000</u>	<u>\$7,313,634</u>	<u>\$8,339,200</u>	<u>\$1,025,566</u>
Total	<u>\$3,400,000</u>	<u>\$7,313,634</u>	<u>\$8,339,200</u>	<u>\$1,025,566</u>

BE IT FURTHER ORDAINED that the Town Manager is authorized to transfer amounts among line items at his discretion as he deems necessary necessitating further action by the Board only to change the total amount of the budget. The Town Manager or his designee is hereby authorized to expend funds in accordance with this Project Ordinance necessary to complete the project.

Adopted this 20th day of June, 2022.

David Gilroy, Mayor Pro-Tem

SEAL

ATTEST:

APPROVED AS TO FORM:

Lori A. Harrell
Town Clerk

Karen Wolter
Town Attorney

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 20, 2022

To: Mayor and Board of Commissioners

From: Andrew Grant, Town Manager


Action Requested:

Ada Jenkins Center applied for an Annual Support Grant for FY23, and presented their proposal to the Town Board. On June 6, 2022, the Town Board approved the FY23 Budget which included \$25,000 for the Ada Jenkins Center. The next step is for the Town to approve the grant agreement.

Manager's Recommendation:

Approve the grant agreement and provide the authority to the Town Manager and Town Attorney to finalize the terms and execute the agreement.

ATTACHMENTS:

Name:	Description:	Type:
 2022_Support_Grant_Agreement_Ada.pdf	Grant Agreement	Backup Material



SUPPORT GRANT AGREEMENT

This Support Grant Agreement (the “Grant Agreement”) entered into on this _____ day of _____, 20____ by and between TOWN OF CORNELIUS, a North Carolina municipal corporation (“Town”), and the following Grantee, _____, a North Carolina non-profit corporation (“Grantee”).

WHEREAS, Town is authorized, pursuant to N.C.G.S. §160A-488, to establish and support public museums, art galleries, art centers, arts facilities and arts programs; and

WHEREAS, The Town is authorized, pursuant to The North Carolina Constitution and N.C.G.S. §160A-20.1 to support those carrying out a public purpose that benefits the citizens of the Town of Cornelius; and

WHEREAS, Grantee has applied to the Town for a Support Grant for the Town’s fiscal year 2023 by completing the Support Grant Application attached hereto and incorporated herein as “Exhibit A”; and

WHEREAS, the Town has reviewed Grantee’s grant Application and awards to Grantee a grant award subject to the terms and conditions set forth below.

NOW THEREFORE, in consideration of the foregoing recitals, of mutual promises of the Parties and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Town and Grantee agree as follows:

1. Grant Award. The Town hereby grants to Grantee a Support Grant for fiscal year 2023 in the amount of \$_____.
2. Use of Grant Awards. Grant Awards are to be used by Grantee solely for those purposes more particularly described in the Support Grant Application submitted by Grantee, attached hereto as Exhibit A and incorporated herein by reference.
3. Funding Period. Each funding period for the Grant Award begins on July 1 and terminates on June 30 (the “Annual Funding Period”).
4. Payment of Grant Award. The Town shall pay the Grant Award to Grantee in one (1) installment during each Annual Funding Period, payment to be processed on or before the last day of September of the fiscal year for which a grant is awarded.

5. Annual Reporting Requirements. Grantee shall submit a Final Report to the Town no later than October 1 of the Town's following fiscal year. The Final Report shall describe with particularity how the Grant Funds were expended. Grantee shall retain and keep safe financial and other records that corroborate the information contained in the Final Report (invoices, receipts, pay vouchers, etc.) for a period of no less than five years. The Town shall have the authority to review these financial records from time to time.
6. Material Failure to Perform. The Town shall have no obligation to pay the Grant Award or any remaining portion thereof should Grantee fail to provide required financial reporting (annual audit report within 6 months of the completion of the audited fiscal year) or should Grantee materially fail to comply with Exhibit A. In the event of such material failure, Grantee shall return the full amount of the Annual Grant Award already paid to Town.
7. Compliance with Laws. Grantee shall comply with all state and federal laws, ordinances, rules and regulations including but not limited to related to those laws governing discrimination, project implementation and the expenditure of funds. Grantees who do not comply with these regulations may be ineligible for future funding.
8. Operation Deficits. The Town shall not be responsible for nor liable for operating deficits of Grantee.
9. Indemnification. Grantee assumes sole responsibility and liability, and will defend, indemnify, and hold Town harmless from and against all liabilities, fines, suits, claims, demands, actions, injuries, damages, judgments, costs, expenses, penalties or losses of any kind or nature whatsoever (including without limitation for damage to real or personal property, and/or or injury or death to a person) (collectively, the "Liabilities") caused by, arising out of, or in any manner related to the operation, management, occupancy and/or use of the Grantee's facilities, including from intentional or negligent acts by Grantee or its agents, employees, licensees, contractors, patrons, guests, invitees, customers and other visitors, or the public; provided, however, that Grantee shall not be liable to Town for liabilities arising from or directly related to Town's gross negligence or willful misconduct. Grantee waives all claims against Town for liabilities arising from or related to the Grantee's facilities, except for claims arising from or directly related to Town's gross negligence or willful misconduct. Grantee's indemnity obligations pursuant to this Section shall survive the termination or expiration of this Agreement.
10. Severability and Duration. If any provision of this Agreement is deemed or declared illegal, unenforceable, or invalid, such provision will be read out of this Agreement, and will not affect the validity of any other provision or give rise to any cause of action of the parties against the other, and the remainder of this Agreement will be valid and enforced to the fullest extent permitted by law.

11. Waiver. Any waiver at any given time of any term or condition of this Agreement, or the failure to take action with respect to any breach of any such term or condition, will not be deemed to be a waiver of the term or condition with regard to any subsequent breach of the term or condition, or of any other term or condition of the Agreement.
12. Modifications. This Agreement may be modified, altered or amended only by written agreement executed by Town and Grantee.
13. Governing Law. This Agreement shall be governed in all respects, including as to validity, interpretation, and effect, by the internal laws of the state of North Carolina, without giving effect to the conflict of laws and rules thereof. The language in all parts of this Agreement will be, in all cases, construed according to its fair meaning and not strictly for or against Town or Grantee.
14. Waiver of Jury Trial. The Parties waive trial by jury in any action, proceeding or counterclaim brought by or against the other with respect to any matter arising out of or in connection with this Agreement.
15. Relationship. The parties agree that neither any provision of this Agreement nor any act of the parties shall be deemed to create any joint venture relationship or other partnership agreement between Grantee and Town.
16. Time of the Essence. Time is of the essence for each of the provisions of this Agreement.
17. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which counterparts collectively shall constitute one Agreement. Signatures may be exchanged by copy, or with original signatures to follow. Each party shall be bound by its own copied signature and shall accept the copied signature of the other party.
18. Performance of Government Function. Nothing contained in this Agreement shall be deemed or construed to estop, limit, or impair Town from exercising or performing any regulatory, legislative, governmental, or other powers or functions.

IN WITNESS WHEREOF, the parties have executed this Agreement under seal in Cornelius, North Carolina, as of the Effective Date.

Signature of Authorized Representative	Date
--	------

Federal Identification #

Town of Cornelius

Signature of Authorized Representative

Date

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

Signature of Authorized Finance Officer

Date



Exhibit A

ANNUAL SUPPORT GRANT APPLICATION

(Application due January 31)

Application to be submitted to:

Town of Cornelius
Attn: Town Manager
PO Box 399
Cornelius, NC 28031

Date of Application: January 31, 2022

Amount Requested: \$25,000

Legal name of organization applying: Ada Jenkins Families and Careers Development Center

Year Founded: 1996

Executive Director: Harold Rice, Jr.

Address (principal/administrative office): 212 Gamble Street; PO Box 1842

City/State/Zip: Davidson, NC 28036

Phone number: 704-896-0471, ext. 107

Web address: www.adajenkins.org

Primary Contact/Executive Director Information:

Name: Harold Rice, Jr., CEO

Email Address: Harold.rice@adajenkins.org

Telephone Number: 704-896-0471, ext. 106

List any previous support you have received from Cornelius in the last 5 years:

\$15,000 in each March 2021, February 2020, May 2019, May 2018, May 2017

Time Period Covered by Request: July 1, 2022 – June 30, 2023

Amount Requested: \$ 25,000

*Signature, Chairperson, Board of Directors
(if applicable)*

Brian Peace Co-Chair

Typed Name and Title

1-31-2022

Date

Signature, Executive Director

Harold Rice, Jr., Chief Executive Officer

Typed Name and Title

1-31-2022

Date



Executive Summary

The Ada Jenkins Center (AJC) respectfully requests a total of \$25,000 in operating support, an increase over prior years due to the increased numbers that we have been serving since the initial onset of COVID-19.

Nearly 10% of the Lake Norman population lives below the federal poverty level (\$26,500 for a family of four). Ada Jenkins Center's services aim to change - and break - the cycle of poverty. We help our families gain the social capital and means to navigate market-rate housing and leases; learn how to attain, interpret, and improve their credit ratings to reduce their debt and improve their savings; and how to attain gainful employment and increase their level of education. In May 2021 we began a Homeless Street Outreach program, working with individuals who are unsheltered, or at risk of homelessness, to find them connections to essential services and housing when available. Between July 1-December 31, 2021, we connected with 59 people in our area experiencing homelessness -- sharing emergency supplies and connecting them with the helpful resources they need.

During FY21, we assisted 317 Cornelius residents with Economic Mobility and financial services, 222 Cornelius residents through our food pantry, and 12 through our VITA (Volunteer Income Tax Assistance) program, which offers free tax preparation for families earning \$57,000 or less. **Program data from the first half of FY22 (July 1-December 31, 2021) show a projected year-over-year client increase of 17 percent for FY22.**

Funds are requested as follows: \$15,000 toward our Economic Mobility programming, and \$10,000 toward our Homeless Street Outreach program.

Purpose of the Grant

Description of your goals, measurable objectives, and action plans for the Fiscal Year.

Our goal is to strengthen the likelihood that clients will sustain themselves financially, with the education and strategies needed to become less reliant on government resources. **Grant funding will help ensure that we can keep up with the demand for need for services.**

Research shows that living in poverty significantly raises the likelihood of incarceration, homelessness, becoming a single parent, failing to complete high school, and dying at a younger age. Vulnerable populations, primarily communities of color, are disproportionately impacted by health disparities and economic recovery. The individuals and families we serve will be impacted by the effects of COVID-19 – and the resulting economy – for the foreseeable future.

Client entry typically begins with an email or telephone inquiry, or a referral from another community agency, school, or faith congregation:



1. If the family is in an **emergency** situation, they will work with our Financial Assistance and Resource Team and provide documentation (notices/bills) regarding overdue payments; we then send payment to the property or utility provider. Payments are limited per family, per year. Families are referred to our food pantry for food, and to other area agencies for specialized assistance (clothing, medical care, etc.)
2. If the family is stable – for now – they will work with our Economic Mobility Case Coordinators to create a goal plan, whether they seek assistance with budgeting, better housing, attaining a new job or additional education, and more. Families may remain in our Economic Mobility program for 24 months. In that timeframe, we project that 80% clients attain their individual goals. We project that we'll serve 78-80 Cornelius families in our Economic Mobility program by the end of FY22.

During the 2022 tax season, we anticipate (based on 2021 data) that we will serve 20 Cornelius families through our VITA program, saving them \$250 each in tax preparation fees, and resulting in an average return of \$1,687 – funds they can then spend back within the local economy.

Needs/problems to be addressed; description of target population and how they will benefit

The North Mecklenburg area is among the most underserved areas of the county. Nearly 10% of the population lives below the poverty level, with more living within 200%. 28% of area families earn less than \$50,000 per year. A significant number of Latinx families and senior citizens live on fixed incomes. Low income families face many challenges: distance from services in Charlotte, limited public transportation and affordable housing, financial instability, and limited access to affordable medical/dental care.

While we serve clients whose annual household income is less than or equal to 250% of the Federal Poverty Level (FPL), more than 95% of those we serve have incomes below 100% of FPL.

Our Case Coordinators – the only social work staff north of Charlotte -- are the key in working with clients to identify obstacles and goals and design plans such that each client and (and those in the household) can achieve their goals and increase their financial independence. Ada Jenkins Center's Case Coordinators receive training that specifically addresses how to best work with impoverished individuals to increase their economic mobility. Strategies focus on improving their professional skills so that they may better engage in programs and optimize outcomes. This includes training techniques such as cognitive behavioral therapy that can help participants address long-standing negative thoughts, impulses and behaviors. Other approaches support clients in improving problem solving and goal attainment across multiple domains (housing, education, career, etc.)

Not just due to - but certainly complicated by - COVID, AJC is experiencing an unprecedented and steady number of requests for emergency rent/utility support as well. Our Financial Assistance and Resource Team typically processes payments for an average of 12 families per month. **In January 2022, that**



number jumped to 24 families, representing the largest number of requests we received in more than a year.



Description on how grantee addresses participants who have a financial need

Clients with emergency financial needs are eligible for assistance through our short-term Financial Assistance program:

- Applicant income must be at or below 250% of the Federal Poverty Level (250% = \$65,500 for a family of four)
- Applicants must supply their three most recent bank statements. If they've just started employment, they'll also need to complete our Employment Verification form.
- The amount of funds provided to each household is limited per year.
- Funds are distributed on a first come-first serve, month-to-month and case-by-case basis – and are paid to the bill issuers (energy company, property provider) – not the clients themselves.

Timetable for implementation and/or general program calendar

- Our Economic Mobility programs and services operate year-round, with individual 24-month goal plans as noted above.
- During FY22, VITA offers free tax preparation appointments every Saturday from February 5-April 16, 2022. We will operate on a similar schedule during FY23.
- Our Financial Assistance program will operate as long as our funds last. Our rate of funding prior to January 2020 was approximately \$10,000 per month (for 10 families). Now that we are seeing an increase, we expect this funding to be expended by mid-2022. We are in the process of seeking additional funds for this program.

Evaluation

Plans for evaluation including measuring objectives and how success will be defined and measured

We enter client intake, benchmark assessments, and exit ("graduation") data into the Homelessness Management Information System for tracking and reporting. Of the hundreds of unduplicated individuals and families we serve annually through our case coordination/management, financial/housing and employment/education resources, we expect that 80% or more will attain their personal goals (i.e.: safety/stability, support network, access to childcare, transportation, etc.) within the two years that they are eligible for our Economic Mobility program.

Funds Provided by Other Entities

List of amounts requested of other foundations, corporations and other funding sources to which a proposal has been submitted

- United Way of Central Carolinas (\$60,000) – awarded
- Atrium Health (\$25,000) - awarded
- Novant Health (\$15,000) - awarded



- The Leon Levine Foundation (\$75,000) – requested
- Mecklenburg County (\$30,000) - requested
- Davidson United Methodist Church (\$15,000) – requested

Organization Information

Brief summary of organization's history, including duration that programs or services have been provided

The Ada Jenkins Center (AJC) is a 501 (c) 3 nonprofit helping those in poverty break the cycle and gain economic independence. AJC has become a resource hub for north Mecklenburg County, serving the towns of Cornelius, Davidson and Huntersville, and embodying the ideals of education and equal opportunity for all.

During the Great Depression, when the number of building permits in the county plummeted, when residents in nearby counties were starving, the African-American community understood the importance of education. Led by teacher Ada Jenkins, the community came together to raise funds for a school. The school opened for the 1937-1938 school year as the Davidson Colored School, and educated African-American students until integration in 1966. From 1967 until the early 1990s, the building served as a daycare, a food co-op, a dance studio, and an after-school program. Recognizing the changing needs of the community, volunteers renovated the building and established The Ada Jenkins Families and Careers Development Center (Ada Jenkins Center) in April 1994.

Brief statement of organization's mission and goals. Primary focus of services and/or programs

Our **mission** is to help people create lasting solutions for economic mobility. Our **goal** is to strengthen the likelihood that clients will sustain themselves financially, with the education and strategies needed to become less reliant on government resources. Our **services and programs** include:

- **Economic Mobility** – Providing case coordination, and financial/career/housing resources to help clients achieve economic mobility.
- **Financial Assistance** – We accept applications for financial assistance (for rent/mortgage, utilities, and childcare) while funding is available.
- **Education Services** – We provide the only free afterschool education program in the area for K-8 students who are 1-3 grade levels behind their peers; along with GED/High School Equivalency and ESL classes for adults.
- **Food Pantry** – Clients receive a week's worth of nutritionally balanced groceries from all five food groups.
- **Homeless Outreach** – Our Street Outreach team meets with individuals and families who are unsheltered and connects them with the helpful resources they need.
- **Volunteer Income Tax Assistance (VITA)** – Free basic tax return preparation or qualified individuals and families.

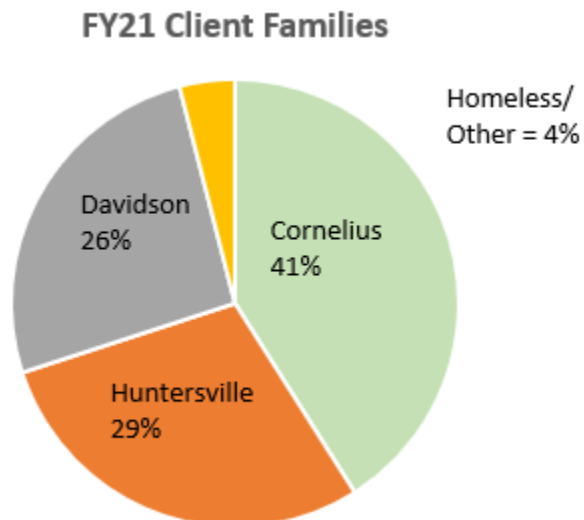


Location of headquarters: Davidson, NC

Location of principal business activities: Cornelius, Davidson, and Huntersville, NC

During our FY21 year:

- **1,390** people received groceries through the Loaves and Fishes pantry
- **774** clients connected with AJC services and resources related to housing, employment, and budgeting
- **273** families received COVID-related emergency financial assistance totaling more than **\$720,000**
- **201** households had their tax returns prepared for free (cost savings of **\$50,000**; average refund of **\$1,687**)
- **57** students received afterschool support – either virtual or in-person – through our LEARN Works program, for the entire school year
- **38** students took part in our ‘pandemic pod’ LEARN Works Day program, which allowed their parents to maintain their employment during COVID



DISTRICT DIRECTOR
P. O. BOX 2508
CINCINNATI, OH 45201

Date:

JUL 23 1984

ADA JENKINS FAMILIES AND CAREERS
DEVELOPMENT CENTER INC
PO BOX 1842 212 GAMBLE ST
DAVIDSON, NC 28036

Employer Identification Number:

56-1927067

DLN:

316187001

Contact Person:

D. A. DOWNING

Contact Telephone Number:

(513) 684-3957

Accounting Period Ending:

December 31

Form 990 Required:

Yes

Addendum Applies:

Yes

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. In the case of an amendment to your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, you should inform us of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA)..

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please let us know.

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

Donors may deduct contributions to you as provided in section 170 of the

Letter 947 (00/CG)

JA JENKINS FAMILIES AND CAREERS

Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of Code sections 2055, 2106, and 2522.

Contribution deductions are allowable to donors only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as deductible contributions, depending on the circumstances. See Revenue Ruling 67-246, published in Cumulative Bulletin 1967-2, on page 104, which sets forth guidelines regarding the deductibility of charitable contributions, of payments made by taxpayers for admission to or other participation in fundraising activities for charity.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt From Income Tax. If Yes is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts test. If you are not required to file, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$10 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$5,000 or 5 percent of your gross receipts for the year, whichever is less. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

This determination is based on evidence that your funds are dedicated to the purposes listed in section 501(c)(3) of the Code. To assure your continued exemption, you should keep records to show that funds are expended only for those purposes. If you distribute funds to other organizations, your records should show whether they are exempt under section 501(c)(3). In cases where the recipient organization is not exempt under section 501(c)(3), there should be evidence that the funds will remain dedicated to the required

Letter 947 (DO/CG)

A JENKINS FAMILIES AND CAREERS

purposes and that they will be used for those purposes by the recipient.

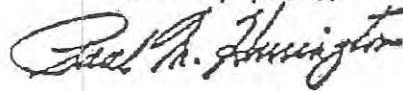
If distributions are made to individuals, case histories regarding the recipients should be kept showing names, addresses, purposes of awards, manner of selection, relationship (if any) to members, officers, trustees or donors of funds to you, so that any and all distributions made to individuals can be substantiated upon request by the Internal Revenue Service. (Revenue Ruling 56-304, C.B. 1956-2, page 304.)

If we have indicated in the heading of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



District Director

Letter 947 (DO/CG)

JA JENKINS FAMILIES AND CAREERS

You are required to make your annual return available for public inspection for three years after the return is due. You are also required to make available a copy of your exemption application, and supporting documents, and this exemption letter. Failure to make these documents available for public inspection may subject you to a penalty of \$10 per day for each day there is failure to comply (up to a maximum of \$5,000 in the case of an annual return). See Internal Revenue Service Notice 88-120, 1988-2 C.B. 454, for additional information.

If your organization conducts fund-raising events such as benefit dinners, auctions, membership drives, etc., where something of value is received in return for contributions, you can help your donors avoid difficulties with their income tax returns by assisting them in determining the proper tax treatment of their contributions. To do this you should, in advance of the event, determine the fair market value of the benefit received and state it in your fund-raising materials such as solicitations, tickets, and receipts in such a way that your donors can determine how much is deductible and how much is not. To assist you in this, the Service has issued Publication 1391, Deductibility of Payments Made to Charities Conducting Fund-Raising Events. You may obtain copies of Publication 1391 from your local IRS Office. Guidelines for deductible amounts are also set forth in Revenue Ruling 67-246, 1967-2 C.B. 104 and Revenue Procedure 90-12, 1990-1 C.B. 471 and Revenue Procedure 92-49, 1992-26 I.R.B. 18.

You indicate that you will not finance your activities with tax-exempt bonds or certificates of participation. Therefore, this determination letter is based on the understanding that you will not raise funds through such financing. If in the future you wish to raise funds by either of these methods, you should request a ruling from the Internal Revenue Service, Attn: E:ED, 1111 Constitution Avenue, N.W., Washington, D.C. 20224.

Letter 947 (DO/CG)



Harold E. Rice, Jr.
Chief Executive Officer

Board of Directors

Brian Peace, Co-Chair (*Davidson, NC*)
Corporate Administration Executive (Retired)

Angela Kirkby, Co-Chair (*Denver, NC*)
Community Volunteer

Kim Jude, Vice Chair (*Mooresville, NC*)
VP of Finance, Trane Technologies

Richard Pappas, Treasurer (*Cornelius, NC*)
Business Banker, First National Bank

Marvin Brandon, Secretary (*Davidson, NC*)
Member, Omega Psi Phi Fraternity, Inc.
32nd Degree Prince Hall Mason; Shriner

Martha Bergstedt (*Huntersville, NC*)
Vice President Strategic Sourcing, Novant Health

Lesley Chambless (*Huntersville, NC*)
Director of Human Resources, Mosaic Pediatric Therapy

Dr. Laura Colson (*Charlotte, NC*)
Vice President of Academic Affairs, Bennett College

Lisa DeMao (*Cornelius, NC*)
VP of Community Clinics, Atrium Health

Iretha Kerns (*Charlotte, NC*)
Community Volunteer

Steph Wells (*Huntersville, NC*)
Senior Vice President and Senior Trust Officer, Bank of America Private Bank

Ex Officio

Rusty Knox (*Davidson, NC*); Stacy Phillips (*Huntersville, NC*);
Bill Russell (*Huntersville, NC*); Dave Gilroy (*Cornelius, NC*)

Form **8879-EO****IRS e-file Signature Authorization
for an Exempt Organization**

OMB No. 1545-1878

For calendar year 2019, or fiscal year beginning 7/01, 2019, and ending 6/30, 2020▶ **Do not send to the IRS. Keep for your records.**▶ **Go to www.irs.gov/Form8879EO for the latest information.****2019**Department of the Treasury
Internal Revenue Service

Name of exempt organization

Ada Jenkins Families and Careers
Development Center, Inc.

Employer identification number

56-1927067

Name and title of officer

Harold Rice

CEO

Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line **1a**, **2a**, **3a**, **4a**, or **5a**, below, and the amount on that line for the return being filed with this form was blank, then leave line **1b**, **2b**, **3b**, **4b**, or **5b**, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than one line in Part I.

1 a Form 990 check here	▶ <input checked="" type="checkbox"/>	b Total revenue , if any (Form 990, Part VIII, column (A), line 12)	1 b <u>2,459,176.</u>
2 a Form 990-EZ check here	▶ <input type="checkbox"/>	b Total revenue , if any (Form 990-EZ, line 9)	2 b _____
3 a Form 1120-POL check here	▶ <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3 b _____
4 a Form 990-PF check here	▶ <input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part VI, line 5)	4 b _____
5 a Form 8868 check here	▶ <input type="checkbox"/>	b Balance Due (Form 8868, line 3c)	5 b _____

Part II Declaration and Signature Authorization of Officer

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2019 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS **(a)** an acknowledgement of receipt or reason for rejection of the transmission, **(b)** the reason for any delay in processing the return or refund, and **(c)** the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

☒ I authorize C. DeWitt Foard & Co, PA, CPAs to enter my PIN 51200 as my signature

ERO firm name

Enter five numbers, but
do not enter all zeros

on the organization's tax year 2019 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

☐ As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2019 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ▶ _____

Date ▶ _____

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN

69763341118

Do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2019 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ _____

Date ▶ _____

**ERO Must Retain This Form – See Instructions
Do Not Submit This Form to the IRS Unless Requested To Do So**

BAA For Paperwork Reduction Act Notice, see instructions.

Form **8879-EO** (2019)

**C. DEWITT FOARD & CO, PA, CPAS
817 E. MOREHEAD STREET, STE. 100
CHARLOTTE, NC 28202
704-372-1515**

February 5, 2021

Ada Jenkins Families and Careers
Development Center, Inc.
P.O. Box 1842
Davidson, NC 28036

Dear Harold :

Enclosed is your 2019 Federal Return of Organization Exempt from Income Tax. In order to complete the electronic filing of this return, please sign and return Form 8879-EO. No tax is payable with the filing of this return.

Please be sure to call us if you have any questions.

Sincerely,

Phillip G. Wilson

C. DeWitt Foard & Co, PA, CPAs

817 E. Morehead Street, Ste. 100

Charlotte, NC 28202

704-372-1515

Client E1200

February 5, 2021

Ada Jenkins Families and Careers**Development Center, Inc.****P.O. Box 1842****Davidson, NC 28036****7048960471****FEDERAL FORMS**

Form 990	2019 Return of Organization Exempt from Income Tax
Schedule A	Organization Exempt Under Section 501(c)(3)
Schedule B	Schedule of Contributors
Schedule D	Schedule D
Schedule G	Fundraising or Gaming Activities
Schedule I	Grants and Other Assistance Inside U.S.
Schedule M	Non-Cash Contributions
Schedule O	Supplemental Information
Form 8868	Application for Extension
Form 8879-EO	IRS e-file Signature Authorization

FEE SUMMARY**Preparation Fee**

	2019	2018	Diff
REVENUE			
Contributions and grants.....	2,435,431	2,183,812	251,619
Program service revenue.....	4,811	9,680	-4,869
Investment income.....	12,159	-13,481	25,640
Other revenue.....	6,775	74,592	-67,817
Total revenue.....	2,459,176	2,254,603	204,573
EXPENSES			
Grants and similar amounts paid.....	333,662	163,911	169,751
Salaries, other compen., emp. benefits...	1,198,819	1,015,551	183,268
Other expenses.....	550,879	444,718	106,161
Total expenses.....	2,083,360	1,624,180	459,180
NET ASSETS OR FUND BALANCES			
Revenue less expenses.....	375,816	630,423	-254,607
Total assets at end of year.....	5,529,621	5,452,626	76,995
Total liabilities at end of year.....	338,925	637,477	-298,552
Net assets/fund balances at end of year.	5,190,696	4,815,149	375,547

2019

General Information
Ada Jenkins Families and Careers
Development Center, Inc.

Page 1
56-1927067

Forms needed for this return

Federal: 990, Sch A, Sch B, Sch D, Sch G, Sch I, Sch M, Sch O, 8868

Carryovers to 2020

None

**Application for Automatic Extension of Time To File an
Exempt Organization Return**

OMB No. 1545-0047

► **File a separate application for each return.**
 ► **Go to www.irs.gov/Form8868 for the latest information.**

Electronic filing (e-file). You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits.

Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions.		Taxpayer identification number (TIN)
	Ada Jenkins Families and Careers Development Center, Inc.		56-1927067
	Number, street, and room or suite number. If a P.O. box, see instructions.		
	P.O. Box 1842		
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.		
	Davidson, NC 28036		

Enter the Return Code for the return that this application is for (file a separate application for each return) **01**

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (section 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

• The books are in the care of ► CFSC Shares Services

Telephone No. ► 704-896-0471 Fax No. ►

• If the organization does not have an office or place of business in the United States, check this box ► ☐

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) If this is for the whole group, check this box ► ☐. If it is for part of the group, check this box ... ► ☐ and attach a list with the names and TINs of all members the extension is for.

1 I request an automatic 6-month extension of time until 5/15, 20 21, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ☐ calendar year 20 ____ or
 ► ☒ tax year beginning 7/01, 20 19, and ending 6/30, 20 20.

2 If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return
☐ Change in accounting period

3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	3a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	3c	\$	0.

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

BAA For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Form **8868** (Rev. 1-2020)

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

2019**Open to Public
Inspection****A** For the 2019 calendar year, or tax year beginning 7/01, 2019, and ending 6/30, 2020**B** Check if applicable:

- ☐ Address change
☐ Name change
☐ Initial return
☐ Final return/terminated
☐ Amended return
☐ Application pending

C
Ada Jenkins Families and Careers
Development Center, Inc.
P.O. Box 1842
Davidson, NC 28036**D** Employer identification number

56-1927067

E Telephone number

7048960471

G Gross receipts \$ 2,461,343.**H(a)** Is this a group return for subordinates? ☐ Yes ☒ No**H(b)** Are all subordinates included? ☐ Yes ☐ No
If "No," attach a list. (see instructions)**I** Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) () (insert no.) ☐ 4947(a)(1) or ☐ 527**J** Website: www.adajenkins.org**H(c)** Group exemption number ▶**K** Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶**L** Year of formation: 1987 **M** State of legal domicile: NC**Part I Summary**

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: <u>We exist to help people create lasting solutions for economic stability.</u>		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	19
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	19
	5	Total number of individuals employed in calendar year 2019 (Part V, line 2a)	5	47
	6	Total number of volunteers (estimate if necessary)	6	720
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
7b	Net unrelated business taxable income from Form 990-T, line 39	7b	0.	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	2,183,812.	2,435,431.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	9,680.	4,811.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-13,481.	12,159.
	12	Total revenue — add lines 8 through 11 (must equal Part VIII, column (A), line 12)	74,592.	6,775.
			2,254,603.	2,459,176.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	163,911.	333,662.
	14	Benefits paid to or for members (Part IX, column (A), line 4)		
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	1,015,551.	1,198,819.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)		
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 285,873.		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	444,718.	550,879.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	1,624,180.	2,083,360.
Net Assets or Fund Balances	19	Revenue less expenses. Subtract line 18 from line 12	630,423.	375,816.
	20	Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21	Total liabilities (Part X, line 26)	5,452,626.	5,529,621.
	22	Net assets or fund balances. Subtract line 21 from line 20	637,477.	338,925.
		4,815,149.	5,190,696.	

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer	Date			
	<u>Harold Rice</u> Type or print name and title	CEO			
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	<u>Phillip G. Wilson</u>				<u>P00096084</u>
	Firm's name	Firm's EIN ▶			
	<u>C. DeWitt Foard & Co, PA, CPAs</u>	<u>561688300</u>			
	Firm's address	Phone no.			
	<u>817 E. Morehead Street, Ste. 100</u> <u>Charlotte, NC 28202</u>	<u>704-372-1515</u>			

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☒**1** Briefly describe the organization's mission:We exist to help people create lasting solutions for economic stability.**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☒ Yes ☐ No

If "Yes," describe these changes on Schedule O.

See Schedule O**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.**4a** (Code:) (Expenses \$ 690,110. including grants of \$ 326,117.) (Revenue \$)See Schedule O**4b** (Code:) (Expenses \$ 305,433. including grants of \$ 485.) (Revenue \$ 1,219.)See Schedule O**4c** (Code:) (Expenses \$ 181,031. including grants of \$ 730.) (Revenue \$)Medical ClinicOur clinic provided 914 medical office visits and nurse consultations in FY19-20, serving 199 individual (unduplicated) patients. Patients benefitted from primary and specialty medical care, mental health consultation, prescription assistance through NC MedAssist, donated medical supplies, free lab tests, diagnostic and specialty referrals, care coordination, etc. The value of medical office visits, based on 2017 Usual and Customary Rate values provided by Blue Cross Blue Shield of NC, totaled \$133,530 value prescription medications provided to our patients at no cost through NC MedAssist totaled \$138,498.**4d** Other program services (Describe on Schedule O.) See Schedule O(Expenses \$ 354,396. including grants of \$ 1,410.) (Revenue \$ 3,592.)**4e** Total program service expenses 1,530,970.

Part IV Checklist of Required Schedules

	Yes	No	
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If 'Yes,' complete Schedule A	1	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I	3		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If 'Yes,' complete Schedule C, Part II	4		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If 'Yes,' complete Schedule C, Part III	5		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If 'Yes,' complete Schedule D, Part I	6		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If 'Yes,' complete Schedule D, Part II	7		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If 'Yes,' complete Schedule D, Part III	8		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If 'Yes,' complete Schedule D, Part IV	9		X
10 Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? If 'Yes,' complete Schedule D, Part V	10	X	
11 If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.			
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If 'Yes,' complete Schedule D, Part VI	11 a	X	
b Did the organization report an amount for investments – other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part VII	11 b		X
c Did the organization report an amount for investments – program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part VIII	11 c		X
d Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part IX	11 d		X
e Did the organization report an amount for other liabilities in Part X, line 25? If 'Yes,' complete Schedule D, Part X	11 e	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If 'Yes,' complete Schedule D, Part X	11 f		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If 'Yes,' complete Schedule D, Parts XI and XII	12a	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If 'Yes,' and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI and XII is optional	12b		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E	13		X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If 'Yes,' complete Schedule F, Parts I and IV	14b		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If 'Yes,' complete Schedule F, Parts II and IV	15		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If 'Yes,' complete Schedule F, Parts III and IV	16		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If 'Yes,' complete Schedule G, Part I (see instructions)	17		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If 'Yes,' complete Schedule G, Part II	18	X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If 'Yes,' complete Schedule G, Part III	19		X
20a Did the organization operate one or more hospital facilities? If 'Yes,' complete Schedule H	20a		X
b If 'Yes' to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If 'Yes,' complete Schedule I, Parts I and II	21		X

Part IV Checklist of Required Schedules (continued)

	Yes	No
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If 'Yes,' complete Schedule I, Parts I and III.</i>	X	
23 Did the organization answer 'Yes' to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If 'Yes,' complete Schedule J.</i>		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If 'Yes,' answer lines 24b through 24d and complete Schedule K. If 'No,' go to line 25a.</i>		X
24b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
24c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
24d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If 'Yes,' complete Schedule L, Part I.</i>		X
25b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If 'Yes,' complete Schedule L, Part I.</i>		X
26 Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? <i>If 'Yes,' complete Schedule L, Part II.</i>		X
27 Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <i>If 'Yes,' complete Schedule L, Part III.</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions, for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? <i>If 'Yes,' complete Schedule L, Part IV.</i>		X
b A family member of any individual described in line 28a? <i>If 'Yes,' complete Schedule L, Part IV.</i>		X
c A 35% controlled entity of one or more individuals and/or organizations described in lines 28a or 28b? <i>If 'Yes,' complete Schedule L, Part IV.</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If 'Yes,' complete Schedule M.</i>	X	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If 'Yes,' complete Schedule M.</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If 'Yes,' complete Schedule N, Part I.</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If 'Yes,' complete Schedule N, Part II.</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If 'Yes,' complete Schedule R, Part I.</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If 'Yes,' complete Schedule R, Part II, III, or IV, and Part V, line 1.</i>		X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If 'Yes,' complete Schedule R, Part V, line 2.</i>		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If 'Yes,' complete Schedule R, Part V, line 2.</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If 'Yes,' complete Schedule R, Part VI.</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note: All Form 990 filers are required to complete Schedule O.	X	

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V. ☐

	Yes	No
1 a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

	Yes	No
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return. 2a 47		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? 2b	X	
Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)		
3a Did the organization have unrelated business gross income of \$1,000 or more during the year? 3a		X
b If 'Yes,' has it filed a Form 990-T for this year? If 'No' to line 3b, provide an explanation on Schedule O. 3b		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? 4a		X
b If 'Yes,' enter the name of the foreign country ▶ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? 5a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? 5b		X
c If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T? 5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? 6a		X
b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? 6b		
7 Organizations that may receive deductible contributions under section 170(c).		
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? 7a		X
b If 'Yes,' did the organization notify the donor of the value of the goods or services provided? 7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? 7c		X
d If 'Yes,' indicate the number of Forms 8282 filed during the year. 7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? 7e		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? 7f		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? 7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? 7h		
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year? 8		
9 Sponsoring organizations maintaining donor advised funds.		
a Did the sponsoring organization make any taxable distributions under section 4966? 9a		
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? 9b		
10 Section 501(c)(7) organizations. Enter:		
a Initiation fees and capital contributions included on Part VIII, line 12. 10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities. 10b		
11 Section 501(c)(12) organizations. Enter:		
a Gross income from members or shareholders. 11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) 11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? 12a		
b If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year. 12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.		
a Is the organization licensed to issue qualified health plans in more than one state? 13a		
Note: See the instructions for additional information the organization must report on Schedule O.		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans. 13b		
c Enter the amount of reserves on hand 13c		
14a Did the organization receive any payments for indoor tanning services during the tax year? 14a		X
b If 'Yes,' has it filed a Form 720 to report these payments? If 'No,' provide an explanation on Schedule O. 14b		
15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? 15		X
If 'Yes,' see instructions and file Form 4720, Schedule N.		
16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income? 16		X
If 'Yes,' complete Form 4720, Schedule O.		

Part VI Governance, Management, and Disclosure For each 'Yes' response to lines 2 through 7b below, and for a 'No' response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.Check if Schedule O contains a response or note to any line in this Part VI. ☒**Section A. Governing Body and Management**

	Yes	No
1 a Enter the number of voting members of the governing body at the end of the tax year. 1 a 19 If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.		
b Enter the number of voting members included on line 1a, above, who are independent. 1 b 19		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? 2		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person? 3		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? 4		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets? 5		X
6 Did the organization have members or stockholders? 6		X
7 a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? 7 a		X
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? 7 b		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body? 8 a	X	
b Each committee with authority to act on behalf of the governing body? 8 b	X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses on Schedule O. 9		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10 a Did the organization have local chapters, branches, or affiliates? 10 a		X
b If 'Yes,' did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? 10 b		
11 a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? 11 a	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990. See Schedule O		
12 a Did the organization have a written conflict of interest policy? If 'No,' go to line 13. 12 a	X	
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? 12 b		X
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this was done. 12 c		X
13 Did the organization have a written whistleblower policy? 13	X	
14 Did the organization have a written document retention and destruction policy? 14		X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official. See Schedule O. 15 a	X	
b Other officers or key employees of the organization. 15 b		X
If 'Yes' to line 15a or 15b, describe the process in Schedule O (see instructions).		
16 a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? 16 a		X
b If 'Yes,' did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? 16 b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ NC

18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.

☒ Own website ☒ Another's website ☒ Upon request ☐ Other (explain on Schedule O)

19 Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year. See Schedule O

20 State the name, address, and telephone number of the person who possesses the organization's books and records ▶
CFSC Shares Services 601 E 5th St #450 Charlotte NC 28202 704-896-0471

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response or note to any line in this Part VII. ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1 a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of 'key employee.'
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

See instructions for the order in which to list the persons above.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Georgia Krueger Executive Direc	40 0			X				84,281.	0.	0.
(2) Marvin Brandon Director	2 0	X						0.	0.	0.
(3) Kathi Arnes Treasurer	2 0	X						0.	0.	0.
(4) Lesley Chambless Co-Chair	2 0	X						0.	0.	0.
(5) Richard Guerrero Director	2 0	X						0.	0.	0.
(6) Jesse Jones Board Developme	2 0	X		X				0.	0.	0.
(7) David Holthouser Director	2 0	X						0.	0.	0.
(8) Iretha Kerns Director	2 0	X						0.	0.	0.
(9) Richard Pappas Finance Chair	2 0	X		X				0.	0.	0.
(10) Beth Quinn Director	2 0	X						0.	0.	0.
(11) Ray Stiemel Director	2 0	X						0.	0.	0.
(12) Brian Hines Ex-Officio	2 0	X						0.	0.	0.
(13) Brian Peace Co-Chair	2 0	X						0.	0.	0.
(14) Lisa DeMao Director	2 0	X						0.	0.	0.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) Donna Turner Co-Chair	2 0	X		X				0.	0.	0.
(16) Kimberly Jude Director	2 0	X						0.	0.	0.
(17) Angela Kirkby Director	2 0	X						0.	0.	0.
(18) Rusty Knox Ex-Officio	2 0	X						0.	0.	0.
(19) Bill Russell Ex-Officio	2 0	X						0.	0.	0.
(20) Woody Washam Ex-Officio	2 0	X						0.	0.	0.
(21)										
(22)										
(23)										
(24)										
(25)										
1 b Subtotal								84,281.	0.	0.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								84,281.	0.	0.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **0**

3 Did the organization list any **former** officer, director, trustee, key employee, or highest compensated employee on line 1a? *If 'Yes,' complete Schedule J for such individual.*

	Yes	No
3		X
4		X
5		X

4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? *If 'Yes,' complete Schedule J for such individual.*

5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If 'Yes,' complete Schedule J for such person.*

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **0**

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☐

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1 a 233,916.					
	b Membership dues	1 b					
	c Fundraising events	1 c 37,458.					
	d Related organizations	1 d					
	e Government grants (contributions)	1 e					
	f All other contributions, gifts, grants, and similar amounts not included above	1 f 2,164,057.					
	g Noncash contributions included in lines 1a-1f	1 g 197,424.					
	h Total. Add lines 1a-1f						2,435,431.
	Program Service Revenue	Business Code					
2 a Fees		900099	4,811.	4,811.			
b							
c							
d							
e							
f All other program service revenue							
g Total. Add lines 2a-2f			4,811.				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		12,159.			12,159.	
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6 a Gross rents	(i) Real	(ii) Personal				
		6 a					
		6 b Less: rental expenses					
	c Rental income or (loss)	6 c					
	d Net rental income or (loss)						
	7 a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		7 a					
		b Less: cost or other basis and sales expenses					
	c Gain or (loss)	7 c					
	d Net gain or (loss)						
	8 a Gross income from fundraising events (not including \$ 37,458. of contributions reported on line 1c). See Part IV, line 18						
		8 a	-1,280.				
		b Less: direct expenses	8 b 2,167.				
	c Net income or (loss) from fundraising events		-3,447.			-3,447.	
9 a Gross income from gaming activities. See Part IV, line 19							
	9 a						
	b Less: direct expenses	9 b					
c Net income or (loss) from gaming activities							
10 a Gross sales of inventory, less							
	10 a						
	b Less: cost of goods sold	10 b					
c Net income or (loss) from sales of inventory							
Miscellaneous Revenue	Business Code						
	11 a Miscellaneous	531120	10,222.	10,222.			
	b						
	c						
	d All other revenue						
	e Total. Add lines 11a-11d		10,222.				
12 Total revenue. See instructions			2,459,176.	15,033.	0.	8,712.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX. ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21.				
2 Grants and other assistance to domestic individuals. See Part IV, line 22.	333,662.	333,662.		
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16.				
4 Benefits paid to or for members.				
5 Compensation of current officers, directors, trustees, and key employees.	84,281.	25,284.	16,856.	42,141.
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	0.	0.	0.	0.
7 Other salaries and wages.	1,008,403.	795,582.	58,095.	154,726.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).				
9 Other employee benefits.				
10 Payroll taxes.	106,135.	80,312.	7,112.	18,711.
11 Fees for services (nonemployees):				
a Management.				
b Legal.				
c Accounting.				
d Lobbying.				
e Professional fundraising services. See Part IV, line 17.				
f Investment management fees.				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	97,428.	53,645.	10,868.	32,915.
12 Advertising and promotion.				
13 Office expenses.				
14 Information technology.				
15 Royalties.				
16 Occupancy.	105,284.	54,133.	45,579.	5,572.
17 Travel.				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19 Conferences, conventions, and meetings.				
20 Interest.				
21 Payments to affiliates.				
22 Depreciation, depletion, and amortization.	125,171.	64,359.	54,188.	6,624.
23 Insurance.	38,140.	31,356.	1,575.	5,209.
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <u>Equipment & Furnishings</u>	51,498.	35,482.	3,606.	12,410.
b <u>Bad Debt</u>	44,783.		44,783.	
c <u>Supplies</u>	43,262.	24,264.	16,905.	2,093.
d <u>Communications</u>	17,453.	12,416.	650.	4,387.
e All other expenses.	27,860.	20,475.	6,300.	1,085.
25 Total functional expenses. Add lines 1 through 24e.	2,083,360.	1,530,970.	266,517.	285,873.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part X. ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash — non-interest-bearing		1	
	2 Savings and temporary cash investments	1,076,737.	2	1,669,426.
	3 Pledges and grants receivable, net	1,360,303.	3	506,598.
	4 Accounts receivable, net	29,945.	4	7,954.
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	28,735.	9	25,207.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 4,199,921.		
	b Less: accumulated depreciation	10b 910,272.		
		2,926,100.	10c	3,289,649.
	11 Investments — publicly traded securities		11	
	12 Investments — other securities. See Part IV, line 11	30,806.	12	30,787.
	13 Investments — program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
15 Other assets. See Part IV, line 11		15		
16 Total assets. Add lines 1 through 15 (must equal line 33)	5,452,626.	16	5,529,621.	
Liabilities	17 Accounts payable and accrued expenses	37,477.	17	35,314.
	18 Grants payable		18	
	19 Deferred revenue		19	90,611.
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	600,000.	25	213,000.
	26 Total liabilities. Add lines 17 through 25	637,477.	26	338,925.
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.			
	27 Net assets without donor restrictions	3,550,619.	27	4,019,220.
	28 Net assets with donor restrictions	1,264,530.	28	1,171,476.
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds		29	
	30 Paid-in or capital surplus, or land, building, or equipment fund		30	
	31 Retained earnings, endowment, accumulated income, or other funds		31	
	32 Total net assets or fund balances.	4,815,149.	32	5,190,696.
	33 Total liabilities and net assets/fund balances.	5,452,626.	33	5,529,621.

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI. ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	2,459,176.
2	Total expenses (must equal Part IX, column (A), line 25)	2	2,083,360.
3	Revenue less expenses. Subtract line 2 from line 1	3	375,816.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	4,815,149.
5	Net unrealized gains (losses) on investments	5	-269.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	5,190,696.

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII. ☐

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____		
If the organization changed its method of accounting from a prior year or checked 'Other,' explain in Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:			
<input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	X	
If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:			
<input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis			
c	If 'Yes' to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	X	
If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b	If 'Yes,' did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits		

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2019

**Open to Public
Inspection**

Name of the organization
**Ada Jenkins Families and Careers
Development Center, Inc.**

Employer identification number
56-1927067

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 ☐ A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E (Form 990 or 990-EZ).)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 ☐ An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: _____
- 10 ☐ An organization that normally receives: (1) more than 33-1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33-1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 11 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 12 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
- a ☐ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
- b ☐ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
- c ☐ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
- d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
- e ☐ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
- f Enter the number of supported organizations: _____
- g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A)						
(B)						
(C)						
(D)						
(E)						
Total						

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any 'unusual grants'.)	2,806,115.	1,863,505.	3,044,444.	2,189,189.	2,435,431.	12,338,684.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf.						0.
3 The value of services or facilities furnished by a governmental unit to the organization without charge						0.
4 Total. Add lines 1 through 3	2,806,115.	1,863,505.	3,044,444.	2,189,189.	2,435,431.	12,338,684.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						665,247.
6 Public support. Subtract line 5 from line 4						11,673,437.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
7 Amounts from line 4	2,806,115.	1,863,505.	3,044,444.	2,189,189.	2,435,431.	12,338,684.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources	326.	420.	765.	12,743.	12,159.	26,413.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						0.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) See Part VI	11,108.	4,754.	7,061.	9,654.	10,222.	42,799.
11 Total support. Add lines 7 through 10						12,407,896.
12 Gross receipts from related activities, etc. (see instructions)					12	210,655.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ▶ <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2019 (line 6, column (f) divided by line 11, column (f)).	14	94.08 %
15 Public support percentage from 2018 Schedule A, Part II, line 14	15	95.60 %

16a 33-1/3% support test—2019. If the organization did not check the box on line 13, and line 14 is 33-1/3% or more, check this box and **stop here**. The organization qualifies as a publicly supported organization. ▶ ☒

b 33-1/3% support test—2018. If the organization did not check a box on line 13 or 16a, and line 15 is 33-1/3% or more, check this box and **stop here**. The organization qualifies as a publicly supported organization ▶ ☐

17a 10%-facts-and-circumstances test—2019. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and **stop here**. Explain in Part VI how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. ▶ ☐

b 10%-facts-and-circumstances test—2018. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and **stop here**. Explain in Part VI how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. ▶ ☐

18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions . . . ▶ ☐

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any 'unusual grants'.)						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose.						
3 Gross receipts from activities that are not an unrelated trade or business under section 513.						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf.						
5 The value of services or facilities furnished by a governmental unit to the organization without charge ...						
6 Total. Add lines 1 through 5.						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons.						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year.						
c Add lines 7a and 7b.						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
9 Amounts from line 6.						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources.						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975.						
c Add lines 10a and 10b.						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on.						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**☐**Section C. Computation of Public Support Percentage**

15 Public support percentage for 2019 (line 8, column (f), divided by line 13, column (f)).	15	%
16 Public support percentage from 2018 Schedule A, Part III, line 15.	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2019 (line 10c, column (f), divided by line 13, column (f)).	17	%
18 Investment income percentage from 2018 Schedule A, Part III, line 17.	18	%

19a 33-1/3% support tests—2019. If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization. ☐**b 33-1/3% support tests—2018.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization. ☐**20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions. ☐

Part IV Supporting Organizations

(Complete only if you checked a box in line 12 on Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If 'No,' describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If 'Yes,' explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If 'Yes,' answer (b) and (c) below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If 'Yes,' describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If 'Yes,' explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ('foreign supported organization')? <i>If 'Yes' and if you checked 12a or 12b in Part I, answer (b) and (c) below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If 'Yes,' describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If 'Yes,' explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If 'Yes,' answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If 'Yes,' provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If 'Yes,' complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If 'Yes,' complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If 'Yes,' provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If 'Yes,' provide detail in Part VI.</i>		
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If 'Yes,' provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If 'Yes,' answer 10b below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
b A family member of a person described in (a) above?		
c A 35% controlled entity of a person described in (a) or (b) above? If 'Yes' to a, b, or c, provide detail in Part VI .		

Section B. Type I Supporting Organizations

	Yes	No
1 Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If 'No,' describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If 'Yes,' explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If 'No,' describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If 'No,' explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).		
3 By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If 'Yes,' describe in Part VI the role the organization's supported organizations played in this regard.		

Section E. Type III Functionally Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).			
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.			
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.			
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).			
2 Activities Test. Answer (a) and (b) below.			
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If 'Yes,' then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.			
b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If 'Yes,' explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.			
3 Parent of Supported Organizations. Answer (a) and (b) below.			
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI .			
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If 'Yes,' describe in Part VI the role played by the organization in this regard.			

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

- 1 ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A – Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3.	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8	

Section B – Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (explain in detail in Part VI):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035.	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C – Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

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Schedule A (Form 990 or 990-EZ) 2019

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)**Section D – Distributions**

	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI). See instructions.	
7 Total annual distributions. Add lines 1 through 6.	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	
9 Distributable amount for 2019 from Section C, line 6	
10 Line 8 amount divided by line 9 amount	

Section E – Distribution Allocations (see instructions)

	(i) Excess Distributions	(ii) Underdistributions Pre-2019	(iii) Distributable Amount for 2019
1 Distributable amount for 2019 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2019 (reasonable cause required – explain in Part VI). See instructions.			
3 Excess distributions carryover, if any, to 2019			
a From 2014			
b From 2015			
c From 2016			
d From 2017			
e From 2018			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2019 distributable amount			
i Carryover from 2014 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2019 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2019 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2019, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI. See instructions.			
6 Remaining underdistributions for 2019. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.			
7 Excess distributions carryover to 2020. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2015			
b Excess from 2016			
c Excess from 2017			
d Excess from 2018			
e Excess from 2019			

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Schedule A (Form 990 or 990-EZ) 2019

Part VI Supplemental Information. Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a, and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information.
(See instructions.)

Part II, Line 10 - Other Income

Nature and Source	2019	2018	2017	2016	2015
Miscellaneous	\$ 10,222.	\$ 9,654.	\$ 7,061.	\$ 4,754.	\$ 11,108.
Total	<u>\$ 10,222.</u>	<u>\$ 9,654.</u>	<u>\$ 7,061.</u>	<u>\$ 4,754.</u>	<u>\$ 11,108.</u>

Schedule B**(Form 990, 990-EZ,
or 990-PF)**Department of the Treasury
Internal Revenue Service**Schedule of Contributors**► **Attach to Form 990, Form 990-EZ, or Form 990-PF.**
► **Go to www.irs.gov/Form990 for the latest information.**

OMB No. 1545-0047

2019Name of the organization **Ada Jenkins Families and Careers
Development Center, Inc.**Employer identification number
56-1927067**Organization type** (check one):**Filers of:****Section:**

Form 990 or 990-EZ

☒ 501(c)(3) (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

Form 990-PF

☐ 527 political organization☐ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

- ☐ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

- ☒ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33-1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000; or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year. ► \$ _____

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer 'No' on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization Ada Jenkins Families and Careers	Employer identification number 56-1927067
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Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	Davidson United Methodist PO Box 718 Davidson, NC 28036	\$ 49,300.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	Davidson College Presbyterian PO Box 337 Davidson, NC 28036	\$ 58,653.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	United Way Central Carolinas 601 E. 5th Street, Ste 350 Charlotte, NC 28202	\$ 180,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	Sisters Of Mercy 100 McAuley Circle Charlotte, NC 28012	\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5	Foundation For The Carolinas 220 N. Tryon Street Charlotte, NC 28202	\$ 135,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
6	Merancas Foundation 2820 Selwyn Ave, Ste 836 Charlotte, NC 28209	\$ 90,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization

Ada Jenkins Families and Careers

Employer identification number

56-1927067

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
7	The Leon Levine Foundation 6000 Fairview Rd. Suite 1525 Charlotte, NC 28210	\$ 75,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
8	Louise Cashion PO Box 520 Cornelius, NC 28031	\$ 64,124.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II for noncash contributions.)
9	McKee Group Foundation 19124 Peninsula Point Dr Cornelius, NC 28031	\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
10	Benevity Community Impact Fund 1521 Georgetown Rd Hudson, OH 44236	\$ 322,082.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
11	Wells Fargo Clearing Services One North Jefferson St. Louis, MO 63103	\$ 72,286.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization

Employer identification number

Ada Jenkins Families and Careers

56-1927067

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
8	Coca Cola Stock		
		\$ 64,124.	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		\$	

BAA

Schedule B (Form 990, 990-EZ, or 990-PF) (2019)

Name of organization

Ada Jenkins Families and Careers

Employer identification number

56-1927067

Part III **Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor.** Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this information once. See instructions.) \$ N/A
 Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

**SCHEDULE D
(Form 990)**Department of the Treasury
Internal Revenue Service

Name of the organization

Supplemental Financial Statements

► Complete if the organization answered 'Yes' on Form 990,
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
► Attach to Form 990.

► Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2019**Open to Public
Inspection**

Employer identification number

Ada Jenkins Families and Careers
Development Center, Inc.

56-1927067

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II Conservation Easements.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (for example, recreation or education)	<input type="checkbox"/> Preservation of a historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2 a
b Total acreage restricted by conservation easements	2 b
c Number of conservation easements on a certified historic structure included in (a)	2 c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register	2 d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ►

4 Number of states where property subject to conservation easement is located ►

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ►

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ► \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 8.

1 a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1. ► \$

(ii) Assets included in Form 990, Part X. ► \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items:

a Revenue included on Form 990, Part VIII, line 1. ► \$

b Assets included in Form 990, Part X. ► \$

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply):

a ☐ Public exhibition

b ☐ Scholarly research

c ☐ Preservation for future generations

d ☐ Loan or exchange program

e ☐ Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ **Yes** ☐ **No**

Part IV Escrow and Custodial Arrangements. Complete if the organization answered 'Yes' on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1 a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ **Yes** ☐ **No**

b If 'Yes,' explain the arrangement in Part XIII and complete the following table:

	Amount
c Beginning balance.....	1 c
d Additions during the year.....	1 d
e Distributions during the year.....	1 e
f Ending balance.....	1 f

2 a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ **Yes** ☐ **No**

b If 'Yes,' explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII. ☐

Part V Endowment Funds. Complete if the organization answered 'Yes' on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1 a Beginning of year balance.....	30,806.	29,846.	24,777.	19,544.	21,256.
b Contributions.....	250.	400.	3,400.	3,400.	10,110.
c Net investment earnings, gains, and losses.....	231.	1,060.	2,169.	1,833.	-1,421.
d Grants or scholarships.....					
e Other expenditures for facilities and programs.....				0.	10,158.
f Administrative expenses.....	500.	500.	500.		243.
g End of year balance.....	30,787.	30,806.	29,846.	24,777.	19,544.

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ▶ _____ %

b Permanent endowment ▶ _____ %

c Term endowment ▶ _____ %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3 a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) Unrelated organizations.....

(ii) Related organizations.....

	Yes	No
3a(i)	X	
3a(ii)		X
3b		

b If 'Yes' on line 3a(ii), are the related organizations listed as required on Schedule R?.....

4 Describe in Part XIII the intended uses of the organization's endowment funds. See Part XIII

Part VI Land, Buildings, and Equipment.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1 a Land.....		215,284.		215,284.
b Buildings.....		1,861,055.	93,188.	1,767,867.
c Leasehold improvements.....		1,482,000.	344,412.	1,137,588.
d Equipment.....		510,148.	415,459.	94,689.
e Other.....		131,434.	57,213.	74,221.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.).....				3,289,649.

BAA

Schedule D (Form 990) 2019

Part VII Investments – Other Securities.

N/A

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives.....		
(2) Closely held equity interests.....		
(3) Other		
(A) -----		
(B) -----		
(C) -----		
(D) -----		
(E) -----		
(F) -----		
(G) -----		
(H) -----		
(I) -----		
Total. (Column (b) must equal Form 990, Part X, column (B) line 12.) .. ▶		

Part VIII Investments – Program Related.

N/A

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, column (B) line 13.) .. ▶		

Part IX Other Assets.

N/A

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, column (B) line 15.) .. ▶	

Part X Other Liabilities.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) Refundable Advance	213,000.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, column (B) line 25.) .. ▶	213,000.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII. ☐

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	2,524,611.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains (losses) on investments	2a	-269.
b	Donated services and use of facilities	2b	63,537.
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.) See Part XIII	2d	2,167.
e	Add lines 2a through 2d	2e	65,435.
3	Subtract line 2e from line 1	3	2,459,176.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b.	4a	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	2,459,176.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	2,149,064.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	63,537.
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.) See Part XIII	2d	2,167.
e	Add lines 2a through 2d	2e	65,704.
3	Subtract line 2e from line 1	3	2,083,360.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b.	4a	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	2,083,360.

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Part V, Line 4 - Intended Uses Of Endowment Fund

FUNDS FOR OPERATIONS

Schedule D, Part XI, Line 2d**Other Revenue Included In F/S But Not Included On Form 990**

Special Events Expense	\$	2,167.
Total	\$	<u>2,167.</u>

Part XIII Supplemental Information *(continued)***Schedule D, Part XII, Line 2d
Other Expenses And Losses Per Audited F/S**

Special Events Expense	\$	2,167.
Total	\$	<u>2,167.</u>

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered 'Yes' on Form 990, Part IV, line 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.

▶ Attach to Form 990 or Form 990-EZ.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2019

Open to Public
Inspection

Name of the organization **Ada Jenkins Families and Careers
Development Center, Inc.**

Employer identification number
56-1927067

Part I Fundraising Activities. Complete if the organization answered 'Yes' on Form 990, Part IV, line 17.
Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

a ☒ Mail solicitations

e ☐ Solicitation of non-government grants

b ☒ Internet and email solicitations

f ☐ Solicitation of government grants

c ☐ Phone solicitations

g ☐ Special fundraising events

d ☐ In-person solicitations

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees, or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ Yes ☒ No

b If 'Yes,' list the 10 highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in column (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total.....▶						0.

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

NC

Part II Fundraising Events. Complete if the organization answered 'Yes' on Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events
		Other 3rd Part (event type)	Food Fight (event type)	None (total number)	(add column (a) through column (c))
REVENUE	1 Gross receipts	30,198.	5,980.		36,178.
	2 Less: Contributions	30,198.	7,260.		37,458.
	3 Gross income (line 1 minus line 2)		-1,280.		-1,280.
DIRECT EXPENSES	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses		2,167.		2,167.
	10 Direct expense summary. Add lines 4 through 9 in column (d)				2,167.
	11 Net income summary. Subtract line 10 from line 3, column (d)				-3,447.

Part III Gaming. Complete if the organization answered 'Yes' on Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add column (a) through column (c))
REVENUE	1 Gross revenue				
DIRECT EXPENSES	2 Cash prizes				
	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
	7 Direct expense summary. Add lines 2 through 5 in column (d)				
	8 Net gaming income summary. Subtract line 7 from line 1, column (d)				

9 Enter the state(s) in which the organization conducts gaming activities: _____

a Is the organization licensed to conduct gaming activities in each of these states? ☐ Yes ☐ No

b If 'No,' explain: _____

10 a Were any of the organization's gaming licenses revoked, suspended, or terminated during the tax year? ☐ Yes ☐ No

b If 'Yes,' explain: _____

- 11** Does the organization conduct gaming activities with nonmembers? ☐ Yes ☐ No
- 12** Is the organization a grantor, beneficiary or trustee of a trust, or a member of a partnership or other entity formed to administer charitable gaming? ☐ Yes ☐ No
- 13** Indicate the percentage of gaming activity conducted in:
- | | | |
|--------------------------------------|-------------|---|
| a The organization's facility | 13 a | % |
| b An outside facility | 13 b | % |
- 14** Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ _____

Address ▶ _____

- 15 a** Does the organization have a contract with a third party from whom the organization receives gaming revenue? ☐ Yes ☐ No
- b** If 'Yes,' enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____
- c** If 'Yes,' enter name and address of the third party:

Name ▶ _____

Address ▶ _____

16 Gaming manager information:

Name ▶ _____

Gaming manager compensation ▶ \$ _____

Description of services provided ▶ _____

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions:

- a** Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No
- b** Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

Part IV **Supplemental Information.** Provide the explanations required by Part I, line 2b, columns (iii) and (v); and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also provide any additional information. See instructions.

SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

Complete if the organization answered 'Yes' on Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2019

**Open to Public
Inspection**

Name of the organization

Ada Jenkins Families and Careers
Development Center, Inc.

Employer identification number

56-1927067

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☐ Yes ☒ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered 'Yes' on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
(1) -----							
(2) -----							
(3) -----							
(4) -----							
(5) -----							
(6) -----							
(7) -----							
(8) -----							

- 2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶ 0
- 3 Enter total number of other organizations listed in the line 1 table ▶ 0

Part III **Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered 'Yes' on Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of noncash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
1 Client Assistance	1,967	208,739.	124,923.	FMV	Gift cards, food, medical supplies
2					
3					
4					
5					
6					
7					

Part IV **Supplemental Information.** Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.

**SCHEDULE M
(Form 990)**Department of the Treasury
Internal Revenue Service**Noncash Contributions**

- **Complete if the organizations answered 'Yes' on Form 990, Part IV, lines 29 or 30.**
► **Attach to Form 990.**
► **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2019**Open to Public
Inspection**

Name of the organization

Ada Jenkins Families and Careers
Development Center, Inc.

Employer identification number

56-1927067

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art — Works of art				
2 Art — Historical treasures				
3 Art — Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities — Publicly traded	X	1	72,501.	FMV
10 Securities — Closely held stock				
11 Securities — Partnership, LLC, or trust interests				
12 Securities — Miscellaneous				
13 Qualified conservation contribution — Historic structures				
14 Qualified conservation contribution — Other				
15 Real estate — Residential				
16 Real estate — Commercial				
17 Real estate — Other				
18 Collectibles				
19 Food inventory			124,923.	FMV
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► (.....)				
26 Other ► (.....)				
27 Other ► (.....)				
28 Other ► (.....)				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement

29

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it must hold for at least three years from the date of the initial contribution, and which isn't required to be used for exempt purposes for the entire holding period?

b If 'Yes,' describe the arrangement in Part II.

31 Does the organization have a gift acceptance policy that requires the review of any nonstandard contributions?

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?

b If 'Yes,' describe in Part II.

33 If the organization didn't report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.

Yes

No

30a

X

31

X

32a

X

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990.**Schedule M (Form 990) 2019**

Part II **Supplemental Information.** Provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Name of the organization

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

► Attach to Form 990 or 990-EZ.

► Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2019

**Open to Public
Inspection**

Ada Jenkins Families and Careers
Development Center, Inc.

Employer identification number

56-1927067

Form 990, Part III, Line 3 - Ceased Conducting or Significant Changes To Services

COVID forced many services to become remote, and forced our dental program to be non-operational since March 2020.

Form 990, Part III, Line 4a - Program Service Accomplishments

Coordinated Services:

A) The Coordinated Services department served 574 unduplicated client-partners identified as being in crisis and needing case management this FY. 493 client-partners received financial assistance or gift cards valued at \$207,045. Coordinated Services served 174 client-partner households within case management and 43 client-partners received employment services within Workforce Development.

B) Loaves & Fishes: This program provides a 7-day supply of food to families via referrals by social workers, schools, clergy, medical staff, etc. The Pantry provided food to 1474 people (unduplicated) for 3,351 visits to the pantry this year. Client partners have normally been eligible to receive food 8 times per year, but Loaves and Fishes made the decision in April 2020 to increase that to 12 times a year with the onset of the COVID-19 pandemic. The pantry provided over 67,000 pounds of food, valued at over \$121,000.

Form 990, Part III, Line 4b - Program Service Accomplishments

Education - Education Services includes both Youth Education Services and Adult Education Services.

A) The purpose of the Youth Education-LEARN Works after school program is to foster academic development and advance family engagement for enrolled students and families. We focus on reading, math skill building, and providing enrichment

Name of the organization **Ada Jenkins Families and Careers
Development Center, Inc.**

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56-1927067

Form 990, Part III, Line 4b - Program Service Accomplishments

opportunities. We served 58 students in 1st to 8th grade from 7 area schools. 21 students and their families benefited from the opportunity of having the center provide transportation home each day or otherwise would not have been able to participate in our programs.

B) In Adult Education, we continued our partnership with the YMCA and Sunrise ESL and Central Piedmont Community College to have Adult ESL classes of various days, times, and levels at the center. Our partnership with CPCC also includes a GED Program at the center. We've served 10 investment client-partners and several community members through these adult education classes.

Form 990, Part III, Line 4d - Other Program Services Description

Dental Clinic

The dental clinic provided 597 patient visits both locally and regionally for FY19-20. They served 324 patients locally. Patients received dental cleanings, fillings, extractions, oral health care instructions/education, and 22 specialty services (including crowns, root canals, dentures and partials). We had 20 Dentists and 9 Hygienists volunteer their time this past year. The total value of service provided both locally and regionally was \$204,284.40 based off of 2017 Usual and Customary Rate values provided by BCBSNC. The value of specialty services provided was \$20,375.22.

Workforce Development & Housing

A) Workforce Development works with both AJC Access Pathway and Investment Pathway client-partners. This program provides assistance to client-partners in securing a

Name of the organization	Ada Jenkins Families and Careers Development Center, Inc.	Employer identification number	56-1927067
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Form 990, Part III, Line 4d - Other Program Services Description

job or working on hard skills or soft skills necessary to obtain a better job. In FY19/20, Workforce Development assisted 43 unduplicated client-partners for a total of 190 visits. 15 of the 43 client-partners assisted obtained a job while working with AJC.

B) Housing: AJC does not currently own homes. Housing assistance is provided only to those individuals in the AJC Investment Pathway. AJC provides services and financial assistance to those working with our Coordinated Service Specialists. We work alongside other our partner agencies that provide housing to provide these services.

Form 990, Part VI, Line 11b - Form 990 Review Process

The 990 is reviewed by the board of directors and the finance committee of Ada Jenkins Center.

Form 990, Part VI, Line 15a - Compensation Review & Approval Process - CEO & Top Management

After completing the performance reviews, the Center puts the scores on a spreadsheet in lowest to highest order. Knowing the salary increase pool (which is determined during the budget process) the Center then determines the raises based on the scores. Scores are categorized i.e. below a score of a 4, there is no increase. 4-4.2 may receive a 2% increase, 4.3-4.5 may receive 2.5% etc. It is reviewed by the Board Chair and another member of the Executive Committee.

Form 990, Part VI, Line 19 - Other Organization Documents Publicly Available

Made available upon request.

Schedule D, Part X, Funds Held for Other Organizations

The Ada Jenkins Families and Career Development Center, Inc. (the Organization) has received funds to be used to acquire or improve houses for use in a joint venture, known as Hope to Home, with the Organization and two other area nonprofit

Name of the organization

Ada Jenkins Families and Careers
Development Center, Inc.

Employer identification number

56-1927067

organizations.

Form 990, Part III, Line 4e
Program Services Totals

	Program Services Total	Form 990	Source
Total Expenses	1,530,970.	1,530,970.	Part IX, Line 25, Col. B
Grants	328,742.	333,662.	Part IX, Lines 1-3, Col. B
Revenue	4,811.	4,811.	Part VIII, Line 2, Col. A

Form 990, Part IX, Line 11g
Other Fees For Services

	(A) Total	(B) Program Services	(C) Management & General	(D) Fund- raising
Various services	97,428.	53,645.	10,868.	32,915.
Total	\$ 97,428.	\$ 53,645.	\$ 10,868.	\$ 32,915.

Form 990, Part IX, Line 24e
Other Expenses

	(A) Total	(B) Program Services	(C) Management & General	(D) Fundraising
Administrative	7,164.	7,164.		
Dues and Subscriptions	5,165.	3,013.	1,527.	625.
Miscellaneous	1,081.	139.	942.	
Training	14,450.	10,159.	3,831.	460.
Total	\$ 27,860.	\$ 20,475.	\$ 6,300.	\$ 1,085.

Excess Contributions
Schedule A, Part II, Line 5

	2015	2016	2017	2018	2019	Total	2% Amt	Excess
1	64,708	59,500	74,000	102,550	0	300,758	248,158	52,600
2	0	0	40,900	35,000	0	75,900	0	0
3	40,000	40,000	40,000	40,000	90,000	250,000	248,158	1,842
4	60,000	60,000	165,000	125,000	75,000	485,000	248,158	236,842
5	252,000	0	62,845	66,868	64,124	445,837	248,158	197,679
6	112,500	0	0	0	0	112,500	0	0
7	0	0	40,000	50,000	50,000	140,000	0	0

Excess Contributions (continued)
Schedule A, Part II, Line 5

8	0	0	0	50,000	0	50,000	0	0
9	0	0	0	102,360	322,082	424,442	248,158	176,284
	<u>529,208</u>	<u>159,500</u>	<u>422,745</u>	<u>571,778</u>	<u>601,206</u>	<u>2,284,437</u>	<u>1240790</u>	<u>665,247</u>



Dear Mayor Washam and Town Commissioners,

The Smithville Community Coalition supports the Ada Jenkins Center's application for 2022 annual support. For years, the Ada Jenkins Center has been engaged with our residents, helping them with resources for rent, education, careers, and much more.

Their team participates in civic, service and advocacy efforts with organizations like ours that focus on social welfare issues and inequities; and builds and maintains working relationships with local service agencies, business organizations, education facilities and employers to develop opportunities for neighbors. Their case coordinators bring special focus on housing to help people navigate issues, provide tenancy education, move-in and move-out inspections, housing relocation, and homelessness prevention -- issues that are at the forefront of the Town's planning.

The Ada Jenkins Center provides the "guardrails" for some of our most vulnerable neighbors, helping them with the ability to achieve economic stability. We know the Ada Jenkins Center's staff and leadership well, and are grateful for the work that they do.

Sincerely,

Lisa Mayhew-Jones

Lisa Mayhew-Jones
President/Co-Chair
Smithville Community Coalition

Smithville Community Coalition
PO Box 1260
Cornelius, NC 28031
www.smithvillecommunitycoalition.org
Nmayhew0@email.cpsc.edu
704-299-8804
TIN# 46-1055584



Neighborhood Care Center

Dear Mayor Washam and Town Commissioners,

On behalf of the Neighborhood Care Center, I lend my support to the Ada Jenkins Center's application for 2022 annual support.

For 6 years, the Ada Jenkins Center has been a reliable partner to NCC, providing access to food, emergency funding, and housing/rental assistance. We share some of the same volunteers, best-practice conversations and strategy, and certainly the same goals: to help people get to a better place in their lives.

I can attest that the Ada Jenkins Center truly lives up to its mission -- helping people create lasting solutions for economic stability -- and am grateful for their longtime friendship and partnership.

Manuel Rosado Jr.

Manny Rosado

Lead Shepherd

[Neighborhood C.A.R.E. Center](#)

[19711 Smith Circle](#)

[Cornelius, NC 28031](#)

704-255-5500 Work

704-222-1236 Cell





January 28, 2022

Dear Mayor Washam and Town Commissioners,

As a new business in Cornelius, Ash & Barrel is delighted to learn about the Ada Jenkins Center's work in our community. We are so impressed with the work of this organization that Ash & Barrel held a holiday fundraiser, to help lift some of our community's most vulnerable families as they struggle to rebound within the COVID-19 economy.

Just since July 1, they've responded to 869 e-mails, calls, or texts seeking information about financial assistance or other family needs; 482 people have obtained groceries through the Loaves and Fishes food pantry; 75 families have received emergency rent/utility assistance totaling more than \$72,500; 105 new clients have entered its Economic Mobility program, receiving tenancy education, connections with area housing, budget assistance, employment and training resources, and more; 59 people experiencing homelessness have been connected with essential services; 26 students participated in Camp LEARN Works, a two-week summer program of learning and fun; and 46 students are enrolled in its LEARN Works afterschool academic program for the current school year, and received backpacks full of donated school supplies.

We wholeheartedly support the Ada Jenkins Center and are proud that we are helping to ensure that they live their mission every day, helping people create lasting solutions for economic stability.

Thank you and we look forward to continuing our support of the Ada Jenkins Center.

Robin & Tony Briscoe

A handwritten signature in black ink, appearing to read 'R. Briscoe'.

Co-Owner Ash & Barrel Cigar Lounge



What benefit does your organization's work provide the Cornelius community?

41% of our clients in the past fiscal year were residents of the Town of Cornelius. During FY21, we assisted 317 Cornelius residents with Economic Mobility and financial services, 222 Cornelius residents through our food pantry, and 12 through our VITA (Volunteer Income Tax Assistance) program, which offers free tax preparation for families earning \$57,000 or less. Program data from the first half of FY22 (July 1-December 31, 2021) show a projected year-over-year client increase of 17 percent for FY22.

Define your audience. In what ways are you seeking to expand or evolve the audience you serve in the coming year(s)?

Our audience includes any individual or family that lives at or below 250% of the federal poverty level; 95% of our clients, however, live below the FPL. Due to the impact of COVID upon the population we serve, we currently have far more demand for service than we are able to meet.

The area where we have the most capacity to expand our audience (without exhausting bandwidth) is through our VITA free tax preparation program, now in its second year. We already have begun promoting it via news releases, social media, and community partnerships.

Additionally, in April, we will welcome an agency partner as a tenant in our physical space; this will allow for greater opportunity to serve new clients that the partner will refer to us – as well as greater coordination of services for the clients that we both serve.

How do you build meaningful relationships with community partners, audiences, visitors, participants, etc.?

To ensure meaningful relationships with community leaders, our senior leadership remains active in civic organizations including two Rotary Clubs (North Mecklenburg and Davidson) and the Lake Norman Chamber of Commerce. Senior staff is engaged in organizations such as Unity in Community and the North Mecklenburg Economic Mobility Collaborative. Our Homeless Street Outreach Coordinator sits on the Board of the Mecklenburg County Continuum of Care, so that AJC remains plugged into current conversations about our area's homeless population. Our food pantry coordinator has led the way in convening area food providers, to share best-practices and reduce duplication of services.



To ensure clients receive wrap-around care and services, we maintain strong partnerships with area agencies that provide complementary services. For instance, the Neighborhood Care Center, Lake Norman Community Health Clinic, Habitat for Humanity, Lydia's Loft, Safe Alliance, and others refer their clients to AJC for case management – and in turn we refer our case management clients to those agencies, depending on whether the families need clothing, medical care, counseling, etc.

To make *everyone* feel welcome at AJC, we have refocused our events to promote inclusion. In 2021 we hosted the area's first Juneteenth celebration, recognizing the U.S. federal holiday that commemorates the emancipation of the last remaining enslaved African Americans. Nearly 300 people attended this free family event, which included reflection, performances, games, and free lunch. Beginning November 2021, we added an "Inclusion" sponsorship to our fundraising events: businesses and individuals can sponsor at this level to underwrite event tickets – which can be costly – for area neighbors who otherwise might not be able to attend.

We have resumed tours at AJC for individuals and small groups, to share the history of our facility and services, and remind visitors why their engagement is so important. Beginning April 2022, we will 'co-locate' with another area nonprofit that focuses on housing; they will move into two large suites at the AJC, with the benefits of greater client coordination and access, as described above. Already two other nonprofits share our space and services: *La Escuelita* Bilingual Preschool, and the Children and Family Services Center.

Describe how your organization has prioritized becoming more accessible, inclusive, and equitable. What initiatives are currently underway, and what are you learning in the process? What strategies are you putting in place for the coming fiscal year?

With consulting guidance from the Lee Institute, in November 2021 we formed an IDEA Committee to help us ensure Inclusion, Diversity, Equity and Access (IDEA) across our leadership, staff, and programs. Comprised of our Board's Human Resources and Awareness Committees plus key program staff, we are in the process of 'putting pen to paper' to create policy regarding inclusion, diversity, equity and access at every level: Board, staff, stakeholders, and clients. We will then use our IDEA policy to inform all of our programs, making changes and updates where necessary.

Using the Ada Jenkins Center van, we have begun a small-group tour called "Needs in the North." Often we find that area residents – even those who have lived here for years – aren't familiar with the pockets of poverty that are in our towns. These tours have been an eye-opener, and we plan on continuing these more frequently in the year ahead.



Additionally, we are midway to completion of a “Hall of History” exhibit inside the AJC entrance: a timeline of accomplishments of minority newsmakers and historic events during the lifespan of the AJC – from the Davidson Colored School, to the renamed Ada Jenkins School, to the current Ada Jenkins Center. Area residents have contributed photographs, notebooks, and other school memorabilia, and we can’t wait until we can welcome visitors to experience our history in this way.

Participation: Please discuss any changes, fluctuation, or trends in total annual/participation? How do you measure feedback from participants/audience, and how do you incorporate feedback?

COVID has presented challenges (and opportunities) for engagement with others. Out of an abundance of caution, we shut our front doors – normally open to walk-up traffic – and now answer the door by appointment. We shifted our Case Coordinators’ workday: they’re now working primarily from the field, meeting the clients closer to where they live and thereby reducing transportation/time barriers for our clients while ensuring their access to services.

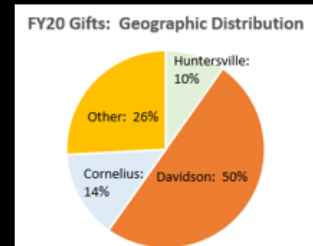
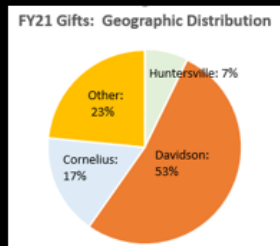
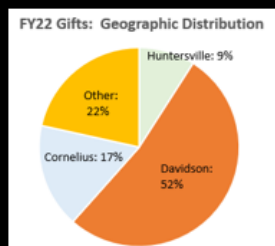
We also took a deep dive into our Case Coordinators’ case load, to explore clients’ success. We found that many long-term clients had achieved their goals and could be “graduated” from our Economic Mobility program, and that many newer clients had greater needs; as a result, we intensified case management around the new clients. They need more ‘guardrails’ to keep them on the road to self-sufficiency, so our Case Coordinators are now serving slightly fewer families, with heightened – and more frequent – attention to the newer clients. Additionally, starting July 2021, our Homeless Street Outreach Coordinator has begun tracking homeless encampments in the area, using the Homeless Management Information System (HMIS) database; she will keep an eye on those numbers on a monthly basis. We have publicized this service via news release and social media, and have installed a referral form on our website, encouraging the public to let us know of families or individuals facing homelessness who we may be able to help.

While CMS schools were remote, we quickly set up a ‘pandemic pod’ for 35 students, so their parents – primarily essential workers – wouldn’t have to worry about their children during the school day. Our afterschool education program (LEARN Works) continued remotely, but saw an approximate 17% decrease in attendance: many students who were online for a full school day were exhausted at the end of the day and couldn’t focus on online afterschool programming. Once schools returned to in-person instruction, our LEARN Works students were able to come back to our AJC classrooms – but our classroom capacity had to be decreased, for safety/distance requirements; while our total capacity is 60 students, we capped our current enrollment at 46.



Each service area has a data system specific to its clients; our youth education team, for instance, tracks attendance, academic performance/scores, and parent engagement (with semi-annual surveys); our food pantry tracks usage, referral sources, client geography, and pounds of food donated, in accordance with Loaves & Fishes data policy; and our Financial Assistance and Resources team tracks the number of requests they receive, referral sources, geography, and dollars allocated per family over time. Even our Development (fundraising) team tracks participation, including donors and event attendees, asking their feedback on events and offering the opportunity to donate to the services that are most important to them.

Fall Appeal Comparisons (Nov. 15 – Jan. 12)



- General Operating Support: 88%
- Food Pantry: 5%
- Education: 3%
- Critical Assistance Fund: 2%
- Economic Mobility: 2%

Gift Designations (Nov. 15, 2021- Jan. 12, 2022)





P.O. Box 1842
Davidson, NC 28036
(704) 896-0471
(704) 896-0497 fax

www.adajenkins.org

Harold E. Rice, Jr.
Chief Executive Officer

Board of Directors

Brian Peace, Co-Chair
Angela Kirkby, Co-Chair
Kim Jude, Vice Chair
Richard Pappas, Treasurer
Marvin Brandon, Secretary
Martha Bergstedt
Lesley Chambless
Dr. Laura Colson
Lisa DeMao
Iretha Kerns
Steph Wells

Ex Officio

Rusty Knox
Stacy Phillips
Bill Russell
Dave Gilroy

CONFLICT OF INTEREST POLICY

Staff should avoid any situation which involves or may involve a conflict between their personal interest and the interest of ADA JENKINS CENTER. As in all other facets of their duties, staff dealing with clients, donors, volunteers, partner organizations, and other stakeholders or any person doing or seeking to do business with ADA JENKINS CENTER are to act in the best interest of the Center. Each staff shall make prompt and full disclosure in writing to their supervisor of any potential situation which may involve a conflict of interest. Such conflicts include:

1. Ownership by staff or a member of their family of a significant interest in any outside enterprise which does or seeks to do business with or is a competitor of ADA JENKINS CENTER.
2. Serving as a director, officer, partner, consultant, or in a managerial or technical capacity with an outside enterprise which does or is seeking to do business with or is a competitor of the ADA JENKINS CENTER. Exceptions to this can be approved by the Chief Executive Office.
3. Acting as a broker, finder, go-between or otherwise for the benefit of a third party in transactions involving or potentially involving the ADA JENKINS CENTER or its interests.
4. Any other arrangements or circumstances, including family or other personal relationships, which might dissuade staff from acting in the best interest of ADA JENKINS CENTER.

From the Ada Jenkins Center Employee Handbook, approved by the Board of Directors on October 12, 2018.

Harold E. Rice, Jr.
Chief Executive Officer

1/31/2022

Date

Ada Jenkins Center Anti-Discrimination Policy

This information has been pulled directly from the AJC Handbook; the policy was approved by the Board of Directors in September 2018.

SECTION 1: THE WORK ENVIRONMENT

ADA JENKINS CENTER has developed written policies and procedures to help you function effectively and to help shape the environment in which you work. This section briefly describes some of the policies and procedures that affect staff.

If you need additional information or have questions about the policies and procedures described in this section, see your supervisor or contact the Operations Director.

1.1 Equal Employment Opportunity

ADA JENKINS CENTER is committed to providing a culture of diversity and inclusion. All staff are to be treated with dignity and respect. ADA JENKINS CENTER makes all employment related decisions without regard to race, color, religion, national origin, age, sex, gender identity, sexual orientation, disability, veteran status, or genetic information.

This policy applies to all aspects of employment that include but are not limited to hiring, promotion, training, transfers, job assignments, terminations, wage and salary administration, and application of all Center policies, procedures, and benefits.

It is ADA JENKINS CENTER's policy to comply with all relevant and applicable provisions of the Americans with Disabilities Act of 1990 (ADA), the ADA Amendments Act of 2008 and related state and local laws. ADA JENKINS CENTER will not discriminate against any qualified staff or job applicant with respect to any terms, privileges, or conditions of employment because of physical or mental disability. In addition, ADA JENKINS CENTER will make reasonable accommodations for staff or applicants with disabilities, provided that the individual is otherwise qualified to safely perform the essential functions of the job, and provided that any accommodations made do not impose an undue hardship on ADA JENKINS CENTER. Any staff who feel that an accommodation is necessary to perform the essential functions of his or her job should contact his or her supervisor.

In connection with an accommodation request, staff may be asked to provide a medical release that authorizes ADA JENKINS CENTER to contact his or her treating physician(s), as well as to obtain copies of medical records. Staff may also be asked to undergo one or more examinations by a physician chosen by ADA JENKINS CENTER. If staff is asked to undergo a physical, ADA JENKINS CENTER will pay the costs associated with the examination(s).

In accordance with the ADA, any medical records for staff will be kept in a confidential file and will be maintained in compliance with legal requirements. In addition, the existence of staff's disability, and any associated records, reports, and other knowledge gained by ADA JENKINS CENTER will be kept confidential.

1.2 Protection from Discrimination, Harassment and Retaliation

ADA JENKINS CENTER is committed to providing a culture of diversity and inclusion. ADA JENKINS CENTER is committed to treating all staff with dignity and respect. It is important to ADA JENKINS CENTER that staff, client-partners, volunteers, and visitors have an environment that is free from discrimination, harassment (sexual or otherwise), and retaliation. Any action that is demeaning to another person undermines the integrity of the employment relationship. This is clearly not allowed. ADA JENKINS CENTER provides staff education surrounding these activities and how to identify them in the workplace. It is not only encouraged, but expected, that all staff report such behaviors. It is the goal of ADA JENKINS CENTER that these incidents will be dealt with in a fair manner. This policy applies to harassment (sexual or otherwise), and/or discrimination, and/or retaliation that occurs on ADA JENKINS CENTER's property, or in connection with any ADA JENKINS CENTER activity or during the performance of ADA JENKINS CENTER work.

Harassment is an action by any staff regardless of position, or by a vendor, an independent contractor, or visitor to the Center that:

Creates an intimidating, abusive, or hostile work environment; or is unwelcomed or personally offensive conduct that singles out a staff person, and is to the staff person's disadvantage, because of race, gender, religion, national origin, color, age, pregnancy, protected veteran status, disability, genetic information, sexual orientation, gender identity or any other category protected by federal, state, or local laws.

Examples of behaviors that may be harassment are actions, words, comments, jokes, racial or ethnic slurs, or threats. Actions may be verbal, physical, or visual.

Sexual Harassment

Sexual harassment includes unwelcome advances, requests for sexual favors, and other verbal, physical, or visual conduct of a sexual nature, including same sex situations occurring at work or off duty. It could happen when:

- Surrendering to the conduct is made either a clear or implied term or condition of a person's employment, or
- Surrendering or refusing the conduct is used as the basis for employment decisions that affect a staff person, or
- The conduct greatly interferes with, or is intended to interfere with, a staff person's work performance or creates an intimidating, hostile, or offensive work environment.

Sexual harassment can take a variety of forms. It can range from slight pressure for sexual activity to physical assault. Examples of sexual harassment may include:

- Unwelcome sexual flirtations.
- Sexual advances or propositions.
- Unwanted sexual compliments.
- Innuendoes, suggestions, or jokes.
- Leering or making sexual gestures.

- Repeated comments about one's physical appearance or attire.
- Derogatory, vulgar, or graphic written or oral statements about a person's body, sexuality, gender, or sexual experience.
- Sexually degrading words to describe a person.
- Suggestive or obscene letters, notes, text messages, emails, or invitations.
- The display of sexually suggestive pictures or objects.
- Unnecessary, unwelcomed touching, patting, pinching, or attention to an individual's body or impeding or blocking movements.
- Stalking.
- Threats or intimidation of sexual relations or sexual contact, which is not freely agreeable to both parties.
- Physical assault.
- Retaliation for making harassment reports or threatening to report harassment.
- Threats to deny or take away employment opportunities or benefits if a staff person does not submit to unwelcome sexual advances.
- Promising or offering to grant employment opportunities or benefits if a staff person submits to unwelcome sexual advances.

Discriminatory Harassment

Prohibited harassment on the basis of the following characteristics: race, gender, religion, national origin, color, age, pregnancy, protected veteran status, disability, genetic information, sexual orientation, gender identity or any other category protected by federal, state or local laws, includes behavior similar to sexual harassment such as:

- Stereotyping,
- Verbal conduct such as slurs, insults, threats, epithets, jokes, bullying, and/or comments that are derogatory based on the characteristics listed above.
- Visual conduct such as displaying derogatory posters, photography, cartoons, drawings, computer screenshots, or gestures.
- Repeated comments about one's appearance or attire that are based on the characteristics listed above.
- Derogatory, emails, text messages, instant messaging.
- Assault, unwanted touching or blocking normal movement.
- Threatening, intimidating, or hostile acts related to a person's race, gender, religion, national origin, color, age, pregnancy, protected veteran status, genetic information, or any other category protected by federal, state or local laws.
- Retaliation for making harassment reports or threatening to report harassment.

Retaliation

Retaliation is taking revenge against a staff person or co-worker. This may be because a staff person reported discrimination, harassment, a complaint, a ADA JENKINS CENTER policy violation, or participated in an investigation, proceeding, or hearing conducted by or on behalf of ADA JENKINS CENTER, or by a governmental enforcement agency. Examples of retaliation are actions that take place after a documented report of one of the former listed items and can include:

- Unfounded staff counseling.
- Unfounded termination, demotion, suspension.
- Making or threatening reprisals after a negative response to advances or propositions.
- Unfounded negative evaluations/reviews or excessive scrutiny of a staff person's work performance.
- Threats.
- Intimidation.
- Other action(s) meant to harm, scare, or intimidate a staff person.

General Guidelines

ADA JENKINS CENTER is committed to a work environment in which all individuals are treated with respect and dignity. Therefore, ADA JENKINS CENTER expects that all relationships among persons in the workplace or in connection with any ADA JENKINS CENTER activity or during the performance of ADA JENKINS CENTER work will be professional and free of bias, prejudice, and harassment.

ADA JENKINS CENTER does not discriminate against any person seeking a job or any current team member. This includes hiring, promotion, transfer, selection for education or development, or any other terms or conditions of employment on the basis of race, gender, religion, national origin, color, age, pregnancy, protected veteran status, disability, genetic information, sexual orientation, gender identity or any other category protected by federal, state or local laws. ADA JENKINS CENTER fully supports and abides with the law.

ADA JENKINS CENTER does not allow or tolerate any form of harassment or sexual harassment.

ADA JENKINS CENTER does not allow any form of retaliation against any staff person. This includes protection for staff filing a good faith complaint, participating in an investigation in good faith, proceeding or hearing conducted by a governmental agency by offering truthful information or testimony, or reporting good faith violations of policies.

This policy affects actions and behaviors between staff and leaders, client-partners, volunteers, contract workers, and visitors.

If it is found that a staff person has violated this policy against another, this team member will be subject to appropriate counseling commensurate with the severity of the violation, up to the end

of the employment relationship.

If a staff person is discriminated against, harassed, or retaliated against by a non-staff person, it is to be reported immediately. ADA JENKINS CENTER wants to provide a comfortable work environment for all staff. A non-staff person who subjects a staff person to any of these actions in the workplace will be informed of this policy. Other action may be taken as necessary.

If you feel you are being harassed in any way, report the incident to your supervisor, to the Operations Director, or to the Executive Director. You should report any instances of harassment to the Center before you report this to any outside sources. ADA JENKINS CENTER's policy is to investigate all harassment complaints promptly. To the fullest extent practicable, the Center will keep complaints, investigative records, and the results of the investigation confidential. If an investigation confirms that harassment has occurred, the Center will take corrective action, including appropriate discipline, up to and including termination. It is your right and responsibility to report any form of harassment without fear of reprisal. Because problems related to harassment may be of a personal nature, and because you may be reluctant to discuss a situation with your supervisor, feel free to contact the Operations Director.

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 20, 2022

To: Mayor and Board of Commissioners

From: Andrew Grant, Town Manager


Action Requested:

Cain Center for the Arts applied for a \$411,000 Operating Budget Support Grant for FY23. The Town's Grant Panel reviewed the application and recommended approval of the grant request. On June 6, 2022, the Town Board approved the FY23 Budget which included \$411,000 for the Cain Center. The next step is for the Town to approve the grant agreement.

Manager's Recommendation:

Approve the grant agreement and provide the authority to the Town Manager and Town Attorney to finalize the terms and execute the agreement.

ATTACHMENTS:

Name:	Description:	Type:
 2022_Operating_Budget_Support_Grant_Cain_Center.pdf	Grant Agreement	Backup Material

OPERATING BUDGET SUPPORT GRANT AGREEMENT

This Operating Budget Support Grant Agreement (the “Grant Agreement”) entered into on this _____ day of _____, 20____ by and between TOWN OF CORNELIUS, a North Carolina municipal corporation (“Town”), and the following Grantee, _____, a North Carolina non-profit corporation (“Grantee”).

WHEREAS, Town is authorized, pursuant to N.C.G.S. §160A-488, to establish and support public museums, art galleries, art centers, arts facilities and arts programs; and

WHEREAS, The Town is authorized, pursuant to The North Carolina Constitution and N.C.G.S. §160A-20.1 to support those carrying out a public purpose that benefits the citizens of the Town of Cornelius; and

WHEREAS, Grantee has applied to the Town for the Operating Budget Support Grant for the Town’s fiscal year 2023 by completing the Operating Budget Support Grant Application attached hereto and incorporated herein as “Exhibit A”; and

WHEREAS, the Town has reviewed Grantee’s grant Application and awards to Grantee a grant award subject to the terms and conditions set forth below.

NOW THEREFORE, in consideration of the foregoing recitals, of mutual promises of the Parties and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Town and Grantee agree as follows:

1. Grant Award. The Town hereby grants to Grantee an Annual Operating Budget Support Grant for fiscal year 2023 in the amount of \$_____.
2. Use of Grant Awards. Grant Awards are to be used by Grantee solely for operating budget support as more particularly described in the Operating Budget Support Grant Application submitted by Grantee, attached hereto as Exhibit A and incorporated herein by reference.

Additionally, Grantee shall apply a program discount for Cornelius residents during the grant funding term (July 1, 2022-June 30, 2023) that is 15% below the non-resident rate/regular registration rate. The discount need only apply to camps, programs, and classes. Performances may be excluded.

3. Funding Period. Each funding period for the Grant Award begins on July 1 and terminates on June 30 (the “Annual Funding Period”).
4. Payment of Grant Award. The Town shall pay the Grant Award to Grantee in four (4) equal quarterly installments during each Annual Funding Period, payments to be

processed on the last day of July, October, January and April of the fiscal year for which a grant is awarded.

5. Accounting of Funds. Grantee shall submit to the Town a full and accurate accounting of Grantee's operations and capital projects (if applicable) summarizing the prior month's revenue and expenses with a statement(s) of activities (actual vs. budget) and summarizing the prior month's assets with a balance sheet on or before the 20th day of each month during each Funding Period.
6. Semi-Annual Reporting Requirements. At the second regular meeting of the Board of Commissioners of the Town of Cornelius in the month of January, Grantee shall provide to the Board a progress report to include an update on programs, performances, exhibitions, events, and productions; number of participants relative to the type of programs; demographic information on the participants; other relevant information; and a financial report demonstrating current year budget to actual financial results along with a narrative forecasting year-end results. If there is only one regular Cornelius Board of Commissioners meeting in the month of January, then the report shall be made at that meeting, regardless of when it occurs. A written report shall be provided to the Town concurrently with the in-person report.
7. Annual Reporting Requirements. Grantee shall submit to the Town an independently prepared audit of the Grantee's finances and a Final Report to the Town no later than October 1 of the Town's following fiscal year. The Final Report shall compare Grantee's actual performance during the Funding Period to that described in Exhibit A. The Final Report shall summarize all expenditures made and all funding sources contributed to the operating budget of Grantee. The Final Report shall also include a summary of the prior year's programming to include programs, performances, exhibitions, events, and productions; number of participants relative to the type of programs; demographic information of the participants; number of scholarship recipients and total amount awarded. Grantee shall present the Final Report to the Board of Commissioners at a regular meeting of the Board no later than November 1 of the fiscal year following the Funding Period. Grantee shall retain and keep safe financial and other records that corroborate the information contained in the Semi-Annual Reports, audit and Final Report (invoices, receipts, pay vouchers, etc.) for a period of no less than five years. The Town shall have the authority to review these financial records from time to time.
8. Material Failure to Perform. The Town shall have no obligation to pay the Grant Award or any remaining portion thereof should Grantee fail to provide required financial reporting or should Grantee materially fail to comply with Exhibit A including but not limited to a material failure to meet operating budget projections and/or programming goals. In the event of such material failure, Grantee shall return the full amount of the Annual Grant Award already paid to Town.

9. Compliance with Laws. Grantee shall comply with all state and federal laws, ordinances, rules and regulations including but not limited to related to those laws governing discrimination, project implementation and the expenditure of funds. Grantees who do not comply with these regulations may be ineligible for future funding.
10. Operation Deficits. The Town shall not be responsible for nor liable for operating deficits of Grantee.
11. Town Credit. Grantee agrees to include the following credit on its website and in all promotion, publicity and printed programs during the Funding Period:

Cain Center for the Arts is supported by the Town of Cornelius

12. Indemnification. Grantee assumes sole responsibility and liability, and will defend, indemnify, and hold Town harmless from and against all liabilities, fines, suits, claims, demands, actions, injuries, damages, judgments, costs, expenses, penalties or losses of any kind or nature whatsoever (including without limitation for damage to real or personal property, and/or or injury or death to a person) (collectively, the “Liabilities”) caused by, arising out of, or in any manner related to the Grant and/or Grantee’s use of Grant Funds. Grantee waives all claims against Town for liabilities arising from or related to the Grant, except for claims arising from or directly related to Town’s gross negligence or willful misconduct. Grantee’s indemnity obligations pursuant to this Section shall survive the termination or expiration of this Agreement.
13. Notices: Whenever this Agreement requires either party to give notice to the other, such notice will be given in writing and delivered in person (including by commercial courier service), mailed via the United States Postal Service, by certified or registered mail, return receipt requested, or via confirmed email to the party at the address set forth below, or at such other address designated by like written notice:

Town of Cornelius
21445 Catawba Avenue
PO Box 399
Cornelius, NC 28031
Attention: Town Manager

Cain Center for the Arts
19725 Oak Street, Suite 1
Cornelius, NC 28031
Attention: Executive Director

14. Severability and Duration. If any provision of this Agreement is deemed or declared illegal, unenforceable or invalid, such provision will be read out of this Agreement, and will not affect the validity of any other provision or give rise to any cause of action of the parties against the other, and the remainder of this Agreement will be valid and enforced to the fullest extent permitted by law.
15. Waiver. Any waiver at any given time of any term or condition of this Agreement, or the failure to take action with respect to any breach of any such term or condition, will not be deemed to be a waiver of the term or condition with regard to any subsequent breach of the term or condition, or of any other term or condition of the Agreement.
16. Modifications. This Agreement may be modified, altered or amended only by written agreement executed by Town and Grantee.
17. Governing Law. This Agreement shall be governed in all respects, including as to validity, interpretation and effect, by the internal laws of the state of North Carolina, without giving effect to the conflict of laws and rules thereof. The language in all parts of this Agreement will be, in all cases, construed according to its fair meaning and not strictly for or against Town or Grantee.
18. Waiver of Jury Trial. The Parties waive trial by jury in any action, proceeding or counterclaim brought by or against the other with respect to any matter arising out of or in connection with this Agreement.
19. Relationship. The parties agree that neither any provision of this Agreement nor any act of the parties shall be deemed to create any joint venture relationship or other partnership agreement between Grantee and Town.
20. Time of the Essence. Time is of the essence for each of the provisions of this Agreement.
21. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which counterparts collectively shall constitute one Agreement. Signatures may be exchanged by copy, or with original signatures to follow. Each party shall be bound by its own copied signature and shall accept the copied signature of the other party.
22. Performance of Government Function. Nothing contained in this Agreement shall be deemed or construed to estop, limit, or impair Town from exercising or performing any regulatory, legislative, governmental or other powers or functions.

[The balance of this page is intentionally left blank]

IN WITNESS WHEREOF, the parties have executed this Agreement under seal in Cornelius, North Carolina, as of the Effective Date.

Signature of Authorized Representative	Date
--	------

Federal Identification #

Town of Cornelius

Signature of Authorized Representative	Date
--	------

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

Signature of Authorized Finance Officer	Date
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Exhibit A



OPERATING BUDGET SUPPORT GRANT APPLICATION (Application due January 31)

Application to be submitted to:

Town of Cornelius, Attn: Town Manager, PO Box 399, Cornelius, NC 28031

Date of Application: Amount Requested: \$411,000

Legal name of organization applying: **CORNELIUS ARTS COMMUNITY CENTER, INC.**

(DBA Cain Center for the Arts) (Should be same as on IRS determination letter and as supplied on IRS Form 990)

Year Founded: 2017

Current Operating Budget: \$708,282

Address (principal/administrative office): 19725 Oak Stret, Cornelius, North Carolina 28031

Phone number: 980.689.3101

Web address: cainarts.org

Primary Contact/Executive Director Information:

Name: Justin A. Dionne

Email Address: jdionne@cainarts.org

Telephone Number: 980.689.3101

List any previous support you have received from Cornelius in the last 5 years:

Cornelius Arts Center operates on a July 1 – June 30 Fiscal year.

7/1/2021 – 6/30/2022 \$384,746

7/1/2020 - 6/30/2021 \$239,600

7/1/2019 - 6/30/2020 \$323,000


7/1/2018 - 6/30/2019 \$365,000

7/1/2017 - 6/30/2018 \$245,000

Time Period Covered by Request: the "Funding Period" – July 1, 2022 – June 30, 2023

Operating Budget for Time Period Covered by Request: \$ 1,525,928

Amount Requested: \$ 411,000


Signature, Chairperson, Board of Directors
Greg Wessling, President

January 27, 2022
Date


Signature, Executive Director
Justin A. Dionne

January 27, 2022
Date

GRANT APPLICATION FORMAT

Please provide the following information in this order. Use these headings, subheadings and numbers provided in your own word processing format, thus leaving flexibility for length of response. Please note that a formal presentation of this grant request shall be made by Applicant to a meeting of the Cornelius Board of Commissioners following the application submission. Applicant shall schedule this presentation with the Town Manager's Office.

A. NARRATIVE

1. Executive Summary

- a. Begin with a half-page executive summary. Briefly explain why your agency is requesting this grant, what outcomes you hope to achieve, and how you will spend the funds if the grant is made.
 - i. Funding is requested for the period 7/1/22 – 6/30/23, which will include the opening of the Cain Center for the Arts and continued operations of the Cornelius Arts Center.
 - ii. Outcomes:
 1. Successful opening of the Cain Center, January 2023
 2. Continuing expansion of classes at the Cain Center and the Cornelius Arts Center
 3. Continuation of Music at the Mill Concert Series; addition of approximately 25 events on the new Cain Center Performing Arts Series
 4. Community Engagement programming to include private music lessons and educational concerts at the Cain Center and in schools in Cornelius, Mooresville, Davidson, and Huntersville
 - iii. Funding will support the continued operation of the Cornelius Arts Center and Cain Center for the Arts.

2. Purpose of Grant

- a. Description of your goals, measurable objectives, and action plans for the Fiscal Year.
 - i. Serve over 35,000 adults and children through concerts, exhibitions, classes, and educational programs, generating over \$843,000 in program revenue for the period
 - ii. The Cain Center for the Arts will serve as a major economic driver for the Town of Cornelius. See the Economic Impact Study that was completed in July 2021 for more details.
 - iii. Raise approximately \$257,000 in private donations and sponsorships to support established programs in presenting, visual art exhibitions, educational classes, and private music instruction.
 - iv. Establish long-term partnerships with community organizations such as the Davidson Community Players, the Charlotte Symphony, and others. Provide discounted rental rates for non-profits and small businesses.
 - v. Provide the Town of Cornelius 22 community event dates at no cost
 1. 12 Outdoor events
 2. 10 Indoor events

- b. Statement of needs/problems to be addressed; description of target population and how they will benefit.
 - i. Target population and benefits are described in Cain Center for the Arts Strategic Plan document.
 - ii. See Addendum A – Economic Impact Study
- c. Description on how grantee addresses participants who have a financial need.
 - i. The Cain Center for the Arts has established a community engagement program that provides free music instruction for anyone with financial needs.
 - ii. Our existing scholarship policy offers paid scholarships of up to 100% to classes to anyone who requests them.
- d. Timetable for implementation and/or general program calendar.
 - i. Planning is now underway for our FY23 season; artists and exhibitions will be under contract no later than April 1, 2022 for the FY23 season.
 - ii. For FY23, the Cain Center plans to present the following:
 - 1. Performing Arts Program
 - a. Fall Season – at Cornelius Arts Center: 4 shows – Music at the Mill
 - b. Spring Season – at the Cain Center: 12 shows / 18 performances
 - 2. Visual Arts Exhibition Program
 - a. Fall Season - 1 exhibit – at Cornelius Arts Center
 - b. Spring Season 3 exhibits – 2 at Cain Center, 1 at Cornelius Arts Center
 - 3. Education Program – Cain Center visual arts classes for adults and children
 - a. Fall A & B, Winter A & B, Spring A & B class sessions
 - 4. Events – 3 community impact events TBA
 - 5. Grand Opening Week - TBA
- e. Description of the qualifications of key staff and volunteers that will ensure the success of the program.
 - i. See Attachment 10, Key Staff Credentials
- f. Long-term strategies for your organization’s funding and financial sustainability at end of grant period.
 - i. Upon opening, the Cain Center anticipates having a capital endowment of \$500,000 or more that will support the Cain Center for the Arts building facility
 - ii. Upon opening, the Cain Center anticipates having an operating endowment of \$1,000,000 that will support the annual operations of the Cain Center
 - iii. By March 2022, the Cain Center Board will approve a cash-reserves policy to establish and fund an operating cash reserve fund in 2022
 - iv. The Cain Center maintains a ten-year proforma financial plan that is updated annually and shared with the Town of Cornelius

3. Evaluation

- a. Plans for evaluation including measuring objectives and how success will be defined and measured.
 - i. See Appendix B - Cain Center Strategic Plan document

- b. Description of how evaluation results will be used and/or disseminated.
 - i. Evaluation results are regularly shared with Cain Center Board, the Town of Cornelius, and donors. This is accomplished through regular audience and donor surveys and feedback from community partners and the public
- c. Description of the active involvement of constituents in evaluating the program.
 - i. The Cain Center will hold an annual donor appreciation/season preview party annually in which the past year will be reviewed
 - ii. Regular and ongoing surveying of Cain Center audiences and stakeholders.

4. Budget Narrative/Justification

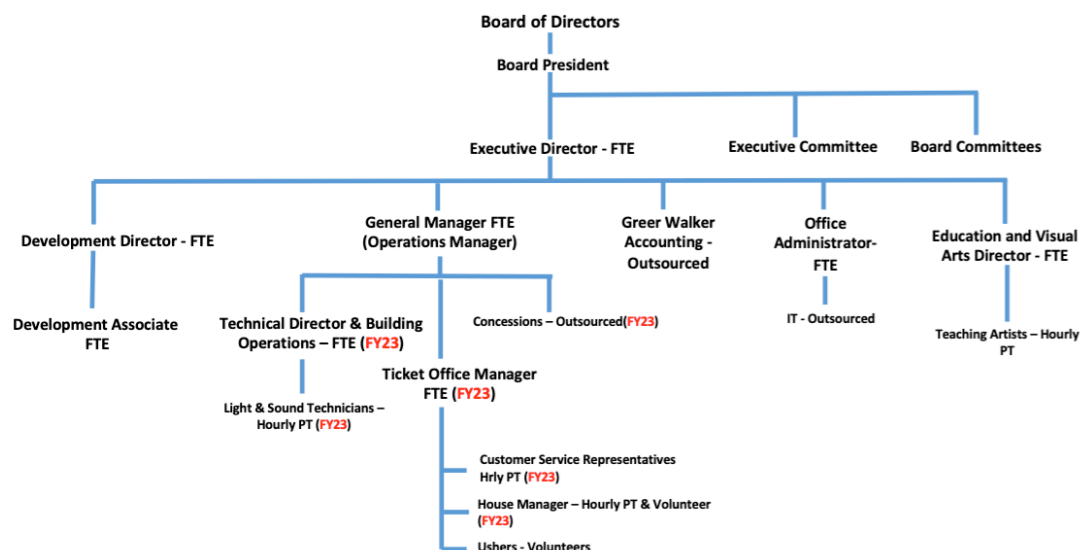
- a. Operating budget (see budget format below);
- b. A plan (on a separate sheet) that shows how each budget item relates to the project and/or operations and how the budgeted amount was calculated.
 - i. See Addendum C
- c. List of amounts requested of other foundations, corporations and other funding sources to which a proposal has been submitted.
 - i. North Carolina Arts Council – program funding \$25,000, to be requested March 2022
 - ii. Arts & Science Council - – program funding \$25,000, to be requested March 2022
 - iii. Sponsors – all sponsors for FY23 to be secured by May 1, 2022
 - 1. FY23 Sponsorship goal is \$100,000, prospects:
 - a. Renewing FY22 sponsors (\$55,000 was provided by sponsors in FY22 by March 1, 2022
 - b. 5 Major sponsors - \$10,000 to \$50,000
 - c. 30 small to mid-cap sponsors, \$2,500 each
 - iv. Other Grants
 - 1. Peninsula Community Foundation \$5,000, to be requested Spring 2022
 - 2. Hope at the Lake Foundation, \$5,000, to be requested Spring 2022
- d. List of priority items in the proposed budget, in the event that we are unable to meet your full request.
 - i. Budgetary items related to Cain Center operations and programming are the top priority for FY23
 - ii. If the Town is unable to meet our full request, the Cain Center staff and board would immediately develop plans to sunset operations at the current Cornelius Arts Center on Oak Street and terminate our ceramics class offerings in the summer of 2023.
- e. Identify organization's current and prior fiscal year's operating budget amount.
 - i. FY21 \$382,327
 - ii. FY22 \$612,498

5. Organization Information

- a. Brief summary of organization's history, including duration that programs or services have been provided.
 - i. 2013 - Town Center Bond Referendum
 - ii. 2015 - 2016
 1. Strategy and program plan established
 2. 501(c)3 created
 3. Site purchased
 - iii. 2017 - 2018
 1. Executive Director Hired
 2. C Design and New York-based Holzman Moss Bottino Architecture engaged; pre-design completed
 3. Market study completed
 4. Fundraising campaign plans developed
 5. Education strategy developed
 6. Educational programming begins with In-school touring events
 - iv. 2018 – 2019
 1. Cain Center Board members pledge over \$1.3 MM to capital campaign
 2. Lead gift of \$5,000,000 secured, fundraising efforts continue
 - v. 2020 – 2021
 1. Fundraising tops \$20MM towards \$25MM goal
 - a. Lead/Naming Gifts top \$9.5MM
 - b. Founders' Society Campaign generates \$3.7MM in commitments
 - c. Mecklenburg County commits \$1.5MM in support
 - d. Brick campaign generates \$272,000 in support
 2. Groundbreaking for the Cain Center takes place on May 14, 2021
 - vi. 2021 – 2022
 1. Cain Center assumes operation of the Cornelius Arts Center (September 2021)
 - a. Continue and expand class schedules maintained by PARC
 - b. Hold 4 concerts at the Cornelius Arts Center September 2021 – April 2022
 - c. Present 4 exhibitions at Cornelius Arts Center September 2021 – April 2022
 - d. Present 3 family events at Cornelius Arts Center September 2021 – April 2022
 2. State of North Carolina commits \$2.5MM to the Cain Center Capital Campaign
 3. Cain Center announces that \$1.3 MM remains to be raised to complete the Capital Campaign (December 2021)
- b. Brief statement of organization's mission and goals. Primary focus of services and/or programs.
 - i. The **mission** of the Cain Center for the Arts is to provide exceptional visual arts, performing arts, and social experiences in the Lake Norman region.
 - ii. Our **vision** is to empower children and adults alike to create, experience, and enjoy visual and performing arts by providing a flexible facility in our community to attract and serve a broad audience.
 - iii. The Cain Center for the Arts operates under the following core values:

1. **Inspirational** –a place that inspires and encourages creativity.
 2. **Community-centered** –a place that serves everyone. It will expose, invite, and engage as a destination for all members of the community.
 3. **Creative** – serve as a hub of creativity, providing a platform for unique and individual expression.
 4. **Entertaining** –provide a holistic experience that produces valuable, enjoyable experiences while also focusing on comfort.
 5. **Educational** - a place where the arts and education connect.
- c. Location of headquarters
 - i. Cornelius North Carolina
 - d. Location of principal business activities.
 - i. Cornelius North Carolina
 - e. Description of current programs, activities and accomplishments.
 - i. Assumed operation of the Cornelius Arts Center, September 2021
 - ii. Sold out concerts in September and December 2021
 - iii. Fall classes sold at 98% capacity
 - iv. Winter classes sold at 75% capacity as of 12/15/21
 - f. Financial Aid/Scholarship Policy of organization.
 - i. Cornelius Arts Center offers financial aid to qualifying students for all programs, including classes and private instruction. Scholarship space is limited is awarded based on financial need and are assigned on a first-come, first served basis. There are a limited number of financial aid packages available. Students are eligible for only one financial aid package per registration session. (i.e. fall session, winter session, Summer Camp)
 - ii. Financial Aid awarded may be for any portion of the tuition up to the full amount. Financial Aid will be awarded as a reduction in the Tuition amount.
 - g. Organizational chart, including board, staff and volunteer involvement.

Cain Center for the Arts Organizational Chart FY23



B. ATTACHMENTS – see index that follows

1. **IRS Determination Letter** - Attachment 1
2. **Board of Directors** - Attachment 2
3. **Finances**
 - a. **Annual operating budget** – Attachment 3a
 - b. **Most recent audited financial statements** – Attachment 3b
 - c. **Most recent Form 990** – Attachment 3c
4. **Letters of Support:** – Attachment 4
5. **Annual Report** - At this time the Cain Center for the Arts does not publish an Annual Report.
See Attachments 3b and 3c
6. **Relevance & Participation Narrative** - Attachment 6
7. **Proposed Programming** - Attachment 7
8. **Leadership Narrative** - Attachment 8
9. **Key Staff Credentials** – Attachment 9
10. **Budget Narrative Update** - Attachment 10
11. **Cash Reserve Policy** - The staff and board are currently revising all fiscal policies (including a Cash reserve policy) in anticipation of opening the Cain Center for the Arts.
12. **Strategic Plan** – see Addendum B – Strategic Plan
13. **Strategic Plan Narrative** - Attachment 13
14. **Conflict of Interest Policy** - Addendum E - Cain Center Conflict of Interest Policy
15. **Non-Discrimination Policy** - see
 - a. Addendum F – Cain Center By Laws
 - b. Addendum G – Cain Center Employee Handbook

OPERATING BUDGET FORMAT

Below is a listing of standard budget items. Please provide the project budget in this format and in this order.

A. Organizational fiscal year: July 1 - June 30

B. Funding Period this budget covers: July 1, 2022 - June 30, 2023

C. Projected Expenses for the Funding Period: include a ***description and the total amount*** for each of the following budget categories, in this order:

	Amount requested from Town of Cornelius	Total Expenses
Salaries		\$ 536,940
Payroll Taxes		\$ 41,076
Fringe Benefits		\$ 48,000
Consultants and Professional Fees		\$ 44,000
Class Instruction	\$ 120,000	\$ 122,040
Professional Development		\$ 13,400
Insurance		\$ 7,810
Travel		\$ 13,065
Food & Beverage Catering		\$ 12,150
*Programs/Events/Exhibitions/Performances	\$ 111,000	\$ 211,600
Equipment		\$ 1,700
Supplies	\$ 50,000	\$ 51,947
Software		\$ 53,874
Financial Aid to Participants		\$ -
Printing and Copying		\$ 25,200
Phone/Communications/Internet/Security		\$ 39,039
Postage and Delivery		\$ 6,500
Debt Service		\$ -
Utilities & Rent	\$ 70,000	\$ 98,372
Maintenance	\$ 60,000	\$ 46,400
Evaluation		\$ -
Marketing		\$ 117,850
Credit Card Fees		\$ 16,851
Royalties		\$ 6,364
Other (specify)		\$ 11,750

Total amount requested \$ 411,000 **Total Expenses:** \$ 1,525,928

*Note: Cornelius funding may not be utilized for private programs/events/exhibitions/performances.

D. Projected Revenue for the Grant Period: include a ***description and the total amount*** for each of the following budget categories, in this order; please indicate which sources of revenue are committed and which are pending.

	Committed	Pending	TOTAL
1. Grants/Contracts/Contributions			
Local Government	\$ -	\$ 411,000	\$ 411,000
State Government	\$ -	\$ 10,000	\$ 10,000
Federal Government	\$ -	\$ -	\$ -
Foundations (itemize)	\$ -	\$ -	\$ -
Peninsula Comm Fdn, Hope at the Lake, Arts & Science Council		\$ 5,000	\$ 5,000
Corporations (itemize)	\$ -	\$ -	\$ -
Sponsorships	\$ 5,000	\$ 95,000	\$ 100,000
Individuals	\$ -	\$ 157,000	\$ 157,000
Other (specify)	\$ -	\$ -	\$ -
2. Earned Income		\$ -	\$ -
Events / Classes	\$ -	\$ 397,350	\$ 397,350
Productions/Performances	\$ -	\$ 305,381	\$ 305,381
Exhibitions	\$ -	\$ -	\$ -
Publications and Products	\$ -	\$ -	\$ -
Educational Programming	\$ -	\$ -	\$ -
Rental Income	\$ -	\$ 81,975	\$ 81,975
Concessions	\$ -	\$ -	\$ -
Credit Card and Box Office Fees	\$ -	\$ 50,781	\$ 50,781
Other (specify)	\$ -	\$ 7,938	\$ 7,938
3. Membership Income	\$ -	\$ -	\$ -
4. In-Kind Support	\$ -	\$ -	\$ -
5. Other (specify)	\$ -	\$ -	\$ -
Total Revenue	\$ 5,000	\$ 1,521,425	\$ 1,526,425

Index of Addenda and Attachments

	ALL ADDENDA are found in the Addenda.pdf file
Addendum A	Cain Center Economic Impact Study
Addendum B	Cain Center Strategic Plan
Addendum C	Budget Calculation
Addendum D	Cain Center Conflict of Interest Policy
Addendum E	Cain Center ByLaws
Addendum F	Cain Center Employee Handbook

	ALL ATTACHMENTS are found in the Attachments.pdf file
Attachment 1	IRS Tax Determination letter
Attachment 2	Cain Center Board and Affiliations
Attachment 3a	Cain Center Operating FY22 Budget
Attachment 3b	Cain Center – FY21 Audit
Attachment 3c	Cain Center – 2019 Form 990
Attachment 4	Letters of Support for this grant request
Attachment 5	See Attachments 3b and 3c
Attachment 6	Relevance and Participation Narrative
Attachment 7	Proposed Programming Narrative
Attachment 8	Leadership Narrative
Attachment 9	Key Staff Credentials
Attachment 10	Budget Narrative Update
Attachment 11	(no attachment 11)
Attachment 12	See Addenda B & D
Attachment 13	Strategic Plan Narrative
Attachment 14	See Addendum E
Attachment 15	See Addenda F & G

Cain Center for the Arts
Town of Cornelius Grant Application
Supplemental Questions
March 2, 2022

- **Please provide more detail on how the Town's funds would be spent on the five budget items listed on page 8 of 9 (class instruction, programs, events, exhibitions, performances, supplies, utilities & rent, and maintenance) including, but not limited to:**
 - **Number of camps, classes, programs, exhibitions, and performances to be offered.**
 - **Camps**
 - FY23 (July – Aug 2022)
 - 33 Camps
 - FY23 (June 2023)
 - 38 Camps
 - **Classes**
 - 192 total
 - **Exhibitions**
 - 5 minimum
 - **Presented Performances**
 - 23 (5 in 2022, 18 in 2023)
 - **Community Programs**
 - Minimum 4
 - **If known, the titles of the camps, classes, and programs. If not known specifically, the categories of the camps, classes, and programs.**
 - **CAMPS**
 - Legos, Ceramics, Arts, Music, Theatre, Dance
 - **Classes**
 - Ceramics, Arts, Music, Theatre
 - **Presented Performances**
 - Music, Theatre (Youth and Adult), Dance, Comedy
 - **Community Programs**
 - Santa (2), Easter Bunny, HeART Party
 - **Anticipated number of participants for camps, classes, programs, exhibitions, and performances (number by category).**
 - **CAMPS**
 - FY23 (July-Aug 2022)
 - 264
 - FY23 (June 2023)
 - 324
 - **Classes**
 - 1644 estimated attendance

- Presented Performances
 - 6023 Estimated Attendance
 - Community Programs
 - 240 Estimated Attendance
- **Other than the number of participants, what outcomes are you hoping to achieve with these camps, classes, programs, exhibitions, and performances?**
 - To reach as broad and diverse segments of the Lake Norman region as possible. To make arts and culture available and accessible to everyone.
- **What is a “community impact event”?**
 - Community Impact Programs are synonymous with what other organizations call “Community Outreach”. These are events that are presented at very little or no cost to the attendees. Examples of current Cain Center Community Impact Programs are:
 - **School Tours** – performances presented in K-12 Schools in the LKN Region at no cost to the schools.
 - **Cain Center Private Music Lesson Program** – Special program partnered with Learn Music which presents students with the opportunity to receive one year of free music instruction. If the student completes the program and achieves the established benchmarks, the student also receives a free musical instrument.
 - **Ancillary Community Arts Support** – Cain Center will periodically support educational opportunities in the community on a case-by-case basis as requested. Example – Sponsorship of Pine Lake Prep 2021 Arts Award Banquet
- **What are your anticipated supplies, utilities and rent, and maintenance expenditures? That is, what type of supplies, utilities, rent, maintenance, etc.?**
 - **Supplies** - Supplies needed for students to participate in the class.
 - CAC Classes - \$9,330
 - CAC Clay – \$7,144.20
 - CAIN Classes - \$10,800
 - **Utilities** are the cost of utilities (water, sewer, electric, gas, phone, and internet service)
 - **CAC** - \$11,776
 - **CAIN** - \$78,083.40
 - **Rent** is the lease of the 19725 Oak Street Suite 1 for 1 year
 - **CAC** - \$75,872
 - **Maintenance** are the costs to maintain the facilities (janitorial, HVAC Service, Pest Control, etc)
 - **CAC** - \$10,100
 - **CAIN** - \$22,500 Estimated

- Please provide more detail on the community impact program for free music instruction, including how it will be marketed, how the programming is provided, and how financial need is determined. If a policy exists for this program, please provide.
 - The Community Music Private Lesson program is one of our flagship community impact programs. The agreement with Learn Music is attached (with redacted proprietary information) as well as the application/agreement that students and parents sign. The program is funded 100% by private donations.
- Please provide information on how the scholarship program is administered. If a policy exists, please provide.
 - See attached Cain Center for the arts scholarship policy and application
- There has been concern expressed by some in the community that the Cain Center will not be affordable for all. The free music instruction program and scholarship policy is a good start to help address some of these concerns. How else do you plan to bring in Cornelius residents or neighborhoods that are underserved and have lower incomes for not only programs, but exhibits and shows/performances?
 - Cain Center for the Arts programs that exist at the current CAC are currently below market rate. With those prices, the organization also offers up to 100% scholarship assistance. Although the prices will be optimized in the coming year and forward to approach market rates, the scholarship program will still exist. That being stated, we have offered the scholarship assistance all year this year with very minimal applications and usage in the community while still averaging a 90% attendance rate for our classes. In the FY23 we are going to be engaging more volunteers to assist our organization with taking a proactive approach to connecting to community resources that can help connect community members to these opportunities. In addition to this, our organization will approach FY23 with a goal in mind of what percentage of students we hope to receive assistance to further show commitment to be accessible to ALL in the LKN community. Our initial goal for this effort will be 5% of all participating students.
 - Regarding performances, Cain Center will spend FY23 developing the structure and means around a 'Community Ticket Fund', which will offer reduced pricing structure opportunities to members of the community who apply for the program. Details and procedures surrounding this program are in the early stages. There is a chance we may roll out a beta version of this program in Spring of 2023 with a full rollout in FY24.
- **Will you be providing a Cornelius resident discount for camps, classes, programs, events, performances, and exhibitions?**
 - We do not plan to offer resident discounts in FY23. Offering a Cornelius resident discount does not serve our mission of "providing exceptional visual arts, performing arts, and social experience to the Lake Norman Region."

Pg2 A.1.ii.2. Confirm the existing CAC will operate for the entire FY.

The Cain Center for the Arts will operate the Cornelius Arts Center for the entire Fiscal Year 2023.

Pg. 2 A.2.a.i. Which programs are offered free to the public?

Visual Arts Exhibitions

Family-oriented events (Cocoa with Santa, etc.)

Pg. 2 A.2.a.iii. What funds have currently been raised and what is currently committed toward the \$257,000 goal?

The \$257,000 goal is for the period July 1, 2022, through June 30, 2023. As of 2022.02.28 we have commitments totaling \$37,000 towards this goal.

Pg. 3 A.2.b. Please reattach Strategic Plan document.

Attached

Pg. 3 A.c.ii. Please provide a copy of Scholarship Policy.

Attached

Pg. 3 A.f.ii What has been raised toward the \$1M operating endowment? What amount is committed?

\$500,000 of the \$1M endowment has been committed and of that amount, \$497,500 has been received.

Pg. 8 Operating Budget – Please explain difference between class instruction fee and *Programs/Events/Exhibitions/Performances.

Class instruction fees are all payments to class instructors.

Program/Events/Exhibitions/Performances are for expenses associated with all performances and visual arts exhibitions, including contracted artists fees.

**Cain Center for the Arts – Operating Support Grant Application • January 2022
ATTACHMENT 1**

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **MAR 20 2017**

CORNELIUS ARTS COMMUNITY CENTER INC
21445 CATAWBA AVE
CORNELIUS, NC 28031

Employer Identification Number:

81-4628087

DLN:

17053034309047

Contact Person:

JOSEPH LAUX

ID# 31077

Contact Telephone Number:

(877) 829-5500

Accounting Period Ending:

December 31

Public Charity Status:

170(b)(1)(A)vi

Form 990/990-EZ/990-N Required:

Yes

Effective Date of Exemption:

July 14, 2016

Contribution Deductibility:

Yes

Addendum Applies:

No

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

CORNELIUS ARTS COMMUNITY CENTER INC

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey I. Cooper". The signature is stylized with a large, sweeping "J" and "C".

Jeffrey I. Cooper
Director, Exempt Organizations
Rulings and Agreements

FY22 Cain Center for the Arts - Board of Directors

Greg Wessling - President

16901 Harbor Master Cove
Cornelius, NC 28031
Morris International Inc.
704-517-2225
gwessling@morrisinternational.com

Pat Bechdol - Vice President

18434 Peninsula Cove Lane
Cornelius, NC 28031
Community Volunteer
612-963-7926
jbechdol922@gmail.com

Bill Ward - Treasurer

20417 Willow Pond Road
Cornelius, NC 28031
Community Volunteer
704-965-4093
musicbill1@gmail.com

Cynthia Bush - Secretary

18910 N. Beatties Ford Road
(P.O. Box 669 for mail)
Cornelius, NC 28031
CPCC
704-390-3966
bush18910@gmail.com

Mayor Woody Washam

20031 Chapel Point Lane
Cornelius, NC 28031
Carolina Trust Bank
704-662-2122
wtwasham@cornelius.org

Denis Bilodeau

18102 Watercraft Place
Cornelius, NC 28031
Hood Hargett & Associates
Cornelius Commissioner
704-719-7961
dbilodeau54@gmail.com

Kate Gaither

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Newport Properties
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Susan Wolff

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Community Volunteer
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Donna Johnson

18816 Balmore Pines Lane
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Community Volunteer
704-895-3525
djohnson27@hotmail.com

Caroline Mullan

21131 Island Forest Drive
Cornelius, NC 28031
Community Volunteer
980-722-9087
Carolinejm30@yahoo.com

Ginger Griffin

18311 Nantz Road
Cornelius, NC 28031
Royal Bliss Brewing Company
704-488-2403
ginger@wehaveideas.com

Steve Brumm

21225 Norman Shores Drive
Cornelius, NC 28031
Self-Employed
704-763-3171
shbrumm@gmail.com

Joshua Dobi

17217 Players Ridge Drive
Cornelius, NC 28031
North Main Financial Group, LLC
704-765-2444
joshua@northmainfinancial.com

Bill Morgan

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Cornelius, NC 28031
Morgan Associates
203-216-2699
mbandbillm@aol.com

Jean Bock

18616 Square Sail Road
Cornelius, NC 28031
Community Volunteer
516-650-9470
jeanbock5@gmail.com

Continued

Troy Stafford

18731 Peninsula Cove Lane
Cornelius, NC 28031
DeVore, Action & Stafford
704-609-0712
tstafford@devact.com

Paul Newton

113 Castaway Trail
Mooresville, NC 28117
Newton Construction Services
704-426-9998
pnewton@newtonconstructionservices.com

Staff (Office # - 980-689-3101)**Justin A. Dionne**

Executive Director
7529 Quilbray Drive
Huntersville, NC 28078
704-213-7628
jdionne@cainarts.org

Anita Overcash

Development Associate
14242 Holly Springs Drive
Huntersville, NC 28078
704-579-0235
aovercash@cainarts.org

Perry Mixer

Development Director
7941 Bradenton Drive
Charlotte, NC 28210
980-833-3500
pmixer@cainarts.org

Cain Center for the Arts – Operating Support Grant Application • January 2022
ATTACHMENT 3a

CCA Operating Budget FY 22

FY 22

Income

TOTAL APPROPRIATION REQUEST	\$384,376
Donation Income	\$50,000
Sponsor Income	\$50,000
Programs	\$127,752

TOTAL INCOME

\$612,128

LABOR	\$405,942
ADMINISTRATIVE	\$95,012
MARKETING & PROMOTION	\$58,000
PROGRAMS	\$39,650
FACILITY	\$90,658
TOTAL MEMBERSHIPS/DUES	\$2,020
DEVELOPMENT	\$7,000
TOTAL BOARD	\$10,000

TOTAL EXPENSE

\$708,282

Offset Transfer from Reserves*

\$96,000

Surplus(Deficit)

-\$154

**Details*

General Reserve Funds for Labor*	\$34,000
Education Funds Reserve	\$26,000
Capital Campaign Funds for Labor	\$36,000

CORNELIUS ARTS AND COMMUNITY CENTER, INC.
D/B/A CAIN CENTER FOR THE ARTS

FINANCIAL STATEMENTS
JUNE 30, 2021

Cornelius Arts and Community Center, Inc. d/b/a Cain Center for the Arts
Table of Contents
June 30, 2021

Page

Independent Auditors' Report	1
Audited Financial Statements:	
Statement of Financial Position.....	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows.....	5
Notes to Financial Statements	6-10

C. DEWITT FOARD & COMPANY, P.A.

CERTIFIED PUBLIC ACCOUNTANTS
817 EAST MOREHEAD STREET SUITE 100
CHARLOTTE, NORTH CAROLINA 28202
TELEPHONE: 704-372-1515 WWW.CDFCO.COM

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Cornelius Arts and Community Center, Inc.
d/b/a Cain Center for the Arts
Cornelius, North Carolina

We have audited the accompanying financial statements of Cornelius Arts and Community Center, Inc., d/b/a Cain Center for the Arts (the "Center" - a nonprofit corporation), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Cornelius Arts and Community Center, Inc., d/b/a Cain Center for the Arts as of June 30, 2021 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Center's 2020 financial statements, and our report dated September 4, 2020, expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

C. DeWitt Foard & Company, P.A.
November 8, 2021

Cornelius Arts and Community Center, Inc. d/b/a Cain Center for the Arts**Statement of Financial Position****June 30, 2021, with prior year comparative totals**

	Year Ended June 30,	
	2021	2020
<u>ASSETS</u>		
Current Assets:		
Cash and cash equivalents	\$ 230,972	\$ 171,843
Sales tax receivable	890	2,875
Prepaid expense	20,818	2,699
<u>Total Current Assets</u>	<u>252,680</u>	<u>177,417</u>
Property and Equipment	2,248,524	1,870
Long-Term Assets:		
Cash and cash equivalents	9,583,092	6,007,510
Capital campaign pledge receivable (net)	5,846,054	3,547,734
<u>Total Long-Term Assets</u>	<u>15,429,146</u>	<u>9,555,244</u>
<u>TOTAL</u>	<u>\$ 17,930,350</u>	<u>\$ 9,734,531</u>
<u>LIABILITIES AND NET ASSETS</u>		
Liabilities:		
Accounts payable	\$ 8,970	\$ 4,694
Construction payable	426,533	-
Deferred revenue	27,000	-
Refundable advance	-	41,400
<u>Total Current Liabilities</u>	<u>462,503</u>	<u>46,094</u>
Net Assets:		
Without donor restrictions	314,841	372,285
With donor restrictions	17,153,006	9,316,152
<u>Total Net Assets</u>	<u>17,467,847</u>	<u>9,688,437</u>
<u>TOTAL</u>	<u>\$ 17,930,350</u>	<u>\$ 9,734,531</u>

Cornelius Arts and Community Center, Inc. d/b/a Cain Center for the Arts**Statement of Activities****Year Ended June 30, 2021, with prior year comparative totals**

	Year Ended June 30, 2021			Prior Year
	Without Donor Restrictions	With Donor Restrictions	TOTALS	Comparative Totals
<u>SUPPORT AND REVENUE</u>				
Contributions	\$ 18,055	\$ 6,146,317	\$ 6,164,372	\$ 4,274,274
Grants	331,000	-	331,000	323,000
In-kind contributions	-	-	-	134,927
Special events	22,140	-	22,140	12,517
Interest income	69,150	-	69,150	112,386
Net assets released from restriction	750	(750)	-	-
<i>Total Support and Revenue</i>	<i>441,095</i>	<i>6,145,567</i>	<i>6,586,662</i>	<i>4,857,104</i>
<u>EXPENSES</u>				
Program services	19,906	-	19,906	40,210
Management and general	114,717	-	114,717	138,237
Fundraising	363,916	-	363,916	379,878
<i>Total Expenses</i>	<i>498,539</i>	<i>-</i>	<i>498,539</i>	<i>558,325</i>
<i>CHANGE IN NET ASSETS</i>	<i>(57,444)</i>	<i>6,145,567</i>	<i>6,088,123</i>	<i>4,298,779</i>
<i>NET ASSETS, BEGINNING</i>	<i>372,285</i>	<i>9,316,152</i>	<i>9,688,437</i>	<i>6,758,978</i>
<i>TRANSFER - TOWN OF CORNELIUS (NOTE A)</i>	<i>-</i>	<i>1,691,287</i>	<i>1,691,287</i>	<i>(1,369,320)</i>
<i>NET ASSETS, ENDING</i>	<i>\$ 314,841</i>	<i>\$ 17,153,006</i>	<i>\$ 17,467,847</i>	<i>\$ 9,688,437</i>

Cornelius Arts and Community Center, Inc. d/b/a Cain Center for the Arts**Statement of Functional Expenses****Year Ended June 30, 2021, with prior year comparative totals**

	Year Ended June 30, 2021				Prior Year
	Program Services	Management and General	Fundraising	TOTALS	Comparative Totals
<u>EXPENSES</u>					
Personnel	\$ 18,616	\$ 40,153	\$ 176,511	\$ 235,280	\$ 222,695
Professional services	-	37,650	26,125	63,775	188,027
Advertising	-	-	115,529	115,529	74,010
Events	-	-	38,236	38,236	44,021
Office supplies	-	3,125	7,515	10,640	7,069
Travel	-	1,827	-	1,827	6,800
Insurance	-	8,563	-	8,563	3,604
Dues and subscriptions	-	9,661	-	9,661	3,298
Education	1,290	-	-	1,290	3,021
Miscellaneous	-	4,059	-	4,059	2,737
Telecommunication	-	1,419	-	1,419	1,600
Finance charges	-	7,207	-	7,207	1,309
Depreciation	-	1,053	-	1,053	134
<i>TOTAL EXPENSES</i>	<i>\$ 19,906</i>	<i>\$ 114,717</i>	<i>\$ 363,916</i>	<i>\$ 498,539</i>	<i>\$ 558,325</i>

Cornelius Arts and Community Center, Inc. d/b/a Cain Center for the Arts**Statement of Cash Flows****Year Ended June 30, 2021, with prior year comparative totals**

	Year Ended June 30,	
	2021	2020
<u>OPERATING ACTIVITIES</u>		
Change in net assets	\$ 6,088,123	\$ 4,298,779
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation expense	1,053	134
Transfer - Town of Cornelius	1,691,287	(1,369,320)
Contributions restricted for long-term purposes	(6,146,317)	(4,259,200)
Decrease (increase) in operating assets:		
Operating pledges	-	2,950
Sales tax receivable	1,985	(682)
Prepaid expense	(18,119)	(1,551)
Increase in operating liabilities:		
Accounts payable	4,276	1,675
Deferred revenue	27,000	-
Refundable advance	(41,400)	41,400
<i>Cash Flows from Operating Activities</i>	<i>1,607,888</i>	<i>(1,285,815)</i>
<u>INVESTING ACTIVITIES</u>		
Purchase of fixed assets	(556,420)	(2,004)
Transfer - Town of Cornelius property and equipment	(1,691,287)	-
Construction payable	426,533	-
<i>Cash Flows from Investing Activities</i>	<i>(1,821,174)</i>	<i>(2,004)</i>
<u>FINANCING ACTIVITIES</u>		
Increase in capital campaign pledges	(2,298,320)	(2,213,010)
Contributions restricted for long-term purposes	6,146,317	4,259,200
<i>Cash Flows from Financing Activities</i>	<i>3,847,997</i>	<i>2,046,190</i>
<i>NET CHANGE IN CASH AND CASH EQUIVALENTS</i>	<i>3,634,711</i>	<i>758,371</i>
<i>CASH AND CASH EQUIVALENTS, BEGINNING</i>	<i>6,179,353</i>	<i>5,420,982</i>
<i>CASH AND CASH EQUIVALENTS, ENDING</i>	<i>\$ 9,814,064</i>	<i>\$ 6,179,353</i>
<i>Cash and Cash Equivalents per Statement of Financial Position:</i>		
Operating cash	\$ 230,972	\$ 171,843
Cash held for long-term purposes	9,583,092	6,007,510
<i>Total Cash and Cash Equivalents</i>	<i>\$ 9,814,064</i>	<i>\$ 6,179,353</i>

Cornelius Arts and Community Center, Inc. d/b/a Cain Center for the Arts
Notes to Financial Statements
June 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of activities

Cornelius Arts and Community Center, Inc. d/b/a Cain Center for the Arts (the “Center”) is a not-for-profit organization, located in Cornelius, North Carolina. The Center was incorporated in July 2016. The Center was created as a result of the town of Cornelius recognizing the need for an arts and cultural venue to revitalize and enrich the community through the arts and all the benefits of arts education. The Center is supported primarily through contributions from individuals, businesses, and foundations as well as a grant from the town of Cornelius.

Basis of presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets can be both undesignated and designated in nature. Undesignated net assets without donor restrictions are those currently available for use in the day-to-day operation of the Center and those resources invested in fixed assets. From time to time, the Board of Directors may designate certain amounts to be utilized or invested to meet specific objectives of the Center.

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations. These net assets may be temporary in nature, which are subject to donor-imposed stipulations that may or will be met, either by actions of the Center or the passage of time, and net assets that are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. As of June 30, 2021, the Center had no restricted net assets to be maintained in perpetuity.

Revenue recognition

The Center adopted the requirements of the Financial Accounting Standards Board’s Accounting Standards Update No. 2014-09, “*Revenue from Contracts with Customers*” (ASU 2014-09), for the year ending June 30, 2021. The core principle of this standard is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The implementation of ASU 2014-09 had no impact on the accompanying financial statements.

Cornelius Arts and Community Center, Inc. d/b/a Cain Center for the Arts
Notes to Financial Statements
June 30, 2021

Contributions, including unconditional promises to give, are recognized as revenue in the period received. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions of cash and other assets are considered to be available for undesignated use unless specifically restricted by the donor. Amounts received that are restricted for future periods or are restricted by the donor for specific purposes are reported as net assets with donor restrictions. When a donor restriction expires (that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Capital campaign contributions for construction will be released once the asset is placed in service.

Other revenues, such as sponsorships, are recorded once the performance obligation is earned. As of June 30, 2021, the sponsorship revenue received is for an event in the fiscal year ending June 30, 2022, and is therefore recorded as deferred revenue for \$27,000.

Cash and cash equivalents

Cash consists of cash on hand, cash in banks, and money market funds.

Fixed assets

Fixed assets with a value of \$1,000 or more are recorded at cost if purchased or fair value if donated. Depreciation expense is recorded using the straight-line method of depreciation over the estimated useful life of the assets, which is assumed to be five years for the equipment.

Use of estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of support, revenues, and expenses during the reporting period. Actual results could differ from those estimates.

Donated services and goods

Donated services are reported as contributions when the services (a) create or enhance nonfinancial assets or (b) would be purchased if they had not been provided by contribution, require specialized skills, and are provided by individuals possessing those skills. Donated equipment or materials, if significant, are included in support at fair value. During the year, the Center did not receive any donated goods or services.

In addition, many individuals volunteer their time and perform a variety of tasks that assist the Center with specific assistance programs and various assignments. No amounts have been reflected in the financial statements for these contributions, as they do not meet the criteria for recognition described above.

Cornelius Arts and Community Center, Inc. d/b/a Cain Center for the Arts
Notes to Financial Statements
June 30, 2021

Functional allocation of expenses

Expenses that are inherently program, management and general, or fundraising, are charged directly to those functions. Personnel expenses are allocated based on management's estimates of time spent. Professional services are allocated based on the type of service incurred. All other expenses are allocated based on an analysis of the various expenses that comprise those costs.

Income tax status

The Center is a nonprofit organization and is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code with respect to its exempt function income. The Center is not a private organization as defined by Section 509(a) of the Internal Revenue Code.

Transfer of assets

Previously, the Center would transfer the proceeds from its capital campaign to the Town of Cornelius (the "Town") for the construction of a Community Center in Cornelius; however, a new agreement was signed during the year ended June 30, 2021, which the Town agreed to transfer the construction expenditures incurred to the Center. The amount transferred to the Center was \$1,691,287, which was the total that had been previously transferred to the Town. It was recorded as property and equipment in the accompanying Statement of Financial Position.

Prior-year comparative totals

The financial statements include certain prior-year summarized information, which is presented for comparative purposes only. Accordingly, such information should be read in conjunction with the Center's 2020 financial statements, from which the summarized information was derived.

NOTE B – PLEDGES RECEIVABLE

Capital campaign

Unconditional promises to give for the capital campaign are presented net of an estimated allowance for doubtful accounts of \$67,598. Management's assessment of the collectability of receivables is based on a review of individual accounts, historical experience, and current economic conditions. The \$5,798 discount for the present value is computed using an interest rate of 1.02 percent. At June 30, 2021, there were two pledges totaling \$3,743,796, which represented 63% of the gross pledges outstanding, which represents a substantial concentration of risk. Amortization of the present value discount is included in contribution revenue.

Pledges receivable at June 30, 2021, are summarized as follows:

Pledges receivable		\$	5,919,450
Present value discount	\$	5,798	
Allowance for uncollectible contributions receivable		67,598	73,396
Net pledges receivable		\$	5,846,054

All unconditional promises to give for the capital campaign are classified as long-term since the funds will be used for long-term purposes.

Cornelius Arts and Community Center, Inc. d/b/a Cain Center for the Arts
Notes to Financial Statements
June 30, 2021

The Center has a conditional pledge with the Town for \$4,000,000. The Center recognizes the revenue as construction cost is incurred. As of June 30, 2021, the construction cost incurred was \$2,243,796; therefore, the remaining balance of the conditional pledge is \$1,756,204.

Gross contributions receivable are scheduled to be received as follows:

Year Ended June 30,	
2022	\$ 5,642,364
2023	277,086
TOTAL	\$ 5,919,450

NOTE C – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30,

Construction in process	\$ 2,243,796
Furniture, fixtures and equipment	5,914
Total	2,249,710
Less – accumulated depreciation	1,186
TOTAL	\$ 2,248,524

Commitment

The Center has a signed contract for the construction of the building. At year-end, the contract balance to complete was \$15,670,326.

NOTE D – NET ASSETS WITH DONOR RESTRICTIONS

Purpose restricted net assets at year-end are as follows:

Pledge campaign	\$ 17,060,054
Education	78,119
Programming	14,833
TOTAL	\$ 17,153,006

Purpose restricted net assets consist of cash of \$11,306,952 and net pledges receivable of \$5,846,054.

NOTE E – DEBT

During the year, the Center signed a commitment to close on a construction loan with available proceeds of up to \$7,500,000. Also, the commitment included a \$750,000 line of credit.

Cornelius Arts and Community Center, Inc. d/b/a Cain Center for the Arts
Notes to Financial Statements
June 30, 2021

NOTE F – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Center has \$231,862 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditure consisting of cash of \$230,972 and sales tax receivable of \$890. The Center has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, as part of its liquidity management, the Center invests cash in excess of daily requirements in short-term investments, primarily money market funds.

NOTE G – CONCENTRATIONS OF RISK

Geographic area

The Center operates in a small geographic area and, accordingly, is sensitive to changes in the local economy.

Cash in excess of insured limits

Cash held in bank accounts and bank certificates of deposit are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The total cash held by the Center at June 30, 2021, includes \$9,564,064 in excess of insured limits covered by the FDIC.

NOTE H - UNCERTAINTIES

The COVID-19 pandemic has resulted in major changes in the local economy. At this point, the full impact of this pandemic on the Center is unknown, but management believes that it could negatively impact its support and revenue for the foreseeable future.

NOTE I – SUBSEQUENT EVENTS

The Center has evaluated subsequent events from the date of the statement of financial position through the date of the audit report, which is the date the financial statements were available to be issued. During this period, no material recognizable subsequent events were identified.

Form **990**
(Rev. January 2020)
Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

OMB No. 1545-0047

2019

Open to Public Inspection

Do not enter social security numbers on this form as it may be made public.

Go to www.irs.gov/Form990 for instructions and the latest information.

A For the 2019 calendar year, or tax year beginning JUL 1, 2019 and ending JUN 30, 2020

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization CORNELIUS ARTS COMMUNITY CENTER, INC.		D Employer identification number 81-4628087
	Doing business as CAIN CENTER FOR THE ARTS		E Telephone number 980-689-3101
	Number and street (or P.O. box if mail is not delivered to street address) Room/suite P.O. BOX 1443	G Gross receipts \$ 4,722,177.	
	City or town, state or province, country, and ZIP or foreign postal code CORNELIUS, NC 28031		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	F Name and address of principal officer: GREG WESSLING 21445 CATAWBA AVENUE, CORNELIUS, NC 28031		H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
J Website: WWW.CAINARTS.ORG			
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other			L Year of formation: 2016
			M State of legal domicile: NC

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: TO MAINTAIN AND OPERATE AN ARTS AND COMMUNITY CENTER IN THE TOWN OF CORNELIUS BUT SERVING THE ENTIRE		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	16
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	16
	5	Total number of individuals employed in calendar year 2019 (Part V, line 2a)	5	3
	6	Total number of volunteers (estimate if necessary)	6	30
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
7b	Net unrelated business taxable income from Form 990-T, line 39	7b	0.	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year 7,507,682.	Current Year 4,609,788.
	9	Program service revenue (Part VIII, line 2g)	440.	0.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	53,048.	112,389.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-46,209.	-42,116.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	7,514,961.	4,680,061.
	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	321,967.	1,369,320.
Expenses	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	192,233.	222,695.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b	Total fundraising expenses (Part IX, column (D), line 25)	243,314.	
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	258,495.	158,587.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	772,695.	1,750,602.
19	Revenue less expenses. Subtract line 18 from line 12	6,742,266.	2,929,459.	
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year 6,761,997.	End of Year 9,734,531.
	21	Total liabilities (Part X, line 26)	3,019.	46,094.
	22	Net assets or fund balances. Subtract line 21 from line 20	6,758,978.	9,688,437.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer		Date		
	GREG WESSLING, PRESIDENT				
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	PTIN
	PAULA P. TILLEY	<i>Paula P. Tilley</i>	03/26/21		P00051456
Firm's name	Firm's EIN		Firm's address		
	GREERWALKER LLP	56-1434747	227 WEST TRADE ST, SUITE 1100		
Firm's address		Phone no.			
CHARLOTTE, NC 28202		704-377-0239			

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐**1** Briefly describe the organization's mission:

TO MAINTAIN AND OPERATE AN ARTS AND COMMUNITY CENTER IN THE TOWN OF CORNELIUS BUT SERVING THE ENTIRE LAKE NORMAN REGION.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ **1,396,036.** including grants of \$ **1,369,320.**) (Revenue \$)
THROUGHOUT THE YEAR CAIN CENTER FOR THE ARTS PROVIDED PROGRAMS, INCLUDING INITIATIVES FOR FAMILIES AFFECTED BY COVID-19. THESE PROGRAMS INCLUDED: A HIGH SCHOOL SHAKESPEARE COURSE CONDUCTED JOINTLY BY THE ENGLISH AND THEATER DEPARTMENTS AT COMMUNITY SCHOOL OF DAVIDSON. AT THE ADA JENKINS CENTER, FAMILIES IN THE LEARNWORKS AFTERSCHOOL PROGRAM ENJOYED A VIRTUAL CONCERT PERFORMANCE BY CHARLOTTE SYMPHONY CONCERTMASTER KARI GILES & COMPOSER/PIANIST MARK LEWIS. ARTS CARE PACKAGES WERE CREATED AND DISTRIBUTED FOR FAMILIES WITH SCHOOL-AGE CHILDREN IN NORTH MECKLENBURG DURING COVID-19 PHASE 1.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe on Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses **1,396,036.**

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	1 X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	2 X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	4	X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	5	X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>	6	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	8	X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>	9	X
10 Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? <i>If "Yes," complete Schedule D, Part V</i>	10	X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	11a X	
b Did the organization report an amount for investments - other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	11b	X
c Did the organization report an amount for investments - program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>	11c	X
d Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	11d	X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	11e	X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	11f	X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	12a X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	12b	X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>	16	X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>	17	X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	18	X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	19	X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	20a	X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21 X	

Part IV Checklist of Required Schedules (continued)

	Yes	No
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		X
26 Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? If "Yes," complete Schedule L, Part III		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions, for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? If "Yes," complete Schedule L, Part IV		X
b A family member of any individual described in line 28a? If "Yes," complete Schedule L, Part IV		X
c A 35% controlled entity of one or more individuals and/or organizations described in lines 28a or 28b? If "Yes," complete Schedule L, Part IV		X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1		X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	X	

Note: All Form 990 filers are required to complete Schedule O

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

	Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

		Yes	No
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 3		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	X	
Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		X
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O	3b		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		X
b If "Yes," enter the name of the foreign country ▶			
See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		X
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		X
d If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the sponsoring organization make any taxable distributions under section 4966?	9a		
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b		
10 Section 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on Part VIII, line 12	10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11 Section 501(c)(12) organizations. Enter:			
a Gross income from members or shareholders	11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state?	13a		
Note: See the instructions for additional information the organization must report on Schedule O.			
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b		
c Enter the amount of reserves on hand	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a		X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O	14b		
15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year?	15		X
If "Yes," see instructions and file Form 4720, Schedule N.			
16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income?	16		X
If "Yes," complete Form 4720, Schedule O.			

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

☒**Section A. Governing Body and Management**

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year 1a 16 If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.		
b Enter the number of voting members included on line 1a, above, who are independent 1b 16		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? 2		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person? 3		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? 4		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets? 5		X
6 Did the organization have members or stockholders? 6		X
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? 7a		X
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? 7b		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body? 8a	X	
b Each committee with authority to act on behalf of the governing body? 8b	X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O 9		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates? 10a		X
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? 10b		
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? 11a	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13 12a	X	
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? 12b	X	
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done 12c	X	
13 Did the organization have a written whistleblower policy? 13		X
14 Did the organization have a written document retention and destruction policy? 14		X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official 15a	X	
b Other officers or key employees of the organization 15b		X
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? 16a		X
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? 16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► **NONE**

18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain on Schedule O)

19 Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records ►
BETH ALLEN - (704) 377-0239
227 W. TRADE ST. SUITE 1100, CHARLOTTE, NC 28202

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response or note to any line in this Part VII ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
 - List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
 - List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
 - List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
 - List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.
- See instructions for the order in which to list the persons above.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) GREG WESSLING PRESIDENT	4.00	X		X				0.	0.	0.
(2) PAT BECHDOL VICE PRESIDENT	4.00	X		X				0.	0.	0.
(3) TROY STAFFORD TREASURER	4.00	X		X				0.	0.	0.
(4) CYNTHIA BUSH SECRETARY	4.00	X		X				0.	0.	0.
(5) WOODY WASHAM BOARD OF DIRECTORS	2.00	X						0.	0.	0.
(6) KATE GAITHER BOARD OF DIRECTORS	2.00	X						0.	0.	0.
(7) BILL WARD BOARD OF DIRECTORS	2.00	X						0.	0.	0.
(8) STEVE BRUMM BOARD OF DIRECTORS	2.00	X						0.	0.	0.
(9) CAROLINA MULLAN BOARD OF DIRECTORS	2.00	X						0.	0.	0.
(10) PAUL NEWTON BOARD OF DIRECTORS	2.00	X						0.	0.	0.
(11) GINGER GRIFFIN BOARD OF DIRECTORS	2.00	X						0.	0.	0.
(12) DONNA JOHNSON BOARD OF DIRECTORS	2.00	X						0.	0.	0.
(13) DENIS BILODEAU BOARD OF DIRECTORS	2.00	X						0.	0.	0.
(14) JOSHUA DOBI BOARD OF DIRECTORS	2.00	X						0.	0.	0.
(15) BILL MORGAN BOARD OF DIRECTORS	2.00	X						0.	0.	0.
(16) JEAN BOCK BOARD OF DIRECTORS	2.00	X						0.	0.	0.
(17) JUSTIN DIONNE EXECUTIVE DIRECTOR	40.00			X				100,589.	0.	1,911.

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☐

				(A)	(B)	(C)	(D)
				Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c	12,517.				
	d Related organizations	1d					
	e Government grants (contributions)	1e	1,323,000.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	3,274,271.				
	g Noncash contributions included in lines 1a-1f	1g	\$				
	h Total. Add lines 1a-1f						
Program Service Revenue			Business Code				
	2 a						
	b						
	c						
	d						
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f						
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			112,389.			112,389.
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6 a Gross rents	6a	(i) Real (ii) Personal				
	b Less: rental expenses	6b					
	c Rental income or (loss)	6c					
	d Net rental income or (loss)						
	7 a Gross amount from sales of assets other than inventory	7a	(i) Securities (ii) Other				
	b Less: cost or other basis and sales expenses	7b					
	c Gain or (loss)	7c					
	d Net gain or (loss)						
	8 a Gross income from fundraising events (not including \$ 12,517. of contributions reported on line 1c). See Part IV, line 18	8a	0.				
	b Less: direct expenses	8b	42,116.				
	c Net income or (loss) from fundraising events			-42,116.			-42,116.
	9 a Gross income from gaming activities. See Part IV, line 19	9a					
	b Less: direct expenses	9b					
	c Net income or (loss) from gaming activities						
	10 a Gross sales of inventory, less returns and allowances	10a					
b Less: cost of goods sold	10b						
c Net income or (loss) from sales of inventory							
Miscellaneous Revenue			Business Code				
	11 a						
	b						
	c						
	d All other revenue						
	e Total. Add lines 11a-11d						
12 Total revenue. See instructions				4,680,061.	0.	0.	70,273.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	1,369,320.	1,369,320.		
2	Grants and other assistance to domestic individuals. See Part IV, line 22				
3	Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	105,540.	11,230.	29,946.	64,364.
6	Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	92,000.	9,789.	26,104.	56,107.
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9	Other employee benefits	10,167.	1,082.	2,885.	6,200.
10	Payroll taxes	14,988.	1,595.	4,252.	9,141.
11	Fees for services (nonemployees):				
a	Management				
b	Legal				
c	Accounting	28,600.		28,600.	
d	Lobbying				
e	Professional fundraising services. See Part IV, line 17				
f	Investment management fees				
g	Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch. O.)	24,500.			24,500.
12	Advertising and promotion	74,010.			74,010.
13	Office expenses	2,719.		2,719.	
14	Information technology	5,950.		1,600.	4,350.
15	Royalties				
16	Occupancy				
17	Travel	6,784.		6,784.	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings				
20	Interest				
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	134.		134.	
23	Insurance	3,604.		3,604.	
24	Other expenses. Itemize expenses not covered above (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a	DUES AND SUBSCRIPTIONS	3,296.		3,296.	
b	EDUCATION	3,020.	3,020.		
c	OTHER OPERATING EXPENSE	2,737.			2,737.
d	FUNDRAISING EXPENSE	1,905.			1,905.
e	All other expenses	1,328.		1,328.	
25	Total functional expenses. Add lines 1 through 24e	1,750,602.	1,396,036.	111,252.	243,314.
26	Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here ☐ if following SOP 98-2 (ASC 958-720)

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	46,591.	1	165,593.
	2 Savings and temporary cash investments	5,374,391.	2	6,013,760.
	3 Pledges and grants receivable, net	1,337,674.	3	3,547,734.
	4 Accounts receivable, net	2,193.	4	2,875.
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges		9	199.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 2,004.		
	b Less: accumulated depreciation	10b 134.	0.	10c 1,870.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	1,148.	15	2,500.
16 Total assets. Add lines 1 through 15 (must equal line 33)	6,761,997.	16	9,734,531.	
Liabilities	17 Accounts payable and accrued expenses	3,019.	17	4,694.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	41,400.
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	3,019.	26	46,094.
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.			
	27 Net assets without donor restrictions	122,848.	27	372,285.
	28 Net assets with donor restrictions	6,636,130.	28	9,316,152.
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds		29	
	30 Paid-in or capital surplus, or land, building, or equipment fund		30	
	31 Retained earnings, endowment, accumulated income, or other funds		31	
	32 Total net assets or fund balances	6,758,978.	32	9,688,437.
	33 Total liabilities and net assets/fund balances	6,761,997.	33	9,734,531.

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	4,680,061.
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,750,602.
3	Revenue less expenses. Subtract line 2 from line 1	3	2,929,459.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	6,758,978.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	9,688,437.

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☒

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b Were the organization's financial statements audited by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____ If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.	X	
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? _____		X
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits _____		

Form **990** (2019)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support
Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2019

Open to Public
Inspection

Name of the organization

CORNELIUS ARTS COMMUNITY CENTER, INC.

Employer identification number

81-4628087

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 ☐ A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E (Form 990 or 990-EZ).)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 ☐ An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: _____
- 10 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 11 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 12 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
- a ☐ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
- b ☐ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
- c ☐ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
- d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
- e ☐ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
- f Enter the number of supported organizations _____
- g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
Total						

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")		80,400.	271,476.	2,007,687.	3,084,791.	5,444,354.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3		80,400.	271,476.	2,007,687.	3,084,791.	5,444,354.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						940,020.
6 Public support. Subtract line 5 from line 4.						4,504,334.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
7 Amounts from line 4		80,400.	271,476.	2,007,687.	3,084,791.	5,444,354.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources				53,048.	112,389.	165,437.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						5,609,791.

12 Gross receipts from related activities, etc. (see instructions)	12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here		<input checked="" type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2019 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2018 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2019. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 33 1/3% support test - 2018. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10% -facts-and-circumstances test - 2019. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10% -facts-and-circumstances test - 2018. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ☐**Section C. Computation of Public Support Percentage**

15 Public support percentage for 2019 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2018 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2019 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2018 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2019. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐**b 33 1/3% support tests - 2018.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐**20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ☐

Part IV Supporting Organizations

(Complete only if you checked a box in line 12 on Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked 12a or 12b in Part I, answer (b) and (c) below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer 10b below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
11a		
b A family member of a person described in (a) above?		
11b		
c A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI .		
11c		

Section B. Type I Supporting Organizations

	Yes	No
1 Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
1		
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		
2		

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		
1		

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
1		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).		
2		
3 By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.		
3		

Section E. Type III Functionally Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).			
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.			
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.			
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).			
2 Activities Test. Answer (a) and (b) below.		Yes	No
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.			
2a			
b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.			
2b			
3 Parent of Supported Organizations. Answer (a) and (b) below.			
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI .			
3a			
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.			
3b			

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

- 1** ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1 Net short-term capital gain	1		
2 Recoveries of prior-year distributions	2		
3 Other gross income (see instructions)	3		
4 Add lines 1 through 3.	4		
5 Depreciation and depletion	5		
6 Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6		
7 Other expenses (see instructions)	7		
8 Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8		

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):			
a Average monthly value of securities	1a		
b Average monthly cash balances	1b		
c Fair market value of other non-exempt-use assets	1c		
d Total (add lines 1a, 1b, and 1c)	1d		
e Discount claimed for blockage or other factors (explain in detail in Part VI):			
2 Acquisition indebtedness applicable to non-exempt-use assets	2		
3 Subtract line 2 from line 1d.	3		
4 Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4		
5 Net value of non-exempt-use assets (subtract line 4 from line 3)	5		
6 Multiply line 5 by .035.	6		
7 Recoveries of prior-year distributions	7		
8 Minimum Asset Amount (add line 7 to line 6)	8		

Section C - Distributable Amount			Current Year
1 Adjusted net income for prior year (from Section A, line 8, Column A)	1		
2 Enter 85% of line 1.	2		
3 Minimum asset amount for prior year (from Section B, line 8, Column A)	3		
4 Enter greater of line 2 or line 3.	4		
5 Income tax imposed in prior year	5		
6 Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6		
7 <input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).			

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI). See instructions.	
7 Total annual distributions. Add lines 1 through 6.	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	
9 Distributable amount for 2019 from Section C, line 6	
10 Line 8 amount divided by line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2019	(iii) Distributable Amount for 2019
1 Distributable amount for 2019 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2019 (reasonable cause required- explain in Part VI). See instructions.			
3 Excess distributions carryover, if any, to 2019			
a From 2014			
b From 2015			
c From 2016			
d From 2017			
e From 2018			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2019 distributable amount			
i Carryover from 2014 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2019 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2019 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2019, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI . See instructions.			
6 Remaining underdistributions for 2019. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI . See instructions.			
7 Excess distributions carryover to 2020. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2015			
b Excess from 2016			
c Excess from 2017			
d Excess from 2018			
e Excess from 2019			

Part VI

Supplemental Information. Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a, and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information.
(See instructions.)

SCHEDULE A, LIST OF UNUSUAL GRANTS RECEIVED:

DESCRIPTION: GRANT GIVEN FOR CONSTRUCTION OF CAIN ARTS CENTER

DATE: 10/24/2018

AMOUNT: \$5000000

DESCRIPTION: GRANT GIVEN FOR CONSTRUCTION OF CAIN ARTS CENTER

DATE: 5/03/2019

AMOUNT: \$500000

DESCRIPTION: GRANT GIVEN FOR CONSTRUCTION OF CAIN ARTS CENTER

DATE: 07/01/2019

AMOUNT: \$1525000

Schedule B

(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

- ▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2019

Name of the organization

CORNELIUS ARTS COMMUNITY CENTER, INC.

Employer identification number

81-4628087

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☒ 501(c)(3) (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

☐ 527 political organization

Form 990-PF

☐ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

- ☐ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

- ☒ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** \$5,000; or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization	Employer identification number
CORNELIUS ARTS COMMUNITY CENTER, INC.	81-4628087

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
<u>1</u>		\$ <u>1,525,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>2</u>		\$ <u>323,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>3</u>		\$ <u>100,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>4</u>		\$ <u>1,000,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>5</u>		\$ <u>250,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>6</u>		\$ <u>500,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
CORNELIUS ARTS COMMUNITY CENTER, INC.	81-4628087

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
7		\$ 100,000.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
8		\$ 100,000.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)


Employer identification number

81-4628087

Part II

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
 	 	\$ 	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
 	 	\$ 	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
 	 	\$ 	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
 	 	\$ 	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
 	 	\$ 	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
 	 	\$ 	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
 	 	\$ 	

Name of organization	Employer identification number
CORNELIUS ARTS COMMUNITY CENTER, INC.	81-4628087

Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this info. once.)  \$ _____

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**

▶ **Attach to Form 990.**

▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2019

Open to Public Inspection

Name of the organization

CORNELIUS ARTS COMMUNITY CENTER, INC.

Employer identification number

81-4628087

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (for example, recreation or education)	<input type="checkbox"/> Preservation of a historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶

4 Number of states where property subject to conservation easement is located ▶

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1

(ii) Assets included in Form 990, Part X

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items:

a Revenue included on Form 990, Part VIII, line 1

b Assets included in Form 990, Part X

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply):

- a** ☐ Public exhibition **d** ☐ Loan or exchange program
b ☐ Scholarly research **e** ☐ Other _____
c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII ☐

Part V Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a** Board designated or quasi-endowment %
b Permanent endowment %
c Term endowment %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i)** Unrelated organizations ☐
(ii) Related organizations ☐

b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? ☐

	Yes	No
3a(i)	<input type="checkbox"/>	<input type="checkbox"/>
3a(ii)	<input type="checkbox"/>	<input type="checkbox"/>
3b	<input type="checkbox"/>	<input type="checkbox"/>

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		2,004.	134.	1,870.
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				1,870.

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII... ☐

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	4,857,104.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains (losses) on investments	2a	
b	Donated services and use of facilities	2b	134,927.
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	42,116.
e	Add lines 2a through 2d	2e	177,043.
3	Subtract line 2e from line 1	3	4,680,061.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	4,680,061.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	1,927,645.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	134,927.
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	42,116.
e	Add lines 2a through 2d	2e	177,043.
3	Subtract line 2e from line 1	3	1,750,602.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	1,750,602.

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART XI, LINE 2D - OTHER ADJUSTMENTS:

SPECIAL EVENTS EXPENSE 42,116.

PART XII, LINE 2D - OTHER ADJUSTMENTS:

SPECIAL EVENTS EXPENSE 42,116.

SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**
Complete if the organization answered "Yes" on Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.
▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2019

Open to Public
Inspection

Name of the organization
CORNELIUS ARTS COMMUNITY CENTER, INC.

Employer identification number
81-4628087

Part I General Information on Grants and Assistance

- 1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No
- 2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
TOWN OF CORNELIUS 21445 CATAWBA AVE CORNELIUS, NC 28031		TOWN OF CORNELIUS	1,369,320.	0.			CONSTRUCTION OF THE CAIN ARTS CENTER

- 2** Enter total number of section 501(c)(3) and government organizations listed in the line 1 table **1.**
- 3** Enter total number of other organizations listed in the line 1 table **0.**

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2019)

Part III **Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance

Part IV **Supplemental Information.** Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.

PART I, LINE 2

CORNELIUS ARTS COMMUNITY CENTER IS TRANSFERRING THE PROCEEDS FROM ITS
CAPITAL CAMPAIGN TO THE TOWN OF CORNELIUS FOR THE CONSTRUCTION OF A
COMMUNITY CENTER IN CORNELIUS. DURING THE YEAR ENDED JUNE 30, 2020 THE
CENTER TRANSFERRED \$1,369,320 TO THE TOWN OF CORNELIUS.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2019

Open to Public
Inspection

Name of the organization

CORNELIUS ARTS COMMUNITY CENTER, INC.

Employer identification number
81-4628087

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

LAKE NORMAN REGION.

FORM 990, PART VI, SECTION B, LINE 11B:

THE FORM 990 IS REVIEWED AND APPROVED BY THE FINANCE COMMITTEE THEN
DISTRIBUTED TO THE FULL BOARD BEFORE FILING.

FORM 990, PART VI, SECTION B, LINE 12C:

THE FULL BOARD DISCUSSES ALL MAJOR CONTRACTS INCLUDING THOSE THAT MAY
INVOLVE A CONFLICT OF INTEREST.

FORM 990, PART VI, SECTION B, LINE 15A:

THE COMPENSATION OF THE EXECUTIVE DIRECTOR WAS REVIEWED BY THE ENTIRE BOARD
IN SPRING OF 2019. LOCAL AND REGIONAL COMPARABLE PACKAGES FOR SIMILAR SIZE
ORGANIZATIONS IN THE CHARLOTTE AREA AS WELL AS THE STATE OF NORTH CAROLINA
WERE REVIEWED WITH THE ASSISTANCE OF AN OUTSIDE TALENT RECRUITER TO
DETERMINE REASONABLENESS.

FORM 990, PART VI, SECTION C, LINE 19:

ALL GOVERNING DOCUMENTS AND POLICIES ARE AVAILABLE UPON REQUEST.

FORM 990, PART XII, LINE 2C:

THE BOARD OF DIRECTORS ASSUMES RESPONSIBILITY FOR OVERSIGHT OF THE
FINANCIAL STATEMENT AUDIT AND THE SELECTION OF THE INDEPENDENT AUDITOR.

**Application for Automatic Extension of Time To File an
Exempt Organization Return**

OMB No. 1545-0047

► **File a separate application for each return.**
► **Go to www.irs.gov/Form8868 for the latest information.**

Electronic filing (e-file). You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits.

Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions. CORNELIUS ARTS COMMUNITY CENTER, INC.	Taxpayer identification number (TIN) 81-4628087
	Number, street, and room or suite no. If a P.O. box, see instructions. P.O. BOX 1443	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. CORNELIUS, NC 28031	

Enter the Return Code for the return that this application is for (file a separate application for each return)

0	1
---	---

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

BETH ALLEN

- The books are in the care of ► **227 W. TRADE ST. SUITE 1100 - CHARLOTTE, NC 28202**
Telephone No. ► **(704) 377-0239** Fax No. ► _____

- If the organization does not have an office or place of business in the United States, check this box ☐
• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and TINs of all members the extension is for.

- 1 I request an automatic 6-month extension of time until **MAY 17, 2021**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
► ☐ calendar year _____ or
► ☒ tax year beginning **JUL 1, 2019**, and ending **JUN 30, 2020**.

- 2 If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return
☐ Change in accounting period

3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.



LAKE NORMAN CHAMBER of COMMERCE

Cain Center for the Arts – Operating Support Grant Application • January 2022 ATTACHMENT 4

January 20, 2022

Andrew Grant, Town Manager
Town of Cornelius
P.O. Box 399
Cornelius, NC 28031

Andrew:

On behalf of the 850+ business members of the Lake Norman Chamber of Commerce, we would like to add our support for the Cain Center for the Arts and its request for an Operating Grant from the Town.

We have all watched with growing excitement and anticipation as the structure has risen from the grounds. What has been a dream and vision for our town community, business, and elected leaders is fast becoming a reality for our Lake Norman region.

Specifically, the Cain Center for the Arts will be a major new attraction for the region, generating new revenue for hotels and other hospitality venues which in turn generates additional tax dollars for the town(s). In addition, the recent growth in the number of new housing and office developments in and around Cornelius can, in part, be directly attributed to the Cain Center.

The Cain Center for the Arts will also provide ongoing opportunities for residents to invest their entertainment dollars in local businesses, as opposed to having to drive to Charlotte for their cultural and entertainment experiences. Finally, the Cain Center's ongoing commitment to community engagement programs will ensure that all of our citizens will be positively impacted, reaching them where they live, work, and play.

The town's investment in the Cain Center for the Arts this year will result in significant and lasting benefits for both the business community and the Lake Norman region in general. Thank you very much for your consideration of this request on behalf of the Center.

Sincerely,

W.E. "Bill" Russell, CCE IOM
President & CEO

Cc: Town Board
Lake Norman Chamber Board

P.O. Box 760
Cornelius, NC 28031
Phone 704 /892-1922
Fax 704 /892-5313
www.lakenormanchamber.org



January 20, 2022

Attention: Andrew Grant
Town Manager
Cornelius, NC

Andrew,

Hope you are well. I wanted to write you a quick letter in reference to the Cain Center for the Arts. As a local business owner at Boatyard, we are extremely excited with having an art center of this caliber in our community. The Cain Center will provide great entertainment at all levels, music, comedy, and theater. These shows will fill up restaurants, bars, and hotels, creating a well needed nightlife option for the market.

Directly, the impact the Cain Center will have on Boatyard will be amazing. It will provide huge dividends for the business. First and foremost, it will shine a light on entertainment in the Lake Norman area enhancing the offerings of venues such as ours. Secondly, I feel Boatyard will be a great venue to go to after shows at the Cain Center. A collaboration between 2 large venues creates a positive energy in a smaller community. We will not be in competition at any level, in fact, Boatyard will be a donor at many levels for years to come.

Please receive this letter as our full support of the Cain Center for the Arts, not only from a business but on a personal family level as well. As a resident of Cornelius for the past 20 years, this is a welcome addition for the future of our great town.

Cheers and always available if you have any questions or need anything at all.

Chris Boukedes
704-995-7775
chris@boukmanagement.com

Gregory Stump
20615 Mystic Cove Road
Cornelius, NC 28031

January 20, 2022

TO: Cain Center for the Arts
19725 Oak Street
Cornelius, NC

RE: Letter of Appreciation

I want to thank all those involved in making the Cain Center for the Arts and the programs offered to our community a reality. Creativity is alive and well in our area and it is wonderful to have a place where people of all ages can come to learn, grow and use their talents. Beautiful days are ahead.

All the best!

Gregory Stump
Artist

Relevance & Participation Narrative: Answer the following questions on Relevance –

a. What benefit does your organization’s work provide the Cornelius community?

The Cain Center for the Arts will address a critical need for the fast-growing Lake Norman Region to have spaces for the community to create, experience, and enjoy the arts. The Cain Center will include the following spaces: a 400-seat theater, gallery space, event spaces, classrooms, community green space, warming kitchen, and parking and pedestrian access.

Beginning in 2023, the Cain Center for the Arts will feature national touring companies and world-renowned entertainers to local productions and grassroots performers. The Cain Center will also offer a wide range of visual arts exhibits and offer a wide variety of art classes for both youth and adults.

Our planned objectives, identified by our strategic plan (Addendum B) will enable the Cain Center to bring the benefits, beauty, and joys of the arts together in the heart of the Lake Norman region.

b. Define your audience. In what ways are you seeking to expand or evolve the audience you serve in the coming year(s)?

See section 3 of Economic Impact Study (Addendum A) for a definition of our audience. We are using this document as our guide when determining all programming and policy development for the Cain Center for the Arts. In FY23, the opening of the Cain Center will allow us dramatically more opportunities to further expand our audience reach.

c. How do you build meaningful relationships with community partners, audiences, visitors, participants, etc.?

We began building meaningful relationships throughout the community in 2017 as the capital campaign got underway. Since then we have worked diligently to ensure that all community voices have been heard through the design and planning process for this new facility. More recently, we have engaged the community regarding programming selections for our three main programs: Presenting, Exhibitions, and Education.

It has also been important to meet the community where they live, and we have offered free or low-cost programming to identified schools (for in school programs) and full scholarships for identified individuals (through our partnership with Learn Music).

ATTACHMENT 6

d. Describe how your organization has prioritized becoming more accessible, inclusive, and equitable. What initiatives are currently underway, and what are you learning in the process? What strategies are you putting in place for the coming fiscal year?

- The Cain Center is committed to inclusion, equity and accessibility in all aspects of its operations and programming, and specifically:
 - We are providing scholarships of up to 100% of the cost of programs to anyone who requests them.
 - In FY23, we will develop a scholarship sub-committee of the board to proactively work in the community to reduce and eliminate barriers to participation
- Our current staff is diverse, with 40% Black, Indigenous, People of Color (BIPOC)
- Our current board is diverse, with 11% BIPOC
- The Cain Center is committed to presenting a diverse array of programming throughout the year, and will do so by proactively seeking programming ideas from all areas of the community.

e. Participation: Please discuss any changes, fluctuation, or trends in total annual/participation? How do you measure feedback from participants/audience, and how do you incorporate feedback?

Although we assumed operations of the Cornelius Arts Center in September of 2021 in the middle of the pandemic, we are observing a major rebound in community involvement, attendance, and appetite for arts programming in education, visual arts, and live performances this year.

Cain Center for the Arts – Operating Support Grant Application • January 2022
ATTACHMENT 7

Proposed Programming: Provide proposed programming including a description of and number of events, educational programs, exhibitions, performances, and private events for the grant period. Provide an estimated number of individuals served for each program category. Provide projected demographic information on participants.

- For FY23, the Cain Center will offer the following programs:
 - Presenting Program (contracts are still being negotiated/finalized)
 - Offerings
 - Fall Season – at Cornelius Arts Center: 4 shows – Music at the Mill
 - Spring Season – at the Cain Center: approximately 12 shows / 18 performances
 - Attendance and Demographics
 - Projected attendance: 6,100
 - Demographics: see Section 3 of Addendum A
 - Classes
 - Offerings
 - Fall A & B sessions at the Cornelius Arts Center
 - Winter A & B sessions at the Cornelius Arts Center
 - Spring A & B sessions at the Cain Center for the Arts and the Cornelius Arts Center
 - Summer Camps
 - Attendance and Demographics
 - Class sessions projected attendance: 1,640
 - Summer Camps projected attendance: 575
 - Demographics: see Section 3 of Addendum A
 - Exhibition Program
 - Offerings
 - Fall Season - 1 exhibit – at Cornelius Arts Center
 - Spring Season 3 exhibits – 2 at Cain Center, 1 at Cornelius Arts Center
 - Attendance and Demographics
 - Attendance: 1,500 per exhibit
 - Demographics: see Section 3 of Addendum A
 - Events – 3 community impact events TBA
 - Grand Opening Week - TBA

Cain Center for the Arts – Operating Support Grant Application • January 2022
ATTACHMENT 8

Leadership Narrative: Answer the following four questions on Leadership:

- a. Describe any significant board, staff and/or volunteer changes over the past 12-18 months.
 - i. Added two additional board members, bringing the board to 17 total
 - ii. Replaced Development Director in April 2021
 - iii. Added the following staff positions
 1. Program Director – September 2021
 2. Office Administrator – October 2021
 3. Studio Program Coordinator (Part-time) – October 2021
- b. In what ways do your organization's board, staff (full-time, part-time, and contract), and volunteers reflect Cornelius' diverse community? What strategies do you employ to attract a diverse applicant pool and a range of board members who represent diverse demographics?
 - i. Two of five staff members are Black, Indigenous, People of Color (BIPOC)
 - ii. Two Board members are BIPOC
 - iii. For open staff positions, we advertise throughout the region on professional job listing sites, as well as through Indeed.com. Board members are sought for both for their expertise in specific areas (finance, marketing, fund raising, etc.) as well as the community area they represent
- c. Describe your organization's strategies to continually improve the expertise of its staff and volunteers to foster a learning culture to do even better for the people you serve. This may include professional development, evaluation that cultivates a learning environment, etc.
 - i. The Cain Center board is committed to providing professional development activities for its staff by including professional development opportunities in the annual budget, including professional memberships, annual conferences, and so forth.
- d. How does your board and senior management set expectations about the organization's financial sustainability? How do the organization's financial strategies align to and sustain the mission?
 - i. The Cain Center board has set high expectations for financial sustainability and accurate reporting. We outsource financial management of the company to Greer Walker; their staff provide us with monthly reconciled financial statements and advises board and staff on all financial policies and procedures. We have had clean audits since our founding.

Cain Center for the Arts – Operating Support Grant Application • January 2022
ATTACHMENT 9

Key Staff Credentials: To demonstrate strong industry professional leadership, provide one paragraph per key staff and volunteer member citing the individual's professional credentials in the industry.

Gregory J. Wessling, President

33-year career at Lowe's Companies, Inc. retired in 2005 as Senior Vice President — Store Operations. Founding Partner, A&G Associates and Partners (executive services for businesses). President, Board of Visitors, Wake Forest University. President and Board Chair, Cain Center for the Arts, 2015 – present

Justin Dionne, Executive Director

Justin has been a proud member of the Cain Center for the Arts team since inception. He has spent more than 10 years leading non-profit arts organizations with over 15 years in the arts sector. In his career thus far, he has helped to build multiple cultural facilities and organizations, including the Cain Center. Justin studied at Catawba College and Florida State University. He and his family are proud to call the Lake Norman Region their home.

Perry Mixer, Development Director

MA University of Wisconsin-Madison Arts Administration, 40 years of non-profit leadership and expertise, including 15 years as Director of Cultural Affairs at Appalachian State University and five years at Arts & Science Council in Charlotte.

Budget Narrative Update:

1. Describe any significant changes in the business model, staffing or facilities that are anticipated for the next fiscal year. How will this impact your organization's operations in the coming fiscal year?
 - a. FY23 will see the opening of the Cain Center for the Arts mid-year –
 - i. The following will have been completed in FY22:
 1. Operating budget finalized
 2. All programming confirmed
 3. All sponsors secured
 4. Season announcement in May/June
 5. Hire additional full-time staff
 6. Finalize all support systems (IT, ticketing, etc)
 7. Continue all current programming at Cornelius Arts Center
 - ii. July – September
 1. Continue all current programming at Cornelius Arts Center
 2. Systems training
 - iii. October – December
 1. Staff training on all operating equipment and systems
 2. Staff moves into Cain Center (November)
 3. Grand Opening in December
2. Please give highlights of your YTD actual results compared to budget for the first six months of the current fiscal year. Have there been any surprises (positive or negative)? If so, how are you adjusting in the second half of the year to address them?
 - a. Capital Budget projected vs. actual – no significant changes
 - b. Operating Budget projected vs. actual
 - i. We have experienced significant and unexpected expenses (about \$6,000) related to facility maintenance and utilities for the Cornelius Arts Center after we assumed its operations in September 2021.
 - ii. Actual class registrations and ticket revenue have both exceeded projections
 - iii. Fundraising income – no significant changes
3. Has your Board adopted any new fiscal policies (e.g. Cash reserves) during the last 12 months?
 - a. In November 2021 the board established an task force and charged it with developing investment strategies and policies related to establishing endowments and a cash reserve fund. The board will implement these recommendations by 6/30/22.

Strategic Plan Narrative: Answer the following two questions about your organization's Strategic Plan.

1. Briefly discuss how the Strategic Plan informs the organization's work. You may want to include details about how the Plan is used as a management tool or to set priorities and guidelines. What plans does your organization have for updating the current Strategic Plan?
 - a. The strategic plan developed by the Cain Center board and staff in 2019 (see Addendum B) is now in its final year, and we have been successful in meeting stated goals and objectives. The strategic plan document is used constantly as our primary tool to set priorities and guidelines for the company.
 - b. FY23 will be the final year of the Cain Center's current strategic plan. The board and staff will conduct another strategic plan within the next two fiscal year to set organizational goals and objectives for the period FY24 through FY27.
2. Please share where you are in the organizational lifecycle, and any opportunities or challenges your organization has faced in recent fiscal years that would be helpful for the Town of Cornelius to know.
 - a. The Cain Center continues to operate in startup mode for current and upcoming few fiscal years. The biggest challenge is ramping up from a ~\$750,000 budget to a projected ~\$1,500,000 budget in FY23. This involves not only growing the organization internally (i.e. staff, board and infrastructure) but also securing the needed commitments to support this growth. All this is being accomplished while we oversee the construction of the Cain Center for the Arts in 2022.



**Cain Center for the Arts – Operating Support Grant Application • January 2022
ADDENDUM A**

**IMPLEMENTATION STRATEGY & ECONOMIC IMPACT ANALYSIS
CAIN CENTER FOR THE ARTS – CORNELIUS, NORTH CAROLINA**



SUBMITTED TO

Town of Cornelius
Lake Norman Economic Development
Cain Center for the Arts

SUBMITTED BY

Johnson Consulting
Rose Associates

DATE

June 2021

TABLE OF CONTENTS

SECTION 1

TRANSMITTAL LETTER.....	0
-------------------------	---

SECTION 2

INTRODUCTION & EXECUTIVE SUMMARY	1
--	---

SECTION 3

MARKET ANALYSIS & STAKEHOLDER ENGAGEMENT.....	17
---	----

SECTION 4

INDUSTRY TRENDS, FACILITY INVENTORY, & CASE STUDIES	33
---	----

SECTION 5

IMPLEMENTATION, PROJECTIONS, & IMPACTS	51
--	----

SECTION 1
TRANSMITTAL LETTER

June 2021

Re: Cain Center for the Arts Market Analysis & Economic Impact Study

Dear Mr. Justin Dionne, Mr. Andrew Grant, and Mr. Ryan McDaniels,

C.H. Johnson Consulting, Inc. (Johnson Consulting) and **Rose Associates** are pleased to submit this report to you regarding the market analysis and economic impact study for the proposed Cain Center for the Arts in Cornelius, North Carolina. Pursuant to our engagement, this report provides an analysis of the economic, demographic, and market characteristics of Cornelius and the Lake Norman Region, as well as the broader region; outlines current trends within the arts, cultural, and entertainment industries; identifies and analyzes key characteristics of regional and comparable venues; summarizes key observations from stakeholder engagement; provides strategic implementation recommendations; opines on the operating pro formas that have been developed to date; and quantifies the economic and fiscal impacts that can be expected to be generated by the Cain Center for the Arts.

Johnson Consulting has no responsibility to update this report for events and circumstances occurring after the date of this report. As the scale of the global COVID-19 pandemic impact is still uncertain, our report outlines our assumptions based on experience from previous economic disruptions, but the actual impact will not be known for the foreseeable future. The findings presented herein reflect analyses of primary and secondary sources of information. Johnson Consulting used sources deemed to be reliable but cannot guarantee their accuracy. Moreover, some of the estimates and analyses presented in this study are based on trends and assumptions, which can result in differences between projected results and actual results. Because events and circumstances frequently do not occur as expected, those differences may be material. This report is intended for the Clients' internal use and cannot be used for project underwriting purposes without Johnson Consulting's written consent.

We have enjoyed serving you on this engagement and look forward to providing you with continuing service.

Sincerely,

C.H. Johnson Consulting, Inc.

C.H. Johnson Consulting, Inc

SECTION 2

INTRODUCTION & EXECUTIVE SUMMARY

INTRODUCTION & EXECUTIVE SUMMARY

INTRODUCTION

Johnson Consulting was retained by the Town of Cornelius, Lake Norman Economic Development, and the Cain Center for the Arts to conduct a market analysis and economic impact study for the development of an arts and community center and broader Town Center district in Cornelius, North Carolina. Rose Associates was retained by Johnson Consulting as subconsultants to bolster the study's local expertise. This study aims to foster the ability of the project partners to make informed decisions about the impact and sustainability of both the development and continuing operation of the Cain Center for the Arts. The Consulting Team developed a set of objectives as well as a methodology for addressing these objectives within the scope of the study.

OBJECTIVES

The objective of this study is to provide observations, analysis, and conclusions that answer the following questions:

- **Market & Industry:**
 - What is the market potential for the Lake Norman Region to support a new arts center from an economic and demographic perspective?
 - How does the Lake Norman Region compare to other communities that have developed and supported similar facilities successfully?
 - What relevant facilities already exist within the Lake Norman Region and the greater Charlotte metropolitan area that could potentially compete with or complement a new facility in Cornelius?
 - Which individuals and organizations in the Lake Norman Region have unmet needs that could be accommodated by a new facility, and what are their desires and expectations for a new facility?
 - What are the recent trends in the arts, cultural, and entertainment industries, as well as the facilities that these activities occur within, and how does this impact the Cain Center project?
- **Development, Operations, & Impact:**
 - What funding mechanisms are available to support the development of the proposed Town Center district and Cain Center facility, and how has the development of other similar facilities been funded?
 - How will the facility operate from a demand perspective? What policies and procedures will be needed in order to regulate and balance the facilities utilization by different users?
 - How will the facility operate from a financial perspective? What will the facility's rental rate structure look like? What types of ancillary revenue generating opportunities are there for these types of facilities?

- What funding mechanisms are available to support the ongoing operation of the facility and the district once they have been developed, and how have the operations of other similar facilities been funded?
- What is the magnitude of the economic and fiscal impact that the Cain Center for the Arts can be expected to generate for the Lake Norman Region?

METHODOLOGY

In order to answer the questions presented in the study's objectives, the Consulting Team developed and executed a methodology for the study, which will be presented throughout the remaining sections of this report. The observations, analysis, and conclusions for each section of this report are summarized in the forthcoming Executive Summary.

- Market Analysis & Stakeholder Engagement
- Industry Trends, Facility Inventory, & Case Studies
- Implementation, Projections, & Impacts

The existing Cornelius Arts Center (CAC) and planned Cain Center for the Arts have been subject to several reports over the past few years, as the Town of Cornelius has undergone extensive planning and organizing around the new Town Center district. The Consulting Team reviewed four reports in detail: the Cornelius Arts & Community Center report by the Town of Cornelius (2017); the Cornelius Arts Center Market Study & Research Assessment by NextStage Consulting, LLC (2017); the Cain Center for the Arts 2019 to 2023 Strategic Plan by Cain Center for the Arts (2019); and the Cain Center for Arts Integration Plan by Deloitte (2020). These reports provide valuable background on the community and project, as well as insight into the programming and operational viability of the Cain Center for the Arts.

THE CORNELIUS ARTS & COMMUNITY CENTER REPORT – JANUARY 2017

In January 2017, the Town of Cornelius produced a report highlighting key data points about its programming and providing background on the then-proposed new town arts center. The report intended to give the “big picture” on the new facility’s vision, mission, governance, and its spaces and programming. At the time this report was released, many details about the Cain Center for the Arts had not yet been decided, so the report is primarily a document that provides background on the project’s initial vision and planning process.

The report gave valuable background on the current CAC, the impetus for the new arts center, and how the strategic planning process was progressing. According to the report, the CAC hosted 196 programs and 5,300 participants in FY 2015. The current facility was 6,700 square feet with 3 art studios, 1 ceramics studio, 1 flex theater, and 1 gallery. The center had a host of youth and adult art education classes, as well as art exhibitions, and performances and films presented in its art house theater.

The new arts center in Cornelius will absorb programming from the CAC, and expand on it to make Cornelius an even better arts destination. After \$4 million in bond financing was secured, the following steps were taken: a strategic working group was set up in November 2015; a survey was released to understand when and for what purpose town residents would choose to engage with a new arts center; planners visited existing arts centers across the state; and a board was set up to envision the “big picture” programming and governance for the new town arts center. The facility’s spaces would include large and small galleries, a ceramics studio, classroom and studio spaces, a theater with flexible-use space, and a special events room available for rent, with available food service.

CORNELIUS ARTS CENTER MARKET STUDY – NOVEMBER 2017

In November 2017, Next Stage Consulting produced a market study and research assessment for the Cain Center in service to the in-progress capital campaign, and in order to determine the “right-sized” plan for capturing the primary, secondary, and tertiary communities. The study included primary and secondary research, tested out various facilities scenarios, and created a pro forma for the first four years of operating the facility. The report provides detailed analyses of its findings across all research methods. Like the Cornelius Arts & Community Center from January 2017, many details about the Cain Center for the Arts had not yet been decided. The Consulting Team placed greater weight on the primary research method (the survey) since the Team conducted its own secondary research.

The Executive Summary presented the following high-level takeaways from Next Stage’s research:

- Next Stage could not find a comparable town, of similar geographic and demographic identity, that has built a facility with the scale of the Cain Center. Comparable facilities that have been successful have either forged a partnership with a higher education institution or capitalized on a sizable secondary market. Given these factors, Next Stage suggested pursuing a smaller initial footprint for the Cain Center, with the goal of phasing in more facility components as awareness and secondary market demand grow.
- Marketing efforts should be focused on the roughly 183,000 individuals living within the primary and secondary markets, who are in “achievable distance” for regular engagement (weekly to every 1-2 months). Since this market is smaller than that of comparable institutions, the Cain Center should focus as much or more on engagement in the towns within the secondary market, such as Mooresville, western Concord, and northern Charlotte.
- In the first 2-3 years of operations for the Cain Center, contributed revenue will be crucial, and allow earned revenue to “catch up” as participants are onboarded to programs. As more demand is generated and groups are onboarded, earned revenue will increase and contributed revenue will decrease. However, suburban centers are less likely to move to revenue compositions found in urban markets, which can be as high as 80/20 or 90/10.
- To minimize the risk of an “empty venue”, the Cain Center should seek to achieve a walkable, retail-friendly environment, which will lead to more robust community engagement.

- In scenario planning, it was reinforced that larger venues carry greater staffing needs from the outset. The Cain Center should keep in mind the staffing and contractor team that will be needed on Day 1 to meet physical, programmatic, and engagement needs.

Next Stage created and administered an online survey in October 2017, which aimed to capture the region's attitudes toward and preferences for performing, visual, and participatory arts. The survey had 942 respondents, with 62% of respondents living in the Cain Center's primary market (Cornelius), 31% in the secondary market (Huntersville, Concord, Kannapolis, Mooresville, Davidson, and Denver), 6% in the tertiary market (Charlotte and surrounding towns), and 1% in other markets (Naples, Cleveland, Los Angeles, and others).

The study presented the following highlights from Next Stage's survey:

- Performing arts are likely to have a stronger draw from the population than visual arts. The survey shows a greater interest in painting and photography as opposed to ceramics.
- Pricing and distance to travel are crucial for potential customers for shows, and particularly for classes. The Cain Center can expect consistent participation from those in the primary market.
- Most participants want collaboration and partnership with local organizations. Since the Lake Norman Region has not historically been prioritized by local arts leaders, the Cain Center needs to cultivate a strong balance between contract/rental partners and its own programming.
- The Cain Center will be hard-pressed to draw significant participation from its tertiary (10-25 miles) market. To Charlotte arts leaders, the Lake Norman Region has not "been on their radar" before. The tertiary market will likely rarely engage with the Cain Center, and when they do, performing arts will be the primary draw.
- Venues with a capacity of under 400 are unlikely to attract big-name performers. Intimate settings are often preferable for local theater producers.
- Charlotte area focus groups have acknowledged that large uptown performance venues and museums are often empty. To address concerns over the "empty venue", the Cain Center should continue to prioritize its goal of being a center that is "alive with activity", and that is valuable to the community in many ways.

CAIN CENTER FOR THE ARTS 2019-2023 STRATEGIC PLAN – AUGUST 2019

In August 2019, the Cain Center for the Arts created a strategic plan for the years 2019-2023. The report included background on the project, the nonprofit organization's values, the objectives of the plan, financial projections for FY 2019-2023, information on the staff and board of directors, and next steps for the project.

The report first outlined its vision, objectives, and designs for the Cain Center. Per this report, the Cain Center for the Arts will address a critical need for the fast-growing Lake Norman Region to have spaces for the community to create, experience, and enjoy the arts. The Cain Center will include the following spaces:

a 400-seat theater, gallery space, event spaces, classrooms, community green space, warming kitchen, and parking and pedestrian access. In addition to providing background on the project's planning and initial bond financing, the report also stated that, as of the time of the report's release, the Cain Center had successfully fundraised \$14 million. The Cain Center is well on its way to reaching its \$25 million goal.

The plan outlined objectives for each year between 2019 and 2023, as well as more specific, individual actions to be taken each year. The objectives are as follows: 2019-2020: "Preparing" – completing the capital campaign and breaking ground on the facility; 2020-2021: "Building" – managing the construction process, building awareness, and preparing for program delivery; 2021-2022: "Opening" – as doors open to the public, deploy initial programming; 2022-2023: "Maturing" – delivering first year of programming and scaling/enhancing operations. For each year, the plan also provides financial projections for this timespan.

CAIN CENTER FOR THE ARTS INTEGRATION PLAN – FEBRUARY 2020

In February 2020, Deloitte produced an integration plan for FY 2021-2025, with opportunities for impact, sequencing actions, considerations for success, and a path forward for the Cain Center for the Arts. The plan outlines some high-level recommendations regarding opportunities for impact:

- Market Pricing Alignment: non-summer camps at 37% below not-for-profit market midpoints, while summer camps are at not-for-profit market midpoints
- Program Rationalization: most offerings do not cover overhead. Camps are the most popular and profitable program option.
- Schedule Optimization: 90% of available space is underutilized. Weekends are the biggest opportunity.
- Expense Optimization: expenses will go up, not down, with time. There is a need for marketing, additional talent, and capital investments.

Deloitte also outlines sequencing actions each year, projects revenue for FY 2021-2025, and poses considerations and recommendations for success. According to Deloitte's projections, earned revenue will steadily increase over the years and contributed revenue will decrease. In 2019, 57% of revenue was earned and 43% was contributed. By 2025, 71% of revenue is projected to be earned and 29% will be contributed. Going forward, the report offered several recommendations: deploy stakeholder engagement strategies; formalize ClayWorks (a Charlotte area pottery studio and school) partnership and capital investment needs; implement pre-planned price increases; plan for a refreshed market study; define operating budget changes and pro formas; and address and discuss staffing and marketing spend increases.

EXECUTIVE SUMMARY

MARKET ANALYSIS & STAKEHOLDER ENGAGEMENT

To analyze the market opportunity for performing arts facilities, Johnson Consulting undertook a detailed analysis of market conditions in Cornelius and its surrounding area, relative to state and national averages. While characteristics such as population, employment, and income are not strict predictors of performance for arts & cultural facilities, these variables provide insight into the capacity and ability of a market to provide ongoing support for such facilities and activities. In addition, the size and role of the marketplace, its civic leadership, educational institutions, corporate presence, proximity to other metropolitan areas, transportation concentrations, and the location of competing or complementary attractions directly influence the scale and quality of new facilities that can be supported within a market.

Cornelius, Davidson, and Huntersville are located in the Lake Norman Region of North Carolina, about 20 miles outside of Charlotte. Like Charlotte and other cities of the Sun Belt, the Lake Norman Region has experienced dramatic population growth over the last twenty years, particularly among millennials. Given changes in population and consumer preferences, there has been a concerted effort from business and government leaders of the Lake Norman Region to invest in downtown amenities, including those related to arts and recreation. In 2013, the Town of Cornelius approved a \$4 million bond for Town Center redevelopment. A four-year strategic planning process began thereafter, which culminated in the creation of the Cain Center for the Arts, a nonprofit organization to partner with the Town in developing a community arts center, and to manage the programming and operations of the space. Figure 2-1 presents a map of Cornelius in relation to its neighboring towns Davidson and Huntersville, and in relation to Charlotte. **Error! Reference source not found.** shows 30, 60, and 90-minute drive time radii from the subject site, representing the typical catchment areas for a facility of this type.

Figure 2-1

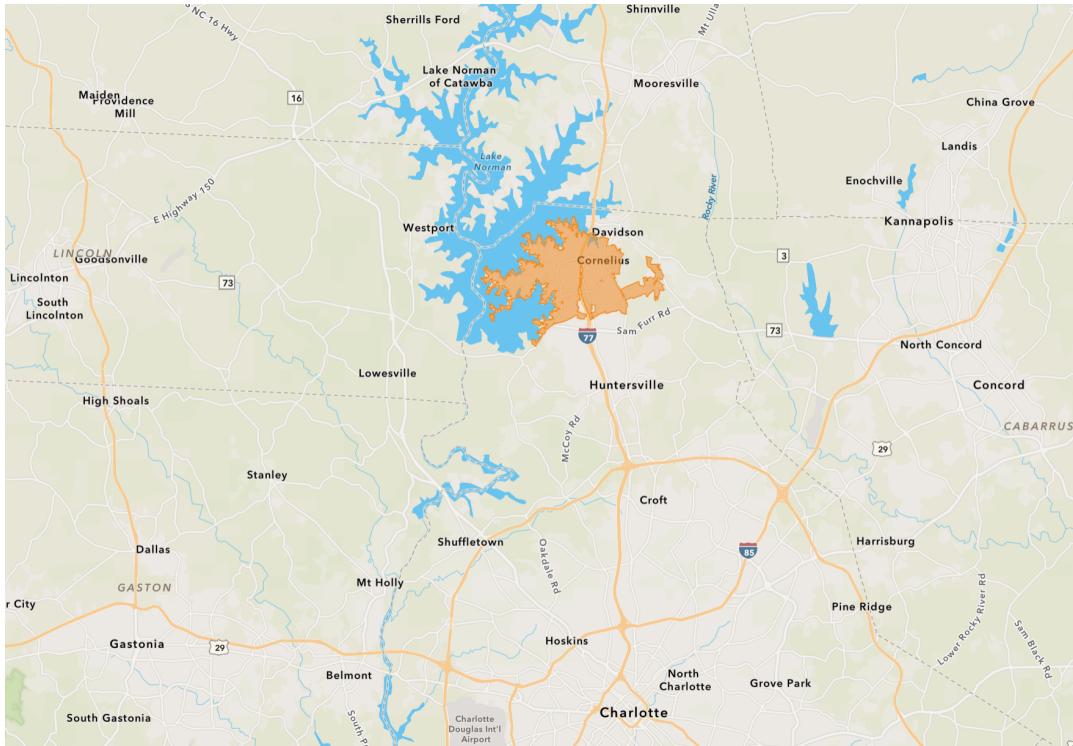
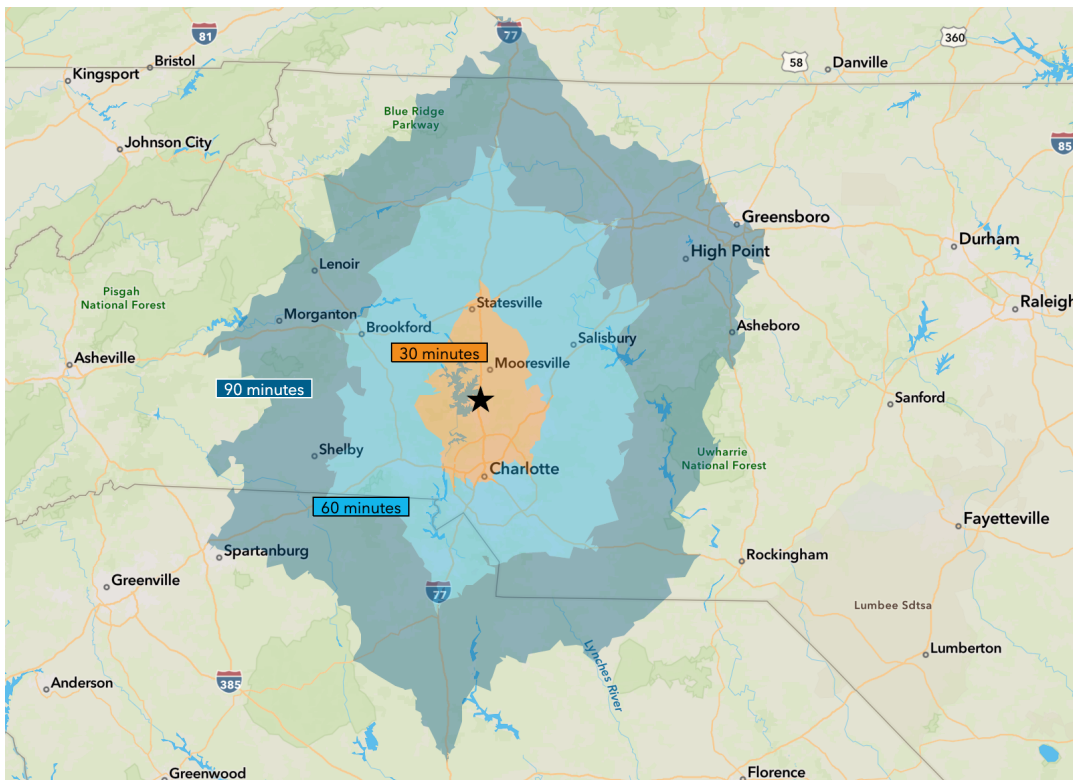
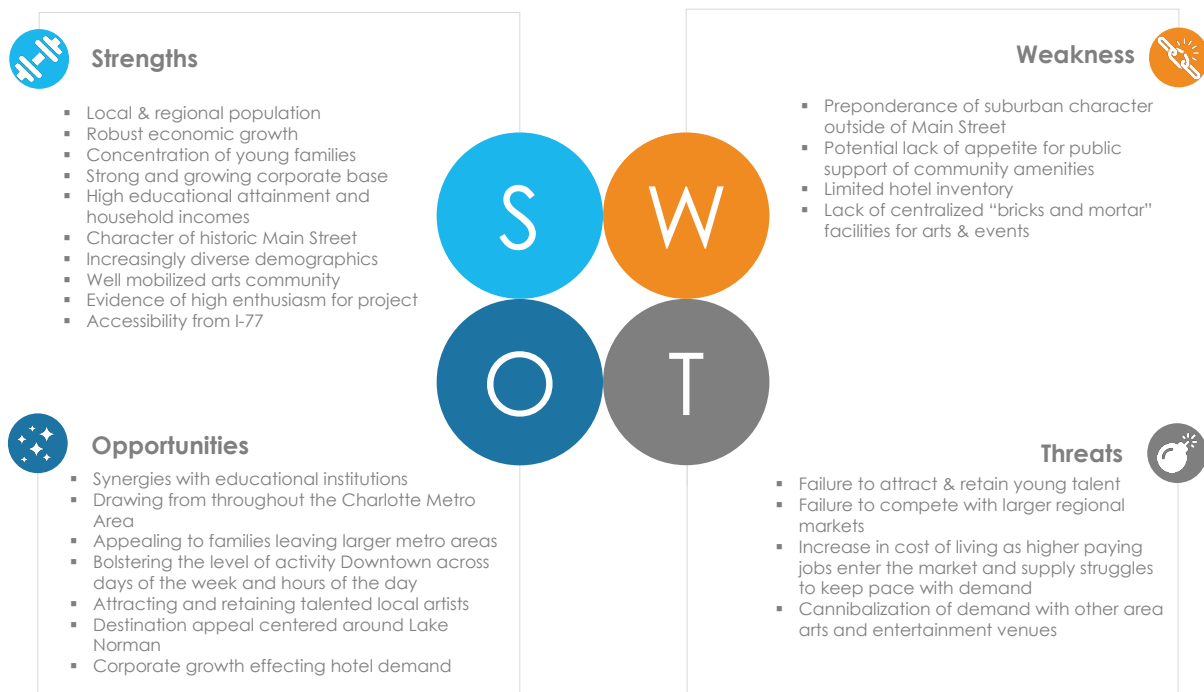


Figure 2-2



The Lake Norman Region exhibits favorable economic, demographic, and market indicators across the board in terms of evaluating the potential for a community's ability to support the Cain Center for the Arts, as well as to attract business to such a facility. The rationale that supports the feasibility of the Cain Center can be summarized by Figure 2-3, which pulls from the most salient observations and conclusions from Section 3 of this report. The graphic sorts these points into a "SWOT" analysis, which outlines the market's strengths, weaknesses, opportunities, and threats in the context of the proposed development of the Cain Center in Cornelius. As shown, there are a number of existing strengths that support the project's market viability, as well as several opportunities which could come to fruition if the project is executed properly. There are also a few threats to market viability if the project is not properly executed, as well as some existing weaknesses in the market. Some of these considerations, like hotel supply and demand, facility supply and demand, and community interest, are heavily intertwined with the development of the project, while others rely more on other independent, overarching economic factors. Overall, the project's feasibility from a market-driven perspective is favorable in the opinion of the Consulting Team.

Figure 2-3



Beginning at the Kickoff Meeting in Cornelius on October 20 and 21, 2020 and continuing throughout the duration of the project's completion, the Consulting Team conducted a variety of interviews and focus groups with a variety of potential users of the proposed facility, key stakeholders in the Cornelius and Lake Norman community, and arts and entertainment industry experts. These engagements helped us to understand the demand that exists in the Lake Norman Region, the facilities currently serving that demand, and the market opportunities that exist for the Cain Center for the Arts.

The general sentiment in virtually all of the Consulting Team's interactions with individuals and organizations throughout the Lake Norman Region supported the merits of the concept of the Cain Center for the Arts. Many believed that the Lake Norman Region lacks facilities that are attractive or sufficiently sized for hosting certain types of arts events. Interviewees believed that the development of a new facility to host these events would be an asset to the community.

INDUSTRY TRENDS, FACILITY INVENTORY, & CASE STUDIES

As the proposed arts and event center is further considered, it is important to understand the dynamics that exist between the demand for arts and event activity and the supply of facilities to host these events in the Lake Norman Region and at the national and global scale. Section 4 of this report sets the stage by presenting an overview of arts center industry trends, detail and map the inventory of arts and entertainment venues in the local market, and will present comparative profiles of selected case studies.

Arts centers have long been at the forefront of the arts and entertainment scene in their respective communities. While larger shows may take place in stadiums and arenas, there are myriad events that thrive in much smaller venues. Some of these events may include: comedy shows, TED Talks, concerts, musical plays, dance productions and visual arts productions. Many people consider some combination of these performing arts to be valuable to their community, and more importantly their overall quality of life. As an industry that supports millions of jobs and generates over billions of dollars in economic activity on an annual basis, it is easy to see why so many people support funding for the arts.

The Cain Center facility should aim to fill gaps that exist within the Lake Norman Region's inventory of facilities and to meet the needs of the community without replicating offerings that already exist, which could result in the cannibalization of demand and facility redundancy. Considering the geographic size of the Cornelius area and greater Lake Norman, its population base, and strong economic profile, there are a number of arts and event facilities in the region. Each facility serves a subset of the marketplace. All facilities serve the areas proximate to them most directly, while only a few facilities serve the entire Lake Norman Region for the largest, most prominent events. Section 4 of this report establishes the entire supply of facilities that serve residents in the Lake Norman area and opines on the degree to which some of these facilities could compete with the proposed arts and event center in Cornelius.

The facility inventories for arts facilities, event facilities, and hotels in the northern Lake Norman Region reveals that, in line with the anecdotal evidence that was gathered in the community engagement process, there is a market opportunity for both an arts center facility and an event center facility in Cornelius. Although there are a significant number of arts and event facilities across the region, the size and growth trajectory of the northern Lake Norman is sufficient to support these facilities. In addition, there is a notable shortage of arts and event facilities within the Cornelius community itself. The magnitude of this shortage will impact the recommendation for the new facilities, which will be addressed in the later sections of this report.

In order to understand the potential operating characteristics for the Cain Center for the Arts in Cornelius, this section presents case study profiles of a set of regional and national comparable facilities, as well as

the markets within which they operate. The key characteristics of these case studies are provided in the following profiles, and include:

- Location, size, character, and attributes of the market and the areas adjacent to the facility
- Location, size, character, and attributes of the facility
- Ownership, operations, and management structure of the facility
- A demand profile, including the number of events, type of events, and total attendance, as available
- A financial profile, including operating revenues and expenses as well as supplementary non-operating revenues such as public grants and private contributions, as available

This information provides insight into the scale of facility that could be realistically feasible in Cornelius, as well as some general parameters within which the proposed facility could reasonably expect to operate in terms of demand and financial performance. These venues were selected for a variety of reasons such as the program of spaces, operation and management structure, market similarities, geographic proximity, and key lessons to be learned about how to optimize demand potential and financial sustainability. Section 4 contains a table that summarizes the key attributes of the facilities identified as part of this analysis:

- Buckhead Theater – Atlanta, GA
- Sandy Springs Performing Arts Center & Conference Center – Sandy Springs, GA
- Arvada Center for the Arts & Humanities – Arvada, CO
- Parker Arts Culture & Events Center – Parker, CO
- Lawrence Arts Center – Lawrence, KS

The case studies demonstrate the various models that can be pursued among arts and event center facilities. In terms of the program of these facilities, some are more presentation-focused, some are more production-focused, others are more education-focused, and many offer a hybrid of these three missions. Each facility was conceptualized in order to serve the needs of the community and market area within which they operate, providing arts and entertainment facilities and programming without replicating or cannibalizing demand from the other existing entities in the market. These facilities host hundreds of events that draw tens or even hundreds of thousands of attendees each year and have a wide array of financial models that are employed to fund capital and operational expenses. These facilities do not typically generate operating profits – in fact, many require contributed revenue to balance their operating budgets, which can come in the form of public grants or private contributions.

With a well-thought-out rental rate structure, a robust sales and marketing operation, and additional ancillary revenue streams, the need for operating support can be minimized. Overall, the case study facilities provide examples of where these types of facilities have been successfully developed in other similar markets and provide a window within which Cornelius's proposed arts and event center could expect to operate.

FUNDING, PROJECTIONS, & IMPACTS

In Section 5, the Consulting Team presents recommendations for the funding of the proposed Cain Center for the Arts and Town Center district projects. One of the most important outstanding questions surrounding these projects is how to fund 1) the remaining gap that exists between the funds that have been assembled for the construction and development of the facility itself, 2) the facility's annual operating expenses, and 3) the Town Center district's expenses. Each of these expenses will need to be covered (at least partially) by government grant funding. Johnson Consulting contemplated 4 unique approaches to addressing this issue:

- Municipal Service Districts
- Project Development Financing
- Synthetic Project Development Financing
- Interlocal Agreement

The various considerations for each funding mechanism are summarized in Figure 2-4.

Figure 2-4

Implementation Strategies				
District-Based Strategies			Townwide & Regional Strategies	
	Municipal Service District (MSD)	Project Development Financing (PDF)	Synthetic Project Development Financing	Interlocal Agreement
Common Name	Business Improvement District (BID)	Tax Increment Financing (TIF)	N/A	Intergovernmental Agreement (IGA)
Enabling Legislation	Municipal Service District Act (G.S. 160 A, Article 23)	Project Development Financing Act (G.S. 159, Article 6)	G.S. 160A-20 and G.S. 159, Article 4	Interlocal Cooperation Act (G.S. 160A, Article 20)
Source of Funds	Special Assessment Property Tax Revenue from within MSD	Incremental Property Tax Revenue from within PDF District	- Townwide Ad Valorem Property Tax Revenue - Townwide Tourism-Related Tax Revenue (Hotel Occupancy Tax, U Drive It Tax, Prepared Food & Beverage Tax)	- Townwide Ad Valorem Property Tax Revenue - Townwide Tourism-Related Tax Revenue (Hotel Occupancy Tax, U Drive It Tax, Prepared Food & Beverage Tax)
Tax Burden by Land Use	Primarily Commercial	Primarily Commercial	Commercial & Residential	Commercial & Residential
Tax Burden by Geographic Area	District	District	Townwide	Townwide
Debt Financing Mechanisms	Special Assessment Bonds	Project Development Financing	General Obligation Bonds or Installment Purchase Financing	General Obligation Bonds or Installment Purchase Financing
Project Types*	Urban/Downtown Revitalization Off-Street Parking Infrastructure	Auditoriums Arts Centers Facilities for cultural events, shows, & public gatherings	All	Facility Authorities Revenue & Expenses for Joint Undertakings
Funding Types	Capital and/or Operational	Capital	Capital and/or Operational	Capital and/or Operational
Rules & Regulations	- MSD's incremental tax rate cannot exceed 0.6611% in Cornelius - MSD's incremental tax rate can be adjusted annually - Town of Cornelius can choose not to levy MSD's incremental tax rate for certain fiscal years without abolishing the MSD itself	- Size of project development district cannot exceed 5% of the total land area of the Town of Cornelius, or approximately 0.7535 square miles	- Subject to Rules & Regulations of Debt Financing Mechanism: - General Obligation Bonds: Secured by Full Faith & Credit of Town of Cornelius (G.S. Ch. 159, Article 4) - Installment Purchase Financing: Secured by Cain Center Asset Itself (G.S. Ch. 160A-20) - Subject to Process of Debt Financing Mechanism:	- Subject to Rules & Regulations of Project Type: - Revenue & Expenditures for Joint Undertakings: relatively flexible - Facility Authorities: relatively strict
Process for Creation	- Town of Cornelius would need to develop an MSD plan that is subject to public hearing process	- Town of Cornelius would need to develop a project development financing plan that requires public hearing process and approval from Mecklenburg County and Local Government Commission	- General Obligation Bonds: Requires Voter Referendum - Installment Purchase Financing: Does Not Require Referendum	- Subject to Process of Project Type: - Revenue & Expenditures for Joint Undertakings: relatively flexible - Facility Authorities: relatively strict

*Implementation strategies can be used for a variety of project types, but this table lists only those that are relevant for the Cain Center and Town Center district projects
Source: State of North Carolina, University of North Carolina School of Government, Johnson Consulting

Section 5 lays out the pros and cons of employing a district-based approach, like an MSD or PDF, compared to a townwide or regional approach such as the Synthetic PDF or Interlocal Agreement. District-based targeted approaches would rely on property tax revenue, either in the form of an additional assessment rate (MSD) or an incremental amount above the current baseline (PDF). District-based approaches would require the expansion of the arts district that has previously been envisioned by the Town of Cornelius, as the property tax base within that zone is not large enough to generate enough funding for the Cain Center or Town Center district projects. Townwide or regional approaches could involve a property tax rate increase or could pull from tourism-related tax revenue such as the Hotel Occupancy Tax, U Drive It Tax, or Prepared Food & Beverage Tax. Existing Cornelius tourism-related revenue does not support existing

tourism-related expenses, and Cornelius' tourism fund balance is in the red due to prior expenses. Much more detail about these potential funding mechanisms is provided in Section 5.

Section 5 goes on to justify the feasibility of the Cain Center from a demand perspective, including a detailed profile of 3 main categories of demand sources:

- Community and Non-Profit Arts Events
- Commercial and Touring Arts Events
- Multipurpose Corporate, Social, Community, and Non-Profit Events

A new arts and community facility will need to weave together a mix of these demand sources in a way that meets the needs of the community while also maintaining a responsible operation in terms of revenue generation. The classic debate regarding these types of facilities is who pays for them and who has priority for using them. As a rule, community organizations and local arts groups feel they have a social mandate to use facilities – they are local taxpayers after all. They will also leverage political organization in order to advocate for a fair balance between their socially beneficial programming and revenue-generating commercial demand. Meanwhile, city leadership wishes to see a facility with a responsible bottom line that serves as both an amenity to residents and an attraction for visitors. Ultimately, new facilities often employ a hybrid model that seeks to serve both demand segments. This can be standardized and regulated by a deal-making process that involves input from all stakeholders and results in the crafting of letters of intent, memoranda of understanding, and booking policies that reflect the current needs of all involved.

Section 5 provides demand and financial projections for the proposed Cain Center for the Arts, based on the previously developed facility program. Figure 2-5 below summarizes the proposed facility program.

Figure 2-5

Cain Center for the Arts Facility Program	
	Size
Theater (400 seats)	6,678 Square Feet
Lobby	2,648 Square Feet
Classrooms / Meeting Rooms	6,241 Square Feet
Gallery Space	641 Square Feet
Shop	158 Square Feet
Support Spaces	13,956 Square Feet
Total	30,322 Square Feet
<i>Source: Cain Center for the Arts Construction Documents</i>	

Section 5 goes on to present estimates of demand and visitation (including both participants and attendees) for the proposed Cain Center. The Cain Center, as described earlier in this section, is expected to host community / non-profit events including performances, rehearsals, and other types of events, as well as

commercial / touring events including promoted performances, rental performances, and other types of events.

To summarize these demand and visitation projections, Johnson Consulting projects that, by Fiscal Year 2028, the Cain Center will host 142 theater events and 598 other events, for a total of 740 events. It should be noted that the vast majority of these “other” events are the classes and programs currently under the CAC umbrella that will be moved into the Cain Center building upon completion, and that each individual class-day is counted as 1 event in Johnson Consulting’s model. These demand projections, in tandem with assumptions regarding the average number of visitors per event that are outlined in Section 5, result in a projected 45,404 total visitors to the Cain Center by Year 5 of operation (Fiscal Year 2028).

Section 5 concludes with an economic and fiscal impact analysis that quantifies the incremental spending, hotel room nights, jobs, and sales and hotel tax revenues that the operations of the Cain Center could be expected to generate on an annual basis. It also contains an introduction to these types of analyses, including some basic terminology and definitions as well as the specific assumptions that were used in Johnson Consulting’s model for the Cain Center project.

By the fifth full year of operation (Fiscal Year 2028) the Cain Center’s impact is expected to include the following economic and fiscal impacts on an annual basis:

- \$889,000 in total on-site direct spending (according to the Cain Center’s financial pro forma)
- \$780,000 in off-site direct spending (for a combined total of nearly \$1.7 million in direct spending)
- \$584,000 in indirect and induced spending (for a total of nearly \$2.3 million in total spending)
- 15 full-time equivalent (FTE) jobs accounting for \$534,000 in increased salaries/wages
- \$179,000 in sales tax & tourism-related tax revenues, combined, to state & local governments

Over the entirety of the Cain Center’s first 5 years of operation, the cumulative annual economic and fiscal impacts from the facility’s operation sum to:

- Over \$4.6 million in total on-site direct spending (according to the Cain Center’s financial pro forma)
- Over \$3.3 million in off-site direct spending (for a total of over \$7.9 million in direct spending)
- Nearly \$2.8 million in indirect and induced spending (for a total of \$10.7 million in total spending)
- 75 full-time equivalent (FTE) job-years accounting for over \$2.5 million in increased salaries/wages
- \$841,000 in sales tax & tourism-related tax revenues, combined, to state & local governments

It should be noted that sales and tourism-related tax revenues presented as fiscal impacts in the above analysis are subject to a complex process during which they flow through multiple local government jurisdictions and are first allocated to dedicated funding recipients and administrative fees before the remaining funds are distributed to jurisdictions like the Town of Cornelius. The fiscal impact projections are

intended to demonstrate the total incremental tax revenues that will be generated by the Cain Center's operation and flow to the collective relevant jurisdictions rather than to one specific jurisdiction like the Town of Cornelius.

Additionally, these sales tax and tourism-related tax revenues represent only a fraction of the overall fiscal impact to the economy, as they are only 1) increased spending by Cain Center visitors in the local economy and 2) the public sector's increase in tax revenue resulting from the increased spending in the economy. This economic and fiscal impact analysis does not factor in the one-time impact that would be generated by the construction of the Cain Center facility, which would provide millions of additional spending dollars resulting in thousands of additional tax dollars to local and state governments and would support dozens of jobs in the local economy, primarily in the construction industry. The presence of the proposed Cain Center would also increase values of commercial establishments in areas surrounding the new facility and beyond, which result in increased property tax supported by the project.

There are also a number of non-financial benefits that are provided by these types of facilities, which have been described throughout the course of this report. Arts centers build relationships between businesses, governments, and other institutions, foster thought-sharing and innovation, help to attract new residents and employers to the community, and provide a boost to quality of life. These factors are difficult to measure but are crucial components of decision making for these types of projects. Ultimately, a balance will need to be established that includes many of these benefits without placing an excessive financial burden on the community.

SECTION 3

MARKET ANALYSIS & STAKEHOLDER ENGAGEMENT

MARKET ANALYSIS & STAKEHOLDER ENGAGEMENT

To analyze the market opportunity for performing arts facilities, Johnson Consulting undertook a detailed analysis of market conditions in Cornelius and its surrounding area, relative to state and national averages. While characteristics such as population, employment, and income are not strict predictors of performance for arts & cultural facilities, these variables provide insight into the capacity and ability of a market to provide ongoing support for such facilities and activities. In addition, the size and role of the marketplace, its civic leadership, educational institutions, corporate presence, proximity to other metropolitan areas, transportation concentrations, and the location of competing or complementary attractions directly influence the scale and quality of new facilities that can be supported within a market.

MARKET ANALYSIS

Cornelius, Davidson, and Huntersville are located in the Lake Norman Region of North Carolina, about 20 miles outside of Charlotte. Like Charlotte and other cities of the Sun Belt, the Lake Norman Region has experienced dramatic population growth over the last twenty years, particularly among millennials. Given changes in population and consumer preferences, there has been a concerted effort from business and government leaders of the Lake Norman Region to invest in downtown amenities, including those related to arts and recreation. In 2013, the Town of Cornelius approved a \$4 million bond to create an arts district in the historic downtown. A four-year strategic planning process began thereafter, which culminated in the creation of the Cain Center for the Arts, a nonprofit organization to partner with the Town in developing a community arts center, and to manage the programming and operations of the space.

Figure 3-1 presents a map of Cornelius in relation to its neighboring towns Davidson and Huntersville, and in relation to Charlotte.

Figure 3-1

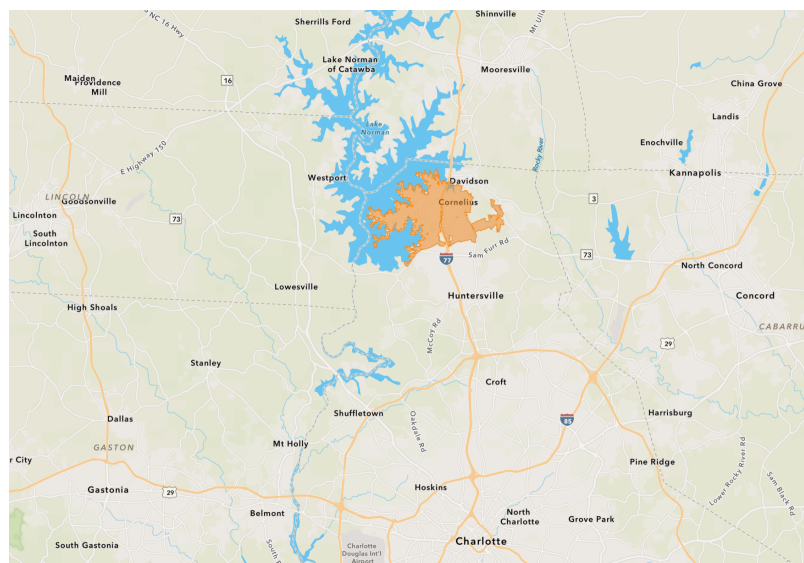
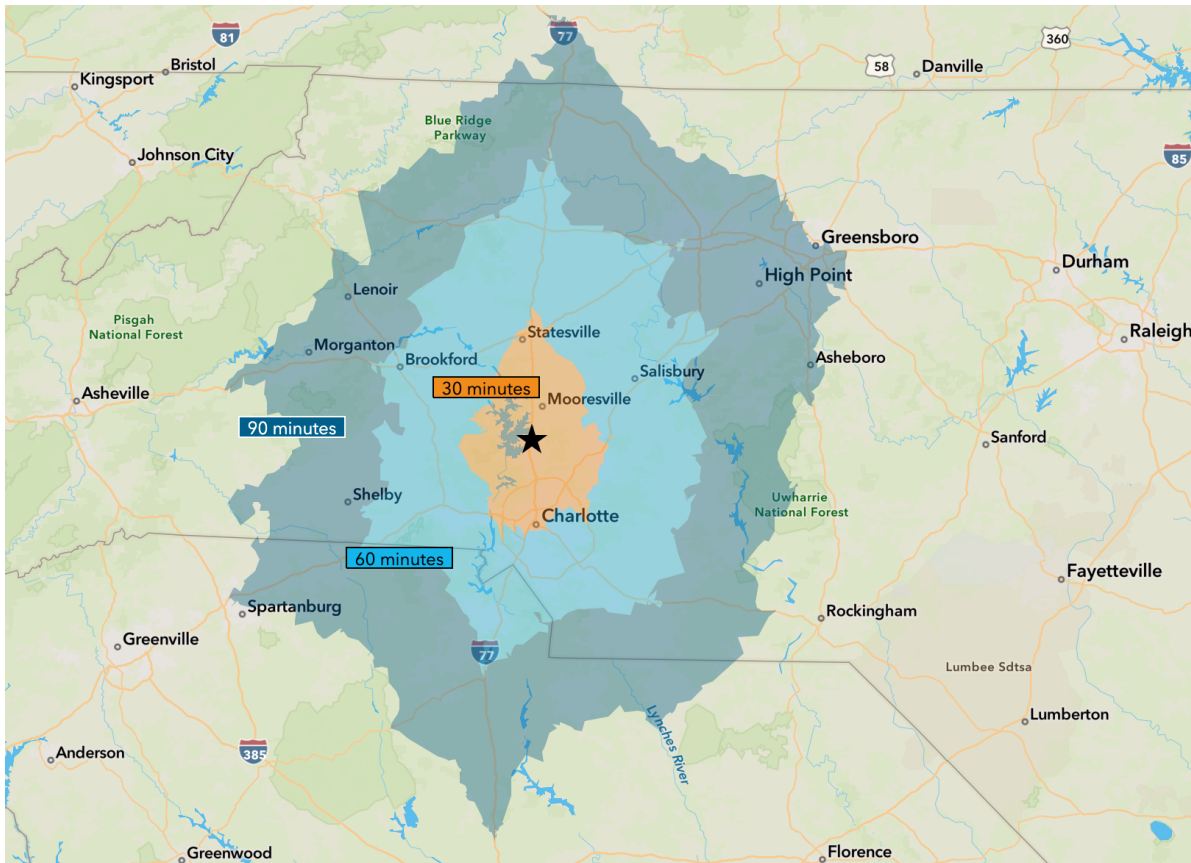


Figure 3-2 shows 30, 60, and 90-minute drive time radii from the subject site, representing the typical catchment areas for a facility of this type.

Figure 3-2



Cornelius' location in the Lake Norman Region, just twenty miles from Charlotte, is advantageous from an accessibility standpoint. This applies to various transportation modes:

- **Road:** The primary thoroughfare that connects the Lake Norman towns to Charlotte and the rest of the southeastern United States is Interstate 77. This highway, along with Interstate 85, connects regional economic center Charlotte to bedroom communities like Cornelius, Davidson, and Huntersville. In Cornelius, historic Catawba Avenue runs east-west through the town and connects residents to key commercial districts.
- **Bus:** The Lake Norman Region is served by express bus service along Interstate 77 express lanes. The Charlotte Area Transit System (CATS) intends to expand service to include bus rapid transit (BRT) in coming years, as outlined in CATS' 2030 Transit Corridor System Plan.
- **Air:** Cornelius is about a twenty-minute drive from Concord-Padgett Regional Airport and a half-hour drive from Charlotte Douglas International Airport (CLT). CLT is ranked among the ten busiest airports in the world, serving about 178 nonstop destinations worldwide and 50 million passengers annually.

- **Rail:** Cornelius, Davidson, and Huntersville are expected to be served by the North Corridor Commuter Rail Line (“Red Line”), a 25-mile rail system which would connect Lake Norman commuters to Charlotte. However, this project has run into logistical and feasibility issues, and is currently stalled.

The Lake Norman Region is well-connected to neighboring major city Charlotte, and is benefiting from recent population growth, rising median incomes of residents, and planned transportation improvements in coming years that will draw visitors seeking cultural experiences. A new performing arts center would serve a key role in contributing to the cultural identity of Cornelius, Davidson, and Huntersville, while also capitalizing on the favorable demographics of its surrounding area.

POPULATION

In 2020, the population of the Town of Cornelius is 31,282. The 30, 60, and 90-minute drive time catchment areas, typical for a performing arts facility of this scale, have populations ranging from over 830,000 to over 4.5 million. This provides a significant potential for a performing arts facility to draw from these population centers for larger events, given that the acts are sufficiently enticing and well-advertised.

The Lake Norman Region has experienced dramatic population growth since 2000 and is expected to keep growing. Population forecasts indicate continued population growth across all subject areas. The Towns of Cornelius, Davidson, and Huntersville are predicted to grow to populations of 33,529, 14,865, and 66,293 by 2025. Between 2000 and 2025, these towns have experienced annual growth rates of 3.5%, 2.7%, and 3.8%, respectively. Growth rates in these three towns and the relevant catchment areas are all significantly higher than growth rates in the rest of the State and the U.S. Figure 3-3 presents the population trends for these areas between 2000 and 2025.

Figure 3-3

Population					
	2000	2010	2020	2025	CAGR* 2010-2025
Cornelius	14,132	24,802	31,282	33,529	3.5%
30-minute drive	462,841	690,335	864,730	955,483	2.9%
60-minute drive	1,903,321	2,436,417	2,887,923	3,120,845	2.0%
90-minute drive	3,455,162	4,131,655	4,692,249	4,986,533	1.5%
Davidson	7,670	10,878	13,987	15,652	2.9%
Huntersville	25,988	46,794	60,198	66,293	3.8%
North Carolina	8,049,313	9,535,483	10,736,879	11,357,303	1.4%
U.S.	281,421,906	308,745,538	333,793,107	346,021,282	0.8%

* Compounded Annual Growth Rate

Source: Esri, Johnson Consulting

AGE

Age is an important indicator to consider for performing arts facilities. Higher proportions of older residents can present opportunities to capture large audiences that tend to have more free time to enjoy the arts and more disposable income to spend on them. Higher proportions of children and families could be indicative of a successful market for children's shows or educational programs. It should also be strongly considered in the facility's marketing efforts.

The Town of Cornelius has the oldest median age out of the three Lake Norman towns, and also has an older median age than the State of North Carolina and the U.S. In 2020, Cornelius' median age is 39.9, while that of Davidson, Huntersville, North Carolina, and the U.S. are 37.4, 37.1, 38.9, and 38.5, respectively. Between 2010 and 2025, Cornelius aged at the most rapid rate of any of the comparative areas except Davidson. Figure 3-4 shows the median ages over time for the Town of Cornelius and its surrounding areas.

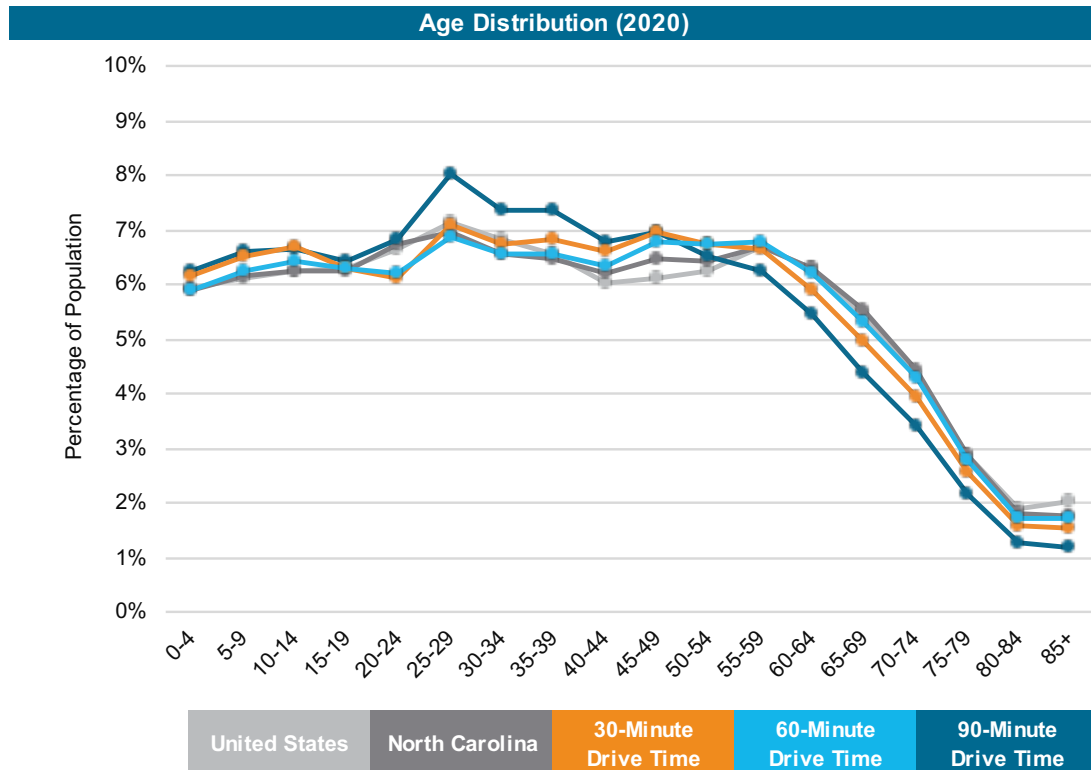
Figure 3-4

Median Age				
	2010	2020	2025	% Growth 2010-2025
Cornelius	37.6	39.9	40.6	8.0%
30-minute drive	34.6	36.2	36.4	5.2%
60-minute drive	36.6	38.2	38.5	5.2%
90-minute drive	37.4	39.1	39.6	5.9%
Davidson	35.5	37.4	38.6	8.7%
Huntersville	35.2	37.1	36.7	4.3%
North Carolina	37.3	38.9	39.6	6.2%
U.S.	37.1	38.5	39.3	5.9%

Source: Esri, Johnson Consulting

Figure 3-5 expands upon the insights on the age of Cornelius residents, as well as residents in defined catchments, by analyzing its age distribution in five-year increments, relative to state and national averages. As shown, Cornelius and its surrounding towns have a high concentration of young adults, aged 25-29, and middle-aged adults. Adults in these age groups are more likely to have with young and school-aged children who could take advantage of the events and programming at the Cain Center for the Arts.

Figure 3-5



Sources: Johnson Consulting, Esri

EDUCATION

According to the National Endowment for the Arts, educational attainment is another indicator that tends to be correlated with higher engagement with the arts. These trends are most pronounced in the higher educational attainment range. Bachelor's degree or higher attainment was highest in Davidson, followed by Cornelius and Huntersville. The 30-minute drive time radius had the next highest educational attainment, followed by the 60-minute radius, the national average, the State average, and the 90-minute radius. Figure 3-6 presents a detailed breakdown of educational attainment in the Lake Norman Region and relevant drive time catchments, relative to state and national average.

Figure 3-6

Educational Attainment 25+ Years (2020)																
	Cornellius		30-minute drive		60-minute drive		90-minute drive		Davidson		Huntersville		North Carolina		U.S.	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Less than High School	135	0.6%	19,760	3.4%	74,797	3.8%	135,618	4.2%	111	1.3%	475	1.2%	302,312	4.1%	11,000,901	4.8%
High School or Equivalent	2,686	11.9%	116,818	20.1%	460,591	23.4%	836,308	25.9%	684	8.0%	4,906	12.4%	1,850,741	25.1%	61,192,514	26.7%
Some College, No Degree	3,589	15.9%	122,630	21.1%	405,477	20.6%	671,630	20.8%	1,094	12.8%	7,201	18.2%	1,541,055	20.9%	46,066,275	20.1%
Associate's Degree	2,821	12.5%	58,119	10.0%	192,897	9.8%	322,899	10.0%	504	5.9%	3,521	8.9%	744,720	10.1%	19,939,134	8.7%
Bachelor's or Higher	13,023	57.7%	232,474	40.0%	706,633	35.9%	1,020,361	31.6%	6,049	70.8%	22,591	57.1%	2,403,751	32.6%	75,860,383	33.1%
TOTAL	22,570		581,185	-	1,968,336	-	3,228,990	-	8,544	-	39,564	-	7,373,470	-	229,185,446	-
Source: Esri, Inprogn Consulting																

Source: Esri, Johnson Consulting

INCOME

Income is another important indicator to consider for evaluating potential for performing arts facilities. Higher incomes are often correlated with higher participation in the arts and can present opportunities for philanthropic initiatives that can be beneficial in boosting revenues. In 2020, the Towns of Cornelius, Davidson, and Huntersville all had median household incomes above state and national averages -- \$93,454, \$129,827, and \$100,645, respectively.

All three towns are expected to see rising median incomes in the next five years. On average, incomes will rise in these three towns by 1.1% - 1.4% by 2025. Annual income growth rates over the next five years are higher in the Lake Norman Region than in the rest of the State, but slightly lower than the U.S. averages. Rising incomes in the Lake Norman Region, coupled with rising population within the towns and catchment areas, are positive indicators of increasing engagement with the performing arts. Figure 3-7 outlines the median household incomes for Cornelius, Davidson, Huntersville, and the comparative geographic areas.

Figure 3-7

Median Household Income			
	2020	2025	CAGR* 2020-2025
Cornelius	\$93,454	\$100,296	1.4%
30-minute drive	\$65,071	\$70,785	1.7%
60-minute drive	\$62,228	\$67,382	1.6%
90-minute drive	\$56,054	\$60,223	1.4%
Davidson	\$129,827	\$139,478	1.4%
Huntersville	\$100,645	\$106,510	1.1%
North Carolina	\$54,889	\$58,884	1.4%
U.S.	\$62,203	\$67,325	1.6%

* Compounded Annual Growth Rate

Source: Esri, Johnson Consulting

WEALTH

Despite being a rather affluent area overall, the Lake Norman Region does have pockets of concentrated socioeconomic distress. The most effective way to visualize this is by mapping median household wealth (measured by net worth) in the areas most proximate to the Cain Center site. The map uses index values for simplicity, in which the national average is equal to 100 and local values are expressed in relative terms. For example, an index value of 50 indicates that that area has a median household net worth that is half of the national average.

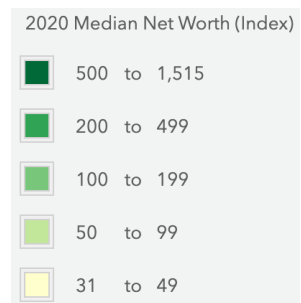
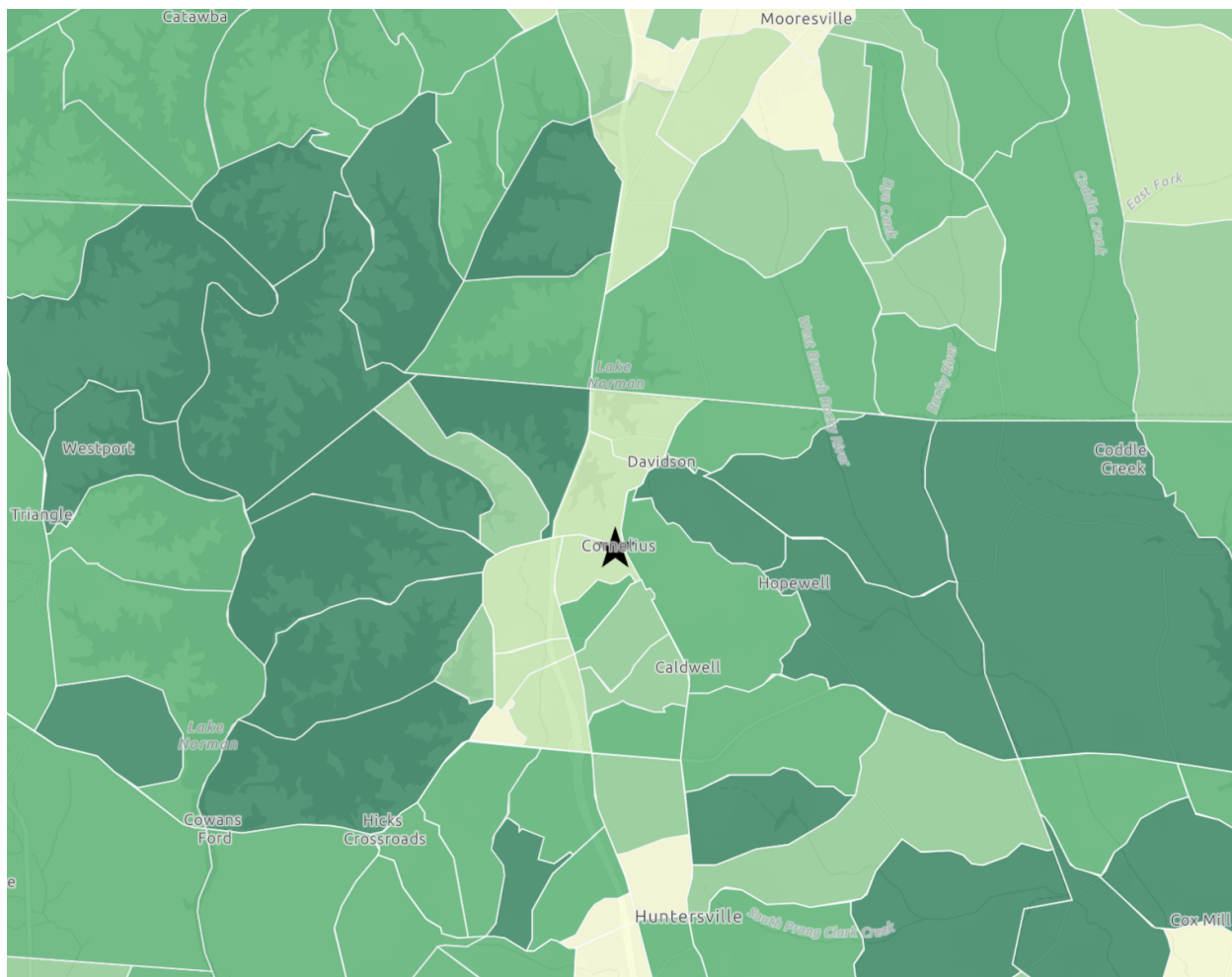


Figure 3-8

As shown, the lower net worth areas are concentrated along and just east of Interstate 77, in the older neighborhoods surrounding Cornelius's historic downtown, as well as in Huntersville and Mooresville. As will be discussed in the forthcoming Stakeholder Engagement subsection, the Consulting Team heard many anecdotes of the east-west divide in the area. Affluent residents from west of the Interstate don't frequently cross into the eastern parts of the Lake Norman Region, which has stunted the viability of commercial development in those areas. The Cain Center project has the potential to help remedy this issue by providing additional incentive for wealthier residents in the western areas to patronize the Arts Center as well as the restaurants, retail stores, and other local businesses in the eastern areas of the Town. The Cain Center project, both directly and indirectly, could also present job opportunities for socioeconomically disadvantaged individuals in the area.

RACE & ETHNICITY

In 2020, 84.3% of Cornelius residents identify as White, 6.8% as Hispanic, 3.7% as Asian, 7.1% as Black / African American, 1.0% as American Indian / Alaska Native, 0.0% as Pacific Islander, 2.3% as Other Race, and 2.2% as Two or More Races. Compared to North Carolina and the United States as a whole, Cornelius

has a higher percentage of residents that identify as White or Asian, and a lower percentage of residents that identify as Black / African American and Hispanic. These identities are an important consideration for the types of programming that could be in demand in the Lake Norman Region, as well as for marketing strategies at a proposed performing arts or conference center. Figure 3-9 presents race and ethnicity data for Cornelius and its comparative geographies.

Figure 3-9

Race and Ethnicity (2020)								
	White	Black/ African American	Hispanic	American Indian/ Alaska Native	Asian	Pacific Islander	Other Race	Two or More Races
Cornelius	84.3%	7.1%	6.8%	0.3%	3.7%	0.0%	2.3%	2.2%
30-minute drive	57.0%	30.2%	10.0%	0.4%	4.6%	0.1%	4.9%	2.8%
60-minute drive	66.2%	20.9%	11.0%	0.4%	4.2%	0.1%	5.6%	2.7%
90-minute drive	67.3%	20.7%	10.0%	0.5%	3.6%	0.1%	5.3%	2.6%
Davidson	84.3%	7.4%	6.0%	0.2%	3.6%	0.0%	2.1%	2.3%
Huntersville	76.9%	11.8%	10.0%	0.4%	4.2%	0.0%	4.0%	2.7%
North Carolina	65.8%	21.7%	10.0%	1.3%	3.3%	0.1%	5.1%	2.8%
U.S.	69.4%	13.0%	18.8%	1.0%	5.9%	0.2%	7.1%	3.6%

Source: Esri, Johnson Consulting

ECONOMY

In 2020, 561,512 people are employed by employers in Mecklenburg County, the county in which the Lake Norman Region is located. The top 5 industries with the highest number of employees in Mecklenburg County include health care/social assistance, finance/insurance, professional/scientific/technical, retail, and manufacturing. Relative to the distribution of industries in the U.S. as a whole, Mecklenburg County has higher concentrations of the following industries: finance/insurance, management of companies, information, professional/scientific/technical, utilities, wholesale trade, admin/support/waste management, accommodation/food services, arts/entertainment/recreation, transportation/warehousing, and other services. These findings are presented in Figure 3-10. Location quotients of 1 indicate similar relative concentration of that industry in Mecklenburg County, while values higher than 1 indicate higher concentrations, and values lower than 1 indicate lower concentrations.

Figure 3-10

Industry Location Quotient by Employment (2020)			
Sector	Mecklenburg County Employment	United States Employment	Location Quotient
Health Care/Social Assistance	69,342	22,313,586	0.82
Finance/Insurance	63,463	7,169,665	2.32
Professional/Scientific/Tech	58,450	12,049,828	1.27
Retail Trade	52,943	14,356,334	0.97
Manufacturing	44,401	15,550,554	0.75
Educational Services	42,547	14,320,448	0.78
Construction	38,782	10,829,187	0.94
Accommodation/Food Services	36,764	8,202,612	1.18
Transportation/Warehousing	28,232	6,959,787	1.06
Other Services (Excluding Public)	26,103	6,772,309	1.01
Admin/Support/Waste Management	26,013	5,786,624	1.18
Wholesale Trade	16,819	3,744,789	1.18
Real Estate/Rental/Leasing	13,883	3,082,197	1.18
Information	13,633	2,723,217	1.31
Public Administration	11,868	7,071,492	0.44
Arts/Entertainment/Recreation	9,666	2,329,497	1.09
Utilities	5,892	1,274,383	1.21
Management of Companies	1,357	210,175	1.69
Agriculture/Forestry/Fishing	1,137	1,852,333	0.16
Mining/Quarrying/Oil & Gas	217	729,605	0.08
Total	561,512	147,328,622	

Source: Johnson Consulting, Esri

Figure 3-11 identifies the largest employers within the Lake Norman Region, according to the Lake Norman Economic Development Corporation. As shown, the largest employer is Charlotte Mecklenburg Schools (covering the entire county), followed by Ingersoll Rand, McGuire Nuclear Station, Davidson College, and Novant Health, with a host of corporations coming in after those top 5. This information can be useful to target potential users of the Cain Center for the Arts, as well as for prospecting corporate partnerships and sponsorships.

Figure 3-11

Largest Employers - Lake Norman Region		
Employer	Industry	# Employees
Charlotte Mecklenburg Schools (Entire County)	Education	19,000
Ingersoll Rand - Davidson	Manufacturing	1,600
McGuire Nuclear Station - Huntersville	Utilities	1,200
Davidson College - Davidson	Education	750
Novant Health - Huntersville	Healthcare	690
Metrolina Greenhouses – Huntersville	Retail	650
Joe Gibbs Racing – Huntersville	Recreation	650
Rubbermaid - Huntersville	Retail	400
MSC - Davidson	Wholesale Trade	350
Pactiv Corporation - Huntersville	Manufacturing	315
GM Financial - Huntersville	Finance	300
Walmart - Huntersville	Retail	300
Forbo Siegling, LLC - Huntersville	Manufacturing	280
SAERTEX USA - Huntersville	Manufacturing	200
Irwin Tools - Huntersville	Retail	200

Source: Lake Norman Economic Development Corporation, Johnson Consulting

These industries and employers represent a diverse, well-balanced, and stable economic base in the Lake Norman Region. This stability is evidenced in Figure 3-12, which shows the average annual unemployment rate in Mecklenburg County, relative to state and national averages. The unemployment rate is a standard indicator used to evaluate the economic strength of an area and can be insightful for considering the ability of an area to support a facility like the Cain Center for the Arts. As shown, Mecklenburg County's unemployment rate tracked below that of the State and the U.S. as a whole every year for the past 5 years. High unemployment rates are indicative of economic and social distress, while communities with extremely low unemployment rates can have trouble filling jobs due to undersized or underqualified labor pools. Mecklenburg County does not appear to be at risk for either of these issues.

Figure 3-12

Unemployment Rate			
Year	United States	North Carolina	Mecklenburg County
2015	5.3%	5.7%	5.3%
2016	4.9%	5.1%	4.7%
2017	4.4%	4.5%	4.3%
2018	3.9%	4.0%	3.8%
2019	3.7%	3.9%	3.6%

Average Annual Rate (seasonally unadjusted)

Sources: US Bureau of Labor Statistics, Johnson Consulting

CONSUMER SPENDING & BEHAVIOR

Consumer spending and behavior metrics related to performing arts type activities can be used to gauge the market's capacity to support a performing arts facility. In 2020, Cornelius residents spent around 1.5 times more across arts and recreation spending categories than U.S. consumers as a whole. Davidson consumers, in particular, spend the most on arts and recreation relative to their neighbors in Cornelius and Huntersville. In 2020, Davidson residents spent between 1.9 and 2.2 times more on arts and recreation than U.S. consumers as a whole. In total, Cornelius residents spent \$485.11 on arts and recreation in 2020, while Davidson residents spent nearly \$672.26 and Huntersville residents spent \$465.01. As these metrics indicate, residents of Cornelius, Huntersville, Davidson, and the relevant catchments spend significantly more than the average U.S. consumer on arts and recreation. These spending metrics are presented in Figure 3-13.

Figure 3-13

Average Spending on Entertainment & Recreation (2020)												
Spending Category	Cornelius		30-minute drive		60-minute drive		90-minute drive		Davidson		Huntersville	
	Average Spend *	Index**	Average Spend *	Index**	Average Spend *	Index**	Average Spend *	Index**	Average Spend *	Index**	Average Spend *	Index**
Tickets to Theater/ Operas/ Concerts	\$121.86	151	\$79.76	99	\$75.57	94	\$66.15	82	\$170.21	211	\$107.91	134
Tickets to Movies	\$88.85	155	\$63.14	110	\$57.96	101	\$50.21	88	\$113.73	198	\$89.21	156
Tickets to Museums/ Parks	\$47.66	145	\$34.04	104	\$32.40	99	\$29.16	89	\$63.29	193	\$47.12	143
Fees for Recreational Lessons	\$226.74	156	\$147.27	102	\$137.06	95	\$116.82	81	\$325.03	224	\$220.77	152
TOTAL	\$485.11	-	\$324.21	-	\$302.99	-	\$262.34	-	\$672.26	-	\$465.01	-
* Average spend per person, per annum												
** National Average = 100												
Source: Esri, Johnson Consulting												

STAKEHOLDER ENGAGEMENT

Lake Norman community stakeholders and the community as a whole have been engaged at various stages of the Cain Center project's development. The Town of Cornelius has had multiple public meetings in which the Cain Center project has been a primary focus. In November of 2017, the previous Market Study & Research Assessment for the Cain Center for the Arts by NextStage Consulting conducted an online survey of 942 individuals, as well as 4 targeted focus groups and 16 individual meetings with various stakeholders. The Cain Center, despite not yet having a building to call home, has been putting on community events and fundraisers for the past couple of years. Because of this, the Consulting Team for this study was charged with a very streamlined and focused engagement effort. Beginning at the Kickoff Meeting in Cornelius on October 20 and 21, 2020 and continuing throughout the duration of the project's completion, the Consulting Team conducted a variety of interviews and focus groups with a variety of potential users of the proposed facility, key stakeholders in the Cornelius and Lake Norman community, and arts and entertainment industry experts. These engagements helped us to understand the demand that exists in the Lake Norman area, the facilities that currently serving that demand, and the market opportunities that exist for the Cain Center for the Arts. These entities represent a focused spectrum of community leaders and representatives of the educational, corporate, civic, performing arts, and meetings and events sectors that are familiar with the Lake Norman Region and its demand, infrastructure, and local culture. The complete list of these entities is below.

- Bouk Management
- Cain Family
- Cain Center for the Arts & Board
- Cornelius Arts Center
- Davidson Community Players
- Electricities
- Lake Norman Economic Development
- MaxxMusic
- Town of Cornelius Commission
- Town of Cornelius Department of Parks, Art, Recreation, and Culture
- Town of Cornelius Department of Finance
- Town of Cornelius Department of Planning
- Visit Lake Norman

Through these engagements, the Consulting Team was able to contextualize the Cain Center project within the greater planning and development efforts in the Lake Norman area and draw a number of notable observations and conclusions for this study, which are summarized below.

THE LAKE NORMAN REGION...

- Is well-versed in collaboration amongst the 3 major towns that comprise the area – Cornelius, Davidson, and Huntersville. The towns have consolidated their convention and visitor's bureau, chamber of commerce, and economic development efforts into 3 organizations, respectively: Visit Lake Norman, the Lake Norman Chamber, and Lake Norman Economic Development. →
- Has a couple of specialized funding mechanisms in its toolbelt, in addition to municipal general funds and bond issuance. These include Tax Increment Financing (TIF) and Business Improvement Districts (BID) known as "Project Development Financing" and "Municipal Service Districts," respectively, in the state of North Carolina. →
- Is home to the Carolina Renaissance Festival, a medieval amusement park with 13 stages, a 25-acre village marketplace, an interactive circus, an arts and crafts fair, and more. Beyond that, the area doesn't have many other large arts and cultural attractions or →

THIS PROJECT COULD...

- Benefit from this spirit of cooperation, serving as the hub for arts and cultural programming and activities for the Lake Norman Region as a whole. It will likely be necessary for surrounding towns and other governmental entities to join the Town of Cornelius in participating financially in the project to cover upfront capital costs and ongoing operational funds.
- Potentially leverage these tools in order to offset the significant construction cost and operating deficits that the Cain Center will incur. Depending on which approach is taken, establishing the special funding district will need to involve collaboration between the Town of Cornelius, the Cain Center, and other local partners.
- Catalyze the creation of additional arts and cultural festivals and larger special events that have potential to serve the local community as well as draw attendees from throughout the Charlotte metro area, the Carolinas, and beyond. These events bring

tourism activity. Much of the area's tourism strategy has historically been focused on sports and outdoor recreation.

- Despite a true hub facility for arts, culture, and entertainment, has a healthy supply of non-profit entities and businesses that provide classes, lessons, and other activities. →
 - Is still attempting to become more than just a bedroom community for Charlotte proper. A UNC study on housing and demographics was recently completed that revealed that salaries for Lake Norman residents because most commute to jobs in Charlotte, but salaries for the jobs actually located in the area are service-based and lower wage. They have shown success in recent years with the recruitment of advanced manufacturers from places like Europe and Mexico, but there is progress still to be made in this effort. →
 - Has higher land and labor prices than some of the other outer ring exurban markets in the region. This typically isn't too much of an obstacle as long as a case can be made as to why the costs are higher to locate there and why it's worth it to pay that price. →
 - Has benefitted immensely from overarching economic and demographic trends toward sunbelt markets that offer more affordable costs of living, better weather, lower taxes, and room to spread out while still having access to metropolitan amenities and conveniences. →

- Supplement the programming and activities that is already being provided by these other entities, rather than directly competing with them.
 - Entice employers to locate offices, branches, plants, or even headquarters in the area that could foster growth in the area's number of higher skilled jobs with higher wages. Employers are looking to locate in places with a large qualified workforce, a high-growth trajectory, and ample metropolitan conveniences and amenities to help with recruitment and retention. Lake Norman checks the first two boxes without a doubt, and the Cain Center could help it check the third.
 - Add to the Lake Norman Region's justification for why it's worth it for potential new residents and employers to pay a premium to move into the area. The Cain Center could bolster the area's competitive advantage over other markets and submarkets that it competes with for economic growth.
 - Help Lake Norman maximize its ability to tap into these favorable macro-level trends and secure an even higher capacity for future growth, development, and prosperity.

- Suffers from an underdeveloped and dated supply of hotel properties for a market of its size and character. The hotel market grew up as a “stop on the way to somewhere else” that really survived on compression from the Charlotte market and has struggled to get over that hurdle. In addition, the inventory of meeting and event spaces available to businesses looking to have off-site events is small and limited. →
 - Generate additional demand for hotel rooms in the Lake Norman market. The market is currently heavily dependent on corporate demand due to the lack of tourism, but the Cain Center could bolster both segments of demand by attracting visitors to the area and providing a venue for corporate meetings and events. This could play a key role in stimulating the hotel development pipeline.
- Is both limited and blessed by its proximity to Charlotte in terms of its market potential for commercial talent and touring acts in the arts and entertainment industry. Most well-known acts will have performances at the established venues in Downtown Charlotte, and will have 40 to 60-mile radius clauses that prohibit them from having additional shows within that geographic area and time frame. →
 - Benefit from its proximity to other venues in Charlotte proper while also having to navigate the difficulties that it may present. Although radius clauses are an obstacle for the Cain Center, it can still feature meet and greets, sufficiently differentiated non-competing performances, and other programming with better-known artists. It can also focus on lesser-known artists or better-known artists that can command higher ticket prices in a more intimate venue.
- Is notorious for the east/west division that occurs, especially in Cornelius. The higher-income residential areas along the lake on the west side of the interstate are disconnected from the town’s historic downtown on the east side of the interstate. →
 - Foster the propensity of residents living on the west side of the interstate to come over to downtown Cornelius more frequently, boosting the commercial potential of the area and creating a feeling of connectedness in the community.
- Like many communities nationwide, has taken a big fiscal hit as a result of the COVID-19 pandemic. Property and sales tax revenue are the primary revenue streams for the municipalities. Sales tax revenues took a big initial hit but have rebounded since. Hotel tax revenue is also down. →
 - Have to proceed with caution in the face of depleted municipal funding streams, although the Town of Cornelius remains committed to the level of funding it has already agreed to. The Cain Center has potential to accelerate Lake Norman’s recovery curve post-COVID, which should be a key point of consideration.
- Is home to the Cornelius Art Center, which is owned and operated by the Town of Cornelius. →
 - Enhance the quality and frequency of the Cornelius Arts Center programming, which

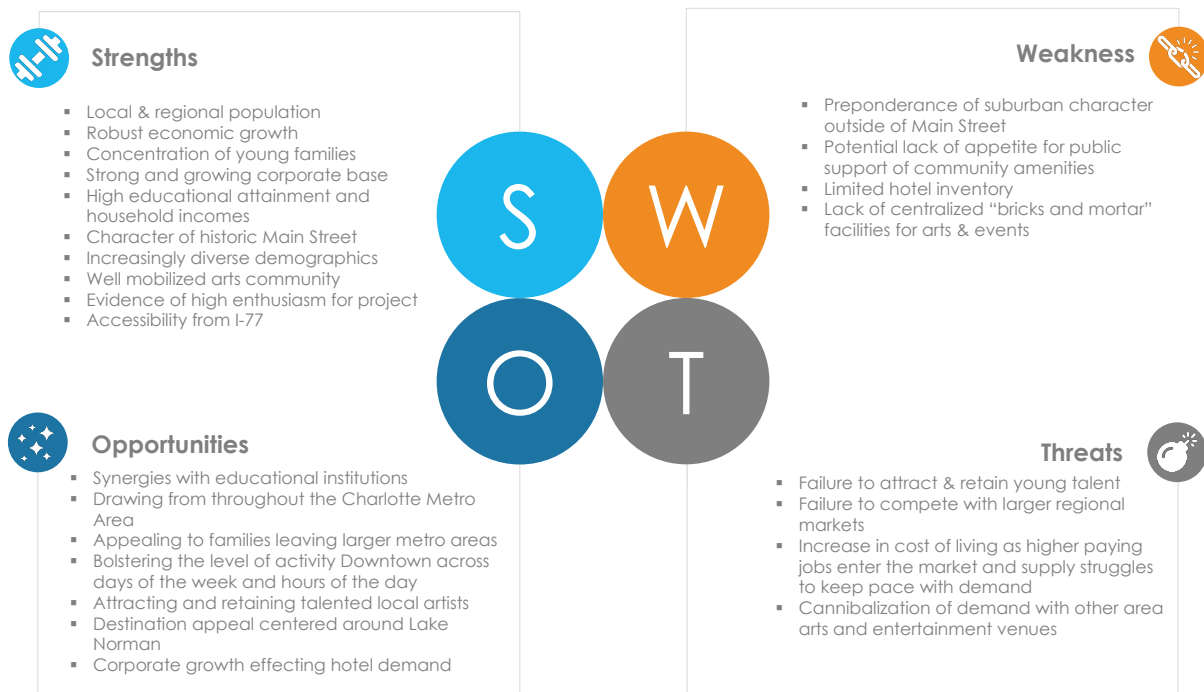
Many of the programming and classes that fall under the CAC umbrella will be transferred to the Cain Center upon completion.

currently generates about \$165,000 in annual revenue, \$300,000 in annual expenses, and draws 45% of its attendees from towns other than Cornelius.

- | | | |
|--|---|--|
| <ul style="list-style-type: none"> ▪ Has experienced success with Town-sponsored arts and cultural events such as Laketober Fest, Symphony events, CatawbaWalk, and Earth Jam, among others. | → | <ul style="list-style-type: none"> ▪ Further develop this arts and cultural programming in the community, as well as provide both indoor and outdoor venues for these events to occur. |
| <ul style="list-style-type: none"> ▪ Is fortunate to be located with a major, growing metropolitan like Charlotte that has a thriving scene of arts and cultural organizations. Although many of the organizations are Charlotte-based, they're always looking for ways to extend their geographic reach. | → | <ul style="list-style-type: none"> ▪ Partner with arts and cultural organizations in need of new venues to host events and programming in order to fill calendar dates and generate rental revenue, such as the Davidson Community Players, Charlotte Symphony Orchestra, Charlotte Children's Theater, and Charlotte Ballet, among others. |
| <ul style="list-style-type: none"> ▪ Is a very affluent area that is home to many wealthy residents that are willing and able to give large sums of philanthropic money to projects like the Cain Center. | → | <ul style="list-style-type: none"> ▪ Continue to be successful in its philanthropy efforts, which have raised over \$13.5 million toward the project so far and will be a key ingredient in the project's ongoing operational success. |

IMPLICATIONS

The Lake Norman Region exhibits favorable economic, demographic, and market indicators across the board in terms of evaluating the potential for a community's ability to support the Cain Center for the Arts, as well as to attract business to such a facility. The rationale that supports the feasibility of the Cain Center can be summarized by Figure 3-14, which pulls from the most salient observations and conclusions in the preceding sections of this report. The graphic sorts these points into a "SWOT" analysis, which outlines the market's strengths, weaknesses, opportunities, and threats in the context of the proposed development of the Cain Center in Cornelius. As shown, there are a number of existing strengths that support the project's market viability, as well as several opportunities which could come to fruition if the project is executed properly. There are also a few threats to market viability if the project is not properly executed, as well as some existing weaknesses in the market. Some of these considerations, like hotel supply and demand, facility supply and demand, and community interest, are heavily intertwined with the development of the project, while others rely more on other independent, overarching economic factors. Overall, the project's feasibility from a market-driven perspective is favorable in the opinion of the Consulting Team.

Figure 3-14

The general sentiment in virtually all of the Consulting Team's interactions with individuals and organizations throughout the Lake Norman Region supported the merits of the concept of the Cain Center for the Arts. Many believed that the Lake Norman Region lacks facilities that are attractive or sufficiently sized for hosting certain types of arts events. Interviewees believed that the development of a new facility to host these events would be an asset to the community, and that it could provide jobs and economic opportunity for the more vulnerable members of the Lake Norman community.

SECTION 4

INDUSTRY TRENDS, FACILITY INVENTORY, & CASE STUDIES

INDUSTRY TRENDS, FACILITY INVENTORY, & CASE STUDIES

As the proposed arts and event center is further considered, it is important to understand the dynamics that exist between the demand for arts and event activity and the supply of facilities to host these events in the Lake Norman Region and at the national and global scale. The following sections will present an overview of arts center industry trends, detail the inventory of arts and entertainment venues in the market, and present comparative profiles of selected case studies.

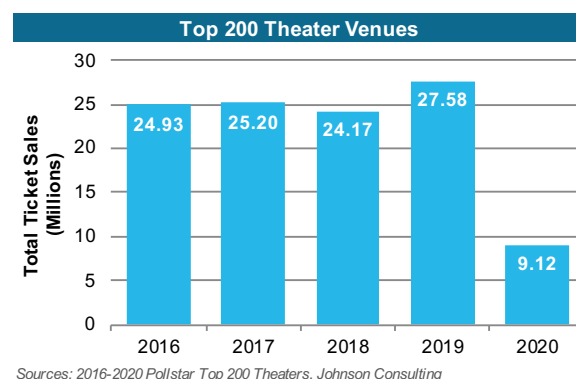
INDUSTRY TRENDS

Arts centers have long been at the forefront of the arts and entertainment scene in their respective communities. While larger shows may take place in stadiums and arenas, there are myriad events that thrive in much smaller venues. Many people consider these activities to be valuable to their community, and more importantly their overall quality of life. As an industry that supports millions of jobs and generates billions of dollars in economic activity on an annual basis, funding for the arts enjoys broad support.

COMMERCIAL TALENT & TOURING ACTS

Pollstar is a well-respected researcher and aggregator of information in the live entertainment industry. It obtains data from agents, managers, promoters, and producers of artists and concerts, and provides insights including ticket sales, ticket prices, and gross revenue, which can be analyzed to evaluate the strength of the industry as a whole. Pollstar gathers data from arts venues throughout the United States and across the world. Pollstar publishes a list of the top 200 theater venues on a quarterly basis. Figure 4-1 illustrates the trend for these top 200 venues over the course of the past few years. As shown, total ticket sales at these venues increased from 24.93 million in 2016 to 27.58 million in 2019, before falling to just 9.12 million in 2020 due to the COVID-19 pandemic. Many venues have been virtual-only or closed entirely since March of 2020 and are only beginning to think about the possibility of partially reopening by the end of 2021. Although this has been devastating for the industry, the pandemic is more of a temporary interruption rather than a permanent trend in terms of the size and strength of the industry. A variety of industry sources are projecting that the industry will rebound to pre-pandemic levels around 2024.

Figure 4-1



To provide more of a regional perspective, Figure 4-2 shows venues in North and South Carolina that made Pollstar's top performance lists in 2019, including theaters, amphitheaters, and arenas. 2019 data was used as the most recent year under "normal" market conditions, avoiding temporary discrepancies caused by the COVID-19 pandemic. As shown, there are a variety of venues with larger capacities throughout the states that draw large audiences and generate millions of dollars in economic and fiscal impacts. Among these Carolina venues, the number of tickets sold ranges from nearly 523,000 at the Durham Performing Arts Center (accounting for over \$33.8 million in gross sales) to just over 36,000 at Charlotte Metro Credit Union Amphitheatre (accounting for nearly \$1.6 million in gross sales). Average sales per attendee for these venues ranged from just under \$43 per ticket at Raleigh's Red Hat Amphitheater to over \$93 per ticket at the PNC Arena in Raleigh. It should be noted that the Cain Center is smaller than any of the Carolina venues that made Pollstar's lists, although venue size does not necessarily equate to higher ticket sales or revenue generation.

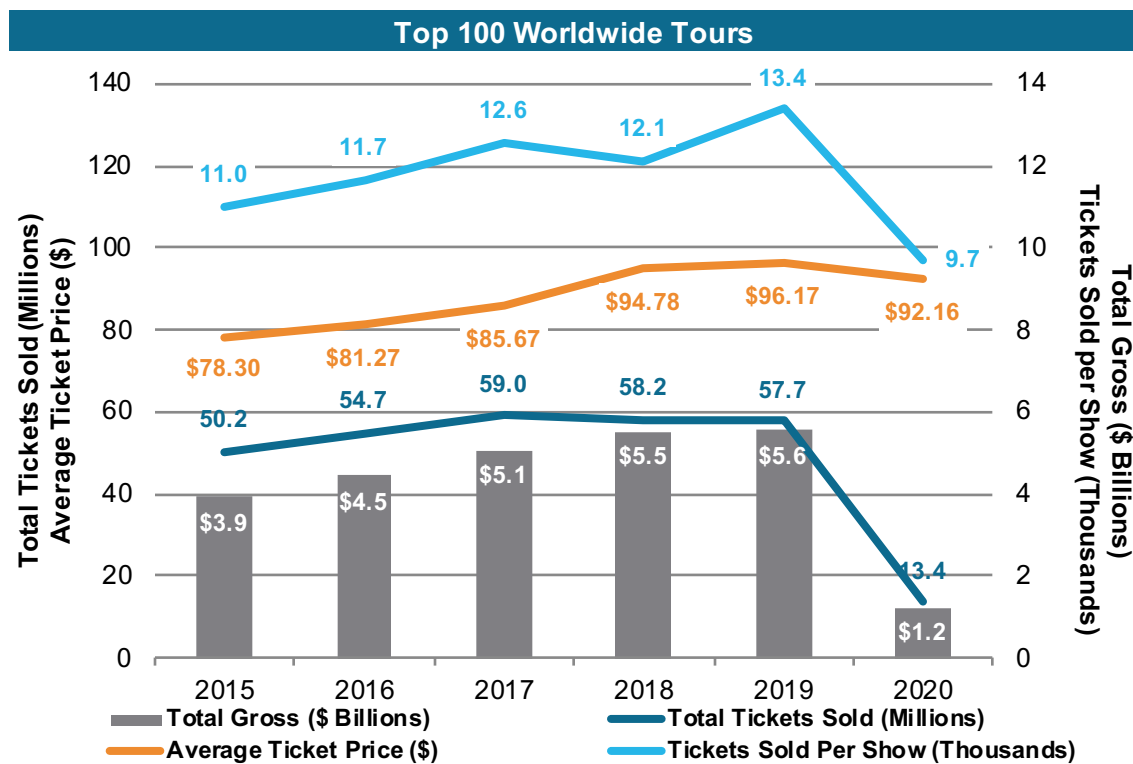
Figure 4-2

Top Venues in the Carolinas (2019)							
Rank	Venue	Location	Type	Tickets Sold	Gross Sales	Average Sales per Attendee	Capacity
1	Durham Performing Arts Center	Durham, NC	Theater	522,678	\$33,841,840	\$64.75	2,700
2	Spectrum Center	Charlotte, NC	Arena	438,289	\$34,672,797	\$79.11	20,200
3	PNC Music Pavilion	Charlotte, NC	Amphitheater	278,328	\$16,004,550	\$57.50	19,500
4	PNC Arena	Raleigh, NC	Arena	269,586	\$25,198,199	\$93.47	19,772
5	Colonial Life Arena	Columbia, SC	Arena	226,073	\$16,200,544	\$71.66	18,000
6	Greensboro Coliseum	Greensboro, NC	Arena	192,288	\$13,327,402	\$69.31	23,500
7	Coastal Credit Union Music Park	Raleigh, NC	Amphitheater	179,446	\$9,227,122	\$51.42	20,601
8	Peace Center Concert Hall	Greenville, SC	Theater	171,132	\$13,021,539	\$76.09	2,100
9	Belk Theater	Charlotte, NC	Theater	154,033	\$11,537,636	\$74.90	2,100
10	North Charleston Coliseum	North Charleston, SC	Arena	72,429	\$5,738,667	\$79.23	13,295
11	North Charleston Performing Arts Center	North Charleston, SC	Theater	65,047	\$3,988,617	\$61.32	2,341
12	Knight Theater	Charlotte, NC	Theater	64,888	\$3,566,072	\$54.96	1,191
13	Red Hat Amphitheater	Raleigh, NC	Amphitheater	55,822	\$2,398,693	\$42.97	5,990
14	Ovens Auditorium	Charlotte, NC	Theater	52,825	\$3,171,367	\$60.04	2,460
15	Harrah's Cherokee Casino	Cherokee, NC	Theater	45,622	\$2,487,923	\$54.53	3,000
16	Charleston Music Hall	Charleston, SC	Theater	36,756	\$1,730,836	\$47.09	965
17	Charlotte Metro Credit Union Amphitheater	Charlotte, NC	Amphitheater	36,216	\$1,575,246	\$43.50	5,000

Source: Pollstar, Johnson Consulting

In addition to venue data, Pollstar also provides a wealth of data on specific artists and tours. The 2019 year-end business analysis shows steady growth in the top 100 worldwide tours over the course of the last several years, across various measures. In 2019, these tours accounted for \$5.6 billion in total gross ticket revenue and 57.7 million tickets sold, equating to an average ticket price of over \$96 per ticket and an average of over 13,400 tickets per show. In 2020, the COVID-19 pandemic caused these figures to fall to just \$1.2 billion in total gross ticket revenue and 13.4 million tickets sold, equating to an average ticket price of just over \$92 per ticket and an average of 9,700 tickets sold per show. Again, COVID-19 has been a devastating but relatively short-term disruption from which the industry will rebound over the next few years. Figure 4-3 shows these statistics for 2015 – 2020.

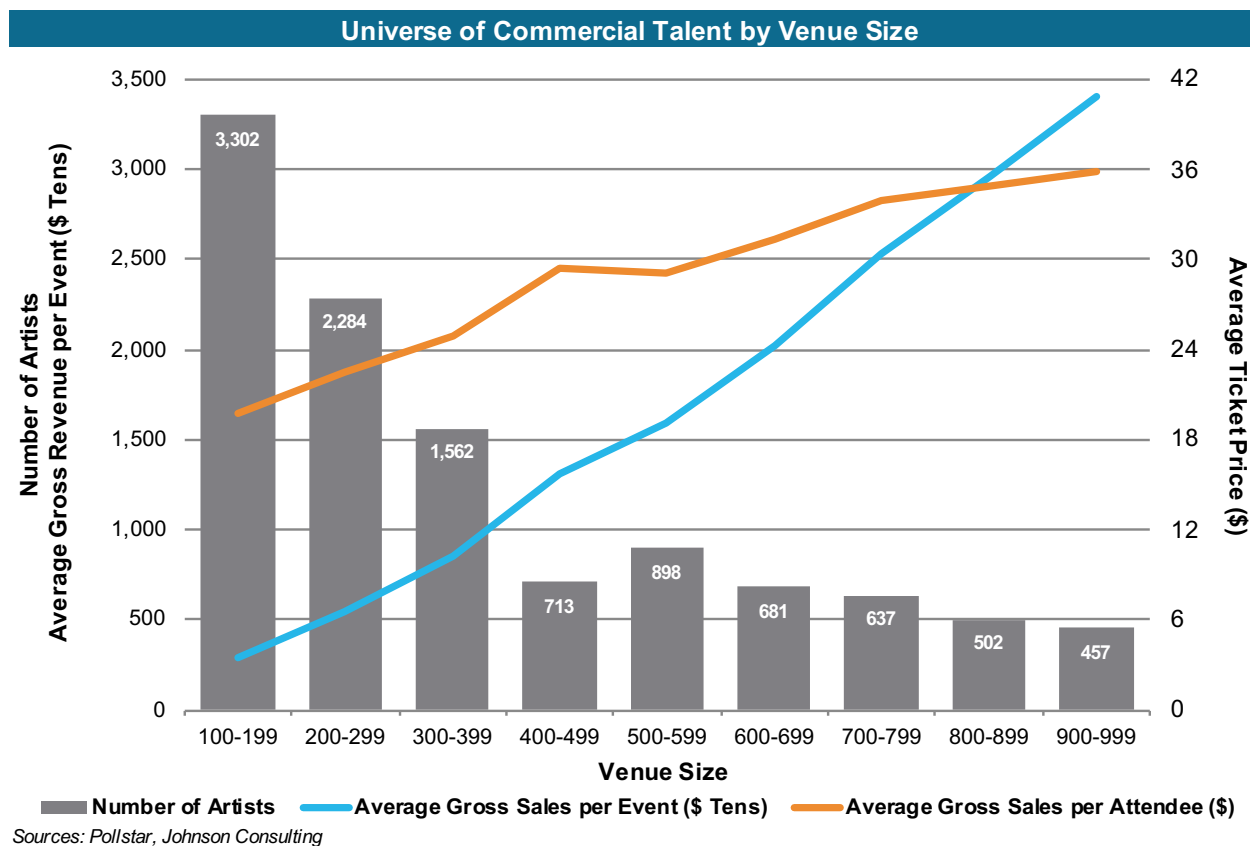
Figure 4-3



Sources: 2015-2020 Pollstar Business Analysis, Johnson Consulting

While this data is useful for evaluating the strength of the industry overall, it's unlikely that these "Top 100" caliber tours would be performing at a venue like what is envisioned at the Cain Center. In order to quantify the universe of demand that could be accommodated by smaller venues, the Consulting Team has pulled Pollstar's directory of artists and aggregated them by the average number of tickets they sell per show, essentially representing the typical size of the venue at which they perform. Of course, artists may perform at smaller or larger venues on occasion, but for the purpose of this analysis, they have been categorized according to this typical venue size. Figure 4-4 presents this data for the universe of artists by venue size, including the number of artists, average gross sales per event (in tens of dollars), and the average gross sales per attendee (in dollars) for each venue size category between capacities of 500 and 2,000, representing the ballpark venue size envisioned at the Cain Center.

Figure 4-4



In total, the database contains 11,036 artists that perform in venues for 100 – 999 attendees. In other words, the universe of potential commercial demand is vast even for a venue of this size and, given that the Cain Center can recruit an effective talent buyer and sales team, tapping into this market can prove to be a significant revenue generator.

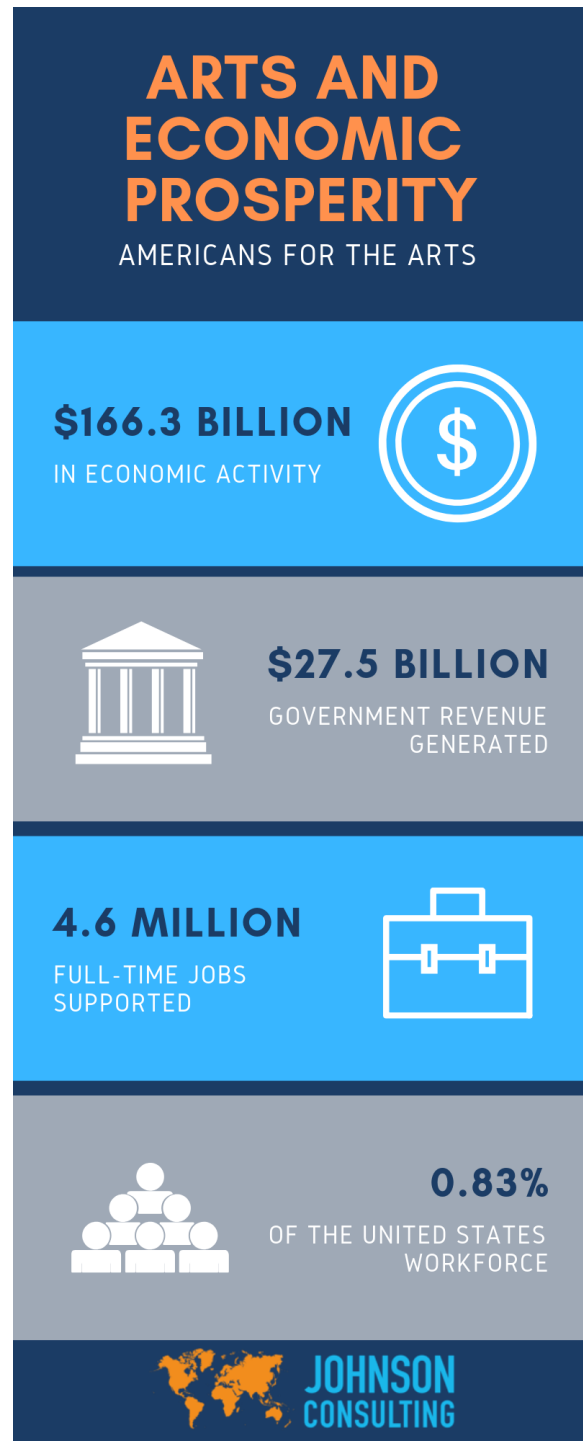
NONPROFIT ARTS & CULTURAL ORGANIZATIONS

Another major component of the performing arts industry is nonprofit arts and cultural organizations. Every five years, Americans for the Arts releases a research study named Arts and Economic Prosperity, which details the economic impact of these organizations and their audiences. Currently, the publication is on its fifth edition and highlights data primarily from 2015, the most recent year of the survey. The study includes data about spending, jobs, revenue, and household income among others – the highlights are summarized in Figure 4-5.

In 2015, nonprofit arts & cultural organizations and their audiences accounted for a total of \$166.3 billion in economic activity. This figure can be broken down into two parts – spending by organizations, \$63.8 billion, and spending by audiences, \$102.5 billion. As a multibillion-dollar industry, one can imagine the financial impact this spending has on government revenue as well. In total, these organizations generated \$27.5 billion in government revenue, including \$15.7 billion from audiences and \$11.9 billion from the organizations themselves. Compared to the budgets most municipalities provide for nonprofit arts & cultural groups, this is a substantial return on investment.

In addition to spending and government revenue, the arts are essential in generating the resources that help a community thrive – jobs & income. 4.6 million total full-time equivalent jobs were supported through this industry, creating \$96.1 billion in resident household income was created from these jobs. Ultimately, nonprofit arts & cultural organizations are a major economic force.

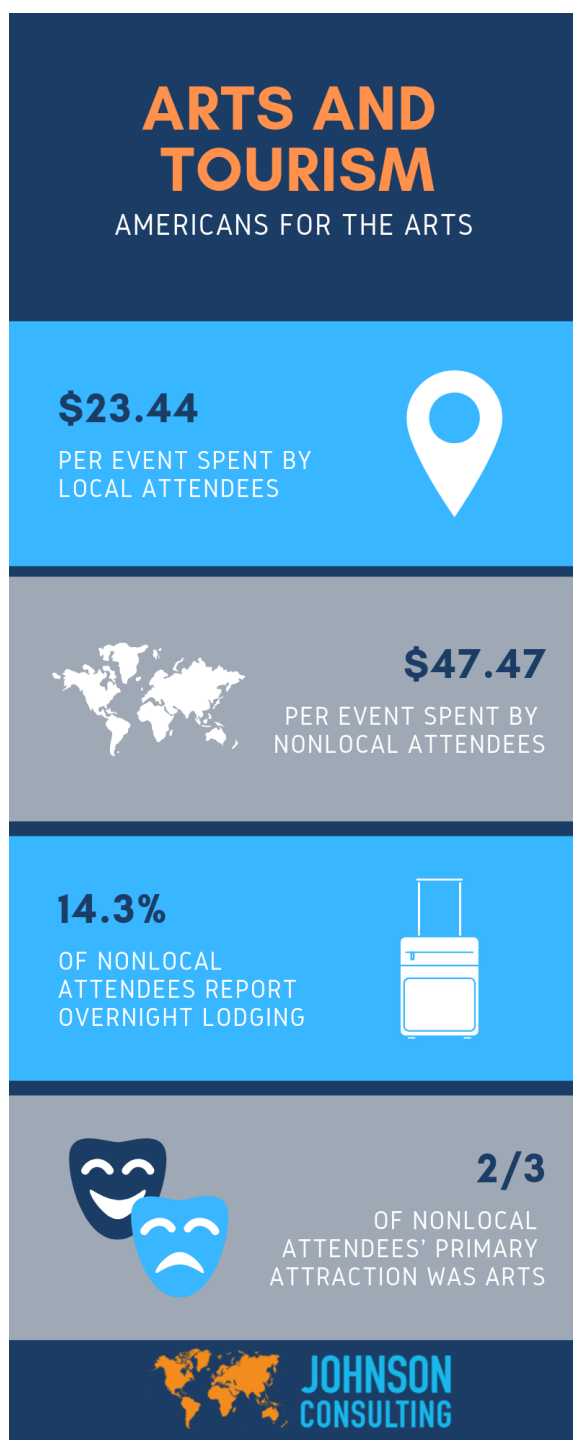
Figure 4-5



These arts and cultural activities are also a major driver of the tourism industry for the markets in which they operate, as they have the ability to draw attendees locally and from other counties. The reason it is so important to attract visitors from out of town is their propensity to spend more money – and thus generate more revenue for local economy. While the average attendee spends \$31.47 per person per event, this number is weighted because on average only 34% of attendees are non-local, meaning they reside outside the county in which the event is taking place. Local attendees only spend \$23.44 per person per event, compared to \$47.57 for non-local attendees. This means that on average, individuals attending from out of town spend more than twice as much as those attending their local event. This creates an enormous increase in revenue and economic activity. Of the non-local attendees, 14.3 percent reported overnight lodging – another big economic generator for a community. 2/3 of all nonlocal attendees' primary attraction was the destination's arts and cultural scene, while the remaining 1/3 were attracted primarily for another reason but chose to engage in the arts and cultural scene as well. Figure 4-6 highlights these statistics.

As previously mentioned, the COVID-19 pandemic has been devastating for the arts, cultural, and live entertainment industries. Many of these events and activities have gone virtual or ceased entirely since March of 2020, and are only beginning to think about potentially resuming by the end of 2021. Many market trends that were occurring pre-pandemic have accelerated while others have shifted radically, whether it be the way we live, work, move, or socialize. A variety of sources expect the arts and entertainment industry (along with other similar industries, such as the MICE industry, airline industry, travel and tourism industry, and hotel industry) to bounce back to pre-pandemic levels by 2024, although the situation will continue to be fluid.

Figure 4-6



FACILITY INVENTORY

The Cain Center facility should aim to fill gaps that exist within the Lake Norman Region's inventory of facilities and to meet the needs of the community without replicating offerings that already exist, which could result in the cannibalization of demand and facility redundancy. Considering the geographic size of the Cornelius area and the greater Lake Norman, its population base, and strong economic profile, there are a number of arts and event facilities in the region. Each facility serves a subset of the marketplace. All facilities serve the areas proximate to them most directly, while only a few facilities serve the entire Lake Norman region for the largest, most prominent events. The subsections below establish the entire supply of facilities that serve residents in the Lake Norman Region and opines on the degree to which some of these facilities could compete with the proposed arts and event center in Cornelius.

ARTS FACILITY INVENTORY

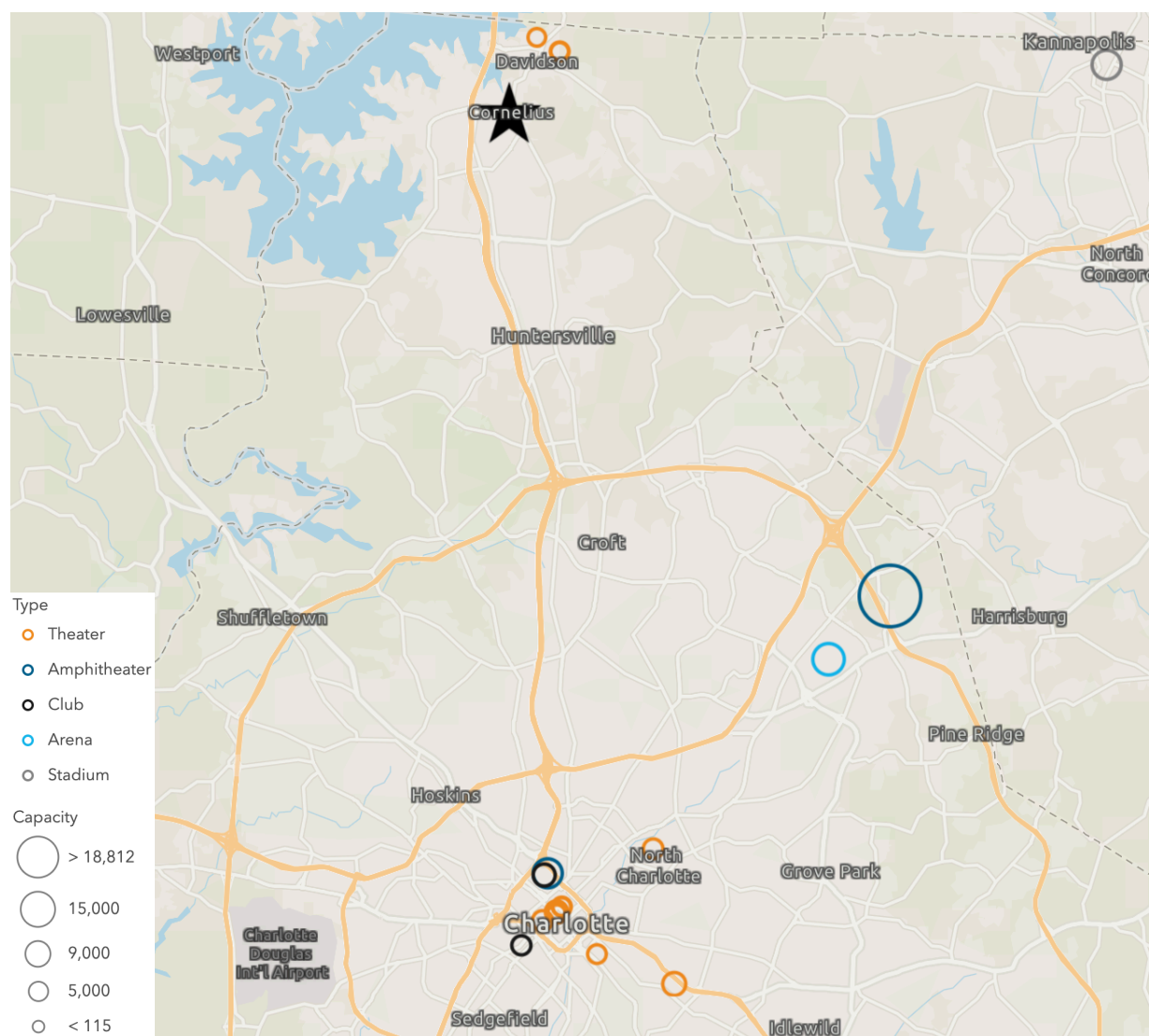
Figure 4-7 and Figure 4-8 present a comprehensive inventory of facilities that serve demand for arts and entertainment-related events and activities throughout the Lake Norman region. This inventory constitutes a selection of 21 facilities – it includes relevant facilities within a 30-minute drive of Cornelius. These facilities represent a wide array of sizes, types, and configurations, including, theaters, colleges and universities, clubs, stadiums, arenas, and amphitheaters. With the exception of the Davidson College venues, which are frequently occupied by college-related use, there is a lack of small and mid-size facilities in the areas most proximate to Cornelius.

Outside of downtown Charlotte, arts and entertainment spaces become limited. Several venues in downtown Charlotte – including Belk Theater, Booth Playhouse, Stage Door Theater, Duke Energy Theater, Ovens Auditorium, Knight Theater, and McGlohon Theater – are owned and/or managed by Blumenthal Performing Arts. In addition to the Belk Theater and Ovens Auditorium – both 2,000+ seat state-of-the-art theaters that regularly hosts Broadway shows and big-name concerts – Blumenthal's venues include smaller, mid-size theaters, as well as spaces with classrooms, studios, and galleries for local artists to display their work. The Neighborhood Theatre and Fillmore Charlotte are two large concert spaces in downtown Charlotte that frequently attract big acts. A few of the other arts facilities around the Lake Norman region are schools and churches, which are limited by availability, size, and technical abilities.

Outside of downtown Charlotte, there are very few facilities that can accommodate the high quality, more intimate arts and entertainment programming that the proposed Cain Center would target. A new arts facility in Cornelius which accommodates smaller and mid-size audiences would serve as a viable alternative to venues in downtown Charlotte and could capture a segment of the Greater Charlotte arts and entertainment market. There is an appetite among Lake Norman residents for high-quality arts and entertainment, and a relative lack of state-of-the-art venues outside of downtown Charlotte.

Figure 4-7

Arts & Entertainment Facility Inventory			
Facility	Type	Drive Time from Cain Center (minutes)	Capacity
PNC Music Pavillion	Amphitheater	24	18,812
Carowinds Paladium	Amphitheater	35	13,000
Halton Arena	Arena	29	6,000
Intimidators Stadium	Stadium	32	5,000
Charlotte Metro Credit Union Amphitheater	Amphitheater	25	4,983
Blumenthal Performing Arts - Ovens Auditorium	Theater	26	2,403
Blumenthal Performing Arts - Belk Theater	Theater	25	2,118
Fillmore Charlotte	Club	25	2,000
Blumenthal Performing Arts - Knight Theater	Theater	24	1,192
Neighborhood Theater	Theater	27	956
Amos' Southend	Club	26	750
Blumenthal Performing Arts - McGlohon Theater	Theater	23	730
Davidson College - Duke Family Performance Hall	Theater	7	600
The Visulite Theatre	Theater	29	540
Blumenthal Performing Arts - Booth Playhouse	Theater	25	444
Matthews Playhouse	Theater	40	380
Charles Mack Citizen Center - Auditorium	Theater	16	235
Blumenthal Performing Arts - Stage Door Theater	Theater	24	204
Davidson College - Tyler-Tallman Hall	Theater	7	200
Davidson College - Barber Theatre	Theater	7	175
Blumenthal Performing Arts - Duke Energy Theater	Theater	23	168
Armour Street Theater	Theater	7	115
TOTAL			61,005
<i>Includes venues located within a 30-minute drive time radius of the Cain Center site; does not include religious venues.</i>			
<i>Source: Johnson Consulting</i>			

Figure 4-8

EVENT FACILITY INVENTORY

Figure 4-9 and Figure 4-10 present a comprehensive inventory of facilities that serve demand for multipurpose events and activities in the Lake Norman region. This inventory is comprised of 27 facilities in total – it includes relevant facilities within a 35-minute drive of the Cain Center for the Arts and outside of downtown Charlotte. These facilities represent a wide array of sizes, types, and configurations, including room rentals, event centers, exhibition halls, hotels, colleges / universities, and arenas. The Charles Mack Citizen Center in Mooresville is the largest and most multi-functional of the facilities, offering both the traditional indoor ballroom as the largest event space, as well as a smaller junior ballroom and a couple of attractive outdoor spaces. As this list shows, there are many mid-size event spaces, but very few that cater to the arts. Many of these event spaces, such as the Sweet Magnolia Estate and the Historic Latta Plantation, cater to weddings, and are outdoor, historic venues. Other venues, such as Out of Time Escape

and Frankie's, are amusement and recreation spaces, and would cater to a different audience than the Cain Center for the Arts. The event spaces proximate to the Cain Center for the Arts – within a 10 minute drive – are primarily outdoor and/or recreational event spaces, and would not directly compete with the Cain Center in terms of the kinds of events they attract.

It should be noted that the event facility inventory in this report does not extend to downtown Charlotte. It goes without saying that there are several large event facilities in downtown Charlotte, including the Charlotte Convention Center and the Spectrum Center. The Consulting Team perceives these facilities to be less competitive with a new arts facility in Cornelius. Event planners that book at these facilities likely have a very different hierarchy of priorities in terms of decision-making factors when selecting a facility to host their events, such as proximity to a major airport or metropolitan area. A new facility in Cornelius would be likely to attract smaller scale, arts-centered events outside of downtown Charlotte.

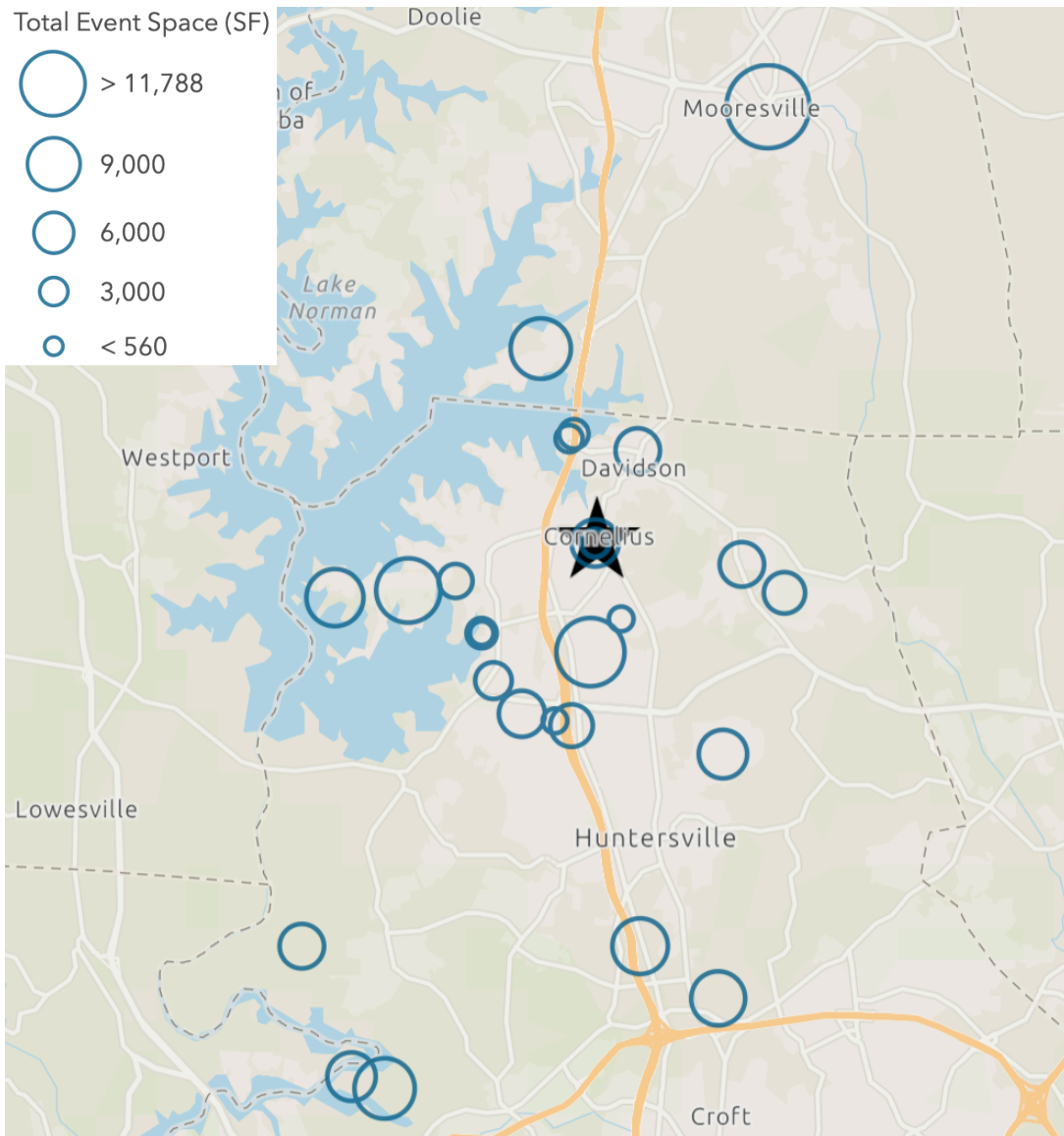
Figure 4-9

Event Facility Inventory			
Facility	Drive Time from Cain Center (minutes)	Capacity	Total Event Space (SF)
Charles Mack Citizen Center	16	300	11,788
Sweet Magnolia Estate	7	250	9,000
The Peninsula Club	11	550	8,250
Langtree Plantation	8	400	7,500
Carolina Raptor Center	25	500	7,500
Peninsula Yacht Club	14	460	6,900
Magnolia Woods	17	440	6,600
Frankie's	18	200	6,300
Historic Latta Plantation	27	350	5,250
NorthStone Country Club	13	350	5,250
Kadi Events	1	325	5,000
Birkdale Golf Club	13	320	4,800
Beaver Dam Historic House	10	300	4,500
Historic Rural Hill Cultural Center	24	300	4,500
Davidson College	5	300	4,500
Spare Time Lake Norman	10	275	4,125
River Run Country Club	14	260	3,900
Waterford Hall	11	200	3,000
Jetton Park	11	120	2,500
Carolina Grace Yacht	9	120	1,800
North Harbor Club	8	110	1,650
Brick Row	1	100	1,500
Aloha Studio	8	80	1,200
Studio 13	1	75	1,125
Out of Time Escape	12	50	750
The Range of Lake Norman	6	50	750
Kings Point	9	100	560
TOTAL		6,885	120,498

** If exact square footages were not available, assumed at 15 square feet per person at maximum capacity*

Includes relevant multipurpose event facilities within a 30-minute drive time radius of the Cain Center site

Source: Johnson Consulting

Figure 4-10

HOTEL INVENTORY

Another crucial consideration for the proposed arts and event center in Cornelius is the supply and performance of the hotel market. Hotels are necessary in order to attract touring and commercial performances and events, both arts-related and non-arts-related. Touring arts events and performances will often need accommodations for performers, crew members, and other personnel. Events like conventions, conferences, meetings, and exhibitions will often require hotel rooms for non-local attendees and may even require a room block if sufficiently sized. These factors make a strong case for locating the proposed arts and events center near existing hotel supply or considering stimulating the development of a hotel adjacent to the facility in the future.

Figure 4-11 presents an inventory of the hotel market in the Cornelius area. As shown, there are 27 hotels in the Lake Norman region, in the towns of Cornelius, Davidson, Huntersville, and Mooresville, accounting for 2,351 hotel rooms. Of these hotels featured in the inventory table below, 26% are classified as Upscale Class, 48% are classified as Upper Midscale Class, 15% as Midscale Class, and 11% as Economy Class. Upscale hotel rooms either adjacent to or within walking distance to a facility like the arts and event center make the facility more attractive to event planners and promoters and Upper Midscale and Midscale hotel rooms can be attractive as well albeit to a lesser degree. Hotels tend to increase in both size and quality farther away from Cornelius – a result of capturing the more developed hotel markets in Charlotte. Although these more distant room supplies could accommodate overflow in the rare event of a very large event coming to Cornelius, they are too distant to be of benefit on a regular basis.

The Lake Norman region will also be expanding its hotel inventory in the next few years. The SpringHill Suites by Marriott (about 120 rooms) is currently under construction and slated to open in 2021, and two hotels have been proposed and are under review by city government – the Hilton Garden Inn in Huntersville (about 130 rooms), and the Sefton Hotel & Conference Center in Cornelius (about 110 rooms). The additions of these hotels in the Lake Norman region will be beneficial for the Cain Center for the Arts and are an exciting opportunity to attract out-of-town visitors to the region.

Figure 4-11

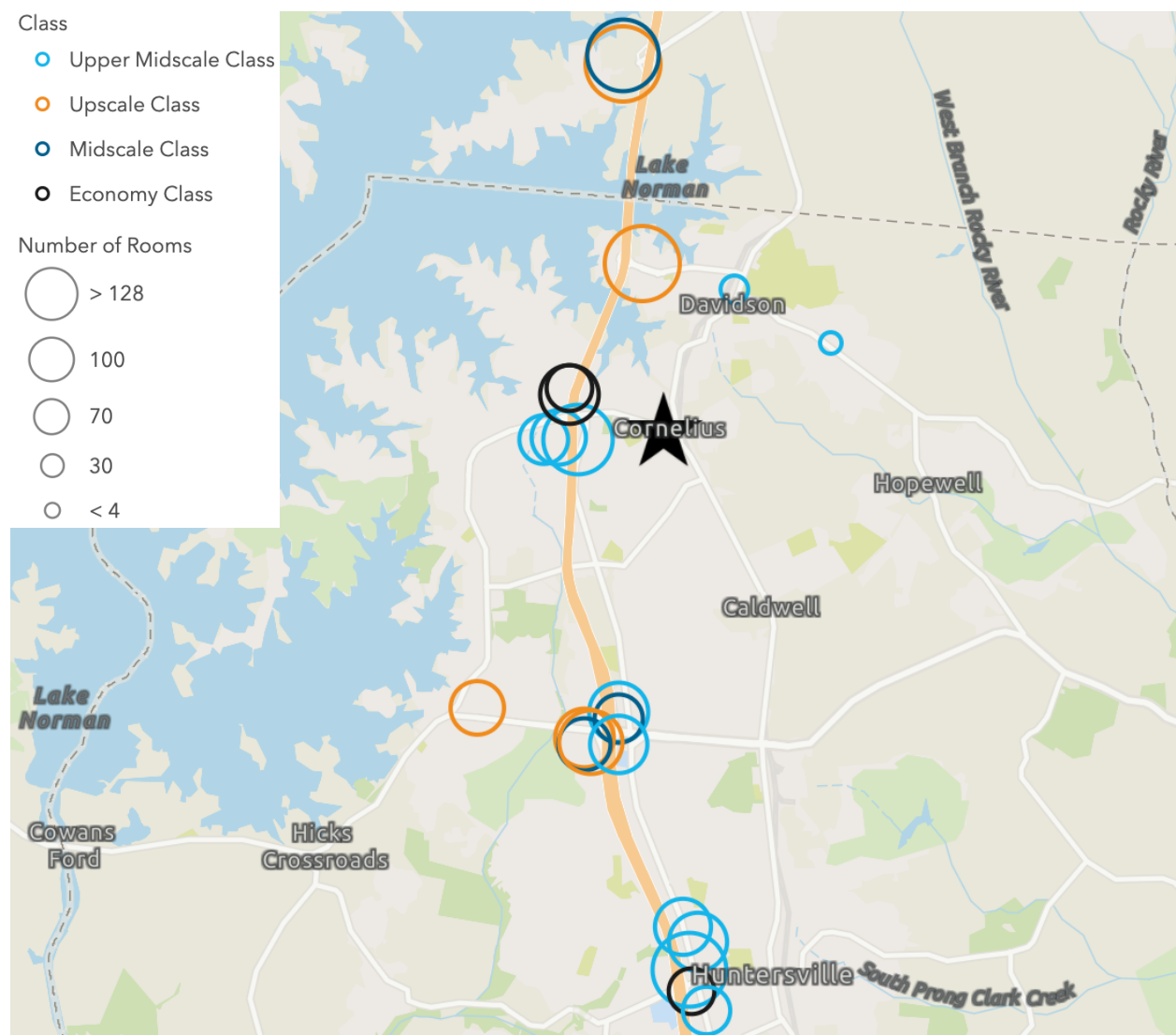
Hotel Inventory					
Hotel	Location	Drive Time to Cain Center (minutes)	Class	Year Opened	Number of Rooms
Hampton by Hilton Inn Charlotte-North/Lake Norman	Cornelius, NC	5	Upper Midscale Class	1990	115
Clarion Inn & Suites Cornelius	Cornelius, NC	6	Upper Midscale Class	1992	80
Comfort Inn & Suites Lake Norman Cornelius	Cornelius, NC	7	Upper Midscale Class	1999	67
Econo Lodge Inn & Suites Lake Norman Cornelius	Cornelius, NC	7	Economy Class	1988	90
Microtel Inn & Suites by Wyndham Cornelius Lake Norman	Cornelius, NC	7	Economy Class	1996	60
Homewood Suites by Hilton Davidson	Davidson, NC	8	Upscale Class	2008	128
Holiday Inn Express & Suites Huntersville Birkdale	Huntersville, NC	8	Upper Midscale Class	1999	91
Quality Inn Huntersville Near Lake Norman	Huntersville, NC	9	Midscale Class	1999	66
Residence Inn Charlotte Lake Norman	Huntersville, NC	10	Upscale Class	2002	78
Courtyard Charlotte Lake Norman	Huntersville, NC	11	Upscale Class	1998	90
Candlewood Suites Huntersville Lake Norman	Huntersville, NC	11	Midscale Class	2001	75
Four Points by Sheraton Charlotte Lake Norman	Huntersville, NC	12	Upscale Class	2001	101
Country Inn & Suites Lake Norman Huntersville	Huntersville, NC	11	Upper Midscale Class	1999	87
aloft Hotel Mooresville	Mooresville, NC	8	Upscale Class	U/C	128
Tru by Hilton Mooresville	Mooresville, NC	8	Midscale Class	2020	120
My Place Huntersville	Huntersville, NC	12	Upper Midscale Class	2020	84
Comfort Suites Lake Norman Huntersville	Huntersville, NC	13	Upper Midscale Class	2010	89
Hampton by Hilton Inn & Suites Huntersville	Huntersville, NC	12	Upper Midscale Class	2011	125
Super 8 Huntersville/Charlotte Area	Huntersville, NC	13	Economy Class	1994	60
Home2 Suites by Hilton Charlotte Mooresville	Mooresville, NC	11	Upper Midscale Class	2019	96
SpringHill Suites Charlotte Lake Norman/Mooresville	Mooresville, NC	11	Upscale Class	2006	107
Best Western Plus Huntersville Inn & Suites Near Lake Norman	Huntersville, NC	13	Upper Midscale Class	2000	64
TownePlace Suites Charlotte Mooresville	Mooresville, NC	12	Upper Midscale Class	2009	116
Candlewood Suites Mooresville Lake Norman	Mooresville, NC	11	Midscale Class	2012	90
Hilton Garden Inn Charlotte Mooresville	Mooresville, NC	12	Upscale Class	2008	122
TOTAL					2,329

Source: Johnson Consulting

Figure 4-11 maps the hotels within Cornelius proper. As shown, the hotel inventory is mostly concentrated along Interstate 77 and heavily clustered around the busiest exists.

Ideally, a new arts and event center in Cornelius would be located near higher quality hotels and could anticipate a hotel / mixed-use development to be built to serve the complex, either now or soon after the complex opens. If sufficient parking infrastructure is in place at the new facility, driving would be an acceptable option for some patrons. However, a facility that is adjacent to or within walking distance from hotel(s) is always preferable.

Figure 4-12



CASE STUDIES

In order to understand the potential operating characteristics for the Cain Center for the Arts in Cornelius, this section presents case study profiles of a set of regional and national comparable facilities, as well as the markets within which they operate. The key characteristics of these case studies are provided in the following profiles, and include:






- Location, size, character, and attributes of the market and the areas adjacent to the facility
- Location, size, character, and attributes of the facility
- Ownership, operations, and management structure of the facility
- A demand profile, including the number of events, type of events, and total attendance, as available
- A financial profile, including operating revenues and expenses as well as supplementary non-operating revenues such as public grants and private contributions, as available

This information provides insight into the scale of facility that could be realistically feasible in Cornelius, as well as some general parameters within which the proposed facility could reasonably expect to operate in terms of demand and financial performance. These venues were selected for a variety of reasons such as the program of spaces, operation and management structure, market similarities, geographic proximity, and key lessons to be learned about how to optimize demand potential and financial sustainability. The following table summarizes the key attributes of the facilities identified as part of this analysis:

- Buckhead Theater – Atlanta, GA
- Sandy Springs Performing Arts Center & Conference Center – Sandy Springs, GA
- Arvada Center for the Arts & Humanities – Arvada, CO
- Parker Arts Culture & Events Center – Parker, CO
- Lawrence Arts Center – Lawrence, KS

Figure 4-13 summarizes the key insights from each of the case studies, which will be expanded upon in the following subsections.

Figure 4-13

Case Studies						
	Cain Center for the Arts	Buckhead Theater	Sandy Springs Performing Arts & Conference Center	Arvada Center for the Arts & Humanities	Parker Arts Culture & Event Center	Lawrence Arts Center
						
Market						
Location	Cornelius, NC	Atlanta, GA	Sandy Springs, GA	Arvada, CO	Parker, CO	Lawrence, KS
30-Minute Drive Time Statistics						
Population	864,730	1,663,471	1,678,513	1,847,730	1,330,886	216,226
Median Household Income	\$65,071	\$71,385	\$81,985	\$75,207	\$85,600	\$60,021
Median Age	36.2	35.1	35.8	36	37	33.8
Arts & Entertainment as % of Total Employment	2.7%	1.8%	1.7%	2.9%	2.4%	3.5%
Arts & Entertainment as % of Total Sales	1.3%	0.8%	0.6%	0.7%	0.5%	2.2%
Facility						
Owner	Cain Center for the Arts	Charles Loudermilk	City of Sandy Springs	Arvada Center	Town of Parker	City of Lawrence
Manager / Operator	Cain Center for the Arts	LiveNation	City of Sandy Springs	Arvada Center	PACE Center	Lawrence Arts Center
Year Built (Renovated)	TBD	1930 (2011)	2018	1976 (2006)	2011	2002
Primary Venue Capacity	400	1,600	1,070	526	542	300
Primary Venue Rental Package	-	\$4,000 - \$8,500 / Day	\$4,480 - \$8,000 / Day (with labor)	Very limited rental availability	\$1,500 - \$2,500 / Day	\$1,350 / Day
Secondary Venue Capacity	-	-	350	226	200	100
Secondary Venue Rental Package	-	-	\$3,600 - \$5,000 / Day (with labor)	Very limited rental availability	\$1,000 / Day	\$900 / Day
Footprint (SF)	30,000	8,000	57,400	90,835	52,000	40,000
Supporting Facilities	Galleries, Classrooms, Outdoor Plaza	Movie Theater, Private Event Space	Studio, Administrative Offices	History Museum, Galleries, Rehearsal Rooms, Classrooms, Conference Center, Amphitheater	Art Gallery, Classrooms, Chapel	Art Galleries, Studios, Classrooms
Demand	-					
Total # of Events per Year	-	-	500	462	239	160
Total # of Visitors per Year	-	-	-	150,275	64,500	13,587 (Ticketed)
Financials	-	-				
Operating Revenue	-	-	\$918,800	\$5,917,506	\$2,924,377	\$1,625,608
Operating Expenses	-	-	\$3,619,800	\$11,373,419	\$6,248,689	\$2,992,056
Net Operating Income (Deficit)	-	-	(\$2,701,000)	(\$5,455,913)	(\$3,324,312)	(\$1,366,448)
Public Support	-	-	\$2,701,000	\$3,776,546	\$2,110,255	\$1,411,947
Grants	-	-	\$0	\$1,125,429	\$473,858	\$0
Private Contributions	-	-	\$0	\$790,529	\$160,560	\$0
Net Income	-	-	\$0	\$236,591	(\$579,639)	\$45,499
Source: Relevant Facilities, Esri, Johnson Consulting						

MARKET

The Cain Arts Center is located within a solid market that is competitive with that of the case study facilities. The population within a 30-minute drive of the Cain Center is nearly 865,000, which is nearly 4 times that of the Lawrence Arts Center, albeit smaller than that of the other 4 case studies. The Lake Norman market has a median household income of over \$65,000 per year, which is higher than that of the Lawrence Arts Center but again below the other case study markets. The case study markets have similar age profiles, although Lawrence, a college town, is slightly younger on average. The Lake Norman market also falls in the middle of the group in terms of the percentage of total employment and sales that are accounted for by the arts and entertainment industry sectors, showing both a healthy existing industry as well as room for growth. While these indicators are not a strict predictor of a community's ability to support a facility like the Cain Center for the Arts, they provide context to each of the case studies and deeper insight into the markets within which they operate.

FACILITY

The case studies represent a variety of ownership and management structures. The facilities in Sandy Springs, Parker, and Lawrence are owned by the local government, while the Arvada Center is owned and operated by a non-profit and the Buckhead Theater is privately owned and operated. The Buckhead Theater and Sandy Springs Performing Arts Center have larger primary venues at 1,600 and 1,070 seats, respectively, while the Arvada Center, PACE Center, and Lawrence Arts Center are more comparable to the 400-seat Cain Center at 526, 542, and 300 seats, respectively. All of the case studies have an additional secondary venue ranging in size from 100 to 350 seats, with the exception of the Buckhead Theater which, like the Cain Center, has no secondary venue. Primary venue rental rates range from \$1,350 per day at the Lawrence Arts Center to \$8,500 per day at the Buckhead Theater, with rates varying depending on the day of the week, type of event, type of organization renting the facility, and inclusion of labor packages. The building footprint of the case studies ranges from the Buckhead Theater's compact 8,000 square feet to the Arvada Center's 90,835 square feet, with the Cain Center facility encompassing approximately 30,000 square feet. In terms of supporting facilities, many of the case studies have art galleries, studio spaces, classrooms and meeting rooms, administrative offices, and outdoor function spaces. The Arvada Center has an outdoor amphitheater venue as well that hosts a robust summertime concert series.

DEMAND & FINANCIALS

Demand data is often difficult to compare for these types of facilities, as there is wide variance in data recording and reporting methods. The case study facilities reported hosting between 160 (Lawrence Arts Center) and 500 (Sandy Springs) unique events in the most recent year available, and reported total visitation numbers between 64,500 (PACE Center) and 150,275 (Arvada Center). The Lawrence Arts Center only tracks paid, ticketed event attendees, which accounted for 13,587 attendees in 2019.

Financial data is also difficult to compare for these types of facilities, especially given their differing ownership and management structures. Johnson Consulting was able to obtain financial statements for all of the case studies except the Buckhead Theater, whose private ownership and management would not disclose proprietary information. The most effective comparisons in this analysis involve separating operating revenue (revenue from rentals, programming, education, food and beverage sales, advertising, and other forms of earned revenue) from contributed revenue (public grants and private contributions), and comparing that to the expenses generated by each facility. As shown, operating revenue ranges from just under \$919,000 per year at the Sandy Springs Performing Arts Center (which is still ramping up its business after having opened in 2018) to over \$5.9 million per year at the Arvada Center. Operating expenses ranged from just under \$3 million per year at the Lawrence Arts Center to nearly \$11.4 million per year at the Arvada Center. These operating revenues and expenses equate to net operating deficits ranging from nearly \$1.4 million per year at the Lawrence Arts Center to nearly \$5.5 million per year at the Arvada Center, indicating that all of the case study facilities require contributed revenues on an annual basis in order to balance their budgets, which is typical for performing arts center-type facilities. Public support accounts for the largest share of contributed revenue sources for the case studies, followed by grants and private contributions. It should be noted that each facility has its own unique operating model that is supported by a combination of earned and contributed revenues, and that new facilities like the Cain Center are more than capable of forging their own path and creating a model that works for themselves. These case study financial statements can be used to contextualize the forthcoming financial projections for the Cain Center in Section 5 of this report, but should not be seen as factors that strictly limit the Cain Center's potential financial performance.

IMPLICATIONS

The facility inventories for arts facilities, event facilities, and hotels in the northern Lake Norman Region reveals that, in line with the anecdotal evidence that was gathered in the community engagement process, there is a market opportunity for both an arts center facility and an event center facility in Cornelius. Although there are a significant number of arts and event facilities across the region, the size and growth trajectory of the northern Lake Norman is sufficient to support these facilities. In addition, there is a notable shortage of arts and event facilities within the Cornelius community itself. The magnitude of this shortage will impact the recommendation for the new facilities, which will be addressed in the later sections of this report.

The case studies demonstrate the various models that can be pursued among arts and event center facilities. In terms of the program of these facilities, some are more presentation-focused, some are more production-focused, others are more education-focused, and many offer a hybrid of these three missions. Each facility was conceptualized in order to serve the needs of the community and market area within which they operate, providing arts and entertainment facilities and programming without replicating or cannibalizing demand from the other existing entities in the market. These facilities host hundreds of events that draw tens or even hundreds of thousands of attendees each year and have a wide array of financial models that are employed to fund capital and operational expenses. These facilities do not typically

generate operating profits – in fact, many require contributed revenue to balance their operating budgets, which can come in the form of public support, grants, or private contributions. With a well-thought-out rental rate structure, a robust sales and marketing operation, and additional ancillary revenue streams, the need for operating support can be minimized. Overall, the case study facilities provide examples of where these types of facilities have been successfully developed in other similar markets and provide a window within which Cornelius’s proposed arts and event center could expect to operate.

SECTION 5
IMPLEMENTATION, PROJECTIONS, & IMPACTS

IMPLEMENTATION, PROJECTIONS, & IMPACTS

IMPLEMENTATION

In this section, the Consulting Team presents recommendations for the funding and implementation of the proposed Cain Center for the Arts and Town Center district projects. One of the most important outstanding questions surrounding these projects is how to fund 1) the remaining gap that exists between the funds that have been assembled for the construction and development of the facility itself, 2) the facility's annual operating expenses, and 3) the Town Center district's expenses. Each of these expenses will need to be covered (at least partially) by government grant funding. Johnson Consulting contemplated 4 unique approaches to addressing this issue:

- **Municipal Service Districts (MSD):** This mechanism, commonly referred to as “Business Improvement Districts,” is known as Municipal Service Districts in the State of North Carolina and is governed by the Municipal Service Districts Act (G.S. Ch. 160 A, Art. 23). An MSD is a defined geographic area within which the municipality levies an additional property tax in order to generate funding for designated projects or services within the district. The State of North Carolina allows MSDs to be created for a number of purposes, the most relevant for the Cain Center project being downtown and urban revitalization projects and off-street parking facilities. MSD revenue could be used for both capital and/or operating costs incurred by the Cain Center, as well as Town Center district-related expenses. Any debt that would be taken on to cover capital costs would be financed by Special Assessment Bonds, which are governed by G.S. 160A, Article 10A and secured by the additional property tax revenue generated by the MSD. In order to establish an MSD, the Town of Cornelius would need to prepare an MSD plan that would be publicly available and subject to a public hearing process. A service district tax rate, when combined with the Town's and County's ad valorem property tax rate of 0.8389%, cannot exceed 1.5% without approval from a majority of the qualified voters within the MSD. Essentially, this means that the maximum additional property tax rate that can be levied within an MSD in Cornelius would be 0.6611%. Once the MSD is established, the Town of Cornelius could adjust the rate each year and could choose not to levy the tax during certain fiscal years without abolishing the MSD itself.
- **Project Development Financing:** This mechanism, commonly referred to as “Tax Increment Financing,” is known as Project Development Financing in the State of North Carolina and is governed by the Project Development Financing Act (G.S. Ch. 159, Article 6). PDF is a debt financing instrument that allows local governments to borrow money in the form of project development bonds for the purpose of funding public improvements and attracting investment within a designated geographic area. The debt is secured and repaid by the incremental property tax revenue that is generated over and above the original baseline amount that was collected upon the project development district's creation. PDF can be employed to fund the capital costs (not operational costs) of a variety of project types, most relevantly including auditoriums, civic centers, arts centers, and facilities for exhibitions, athletic and cultural events, shows, and public gatherings,

as well as parking infrastructure. The size of a project development district cannot exceed 5% of the municipality's total land area. The Town of Cornelius occupies approximately 15.07 square miles, meaning that the project development district could be as large as 0.7535 square miles. In order to establish a project development district, the Town of Cornelius would need to develop a project development financing plan that would require a public hearing process as well as approval from Mecklenburg County as well as the Local Government Commission.

- **Synthetic Project Development Financing:** Unlike the two district-based strategies, this approach would employ townwide ad valorem property tax revenue and/or tourism-related tax revenues such as Hotel Occupancy Tax, U Drive It Tax, or Prepared Food & Beverage Tax in order to boost tax revenues received by the Town of Cornelius and cover the capital and/or operational costs of the Cain Center. The Town of Cornelius's tourism-related tax revenues flow into the Tourism Fund, which is currently operating at a deficit, and therefore makes these funds unlikely to be a feasible source of income for this type of funding strategy. Debt financing mechanisms that could be employed under this approach include both general obligation bonds or installment purchase financing, which are governed by G.S. Ch. 159, Article 4 and G.S. Ch. 160A-20, respectively. The former option would need to be approved by voter referendum, while the latter option would not require a referendum. This approach would otherwise be subject to the regulations imposed by the respective debt financing mechanisms.
- **Interlocal Agreement:** Similarly to the Synthetic Project Development Financing approach, and Interlocal Agreement would involve the use of townwide ad valorem property tax revenue and/or tourism-related tax revenues to generate funds needed to supplement capital and/or operational costs of the Cain Center. Interlocal agreements in North Carolina are governed by G.S. 160A, Article 20, which lays out the various types of joint undertakings that can be pursued by local government entities – most relevantly for the Cain Center project are facility authorities and generalized revenue and expenditures for joint undertakings. Facility authorities have far more specific guidelines in the code, which are laid out in Part 4 of the legislation, while generalized revenue and expenditure agreements are far more flexible. Debt financing mechanisms within this approach could include general obligation bonds or installment purchase financing. Interlocal Agreements have already been used successfully in the Lake Norman region for the funding for organizations like Visit Lake Norman and Lake Norman Economic Development, as well as for projects like the Commerce Station industrial park.

The various considerations for each implementation strategy are summarized in Figure 5-1.

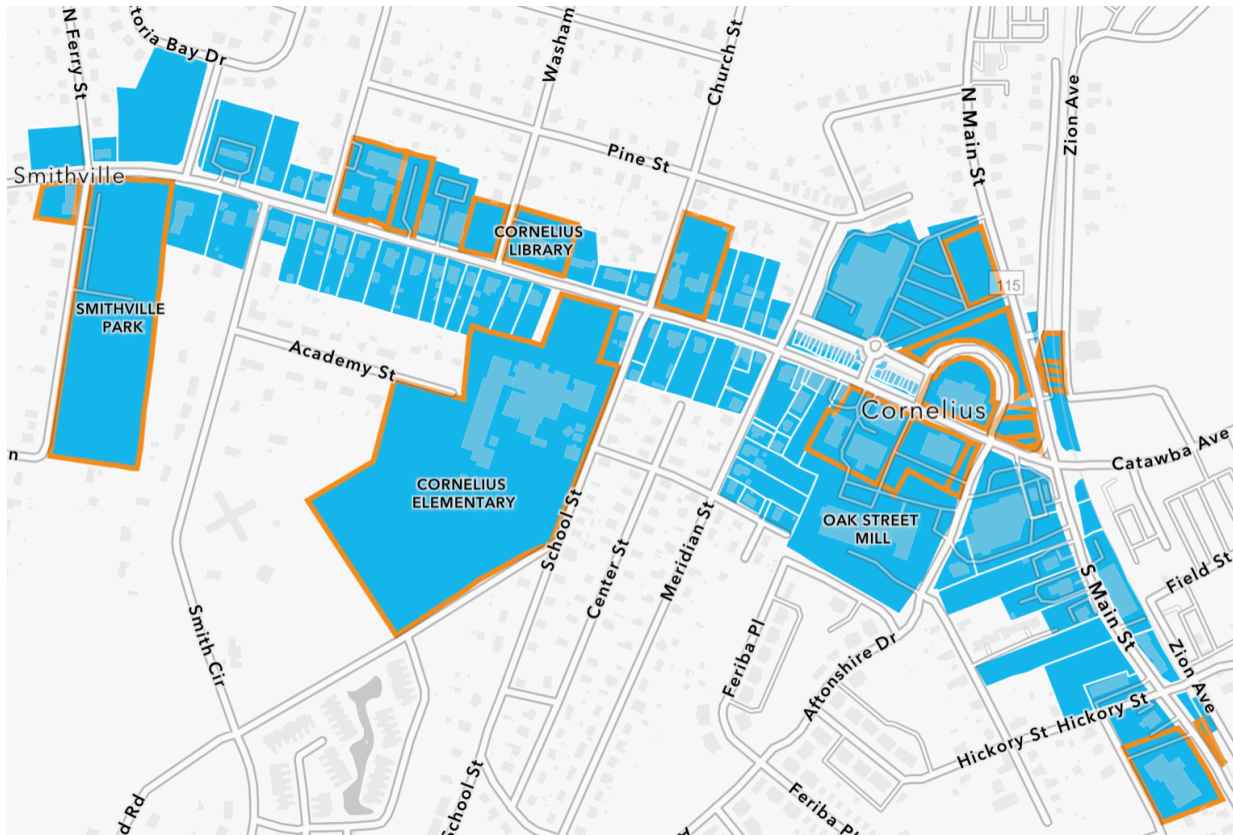
Figure 5-1

Implementation Strategies				
District-Based Strategies			Townwide & Regional Strategies	
	Municipal Service District (MSD)	Project Development Financing (PDF)	Synthetic Project Development Financing	Interlocal Agreement
Common Name	Business Improvement District (BID)	Tax Increment Financing (TIF)	N/A	Intergovernmental Agreement (IGA)
Enabling Legislation	Municipal Service District Act (G.S. 160 A, Article 23)	Project Development Financing Act (G.S. 159, Article 6)	G.S. 160A-20 and G.S. 159, Article 4	Interlocal Cooperation Act (G.S. 160A, Article 20)
Source of Funds	Special Assessment Property Tax Revenue from within MSD	Incremental Property Tax Revenue from within PDF District	- Townwide Ad Valorem Property Tax Revenue - Townwide Tourism-Related Tax Revenue (Hotel Occupancy Tax, U Drive It Tax, Prepared Food & Beverage Tax)	- Townwide Ad Valorem Property Tax Revenue - Townwide Tourism-Related Tax Revenue (Hotel Occupancy Tax, U Drive It Tax, Prepared Food & Beverage Tax)
Tax Burden by Land Use	Primarily Commercial	Primarily Commercial	Commercial & Residential	Commercial & Residential
Tax Burden by Geographic Area	District	District	Townwide	Townwide
Debt Financing Mechanisms	Special Assessment Bonds	Project Development Financing	General Obligation Bonds or Installment Purchase Financing	General Obligation Bonds or Installment Purchase Financing
Project Types*	Urban/Downtown Revitalization Off-Street Parking Infrastructure	Auditoriums Arts Centers Facilities for cultural events, shows, & public gatherings	All	Facility Authorities Revenue & Expenses for Joint Undertakings
Funding Types	Capital and/or Operational	Capital	Capital and/or Operational	Capital and/or Operational
Rules & Regulations	- MSD's incremental tax rate cannot exceed 0.6611% in Cornelius - MSD's incremental tax rate can be adjusted annually - Town of Cornelius can choose not to levy MSD's incremental tax rate for certain fiscal years without abolishing the MSD itself	- Size of project development district cannot exceed 5% of the total land area of the Town of Cornelius, or approximately 0.7535 square miles	- General Obligation Bonds: Secured by Full Faith & Credit of Town of Cornelius (G.S. Ch. 159, Article 4) - Installment Purchase Financing: Secured by Cain Center Asset Itself (G.S. Ch. 160A-20) Subject to Process of Debt Financing Mechanism:	- Revenue & Expenditures for Joint Undertakings: relatively flexible - Facility Authorities: relatively strict Subject to Process of Project Type:
Process for Creation	- Town of Cornelius would need to develop an MSD plan that is subject to public hearing process	- Town of Cornelius would need to develop a project development financing plan that requires public hearing process and approval from Mecklenburg County and Local Government Commission	- General Obligation Bonds: Requires Voter Referendum - Installment Purchase Financing: Does Not Require Referendum	- Revenue & Expenditures for Joint Undertakings: relatively flexible - Facility Authorities: relatively strict

*Implementation strategies can be used for a variety of project types, but this table lists only those that are relevant for the Cain Center and Town Center district projects
Source: State of North Carolina, University of North Carolina School of Government, Johnson Consulting

DISTRICT-BASED STRATEGIES

If the Town chooses to pursue a district-based approach, such as the MSD or the PDF, determining the geographic area included in the district will be an important consideration. Typically, targeted property tax levies are rationalized based on the benefit that the project (in this case, the Cain Center and the Town Center district) provides to the surrounding district, such as increased foot traffic, activity levels, spending at local businesses, entertainment opportunities for residents, tourism, and commercial property values. In order to justify the materialization of these benefits, the taxing district should be primarily concentrated in the areas around the Cain Center facility and Town Center district. The Town of Cornelius has previously contemplated an arts district within the boundaries shown in Figure 5-2. This district was devised purely on a land-use basis, without regard for potential funding opportunities. Nevertheless, it serves as a place to start in terms of determining an MSD or PFD-related taxing district to help fund the Cain Center facility and Town Center district projects. The parcels in blue are within the previously envisioned arts district, and the parcels outlined in orange are religious buildings, parks, or other town-owned parcels that are exempt from property taxes.

Figure 5-2

As shown, a large portion of the previously envisioned arts district is comprised of property tax exempt parcels, which is detrimental to the district's potential to generate a large enough volume of property tax revenue to provide funding for the Cain Center and Town Center district. Figure 5-3 estimates the total amount collected in property taxes from the parcels within the arts district in 2020. As shown, the district generated just over \$87,000 in property tax revenue for the Town of Cornelius in 2020.

Figure 5-3

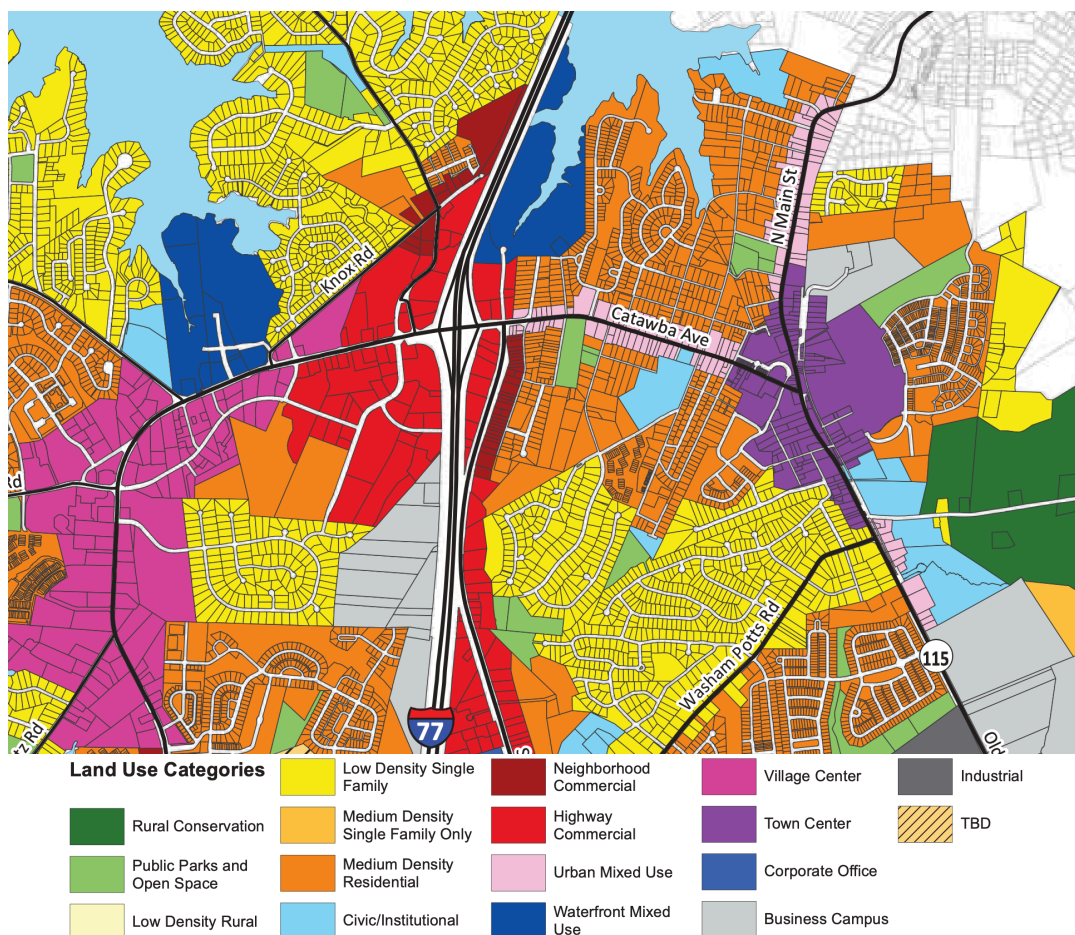
Property Tax Collections within Proposed Cain Center for the Arts District (2020)							
	Assessed Value	Town of Cornelius		Mecklenburg County		Total	
		Property Tax Rate	Property Tax Collections	Property Tax Rate	Property Tax Collections	Property Tax Rate	Property Tax Collections
Property Tax Exempt Parcels	\$33,029,700	0.0000%	\$0	0.0000%	\$0	0.0000%	\$0
Non-Property Tax Exempt Parcels	\$39,364,000	0.2220%	\$87,388	0.6169%	\$242,837	0.8389%	\$330,225
Source: Mecklenburg County, Johnson Consulting							

In the case of an MSD, the maximum additional property tax assessment that could be made within the district according to the State of North Carolina is 0.6611%, although this represents a 78% increase in the 0.8389% property tax rate that is currently levied in the district. Even at that astronomical additional assessment rate, the district would still only generate approximately \$260,000 in annual property tax revenue at current valuation levels.

In the case of a PFD, the “baseline” would be set at this approximate \$87,000 figure, and any incremental property tax revenue generated over and above that baseline in future years would go toward the Cain Center. Given the strong development momentum in the Lake Norman Region, it could be anticipated that property tax revenue growth would be strong in general, whether that be a result of increasing property valuations, redevelopment of parcels within the district, or new developments within the district. However, the arts district footprint is limited and includes parcels that are almost exclusively already developed or exempt from property taxes, so this growth is not as likely to occur within the proposed boundaries of the district. Cornelius’ townwide development growth and growth in assessed value has slowed substantially over the past several years due to the growth management policies implemented in the 2014 update to the Town’s Land Use Plan which is intended to be more restrictive on residential density.

Because of this, in order for a PFD or MSD approach to be plausible, the arts district boundary would need to be expanded. For context, a land use map for the Town of Cornelius is presented in Figure 5-4. The most logical expansions would be to include more of the parcels along North and South Main Street (shown in light pink and purple in the map below), along Interstate 77 (shown in red in the map below), and/or further west along Catawba Avenue (shown in red and dark pink below).

Figure 5-4



Theoretically, expanding the arts district boundary is within the realm of possibility. As previously mentioned, the only size restriction imposed by the MSD/PDF legislation is that the size of the PDF district must not exceed 5% of the total area of the Town of Cornelius. The proposed arts district is approximately 0.15 square miles, which leaves plenty of room for expansion before reaching the 5% maximum of 0.7535 square miles. However, the process of drawing and redrawing district boundaries could be a controversial process as landowners organize in support of or opposition to increased tax rates for their properties, and the additional taxes become harder to justify as the district extends farther from the proposed Cain Center and Town Center district projects.

TOWNWIDE & REGIONAL STRATEGIES

If the Town chooses to pursue a townwide or regional approach, such as Synthetic Project Development Financing or an Interlocal Agreement, it (along with other participating jurisdictions) will need to determine where the extra funds will come from that will go towards debt service and/or operational subsidies for the Cain Center and Town Center district-related expenses. Johnson Consulting believes there are two possible sources to be considered in this scenario: 1) citywide ad valorem property taxes and 2) tourism-related taxes such as Hotel Occupancy Tax, U Drive It Tax, and Prepared Food & Beverage Tax.

Property tax increases would be justified on the basis of the Cain Center and Town Center district's added value to the community – amenities to be enjoyed by residents that could spur additional growth in the area and catalyze increased activity levels and patronage for local businesses in the Lake Norman Region. Figure 5-5 presents the total amount of property tax revenue collected within the Town of Cornelius for fiscal years 2017 – 2021. As shown, the town has experienced a 20.8% increase in property tax collections since 2017, even with the FY 2021 estimate being more conservative due to the COVID-19 pandemic. Most of this jump is a result of the 0.020% increase in the property tax rate above the revenue neutral rate that occurred in FY 2020. As the community's tax base grows, so too do its expenses, although some of this increased revenue could potentially go toward the Cain Center and Town Center district projects.

Figure 5-5

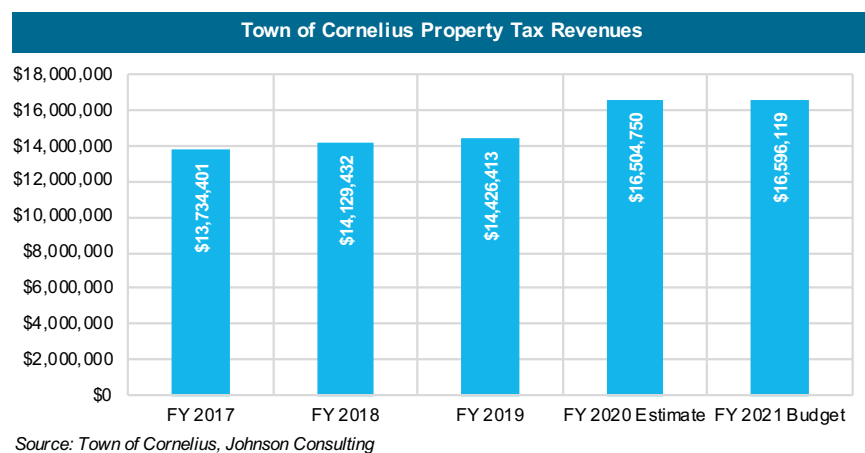


Figure 5-6 shows where this property tax revenue comes from in terms of the parcel-level assessed values throughout the town. As shown, a large share of Cornelius's property tax revenue comes from:

- Commercial properties located along Interstate 77, Catawba Avenue, and Main Street
- Larger residential properties in western Cornelius, especially along the shoreline of Lake Norman

Figure 5-6

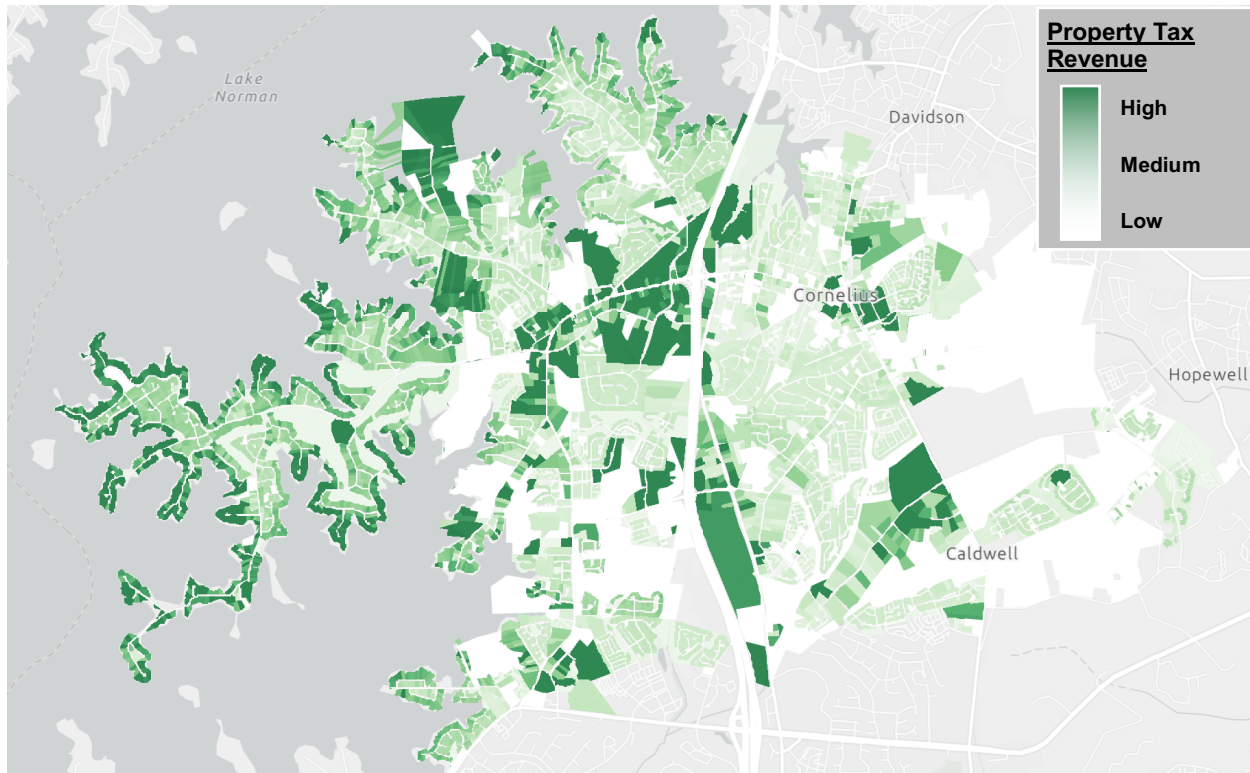


Figure 5-7 depicts the historical property tax rates for the Town of Cornelius since fiscal year 2012, showing that the property tax rate for fiscal years 2020 and 2021 is the lowest it has been during this period. The Town of Cornelius is able to have low tax rates because it has one of the highest townwide assessed valuations in the County. Although the rate itself is relatively low for fiscal years 2020 and 2021, the 0.222% rate is actually 0.020% above the revenue neutral rate of 0.202%.

Figure 5-7

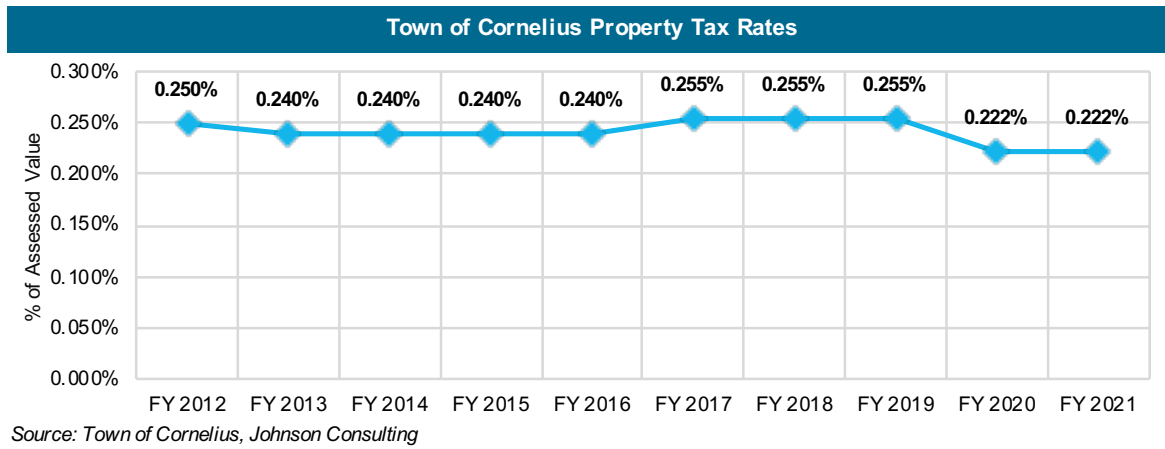


Figure 5-8 shows municipal property tax rate for Town of Cornelius compared to the other cities and towns within Mecklenburg County for fiscal year 2021. As shown, Cornelius has the lowest property tax rate of any of the other municipalities, a rate that is approximately 21% below the average. In other words, Cornelius has a strong argument to justify a modest increase in its property tax rate in order to provide funds for the Cain Center and other important community projects and services. Other towns that could participate in an Interlocal Agreement may not have as much room to increase property tax rates, however.

Figure 5-8

Mecklenburg County Property Tax Rates by Jurisdiction			
Municipality	Municipal Rate	County Rate	Total Rate
City of Charlotte	0.3481%	0.6169%	0.9650%
Town of Pineville	0.3300%	0.6169%	0.9469%
Town of Davidson	0.2900%	0.6169%	0.9069%
Town of Matthews	0.2800%	0.6169%	0.8969%
Town of Mint Hill	0.2550%	0.6169%	0.8719%
Town of Huntersville	0.2400%	0.6169%	0.8569%
Town of Cornelius	0.2220%	0.6169%	0.8389%
Average	0.2807%	0.6169%	0.8976%

Source: Mecklenburg County, Johnson Consulting

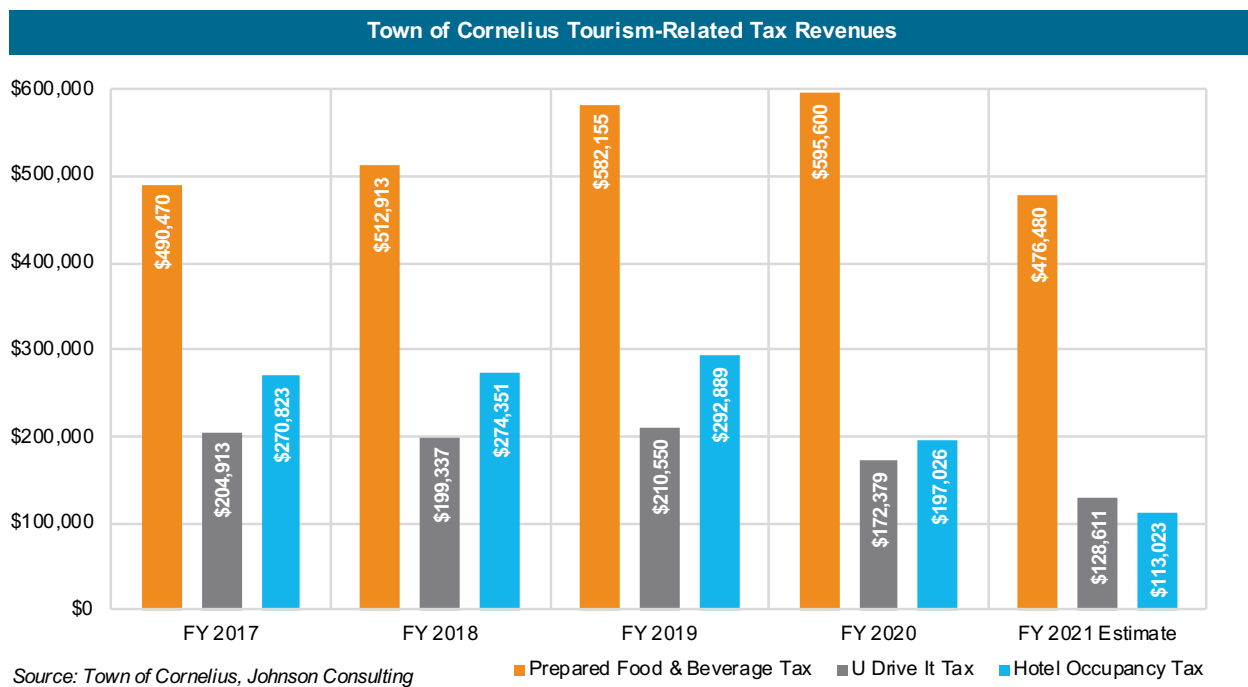
Figure 5-9 presents the hypothetical increased revenues that could be generated if the Town of Cornelius were to increase its property tax rates to 1) the previous high of 0.2550% as it was in fiscal years 2017 – 2019 and 2) the average rate among other Mecklenburg County municipalities, 0.2807%. As shown, the Town of Cornelius could expect to generate an additional \$2.5 million annually in the former scenario, and could expect an additional \$4.4 million annually in the latter scenario, according to the Town's total assessed value as of fiscal year 2021. This magnitude of funds would significantly bolster the Town's resources to fund the Cain Center and Town Center district projects.

Figure 5-9

Town of Cornelius Property Tax Rates vs. Collections				
Scenario	Assessed Value (FY 2021)	Property Tax Rate	Property Tax Collections	Increase in Collections
Current Rate	\$7,475,729,279	0.2220%	\$16,596,119	N/A
Increase to FY 2017-2019 Rate	\$7,475,729,279	0.2550%	\$19,063,110	\$2,466,991
Increase to County Average Rate	\$7,475,729,279	0.2807%	\$20,984,372	\$4,388,253

Source: Town of Cornelius, Johnson Consulting

Tourism-related taxes are another common source of funding for public assembly facilities, including convention centers, performing arts venues, and sports facilities. The rationale for this approach is that these types of facilities boost tourism visitation in the area, and in turn, spending at area hotels, restaurants and bars, and rental vehicles. Figure 5-10 presents the total amount of tourism-related taxes that have collected by the Town of Cornelius since fiscal year 2017. As shown, between fiscal years 2017 and 2019, collections for Prepared Food and Beverage Taxes, U Drive It Taxes, and Hotel Occupancy Taxes increased by 18.7%, 2.8%, and 8.1%, respectively, before dipping as a result of the COVID-19 pandemic. Again, this analysis focuses on the Town of Cornelius, but these trends are likely similar across all towns in the Lake Norman Region.

Figure 5-10

It should be noted that these taxes are collected by Mecklenburg County and then remitted to the municipalities monthly, and that 28% of Hotel Occupancy Tax collections and 25% of Prepared Food & Beverage Tax are statutorily required to go to Visit Lake Norman. The current tax rates for the Prepared

Food and Beverage Taxes, U Drive It Taxes, and Hotel Occupancy Taxes in Mecklenburg County are 1%, 5%, and 6%, respectively, and there does not appear to be a likely political means for increasing these rates in order to generate additional funding for the Cain Center and Town Center district projects at this time.

The preceding subsections offer a variety of implementation strategies that could be used to fund both the capital and operational costs of the Cain Center, as well as the expenses related to the operation of the Town Center district. These mechanisms were presented within the context of the Town of Cornelius, as the projects are located within the town, and therefore the Cornelius community will be the primary beneficiary of benefits and impacts. However, the Cain Center in particular will be utilized by individuals and organizations throughout the Lake Norman Region and beyond. In fact, there is evidence of this from the programs currently under the umbrella of the Cornelius Arts Center (CAC) – many of which will be shifted into the Cain Center building upon its completion. Figure 5-11 shows the CAC programs' proportion of participants by town. As shown, 49% of participants resided in towns other than Cornelius as of 2020. Although the total number of participants dipped significantly in 2020 due to the COVID-19 pandemic, participation had remained steady between 1,600 and 1,800 participants per year between 2017 and 2019. This number could be expected to grow in future years as a result of both continuing population growth in the area as well as the increased publicity and interest that will be generated by the development of a state-of-the-art facility like the Cain Center.

Figure 5-11

Cornelius Arts Center Programs					
Participants by Town	2017	2018	2019	2020	Average
Cornelius	44%	49%	55%	51%	50%
Huntersville	27%	26%	21%	25%	25%
Davidson	15%	11%	12%	13%	13%
Mooresville	4%	7%	5%	7%	6%
Other	3%	3%	2%	2%	3%
Charlotte	3%	2%	2%	1%	2%
Concord	1%	2%	1%	1%	1%
Denver	1%	1%	1%	0%	1%
TOTAL	1,653	1,727	1,610	896	1,472

Source: Town of Cornelius, Johnson Consulting

Just as the Cain Center will be patronized by residents throughout all of the Lake Norman towns, the Cain Center will produce benefits for the greater Lake Norman Region as well – not just the Town of Cornelius. These benefits will come in the form of economic and fiscal impacts, which will be analyzed later on in this section. Regardless of which funding mechanism(s) are pursued, the Town of Cornelius should not be expected to be responsible for 100% of the funding that is necessary for the Cain Center project. The Towns of the Lake Norman Region – primarily Cornelius, Davidson, and Huntersville – have a strong history of collaboration on similar initiatives, such as the Lake Norman Economic Development and Visit Lake Norman organizations, as well as the Lake Norman Chamber of Commerce. The Cain Center project would

benefit significantly if other Lake Norman towns are able and willing to commit capital and/or annual operational funding for the project, which could be facilitated via an Interlocal Agreement. The amount committed by each town could be determined by population, use and benefit of the Cain Center, or another method derived from a negotiation process.

PROJECTIONS

This section provides demand projections for the proposed Cain Center for the Arts that have been developed by the facility's management and reviewed by the Consulting Team. The Consulting Team provided feedback on the initial projections that were provided by the Cain Center, and the projections presented herein reflect the latest and greatest projections, which the Cain Center and Consulting Team agree upon. Figure 5-12 below summarizes the proposed facility program for the Cain Center facility.

Figure 5-12

Cain Center for the Arts Facility Program	
	Size
Theater (400 seats)	6,678 Square Feet
Lobby	2,648 Square Feet
Classrooms / Meeting Rooms	6,241 Square Feet
Gallery Space	641 Square Feet
Shop	158 Square Feet
Support Spaces	13,956 Square Feet
Total	30,322 Square Feet
<i>Source: Cain Center for the Arts Construction Documents</i>	

As shown in the table, the proposed Cain Center is planned to have a 400-seat theater, a 2,648 square foot lobby, 641 square feet of gallery space, and 6,241 square feet of classroom/meeting room space, which will be the primary spaces where event activity will be occurring. In addition, the Cain Center will include a 158 square foot shop and 13,956 square feet of other support spaces, such as corridors, restrooms, storage, and other back-of-house areas.

The Cain Center would accommodate demand from a variety of sources:

- Community and Non-Profit Arts Events:** The Consulting Team's interviews, surveys, and outreach indicate the presence of existing demand for arts and entertainment-related events from community-based and non-profit entities in the area. These users would provide a foundation of utilization for the Cain Center. Examples of these users include entities like the Davidson Community Players, Charlotte Symphony Orchestra, Charlotte Ballet, and Charlotte Children's Theater, among many others. A booking policy should be developed to ensure that enough prime dates are available for commercial and touring events, which will help to maximize revenue generation.

- Commercial and Touring Arts Events: In order to attract these events and performances, formulating a sophisticated talent buyer operation is key. As demonstrated in Section 4, the performing arts and entertainment industry as a whole is mature and has exhibited steady growth in recent years, and is expected to rebound in the wake of the COVID-19 pandemic. The Consulting Team summarized the universe of potential business for a venue of this size, showing that even with other performing arts venues throughout the Charlotte Metro Area, there are still a very large number of bookings that could be made at the proposed Cain Center, including vocal concerts, instrumental concerts, family shows, comedy acts, meet and greets, speaker series, and theatrical acts, among others. Interviews with talent buyers, show promoters, and venue operators in the area conveyed agreement that there is a need for a new arts venue in the Lake Norman Region. The Cain Center will book acts on its own and also attract acts on their way to or from places like Charlotte, Raleigh-Durham, Greensboro, Chattanooga, Atlanta, and beyond. Except for Charlotte, all of these markets are outside the standard radius clause distance of 60 miles. There is also a trend in the commercial touring industry for special events that can occur during mid-week windows where a member of an act does a storytelling and limited performance session that is distinct from the act's main production, which may be occurring in the larger venues in Downtown Charlotte.
- Multipurpose Corporate, Social, Community, and Non-Profit Events: The Consulting Team's interviews, surveys, and outreach with these local and regional organizations demonstrated an interest in an auditorium-style venue, meeting rooms, or flexible lobby space for certain components of multipurpose (or otherwise non-arts-related) events. Examples of these events would include weddings, fundraisers, family reunions, graduations, product launches, annual meetings, conferences, and many other types of events. Educational institutions, including K-12 schools and colleges/universities, as well as healthcare institutions, are additional demand generators that fall under this category. Many of these events tend to occur during the work week and during the daytime, which complement the arts-related usage which would typically occur during evenings and weekends.

A new performing arts facility will need to weave together a mix of these demand sources in a way that meets the needs of the community while also maintaining a responsible operation in terms of revenue generation. The classic debate regarding these types of facilities is who pays for them and who has priority for using them. As a rule, community organizations and local arts groups feel they have a social mandate to use facilities – they are local taxpayers after all. They will also leverage political organization in order to advocate for a fair balance between their socially beneficial programming and revenue-generating commercial demand. Meanwhile, city leadership wishes to see a facility with a responsible bottom line that serves as both an amenity to residents and an attraction for visitors. Ultimately, new facilities often employ a hybrid model that seeks to serve both demand segments. This can be standardized and regulated by a deal-making process that involves input from all stakeholders and results in the crafting of letters of intent, memoranda of understanding, and booking policies that reflect the current needs of all involved.

PROJECTED EVENT DEMAND

Figure 5-13 shows an estimate of demand for the proposed Cain Center. The Cain Center, as described earlier in this section, is expected to host community / non-profit events including performances, rehearsals, and other types of events, as well as commercial / touring events including promoted performances, rental performances, and other types of events. As shown, in Fiscal Year 2024, the proposed Cain Center could be projected to accommodate 649 Total Events, including 110 Theater Events and 539 events between the Classroom/Meeting Rooms and Lobby. Community / Non-Profit events include 24 performances and 24 rehearsals (at an average of 1 on-site rehearsal per performance) – an average of 2 performances and 2 rehearsals in the Theater per month in Fiscal Year 2024 and growing in number in the years thereafter. Commercial / Touring events include 24 performances – an average of 2 performances in Fiscal Year 2024, becoming more frequent in the years thereafter. By Fiscal Year 2028, projected event demand is expected to increase to 740 Total Events, including 142 Theater Events and 598 events between the Classroom/Meeting Rooms and Lobby. It is noted that a large portion of these events are Classroom/Meeting Room Events, which are primarily comprised of the robust schedule of classes (each individual class is counted as 1 event) that are currently occurring at the CAC, but that will be transferred into the Cain Center building upon the facility's completion. It is likely that these types of events would not necessarily be reported in the data for the case study facilities, which typically only report ticketed or more formalized events.

Figure 5-13

Projected Event Demand					
Event Type	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Theater Events					
Community / Non-Profit					
Performances	24	26	28	29	30
Rehearsals	24	26	28	29	30
Other Events	20	22	24	25	26
Subtotal	68	74	80	83	86
Commercial / Touring					
Performances	24	26	28	30	32
Other Events	18	20	22	23	24
Subtotal	42	46	50	53	56
Total Theater Events	110	120	130	136	142
Other Events					
Classroom/Meeting Room Events	515	530	546	557	568
Lobby/Other Events	24	26	28	29	30
Total Other Events	539	556	574	586	598
Total Arts Center Events	649	676	704	722	740

Note: There can be multiple classroom/meeting room events in a day.
Source: Johnson Consulting

PROJECTED NUMBER OF VISITORS PER EVENT

Figure 5-14 shows the estimated average number of visitors per event for the proposed Cain Center by event type. The number of visitors includes both participants and attendees – in other words, including the artist(s), crew members, and the attendees. As shown, in Fiscal Year 2024, Cain Center Events are projected to draw an average of 295 visitors per event for performances, 285 visitors per event for other types of events in the theater, 15 visitors per event for rehearsals and classroom/meeting room events, and 130 visitors per event in the lobby. These numbers are projected to hold steady year-over-year, as three trends combine to produce a net zero impact:

- As Cain Center and Lake Norman market as a whole develop a reputation as a destination for these types of events and activities, the facility could become more successful at attracting larger events more frequently, therefore increasing the average number of visitors per event over time.
- As the Lake Norman market continues to experience rapid population growth there will be more people living within the primary, secondary, and tertiary market areas served by the Cain Center, therefore increasing the average number of visitors per event over time.
- There tends to be higher attendance at events that take place in the first couple of years after a facility's grand opening due to publicity, anticipation, and curiosity to check out the "shiny new building" in town, therefore decreasing the average number of visitors per event over time.

Figure 5-14

Estimated Average Number of Visitors per Event					
Event Type	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Theater Events					
Community / Non-Profit					
Performances	295	295	295	295	295
Rehearsals	15	15	15	15	15
Other Events	285	285	285	285	285
Commercial / Touring					
Performances	295	295	295	295	295
Other Events	285	285	285	285	285
Other Events					
Classroom/Meeting Room Events	15	15	15	15	15
Lobby/Other Events	130	130	130	130	130
<i>Includes both participants and attendees</i>					
<i>Source: Johnson Consulting</i>					

PROJECTED NUMBER OF VISITORS

As a product of the projected event demand and average number of visitors per event, including both participants and attendees. Figure 5-15 shows the total number of visitors projected for the proposed Cain Center. As shown, the projected total number of visitors is 36,185 in Fiscal Year 2024, which can be expected to grow to 45,404 by Fiscal Year 2028.

Figure 5-15

Projected Total Visitors					
Event Type	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Theater Events					
Community / Non-Profit					
Performances	7,080	7,670	8,260	8,555	8,850
Rehearsals	360	390	420	435	450
Other Events	5,700	6,270	6,840	7,125	7,410
Subtotal	13,140	14,330	15,520	16,115	16,710
Commercial / Touring					
Performances	7,080	7,670	8,260	8,850	9,440
Other Events	5,130	5,700	6,270	6,555	6,840
Subtotal	12,210	13,370	14,530	15,405	16,280
Total Theater Events	25,350	27,700	30,050	31,520	32,990
Other Events					
Classroom/Meeting Room Events	7,725	7,957	8,195	8,359	8,527
Lobby/Other Events	3,110	3,369	3,628	3,758	3,887
Total Other Events	10,835	11,326	11,823	12,117	12,414
Total Arts Center Events	36,185	39,026	41,873	43,637	45,404

Includes participants and attendees
Source: Johnson Consulting

IMPACTS

This section analyzes total economic and fiscal benefit that is being generated by the proposed Cain Center. There are all kinds of economic, social, economic development, image, and social benefits that happen as the result of the presence and operation of the facility. This analysis quantifies the effect of the spending of visitors to this facility, which also represent lost benefits if the facility is not built. Additionally, Johnson Consulting's prior development of economic analyses for other performing arts facilities and specific knowledge of the marketplace of the Lake Norman Region and State of North Carolina contributed to the analysis.

While these are mathematical calculations, which are based on experience seen in numerous other settings, perhaps the most important thing to visualize is what will happen to the Lake Norman Region as a community. The development of Cain Center will allow the area to offer arts and entertainment activity as well as spur economic growth via ancillary private sector development. By developing the facility, investments are made that will continue to attract people from outside the region to the Lake Norman Region, increase the identity of the market by promoting to those visitors, and develop an ever-expanding portfolio of repeating and one-time events.

DEFINITIONS

Economic Impact is defined as incremental new spending in an economy that is the direct result of certain activities, facilities, or events. For the purpose of this analysis, impact totals are discussed in terms of the Cornelius and Lake Norman economy. The levels of impacts are described as follows:

- **Direct Spending** – is an expression of the spending that occurs as a direct result of the events that occur in the facility. For example, an event attendee's expenditures on hotel rooms, shopping, and meals are direct spending.
- **Indirect Spending** – consists of re-spending of the initial or direct expenditures, or the supply of goods and services resulting from the initial direct spending in the performing arts center. For example, an event attendee's direct expenditure on a restaurant meal causes the restaurant to purchase food and other items from suppliers. The portion of these restaurant purchases that are within the local, regional, or state economies is counted as an indirect spending.
- **Induced Spending** – represent changes in local consumption due to the personal spending by employees whose incomes are affected by direct and indirect spending. For example, a waiter at the restaurant may have more personal income as a result of the attendee's visit. The amount of the increased income the waiter spends in the local economy is called an induced spending.
- **Increased Earnings** – measures increased employee and worker compensation related to the project being analyzed. This figure represents increased payroll expenditures, including benefits paid to workers locally. It also expressed how the employees of local businesses share in the increased outputs.
- **Employment** – measures the number of jobs supported in the study area related to the spending generated as a result of the events occurring in the event center. Employment impact is stated in a number of full-time equivalent jobs.

Fiscal Impact reflects tax revenues that result from the spending and income related to the activities at the Cain Center. This analysis estimates fiscal impacts for the governmental units that levy taxes in the jurisdiction. The fiscal impact is the public sector's return on investment and an incentive to develop and operate the Cain Center. The overall impacts, including the fiscal impacts, provide a rationale for public participation in a project like the Cain Center.

ECONOMIC AND FISCAL IMPACTS

This subsection provides estimated economic and fiscal impacts for the proposed Cain Center for the Arts. This analysis is based upon 1) the Consulting Teams demand projections outlined in the preceding subsections, and 2) financial projections that were developed by the Cain Center and reviewed by the Consulting Team. The Consulting Team provided feedback on the initial financial projections that were provided by the Cain Center, and the projections presented herein reflect the latest and greatest projections, which the Cain Center and Consulting Team agree upon. This analysis excludes classroom and gallery events, visitors, and spending that is generated by the CAC programs, as these activities are already occurring in the community and this analysis is intended to represent the incremental impacts of the Cain Center facility.

Figure 5-16 summarizes the projected economic and fiscal impact generated by the operations of the proposed Cain Center in Year 1 through Year 10.

Figure 5-16

Projected Economic & Fiscal Impacts (Inflated \$000)						
Activity Volume	Rate/ Assumption	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
1 Total # of Visitors (Excluding CAC)		28,460	31,069	33,678	35,278	36,877
2 Room Nights (Excluding CAC)	2.5% of Visitors	712	777	842	882	922
3 On Site Spending (Excluding CAC)	Provided by CCA	\$961	\$961	\$916	\$889	\$889
4 Spending Off Site	Average Spending					
5 On Lodging	\$129 (a)	\$92	\$103	\$115	\$124	\$134
6 On Food and Incidentals	\$15 (b)	\$427	\$480	\$536	\$578	\$623
7 On Car Rental	\$45 (c)	\$16	\$18	\$20	\$22	\$23
8 Subtotal Spending Off Site		\$535	\$601	\$671	\$724	\$780
9 Total Direct Spending		\$1,496	\$1,562	\$1,587	\$1,613	\$1,668
10 Economic Impact (\$000)		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
11 Direct Spending	Multipliers	\$1,496	\$1,562	\$1,587	\$1,613	\$1,668
12 Indirect and Induced Spending	0.350 of Line 9	\$523	\$547	\$556	\$564	\$584
13 Total Spending		\$2,019	\$2,109	\$2,143	\$2,177	\$2,252
14 Increased Earnings	0.320 of Line 9	\$479	\$500	\$508	\$516	\$534
15 Increased Employment	0.01 of Line 9	15	15	15	15	15
16 Fiscal Impact (\$000)		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
17 Gross Tax Revenues	Tax Rate					
18 Sales and Use Tax						
19 State of North Carolina	4.75% of Line 13	\$96	\$100	\$102	\$103	\$107
20 Mecklenburg County (and other jurisdictions)	2.00% of Line 13	\$40	\$42	\$43	\$44	\$45
21 City of Charlotte (transit tax)	0.50% of Line 13	\$10	\$11	\$11	\$11	\$11
22 Total Sales and Use Tax	7.25% of Line 13	\$146	\$153	\$155	\$158	\$163
23 Lodging Tax (d)	6.00% of Line 5	\$6	\$6	\$7	\$7	\$8
24 Prepared Food & Beverage Tax (d)	1.00% of Line 6	\$4	\$5	\$5	\$6	\$6
25 U-Drive-It Tax (d)	5.00% of Line 7	\$1	\$1	\$1	\$1	\$1
26 Total Gross Tax Revenues		\$157	\$165	\$169	\$172	\$179

Notes:

a) From Per Diem for Mecklenburg County, applied on a per room night bases (Line 2)

b) Assuming an average spend of \$15 per visitor (Line 1) on meals and incidentals ON TOP OF what they may have spent already at the CCA

c) Based on Corporate Travel Index, per Business Travel News, for Charlotte metro area, applied to 50% of total room nights (Line 2)

d) Tourism-related taxes are charged on applicable sales in addition to Sales and Use Tax, these funds are distributed among multiple jurisdictions

Source: Johnson Consulting

As shown in the table, by the fifth full year of operation (Fiscal Year 2028) the Cain Center's impact is expected to include the following economic and fiscal impacts on an annual basis:

- \$889,000 in total on-site direct spending (according to the Cain Center's financial pro forma)
- \$780,000 in off-site direct spending (for a combined total of nearly \$1.7 million in direct spending)
- \$584,000 in indirect and induced spending (for a total of nearly \$2.3 million in total spending)
- 15 full-time equivalent (FTE) jobs accounting for \$534,000 in increased salaries/wages
- \$179,000 in sales tax & tourism-related tax revenues, combined, to state & local governments

Over the entirety of the Cain Center's first 5 years of operation, the cumulative annual economic and fiscal impacts from the facility's operation sum to:

- Over \$4.6 million in total on-site direct spending (according to the Cain Center's financial pro forma)
- Over \$3.3 million in off-site direct spending (for a total of over \$7.9 million in direct spending)

- Nearly \$2.8 million in indirect and induced spending (for a total of \$10.7 million in total spending)
- 75 full-time equivalent (FTE) job-years accounting for over \$2.5 million in increased salaries/wages
- \$841,000 in sales tax & tourism-related tax revenues, combined, to state & local governments

It should be noted that sales and tourism-related tax revenues presented as fiscal impacts in the above analysis are subject to a complex process during which they flow through multiple local government jurisdictions and are first allocated to dedicated funding recipients and administrative fees before the remaining funds are distributed to jurisdictions like the Town of Cornelius. The fiscal impact projections are intended to demonstrate the total incremental tax revenues that will be generated by the Cain Center's operation and flow to the collective relevant jurisdictions rather than to one specific jurisdiction like the Town of Cornelius.

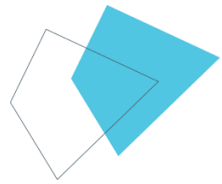
Additionally, these sales tax and tourism-related tax revenues represent only a fraction of the overall fiscal impact to the economy, as they are only 1) increased spending by Cain Center visitors in the local economy and 2) the public sector's increase in tax revenue resulting from the increased spending in the economy. This economic and fiscal impact analysis does not factor in the one-time impact that would be generated by the construction of the Cain Center facility, which would provide millions of additional spending dollars resulting in thousands of additional tax dollars to local and state governments and would support dozens of jobs in the local economy, primarily in the construction industry. The presence of the proposed Cain Center would also increase values of commercial establishments in areas surrounding the new facility and beyond, which result in increased property tax supported by the project.

There are also a number of non-financial benefits that are provided by these types of facilities, which have been described throughout the course of this report. Arts centers build relationships between businesses, governments, and other institutions, foster thought-sharing and innovation, help to attract new residents and employers to the community, and provide a boost to quality of life. These factors are difficult to measure but are crucial components of decision making for these types of projects. Ultimately, a balance will need to be established that includes many of these benefits without placing an excessive financial burden on the community.



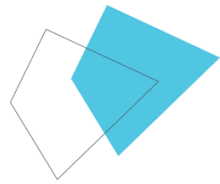
2019 to 2023 Strategic Plan

Revision: 8/12/2019



CONTENTS

▪ Opening Message	3
▪ Our Vision	4
▪ Our Background	5
▪ Our Values	6
▪ Objectives	7-16
– Overview	
– Details	
– Organizational Design	
▪ Financial Projections	17
▪ Staff and Board of Directors	18
▪ Our Path Forward	19
<hr/>	
▪ Appendix Details <i>(For Board Reference Only)</i>	20+



OPENING MESSAGE



Justin Dionne
Executive Director

The **Cain Center for the Arts** is a partnership between the Town of Cornelius, NC and a 501(c)3 organization funded in part by \$4 million allocated by voters in 2013, the Center will be located on 1.85 acres in Cornelius's emerging arts district.

Our physical venue will be a regional hub for performance, programming, and partnership. It will serve as a place for the community to gather and as a starting point for initiatives that take the arts out into schools, community centers, places of worship, or anywhere people come together to connect, learn, and enjoy the arts.

Our strategic plan focuses on objectives, organizational designs, and estimated financial projections for 2019 to 2023. This timeframe is particularly critical for us as we will be transitioning from "concept to reality" through the construction of our facility, beginning in Nov. 2019, and the opening of our center, targeted for April 2022.

I want to thank my Board of Directors for their strategic insights and the support of Deloitte Consulting for their research reviews and working sessions to help us in developing this plan.

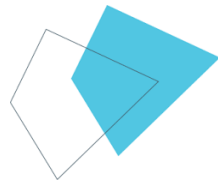
I am happy to share our plan details over the course of this document and I look forward to the exciting transformation the following years will bring for us and the Lake Norman community.

Signature Placeholder
Justin Dionne

The Cain Center for the Arts

- A 400 seat theater
- Gallery space
- Event spaces
- Classrooms
- A community green space
- A warming kitchen
- Parking and pedestrian access





OUR VISION

THE NEED

As the four-county Lake Norman region continues to grow, the need for access to the arts grows too.

As the region's only public arts and community center, the Cain Center for the Arts will offer performance, education, gallery, and community spaces designed to be beautiful, flexible, and close to home for the more than 300,000 residents of the Lake Norman region.

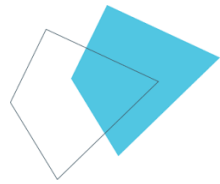


SERVING THE COMMUNITY

At the Cain Center for the Arts, we're constructing much more than just a building. We're creating a stronger community through the power of the arts.

Our vision is simple: we want to empower children and adults alike to create, experience, and enjoy the arts, right here in the heart of the region where they live, work, and play.





OUR BACKGROUND



OUR HISTORY

In 2013, the Town of Cornelius began to recognize the need for an arts and cultural venue to revitalize and enrich the community through the arts and all the benefits of arts education. As a direct result, the town voted to allocate \$4 million out of a \$20 million municipal bond to create an arts district and in 2017 invested additional support by purchasing the 1.85 acres where the Cain Center for the Arts will be built.

Through a four-year strategic planning process, conducted by an investigative committee appointed by the Town of Cornelius, a non-profit organization was created to anchor the public-private partnership between the Center and the Town of Cornelius.

Executive Director Justin Dionne was hired in 2017 and in the fall of 2018, the board and leadership launched the quiet phase of a \$25 million campaign. A transformational gift from local philanthropists Ericka and Bill Cain led to the center's permanent name: Cain Center for the Arts.

2013

- Town Center Bond Referendum

NOV. 2015 – JAN. 2017

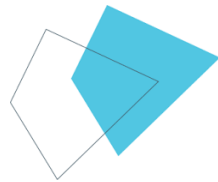
- Strategy and program plan established
- 501(c)3 created
- Site purchased

MAY 2017 – JULY 2018

- Executive Director Hired
- C Design and New York-based Holzman Moss Bottino Architecture engaged; pre-design completed
- Market study completed
- Fundraising campaign launched
- Education strategy and plans in progress

AUG. 2018 - PRESENT

- Lead gift of \$5,000,000 secured
- Silent phase of campaign in progress, with more than \$14 million pledged or contributed to date



OUR VALUES

INSPIRATIONAL

To be a center that inspires and encourages creativity.

COMMUNITY-CENTERED

To be a center that serves everyone. To expose, invite, and engage as a destination for all members of the community.

CREATIVE

To service as a hub of creativity, providing a platform for unique and individual expression.

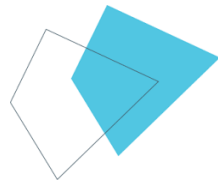
ENTERTAINING

To provide a holistic experience that produces valuable, enjoyable experiences while also focusing on comfort.

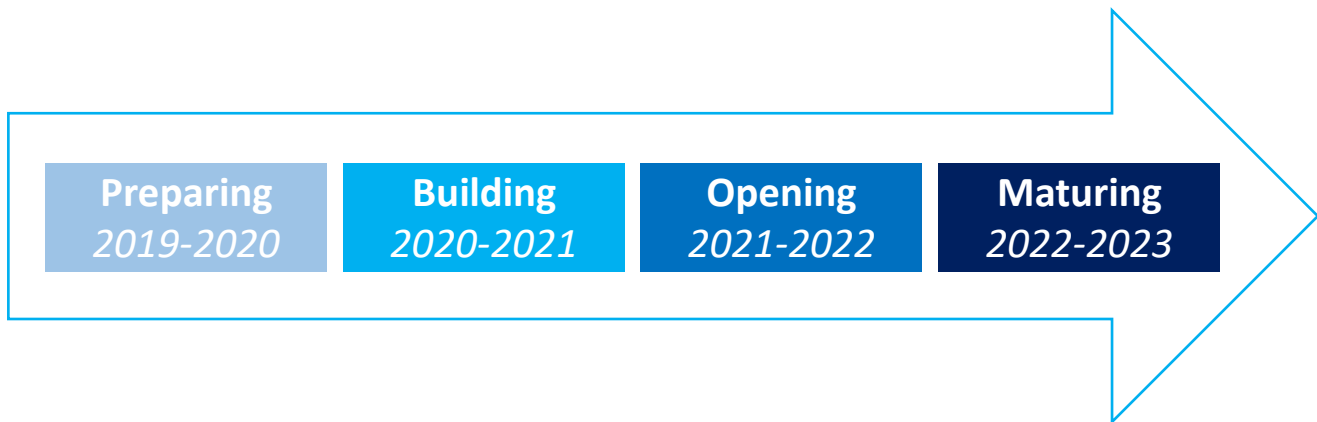
EDUCATIONAL

To be a center where the arts and education connect.





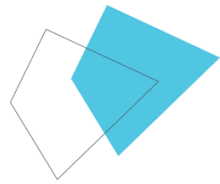
OBJECTIVES OVERVIEW



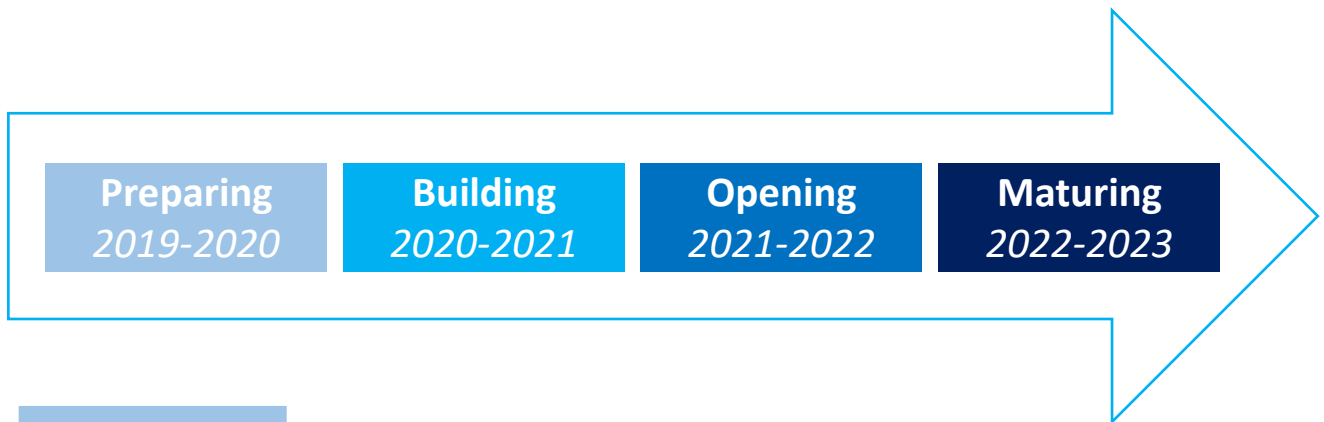
Over the course of the next 4 years, the Cain Center for the Arts will build and implement a center that will bring all the benefits, beauty, and joys of the arts together, right in the heart of the Lake Norman region.

Our strategic plan is organized to support this vision through year-by-year objectives centered on:

- **Preparing for Breaking Ground** – to meet / exceed fundraising targets, develop programming strategies, and establish a greater outreach network across the Lake Norman community
- **Building the Cain Center for the Arts** – to establish our physical presence in parallel with developing the program plan, technologies, and community awareness needed for our success
- **Opening the Cain Center for the Arts** – the finalization and deployment of our initial programming while creating a strong community presence through targeted marketing and outreach efforts
- **Maturing to Embrace the Future** – the growth and sustainment of the center to become a sought-after destination for the arts



OBJECTIVES BY YEAR



Preparing	<p><i>Primary focus: completion of the capital campaign for the Cain Center for the Arts facility (funds required for ground-breaking)</i></p> <ul style="list-style-type: none"> ▪ Meet / Exceed Fundraising Targets ▪ Develop Initial Programming Plan ▪ Establish an Outreach Network
Building	<p><i>Primary focus: construction management for the Cain Center for the Arts facility and programming delivery preparation</i></p> <ul style="list-style-type: none"> ▪ Manage Construction Completion ▪ Conduct Community Arts Awareness / Education ▪ Implement Technology Requirements ▪ Launch Next Wave Marketing and Development Initiatives
Opening	<p><i>Primary focus: open the Cain Center for the Arts facility and deploy initial programming</i></p> <ul style="list-style-type: none"> ▪ Scale up Staffing ▪ Capitalize on Marketing and Outreach ▪ Launch the Center ▪ Deploy the Program Strategy
Maturing	<p><i>Primary focus: scaled deployment of programs and the enhancement of center operations</i></p> <ul style="list-style-type: none"> ▪ Manage for Brand Growth ▪ Become a Sought-After Destination ▪ Streamline Operational Management



PREPARING: OBJECTIVE DETAILS

Preparing
2019-2020

Building
2020-2021

Opening
2021-2022

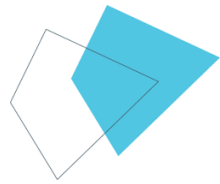
Maturing
2022-2023

Enabling the center to best meet / exceed fundraising targets, developing programming strategies, and establishing a greater outreach network across the community

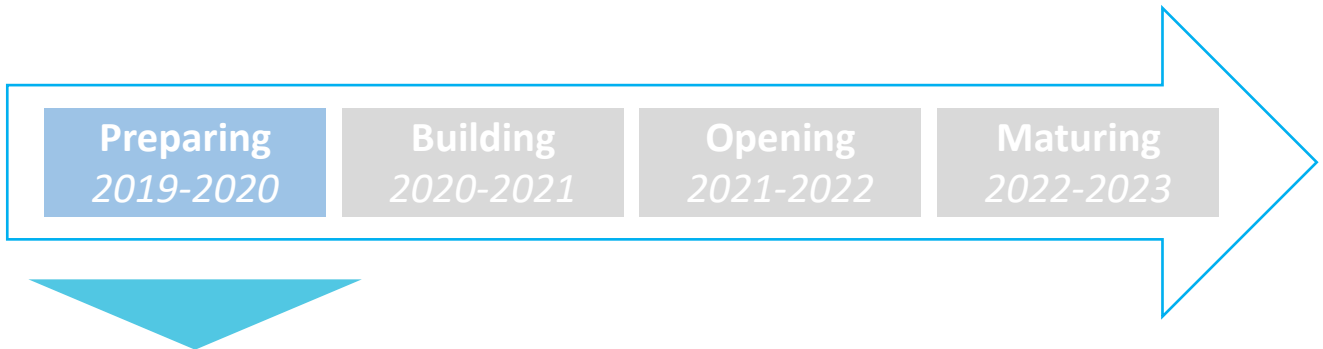
Objective	Key Actions	Impact
Meet / Exceed Fundraising Targets	<ul style="list-style-type: none"> Continue the implementation of planned fundraising events and campaigns, including pledged donor follow-ups Plan and execute public campaign to attract entry level donors, including greater mobile and social media efforts (mobile devices accounted for 48% of traffic to nonprofit websites¹) 	<ul style="list-style-type: none"> Fundraising goals met to enable facility ground-breaking
Develop Initial Programming Plan	<ul style="list-style-type: none"> Create a base-model contract template, including what technologies and set-ups will be supported by the center and what would need to be provided and supported by the client Determine price point targets / break even levels and the programming needs to meet financial goals Review the Next Stage Consulting 2017 market study to target potential clients as aligned to community interests and create a plan for client marketing (commission an updated market study for continued program plan guidance including client interests) 	<ul style="list-style-type: none"> Programming plan developed (for opening and first full year) Targeting of potential presenting / rental clients (ready-to-go list for marketing)
Establish an Outreach Network	<ul style="list-style-type: none"> Create a volunteer coordinator position (an Advisory Board role working in partnership with the Development Associate) Define volunteer needs (what roles / support is needed), initial focus on awareness building (what is the center and its value) Develop a volunteer attraction, onboarding, and management plan <ul style="list-style-type: none"> 7 of 10 volunteers never come back; engagement can be improved through a focus on value alignment, group / partner activities, cadence of support, and sharing results² 	<ul style="list-style-type: none"> Creating a volunteer network to promote the center
Determine Local Partnerships	<ul style="list-style-type: none"> Form and launch a taskforce collaboratively with the Town of Cornelius to seek out joint opportunities and ongoing alignment options regarding the Cornelius Arts Center 	<ul style="list-style-type: none"> Developing a business case for joint operation decisioning

¹ M+R, Non-Profit Fundraising Benchmarks Study, 2019

² Harvard Business Review, A Guide to Managing a Volunteer Workforce, 2016



PREPARING: ORGANIZATIONAL DETAILS



The current staff of the Cain Center for the Arts includes:

- Executive Director
- Development Associate
- Administrative and Marketing Assistant

The **Program Coordinator** role (shown in yellow) is planned to be added in 2019 as a part-time resource to develop the program strategy, in partnership with the Executive Director, in preparation for opening in April 2022 and for potential interim programming considerations.





BUILDING: OBJECTIVE DETAILS

Preparing
2019-2020

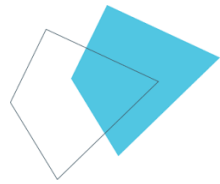
Building
2020-2021

Opening
2021-2022

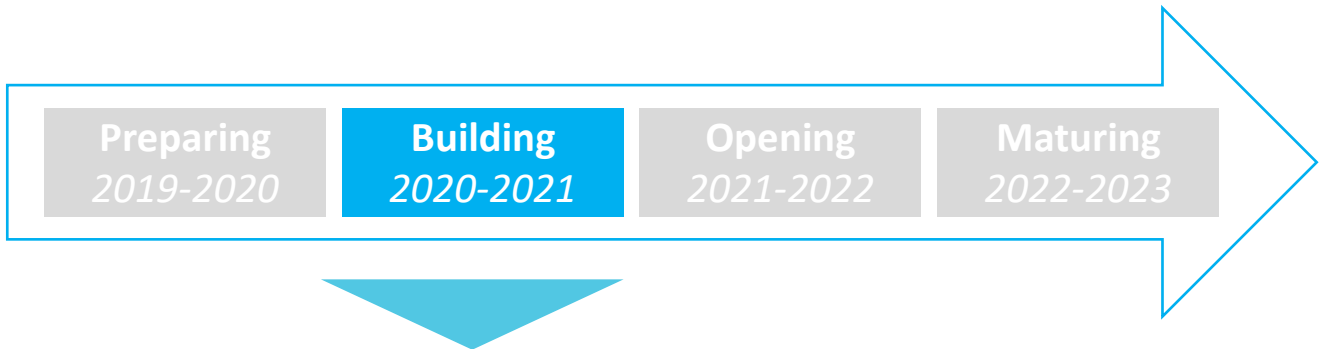
Maturing
2022-2023

*Establishing the Cain Center for the Arts facility
(physical construction) in parallel with developing opening plans*

Objective	Key Actions	Impact
Manage Construction Completion	<ul style="list-style-type: none"> Monitor regular construction progress, quality, and risks via a designed Construction Committee (including Town of Cornelius representation) Determine if / how the established contingency funds will need to be utilized or increased 	<ul style="list-style-type: none"> Meeting the target construction completion date (Dec. 2021) in accordance with budget plans
Conduct Community Arts Awareness / Education	<ul style="list-style-type: none"> Define awareness goals, target audiences, and potential partnerships (at the town level and in collaboration with related area centers) Develop collateral materials and talking points (engage volunteers – prioritizing social media strategies, physical display at the construction site) 	<ul style="list-style-type: none"> Creating a “buzz” about the center, attracting donors, volunteers, and clients
Implement Technology Requirements	<ul style="list-style-type: none"> Define technology needs (e.g., Projection, Sound, Lights, Box Office, Customer Relationship, Back-Office Programs, etc.) Research (comparisons, references) and select vendors, document system trainings for future staff knowledge transitions 	<ul style="list-style-type: none"> Having an operational ticketing platform, and related technologies / tools for program and service management
Launch Next Wave Marketing and Development Initiatives	<ul style="list-style-type: none"> Develop an approach to track the economic and community impacts of the center (to demonstrate value to donors) Create the communication strategy (to shift the Centers’ requests from construction to evolution) Align campaign objectives to annual fundraising targets, investment needs, and expense gaps Determine long-term investment strategies 	<ul style="list-style-type: none"> Completing the Capital Campaign and transitioning to an ongoing fund for center sustainment and innovation



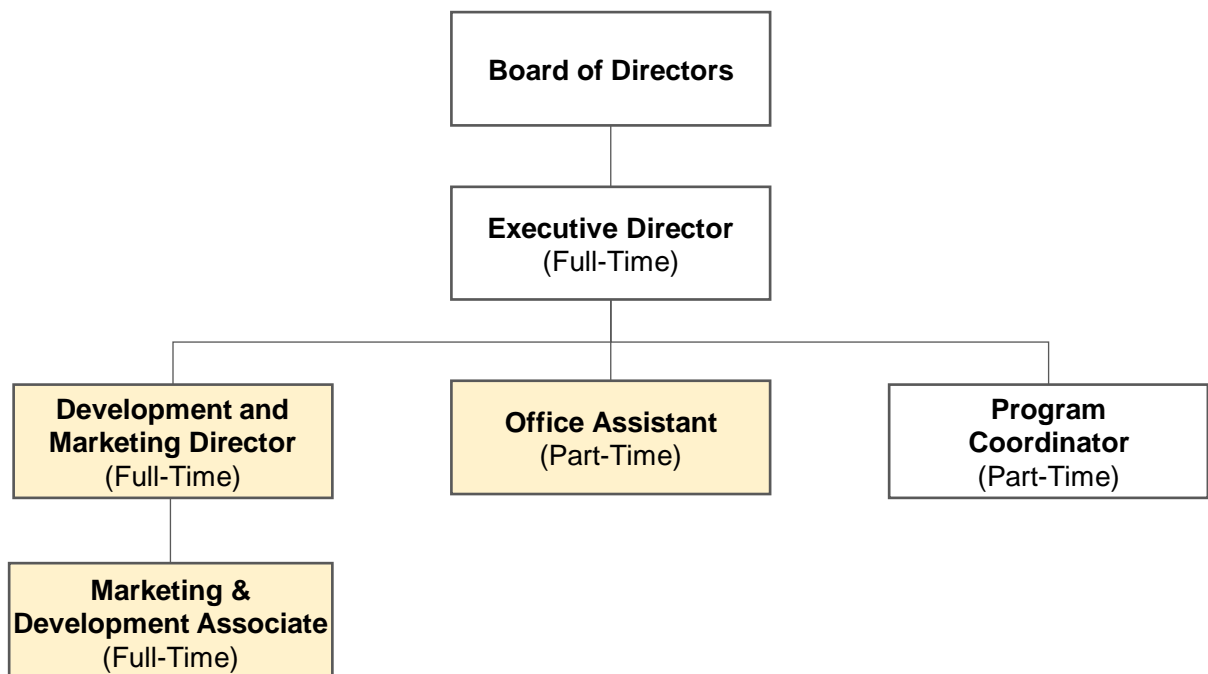
BUILDING: ORGANIZATIONAL DETAILS

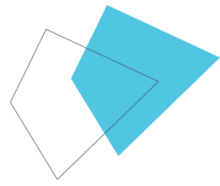


The Development Associate role transitions to a **Development and Marketing Director** accountable for all sales and fundraising activities.

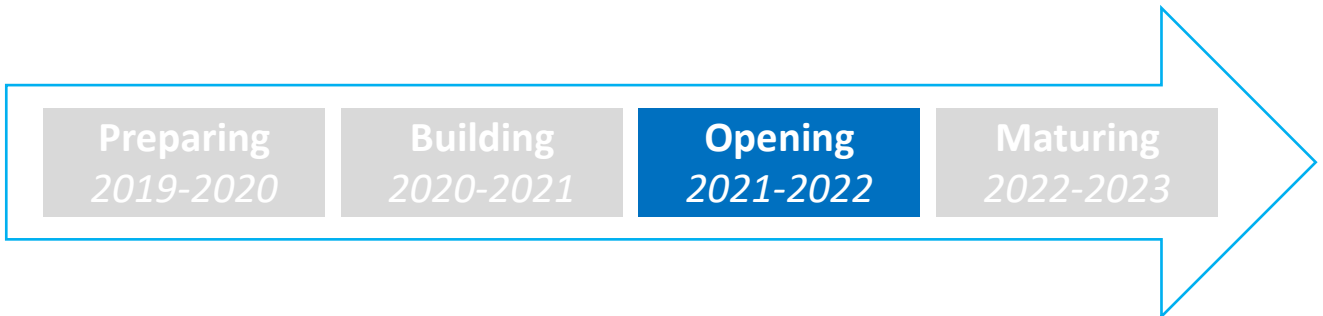
The Administrative and Marketing Assistant role shifts to a **Marketing & Development Associate** for greater dedication to sales / marketing and outreach support, reporting to the Development and Marketing Director.

A part-time role is added as an **Office Assistant**, taking over the former administrative duties from the past Administrative and Marketing Assistant role.



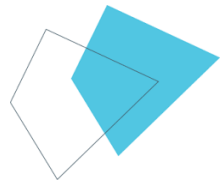


OPENING: OBJECTIVE DETAILS

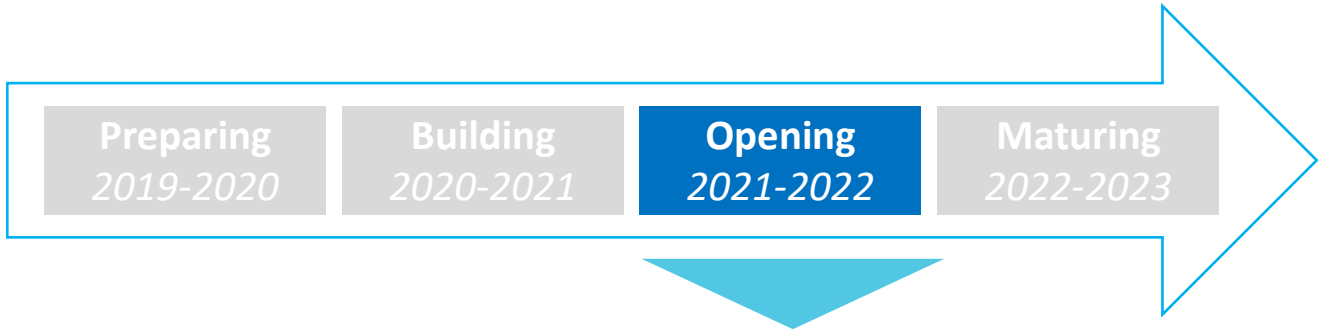


The finalization and deployment of the Cain Center for the Arts initial programming and the creation of a community presence through targeted marketing and outreach efforts

Objective	Key Actions	Impact
Scale Up Staffing	<ul style="list-style-type: none"> Refine role responsibilities and develop job postings (promoted via traditional postings, social media, and the volunteer network) Hire for staff and management positions (hiring management up to 6 month prior to opening and general staff up to 4 months prior to opening) 	<ul style="list-style-type: none"> Resourcing is in place to open the center and deliver on the programming strategy
Capitalize on Marketing and Outreach	<ul style="list-style-type: none"> Complete outreach to targeted vendors / partners, place paid ads for key gaps Convert ongoing awareness and fundraising channels into client marketing sources 	<ul style="list-style-type: none"> Bookings of programs / rentals have been secured
Launch the Center	<ul style="list-style-type: none"> Define and prepare for Day One – dedicated opening campaign with a relatable theme for initial programming Provide visual sponsorship / donor recognition and gratitude Conduct regular staff lessons learned sessions (appreciation and development focused) for a quality workplace culture 	<ul style="list-style-type: none"> Opening of the center with high-customer draws and appreciation shown for supporters (staff and donors)
Deploy the Program Strategy	<ul style="list-style-type: none"> Coordinate fixed and variable bookings (as per opening timeline) Establish a quality delivery protocol (checklist and contingencies) 	<ul style="list-style-type: none"> Executing of the program strategy with a quality focus



OPENING: ORGANIZATIONAL DETAILS



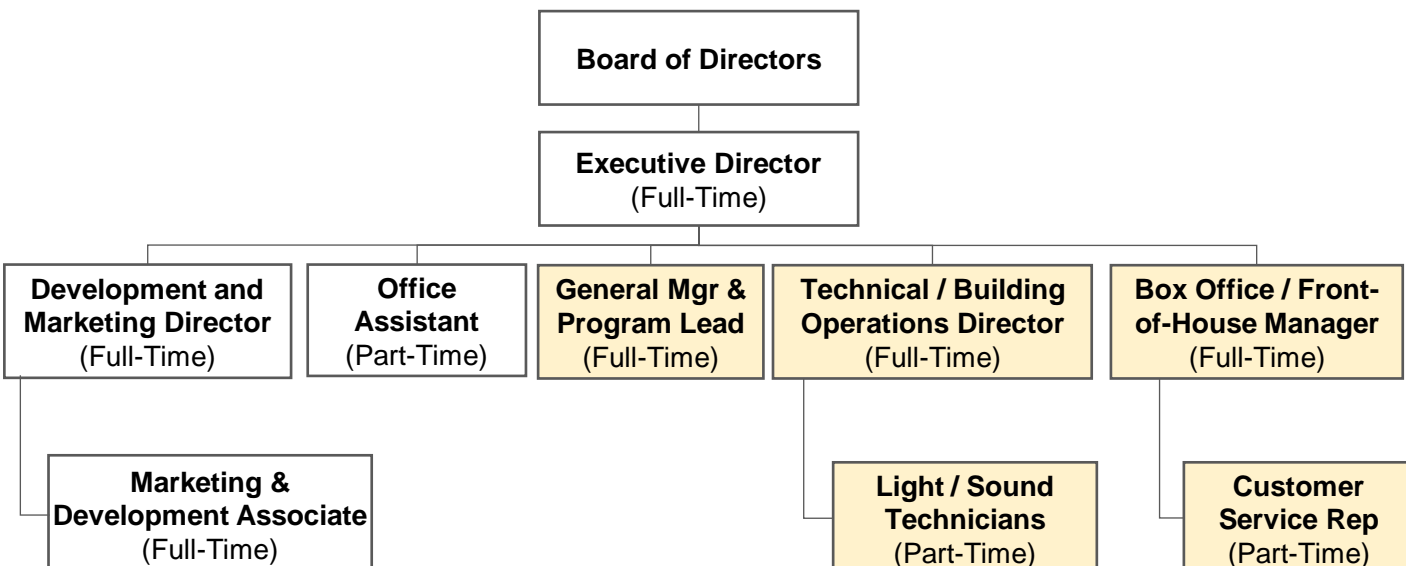
The Program Coordinator role transitions to a full-time **General Manager & Program Lead** role to be accountable for the overall programming strategy and delivery management.

Two new full-time roles are added in preparation for opening:

- **Box Office / Front-of-House Manager** to oversee all ticketing operations
- **Technical / Building Operations Director** to oversee center technologies and day-to-day operations for programming support and rental management

Additional part-time roles are added for center operational delivery; **Customer Service Representative** and **Light / Sound Technicians**.

All changes from 2020 to 2021 are shown in yellow.





MATURING: OBJECTIVE DETAILS

Preparing
2019-2020

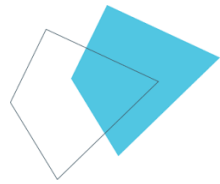
Building
2020-2021

Opening
2021-2022

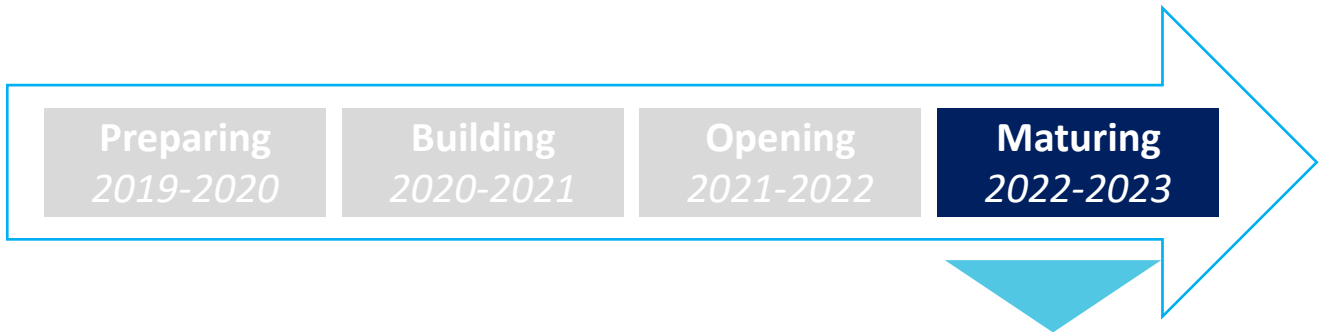
**Maturing
2022-2023**

Managing the growth and sustainment of the Cain Center for the Arts to become a sought-after destination for the arts across Lake Norman and the Carolinas

Objective	Key Actions	Impact
Manage for Brand Growth	<ul style="list-style-type: none"> Formalize means for client and customer feedback collection Analyze and review data for opportunities to increase client and customer satisfaction Create key client development plans (for mutual benefit – to increase their bookings / revenue) Conduct staff and volunteer developmental discussions to align to best-fit opportunities 	<ul style="list-style-type: none"> Developing a reputation as a center that clients, customers, and staff respect
Become a Sought-After Destination	<ul style="list-style-type: none"> Seek out partnership opportunities beyond the Lake Norman areas Explore opportunities for state level funding and arts / education program alignment Increase the scope of outreach campaigns and marketing with partners and state-level programs to increase client and donor attraction 	<ul style="list-style-type: none"> Expanding the support of the center beyond the Lake Norman area
Streamline Operational Management	<ul style="list-style-type: none"> Understand staff time allocations to client value drivers – realigning roles from generalist to specialists (maximizing staff and volunteer roles for the maturing center) Review Board positions and composition to reevaluate for post opening support needs 	<ul style="list-style-type: none"> Enhancing day-to-day management and delivery effectiveness



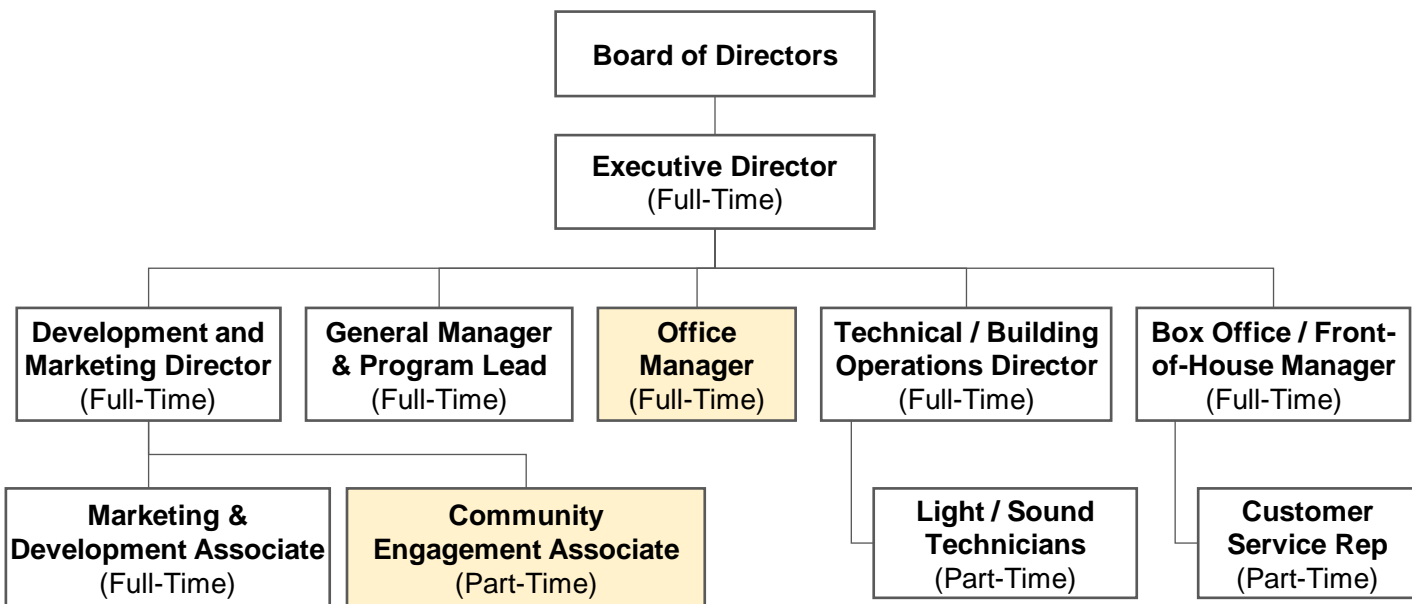
MATURING: ORGANIZATIONAL DETAILS



The office assistant role transitions from part-time to a full-time **Office Manager** role due to the increased staff and center support needed.

A new part-time role, **Community Engagement Associate**, is added to support community partnerships / volunteer networks.

All changes from 2021 to 2022 are shown in yellow.





FINANCIAL PROJECTIONS

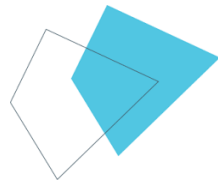
Financial projections have been included for directional strategic planning purposes only and do not constitute audited or guaranteed revenue or expense amounts.

Projections have been based on comparable market research and planned initiatives, financial details will be monitored with projections adjusted as per evolving details.

	<i>Preparing 2019-2020</i>	<i>Building 2020-2021</i>	<i>Opening 2021-2022</i>	<i>Maturing 2022-2023</i>
Revenue				
Earned	\$ 0k	\$ 0k	\$ 180 to 215k	\$ 530 to 645k
Contributed - Government	\$ 325k	\$ 330k	\$ 335k	\$ 340k
Contributed - Fundraising	\$ 20k	\$ 100 to 175k	\$ 210 to 275k	\$ 335 to 385k
Total Revenue	\$ 345k	\$ 430 to 505k	\$ 725 to 825k	\$ 1.2 to 1.4M
Expenses				
Labor	\$ 260k	\$ 310 to 385k	\$ 420 to 520k	\$ 520 to 685k
Programming	\$ 0k	\$ 0k	\$ 145k	\$ 435k
Admin / Other	\$ 85k	\$ 120k	\$ 160k	\$ 250k
Total Expenses	\$ 345k	\$ 430 to 505k	\$ 735 to 825k	\$ 1.2 to 1.4M
Net	\$ 0	\$ 0	\$ 0	\$ 0

Definitions

- Earned Income: Refers to all income gained through ticket sales, facility rentals, or concessions
- Contributed – Government: Income gained through State, City/County, or related sources
- Contributed – Fundraising: Income gained through individuals, corporations, grants, or other sponsorship programs
- Labor – Personnel related expenses including salaries, benefits, and payroll taxes
- Programming – Expenses for marketing and delivering performances, classes, exhibits, facility rentals, concessions, and others related programs / services
- Administrative / Other – All other expense items such as technology, accounting, communications, liability insurance, office supplies, marketing, etc.



STAFF AND BOARD OF DIRECTORS

Cain Center for the Arts Staff

Justin Dionne
Executive Director

Allison Elrod
Development Associate

Anita Overcash
*Administrative &
Marketing Assistant*

Board of Directors

Greg Wessling
President
The Lake Norman Company

Joshua Dobi
North Main Financial Group

Bill Morgan
Morgan Associates

Pat Bechdol
Vice President
Deloitte Consulting (retired)

Jim Duke
Federal Executive (retired)

Caroline Mullan
Community Volunteer

Troy Stafford
Treasurer
Devore, Acton & Stafford, P.A.

Kate Gaither
Newport Properties

Paul Newton
*Newton Construction
Services*

Cynthia Bush
Secretary
*UNC Charlotte Faculty
Member*

Ginger Griffin
*Ginger Griffin Marketing &
Design*

Janice Travis
*IBM Global Services
Consulting (retired)*

Denis Bilodeau
*Commissioner – Town of
Cornelius*

Donna Johnson
Community Volunteer

Woody Washam
*Mayor – Town of
Cornelius*

Steve Brumm
Brumm Properties



OUR PATH FORWARD

WE'RE BUILDING SOMETHING EXTRAORDINARY



Over the next four years, the Cain Center for the Arts will evolve from artistic renderings to a physical presence that will feature national touring companies and world-renowned entertainers to local productions and grassroots performers.

Preparing 2019-2020

- We will complete our capital campaign and break-ground on the Cain Center for the Arts facility

Building 2020-2021

- We will be managing the construction of the center, building awareness, and preparing for program delivery

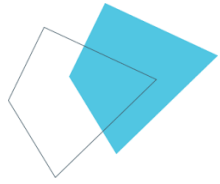
Opening 2021-2022

- We will be opening our doors to the public and deploying our initial programming

Maturing 2022-2023

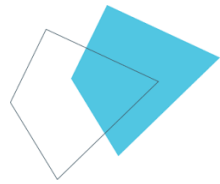
- We will be delivering our first full-year of programming and scaling / enhancing our operations

Our planned objectives driven by our identified roles / structure will enable the Cain Center for the Arts to bring the benefits, beauty, and joys of the arts together in the heart of the Lake Norman region.



APPENDIX I

Revenue and Expense Details



Expenses: Labor Estimate Details

Role	Part / Full Time	Preparing 2019-2020	Building 2020-2021	Opening 2021-2022	Maturing 2022-2023
Executive Director	FT	105k	108k to 140k	111k to 140k	115k to 140k
Development Associate	FT	50k	60 to 75k (Director)	60 to 75k (Director)	60 to 75k (Director)
Administrative & Marketing Assistant	FT	42k	See Mkg& Dev. Associate	--	--
Program Coordinator	PT	30k	32k to 40k	32k to 40k	See GM
Box Office / FOH Manager	FT	--	--	18 to 23k	35 to 45k
Technical Director & Building Operations	FT	--	--	30 to 38k	60 to 75k
Customer Service Rep.	PT	--	--	7 to 8k	20 to 25k
Light Technician	PT	--	--	5 to 8k	15 to 25k
Sound Technician	PT	--	--	5 to 8k	15 to 25k
General Manager	FT	--	--	28 to 33k	55 to 65k
Office Manager	PT/FT	--	25 to 30k	25 to 30k	35 to 40k
Marketing and Development Associate	FT	--	45 to 50k	46 to 52k	46 to 54k
Community Engagement	PT	--	--	--	25 to 30k
Labor Salaries		\$ 227k	\$ 270 to 335k	\$ 368 to 455k	\$ 481 to 599k
Benefits *		\$ 16k	\$ 19 to 24k	\$ 27 to 32k	\$ 35 to 43k
Payroll Taxes (7.65%)		\$ 17k	\$ 20 to 26k	\$ 28 to 34k	\$ 37 to 46k

Summary

- 2019-2020: Addition of the Program Coordinator role as a part-time resource
- 2020-2021: Transition of the Development Associate to a Director role, Marketing role becomes full-time, with a part-time Office Assistant added
- 2021-2022: Two new full-time roles added (Tech/Ops Dir. and Box Office) and part-time staff brought on for light, sound, and customer services (assumes mgr roles at 6 months, others at 4 months)
- 2022-2023: New full-time role of General Manager, Office role becomes full-time, and a new part-time role for community engagement is added

Reference Notes:

- New position salaries ranges based on a review of ~200 NC based roles with similar titles (publicly available data via Monster.com and Career Builder)
- 2020-2021 increases as per current budget plans with 3% year-over-year salary increases thereafter
- Any bonuses would be in addition to the projected amounts shown
- Benefits are estimated at 7.2% of salaries; a competitive benefits study is recommended for longer-term alignment:

* If using 25% estimate: **\$ 57k** **\$ 68 to 84k** **\$ 91 to 114k** **\$ 120 to 150k**

- Payroll Taxes are estimated at 7.65% of salaries



Expenses: Administrative / Other

Category	Preparing 2019-2020	Building 2020-2021	Opening 2021-2022	Maturing 2022-2023
Accounting & Payroll	22k	31k	35k	42k
Tax Preparation	4k	5k	6k	7k
Audit	7k	9k	10k	12k
Expenses and Reimbursements	9k	12k	14k	16k
Communications - Phone	4k	5k	6k	7k
Office Supplies	2k	3k	3k	4k
Technology/Software	3k	4k	5k	6k
Memberships / Dues	2k	3k	3k	4k
Liability Insurance	2k	3k	3k	4k
Board Meeting Expenses	3k	3k	3k	4k
Board and Officers / Workers Compensation	1k	1k	1k	1k
Marketing and Development Expenses	25k	28k	60k	120k
Fundraising Expenses	0k (via campaign)	9k	11k	23k
Administrative / Other Total	\$ 84k	\$ 118k	\$ 162k	\$ 250k

Reference Notes:

- Items based on the 2019-2020 Cain Center for the Arts budget
- Directional assumption that all expenses will increase as the size and complexity of the Cain Center for the Arts continues to grow – projecting rate increases scaled to the percentage of labor cost increases
- Marketing and Development (based on Cain Center for the Arts SME insights)
- Fundraising expenses estimated at ~7% of the fundraising target

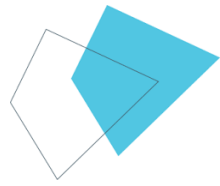


Revenue & Expenses: Programming

Category	Opening 2021-2022	Maturing 2022-2023	Nationwide Average
Revenue			
Programming Income	94 to 114k	280 to 343k	690k
Facility Rental Income	47 to 57k	140 to 171k	163k
Concessions Income	36 to 44k	108 to 132k	126k
Education / Outreach Program Income	--	--	94k
Income Sub-Total	\$ 177 to 215k	\$ 528 to 646k	
Expenses			
Programming Fees	110k	330k	380k
Facility Expenses	--	--	56k
Concessions Expenses	35k	106k	106k
Education / Outreach Program Expenses	--	--	76k
Expenses Sub-Total	\$ 145k	\$ 436k	

Reference Notes:

- Nationwide averages based on studies by the Theatre Communications Group, income and expense items shown for areas most applicable to the Cain Center for the Arts (in terms of peer groups)
- Assumes that 2022 to 2023 will be the first full year of programming delivery, with 2021 to 2022 as a partial year of program delivery (estimated at 33% of a full year)
- Income is based on working sessions with the Cain Center for the Arts Executive Director for the initial programming strategy (number / types of programs)
 - Conservative estimates were used**, based on survey results from the Theatre Communications Group, on average theatres operate with 62% paid capacity; for the Cain Center for the Arts a range of 50% to 70% has been used
 - A review of local facility rental competition was conducted and the income estimate was found to be in-line with Theatre Communications Groups' nationwide averages
- Program Fees: Includes contract fees, general non-payroll artistic fees (travel / accommodations), and any non-contract stage or visual display management/supplies
- Facility Expenses: Expenses related to maintenance would be managed via the Town of Cornelius; (Board discussion item: would all utilities be covered by the Town of Cornelius)
- Education / Outreach Programs: No income or expenses are shown as the Cain Center for the Arts focuses on a presentation / rental strategy, however any joint operations with local groups (e.g. Cornelius Arts Center) would impact these areas

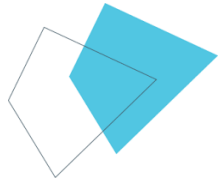


Revenue: Contributed Income

Category	Preparing 2019-2020	Building 2020-2021	Opening 2021-2022	Maturing 2022-2023
Town of Cornelius Appropriation Request	323k	329k	336k	343k
Grants	--	25k	28k	30k
Fundraising / Sponsorships	15k	100 to 175k	182 to 247k	305 to 355k
Contributed Income Total	\$ 338k	\$ 454 to 529k	\$ 546 to 611k	\$ 648 to 698k

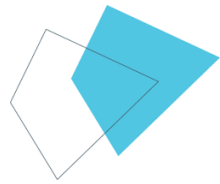
Reference Notes:

- Town of Cornelius appropriation request **remains consistent overtime** with an estimated 2% year-over-year inflation
 - **Support may be reduced** over time if decided, with any balance to the estimated support level shifted to be covered by either Fundraising or Earned Income
 - **Town of Cornelius is assumed to cover all maintenance related expenses** with the related funding and expense figures excluded from these projections (net zero)
- Grants are estimated as per Cain Center for the Arts 2019 to 2021 budget planning with 10% target increases for both 2021-2022 and 2022-2023
- Fundraising / Sponsorships targets for 2021 and beyond are estimated as per the gap to resolve all projected negative balances
- Investment income / endowments are not include in the projections and should be considered as per Cain Center for Arts financial planning for post Construction Capital Campaign actions
- ASC tax impacts are not included within the financial projections



APPENDIX II

Cornelius Center for the Arts Details



Expenses and Revenues: Cornelius Arts Center

EXPENSE FY 2018 ACTUALS

SALARIES-FULL TIME	\$	49,686
SALARIES-PART TIME	\$	27,859
401K-NON SWORN	\$	2,447
FICA	\$	5,690
RETIREMENT	\$	3,731
INSURANCE BENEFITS-HEALTH	\$	6,262
STATE UNEMPLOYMENT	\$	19
PROGRAM SUPPLIES	\$	18,370
TELECOMMUNICATIONS	\$	1,105
ELECTRIC	\$	9,690
BUILDING MAINT	\$	6,596
EXTERNAL PROMOTIONS	\$	1,587
BUILDING RENT	\$	55,320
CONTRACT SVCS	\$	80,501
EXPENSE TOTAL:	\$	268,863

REVENUE:

\$ 163,637

NET:

\$ (105,226)

Example Opportunities

- Pricing Optimization: Example of a first year change of +15% (to be closer to market prices of 30%+)
- Increased Hours: Example of longer evening and weekend hours to increase rental and classroom utilization options by up to 40%

Reference Notes:

- Source: PARC Cornelius Arts Center program FY18 budget
- A separate CAC / Cain Center for the Arts alignment task force is recommended to evaluate a combined services opportunity and develop a business case and go-forward plan

Cain Center for the Arts – Operating Support Grant Application • January 2022
ADDENDUM C

A plan that shows how each budget item relates to the project and/or operations and how the budgeted amount was calculated.

Cain Center Budget FY23

The overall budget for FY23 has been carefully developed by staff using current market trends as well as past research such as the market analysis that was completed in 2019 (see Addendum A). Staff then brings budget recommendations to the Finance Committee who reviews and recommends the proposed to the full Board

Administration Budget

Major Expenses

- Salaries & Benefits – projects HR costs to support Cain Center operations
- Insurance
- Building Maintenance – based on past maintenance costs for Cornelius Arts Center and projected costs for Cain Center for the Arts
- Building Utilities – based on past utility costs for Cornelius Arts Center and projected costs for Cain Center for the Arts
- Accounting and Payroll – fees for outsourced accounting and HR services
- Audit – based on current and projected financial activities
- Phone/Communications/Internet/Security – all costs for company

Program Budget

Income

All Earned Income for the Cain Center for the Arts; represents all ticket sales, facility rentals, and class registrations for the FY23 fiscal year.

Major Expenses

- Salaries & Benefits – projects HR costs to support Cain Center programs, including full and part time staff
- Contract Services – projects costs for artists, instructors, etc.
- Marketing & Advertising
- Miscellaneous

Development Budget

Income

- Annual Fund – Projections were determined based on prior support of our capital campaign and an estimate of how many donors will convert their support to annual fund support in FY23 and beyond.
- Corporate Support – We are working to secure \$100,000 in sponsorship support in FY23. In FY22 we secured \$53,000 in sponsorships.

Cain Center for the Arts – Operating Support Grant Application • January 2022

ADDENDUM C

Grants – this includes this request, support from the Arts & Science Council, North Carolina Arts Council, and other local foundations.

Major Expenses – all expenses estimated for raising FY23 contributed revenue

Salaries & Benefits – projects HR costs to support Cain Center fundraising activities

Software – annual cost of Neon CRM platform

Donor Cultivation & Stewardship – costs associated with cultivating donors: design, printed materials, bulk mailing costs, email appeals, private events and sponsorship of public events (Catawba Walk, etc.)

Marketing & Advertising – all ad buys, media blasts, etc.

CAIN CENTER FOR THE ARTS

CONFLICT OF INTEREST POLICY

Purpose of Policy and Duties of Directors and Officers

The directors, officers¹ and key employees² (each an “Insider”, together the “Insiders”) of Cain Center for the Arts (the “Organization”) owe a duty of loyalty to the Organization, which requires that in serving the Organization they act, not in their personal interests or in the interests of others, but rather solely in the interests of the Organization. Insiders must have an undivided allegiance to the Organization’s mission and may not use their position as Insiders, information they have about the Organization or the Organization’s property, in a manner that allows them to secure a pecuniary or other material benefit for themselves or their relatives.³ Accordingly, no Insider may use his or her position at the Organization for personal gain or to benefit another at the expense of the Organization, its mission or its reputation.

A conflict of interest may arise when a person has an existing or potential financial interest or other material interest that impairs, or might appear to impair, his or her independence or objectivity in the discharge of responsibilities and duties to the Organization. This Policy is intended to protect the Organization’s interests when it is contemplating entering into a contract, transaction, or arrangement that might benefit the private interests of an Insider. This Policy is also meant to aid Insiders in performing the duties imposed upon them by the laws of the State of North Carolina and the United States of America, as applicable, with respect to their management responsibilities and fiduciary obligations to the Organization. The Organization is committed to transparency and openness in its operations.

Each Insider must discharge his or her duties in good faith, with the degree of care that an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner such person reasonably believes to be in the best interests of the Organization. This requires using common sense, being diligent and attentive to the Organization’s needs, and making thoughtful decisions in the best interests of the Organization.

¹ For purposes of this Policy, “officers” include each officer designated in the bylaws, together with the Chief Executive Officer, Chief Operating Officer and Chief Financial Officer or equivalent.

² For purposes of this Policy, “key employee” is defined pursuant to the following three-part test:

1. \$100,000 Test. The employee receives reportable compensation from the Organization and all related organizations in excess of \$100,000 for the calendar year ending with or within the Organization’s tax year; and
2. Responsibility Test. The employee: (a) has responsibilities, powers or influence over the Organization as a whole that are similar to those of officers, directors or trustees; (b) manages a discrete segment or activity of the Organization that represents 10% or more of the activities, assets, income, or expenses of the Organization, as compared to the Organization as a whole; or (c) has or shares authority to control or determine 10% or more of the Organization’s capital expenditures, operating budget, or compensation for employees; and
3. Top 20 Test. The employee is one of the 20 employees (that satisfy the \$100,000 Test and Responsibility Test) with the highest reportable compensation from the Organization and related organizations for the calendar year ending with or within the Organization’s tax year.

³ For the purposes of this Policy, “relative” means spouse or significant other living in the same household (“life partner”), brothers or sisters (by whole or half blood), life partners of brothers or sisters (by whole or half blood), ancestors, children, grandchildren, great-grandchildren, and life partners of children, grandchildren, and great-grandchildren.

No Insider may take personal advantage of a business opportunity that is offered to the Organization unless the Board of Directors of the Organization first determines not to pursue such opportunity.

Each Insider must protect the confidential information of the Organization and must not use confidential information of the Organization for his or her personal benefit, or use such confidential information or his or her position as an Insider to the detriment of the Organization. Confidential information is information obtained through the Insider's position that has not become public information.

Direct or Indirect Financial or Other Material Interest

1. Contracts, transactions, or arrangements of the Organization in which an Insider has a direct or indirect financial or other material interest shall not be prohibited, but they shall be subject to scrutiny. Any such proposed contract, transaction or arrangement (collectively, "Arrangement") is to be reviewed to determine that it is in the best interests of the Organization.
2. For the purposes of this Policy, an Insider has a direct or indirect financial or other material interest in a proposed or existing Arrangement if he or she, or one of his or her relatives:
 - (a) has a substantial financial interest directly in the proposed or existing Arrangement; or
 - (b) has a substantial financial interest in any other organization that (i) is a party to the proposed or existing Arrangement; or (ii) is in any way involved in the proposed or existing Arrangement, including through the provision of services in connection therewith (an "involved organization"); or
 - (c) holds a position as trustee, director, officer, member, partner, or employee in any such party or involved organization.

An Insider's financial interest will be considered substantial if it involves:

- (a) an ownership or investment interest representing more than 1% of the outstanding shares of a publicly traded company or 5% of the outstanding shares or comparable interest of a privately owned company with which the Organization has or is negotiating an Arrangement or which is an involved organization with respect to the Arrangement; or
- (b) an ownership or investment interest, which produces a significant amount of income for or constitutes a significant part of the net worth of the Insider, or a relative of the Insider, in any entity with which the Organization has or is negotiating an Arrangement or which is an involved organization with respect to the Arrangement; or

- (c) a compensation arrangement of any kind with any entity or individual with which the Organization has or is negotiating an Arrangement or with any involved organization with respect to the Arrangement.

Disclosure of Interest and Participation in Meeting

- 3. Each Insider of the Organization shall promptly disclose any direct or indirect financial or other material interest of which he or she has knowledge that he or she has or reasonably expects to have in any proposed or existing Arrangement with the Organization prior to the start of any negotiations with respect to such matter. A direct or indirect financial interest required to be disclosed under this Policy shall be disclosed in writing to the Chairperson of the Board. Such disclosure shall include all material facts and supply any reasons why the Arrangement is in the best interests of the Organization. The Chairperson of the Board shall refer the issue to the full Board, the Executive Committee, or other Board Committee having decision-making authority over the substantive matter in question (the “Board or Committee”).
- 4. The Insider who discloses a direct or indirect financial or other material interest in a proposed or existing Arrangement may make a presentation and respond to questions by the Board or Committee, but after such presentation, he or she shall leave the meeting during the discussion of, and vote on, the Arrangement that results in the conflict of interest. As part of any such presentation, the Insider shall provide to the Board or Committee any reasons why the Arrangement is in the best interests of the Organization. The Board or Committee shall determine whether the Organization can obtain a more advantageous Arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest. The Board or Committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed Arrangement. The Board or Committee, or its designee, generally shall identify at least three alternatives to the proposed Arrangement (“Competing Bids”). If a more advantageous contract, transaction, or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board or Committee shall determine by majority vote of the disinterested members of the Board or Committee whether the Arrangement is in the Organization’s best interests and whether it is fair and reasonable to the Organization and shall make its decision as to whether to enter into the Arrangement in conformity with such determination.

Minutes of Meeting

- 5. The names of the Insiders who disclosed or otherwise were found to have a direct or indirect financial or other material interest in a proposed or existing Arrangement of the Organization, the nature of the interest, and the extent of the Insider’s participation in the relevant Board or Committee meeting on matters related to the financial or other material interest shall be recorded in the minutes for that meeting. The minutes also shall include a record of any determination as

to whether the Arrangement was in the best interest of and fair and reasonable to the Organization, notwithstanding the interest, and the specific reasons supporting the determination, including any alternatives to the proposed or existing Arrangement (i.e., Competing Bids), the names of the persons who were present for discussions and votes relating to the proposed or existing Arrangement, and a record of any votes taken in connection therewith.

Failure To Disclose

6. If the Board or Committee has reasonable cause to believe that an Insider has failed to disclose a direct or indirect financial or other material interest subject to this Policy, it shall inform the Insider of the basis for such belief and afford the Insider an opportunity to explain the alleged failure to disclose. If, after hearing the response of such individual and making such further investigation as may be warranted in the circumstances, the Board or Committee determines that the Insider has in fact failed to disclose a direct or indirect financial or other material interest subject to this Policy, it shall take appropriate disciplinary and corrective action.

Annual Disclosure Statement

7. Each Insider has a duty to place the interest of the Organization foremost in any dealing with the Organization and has a continuing responsibility to comply with the requirements of this Policy. Promptly following the adoption of this Policy, and annually thereafter, each Insider shall acknowledge his or her familiarity with this Policy and shall disclose in writing to the Chairperson of the Board any existing financial or other material interests subject to this Policy, of which he or she has knowledge, that he or she reasonably expects to have in any proposed or existing Arrangement with the Organization, or in any other matter under consideration or to be considered by the Board of Directors, the Executive Committee, or any other Board Committee by completing a Conflict of Interest Disclosure Statement. The Conflict of Interest Disclosure Statements shall be reviewed by the Chairperson of the Board or his or her designee. Any issues not previously disclosed shall be referred by him or her to the Board or appropriate Committee. The Conflict of Interest Disclosure Statements shall be retained in the confidential files of the Chairperson of the Board or his or her designee.

Policy Supplements Applicable Laws

8. This Policy is intended to supplement but not replace any applicable state or federal laws governing conflicts of interest applicable to nonprofit charitable corporations.

Adopted on _____

CAIN CENTER FOR THE ARTS

CONFLICT OF INTEREST POLICY

ANNUAL DISCLOSURE STATEMENT

The Conflict of Interest Policy of Cain Center for the Arts (the “Organization”) requires each director, officer and key employee (each an “Insider”) of the Organization to disclose any direct or indirect financial or other material interest, of which he or she has knowledge, that he or she has or reasonably expects to have in any proposed or existing contract, transaction, or arrangement with the Organization, or in any other matter under consideration or to be considered by the Board of Directors, the Executive Committee, or any other Board Committee.

Please initial each statement that applies to you:

- ☐ I have read, understand and agree to comply with the Conflict of Interest Policy.
- ☐ I am not aware of any direct or indirect financial or other material interest that is required to be disclosed under the Conflict of Interest Policy.
- ☐ I have described in the attached letter every direct or indirect financial or other material interest, of which I have knowledge that is required to be disclosed under the Conflict of Interest Policy. (Please attach a letter providing complete details of any such direct or indirect financial or other material interest subject to the Policy.)

During the time I am an Insider (as such term is defined in the Policy) of the Organization, I agree to report promptly any future situation of which I become aware that might involve or appear to involve me, any of my relatives, or any business closely associated with me or any of my relatives, in any potential conflict of interest with the Organization.

I am completing this disclosure statement based on and in reference to the Conflict of Interest Policy.

Signature: _____ Date: _____

Please return this statement not later than _____.

**FIRST AMENDED BYLAWS
OF
CORNELIUS ARTS AND COMMUNITY CENTER, INC.**

ARTICLE I

PURPOSE

The purpose or purposes for which the Cornelius Arts and Community Center, Inc. (the “Corporation”) is organized are:

Exclusively for charitable, educational and scientific purposes within the meaning of section 501(c)(3) (“§ 501(c)(3)”) of the Internal Revenue Code of 1986, as amended (“Code”), and particularly for maintaining and operating an arts and community center in the Town of Cornelius but serving the entire lake Norman region.

The Corporation may engage in any and all lawful acts which may be necessary, useful, suitable or proper for the furtherance of the purposes of the Corporation.

ARTICLE II

OFFICES

The Corporation shall have and continuously maintain in the State of North Carolina a registered office and a registered agent whose office is identical with such registered office, and may have other offices within or without the State of North Carolina as the Board of Directors may from time to time determine.

ARTICLE III

BOARD OF DIRECTORS

Section 1. GENERAL POWERS. The affairs of the Corporation shall be managed by its Board of Directors. The Board of Directors shall not be compensated.

Section 2. NUMBER, TENURE AND QUALIFICATION. The number of Directors shall be a minimum of fifteen (15) and a maximum of twenty-five (25) which may be increased at the approval of the Directors. Beginning on the date of the election of the initial Board of Directors, one-third of such initial Directors shall serve a two-year term, one-third of such initial Directors shall serve a three-year term, and one-third of such initial Directors shall serve a four-year term. All future Directors shall serve staggered three-year terms. Any Director may serve up to two terms in succession. After serving two consecutive terms, such person shall be eligible for election to the Board of Directors after not serving as a Director for one year. Directors need not be residents of North Carolina.

Section 3. MINIMUM REPRESENTATION. At least one director shall be appointed by the Mayor; two shall be appointed by the majority vote of the Town of Cornelius

Commissioners. The rest and remaining shall be initially establish by the recommendation of the Strategic Arts Committee but approved by the Mayor and the Town Board.

Section 4. ANNUAL MEETING. An annual meeting of the Directors shall be held on or about June 30th of each year, or on such other date as the Board of Directors may determine, for the purpose of electing Officers, electing Directors to fill any Director vacancies and for the transaction of such other business as may come before the meeting. If the election of Officers or Directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Directors called as soon thereafter as conveniently may be determined.

Section 5. REGULAR MEETINGS. In addition to the annual meeting described in the preceding Section 4, the Board of Directors may provide by resolution the time and place, either within or without the State of North Carolina, for the holding of additional regular meetings of the Board without other notice than such resolution.

Section 6. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of the President or Directors constituting no less than 50% of the Directors then in office. The person or persons authorized to call special meetings of the Board may fix any place, either within or without the State of North Carolina, as the place for holding any special meeting of the Board called by them.

Section 7. NOTICE. Notice of any special meeting of the Board of Directors shall be given at least five days before such meeting by written notice delivered personally or sent by United States mail or electronic mail to each Director at his or her address as shown by the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid, or when delivery to the electronic mail address is confirmed, as applicable. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these bylaws.

Section 8. QUORUM. A majority of the Directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board, provided, that if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 9. MANNER OF ACTING. The vote, election or other act of a majority of the Directors present at an annual, regular or special meeting at which a quorum is present shall be the act of the Board of Directors, except where otherwise provided by law or by the Articles of Incorporation or by these Bylaws.

Section 10. VACANCIES. Any vacancy occurring in the Board of Directors, or any Board position to be filled by reason of an increase in the number of Directors, shall be filled by a

vote of the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

Section 11. REMOVAL. Any Director may be removed upon the vote of at least two-thirds of the Directors present at any annual, regular or special meeting of the Board of Directors at which a quorum is present.

Section 12. INFORMAL ACTION BY DIRECTORS. Any action required to be taken at a meeting of the Directors, or any other action which may be taken at a meeting of Directors, may be taken by means of a telephone or electronic mail vote of a majority of the Directors in office, provided that an officer of the Corporation provides all Directors minimum advance notice of at least 48 hours, which notice shall be made by electronic mail and shall state the nature of the matter(s) to be voted on with reasonable particularity.

Section 13. HONORARY DIRECTORS. The Board may elect one or more Honorary Directors at any annual, regular or special meeting. Honorary Directors shall have no right or authority to vote as regular Directors of the Corporation, and the duties and responsibilities of Honorary Directors shall be as determined by the Board. There shall be no limit on the number of Honorary Directors.

ARTICLE IV

OFFICERS AND EXECUTIVE DIRECTOR

Section 1. OFFICERS. The officers of the corporation, each of whom shall be a Director, shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Treasurer, and a Secretary, each of whom shall be elected by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. ELECTION AND TERM OF OFFICE. The officers of the Corporation shall be elected by the Board of Directors at each annual meeting or as soon thereafter as is practicable. Each officer shall serve a one-year term. An officer may serve up to three one-year terms in succession in the same office, and thereafter may serve up to three one-year terms in succession in another office (e.g., a Vice President may serve three one-year terms as a Vice President and immediately thereafter serve three one-year terms as President). Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors.

Section 3. REMOVAL. Any officer, employee or other agent of the Corporation may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. VACANCIES. A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the Board of Directors.

Section 5. PRESIDENT. The President shall preside at all meetings of the Board of Directors and shall see that orders and resolutions of the Board of Directors are carried into effect.

He or she shall have the power to execute, on behalf of the Corporation, bonds, mortgages and all other contracts and documents, whether or not under the seal of the Corporation, except in cases where the signing and execution thereof shall be expressly delegated by law, by the Board of Directors or by these Bylaws to some other officer, employee or agent of the Corporation. The President shall have general powers of supervision and management of the business of the Corporation. In addition, the President shall have the power to execute documents where by law the signature of the President is required. In general, the President shall have all powers and shall perform all duties usually vested in the office of the President of a corporation subject to the right of the Board of Directors to delegate powers to other officers or committees of the Corporation, except those powers which may be exclusively conferred by law upon the office of the President.

Section 6. VICE PRESIDENTS. In the absence of the President or in the event of his or her inability or refusal to act, the Vice Presidents, in the order of their seniority, shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice Presidents shall perform such other duties as from time to time may be assigned to them by the President or by the Board of Directors.

Section 7. TREASURER. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine. He or she shall have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VII of these Bylaws; and in general perform all the duties incident to the offices of Treasurer and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors. The Treasurer is authorized, subject to the Board's approval, to delegate one or more of his or her duties and responsibilities to the Executive Director. In the event of such delegation of duties or responsibilities, the Treasurer shall be responsible for supervising the Executive Director to ensure proper performance of all such delegated duties and responsibilities.

Section 8. SECRETARY. The Secretary or Assistant Secretary shall keep minutes of the meetings of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these bylaws; keep a register of the post office and electronic mail addresses of each Director which shall be furnished to the Secretary by such Director; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Section 9. EXECUTIVE DIRECTOR AND OTHER EMPLOYEES. The Board of Directors is authorized to hire the Corporation's Executive Director and other employees of the Corporation as the Board may determine to be necessary. The Board of Directors shall determine the duties and responsibilities of the Executive Director and the Corporation's other employees. The Board of Directors may delegate to the Executive Director the authority to hire the

Corporation's other employees and/or the authority to determine the duties and responsibilities of the Corporation's other employees. The Executive Director shall be vested with the duties of Chief Administrative Officer of the Center.

ARTICLE V

INTERESTED DIRECTORS AND OFFICERS

It shall be the policy of the Corporation to avoid all conflicts of interest. However, no contract or transaction between the Corporation and one or more of its Directors or officers, or between the Corporation and any other corporation, partnership, association, or other organization in which one or more of its Directors or officers are Directors or officers have a financial or other interest shall be void or voidable solely for this reason, or solely because the Director or officer is present at or participates in the meeting of the Board of Directors thereof which authorizes the contract or transaction, if:

(a) The material facts as to his or her relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors, and the Board in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested Directors, even though the disinterested Directors be less than a quorum; or

(b) The material facts as to his or her relationship or interest and as to the contract or transaction are disclosed or are known to the members entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the members; *and*

(c) The contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified by the Board of Directors which authorizes the contract or transaction. Furthermore, should there occur any changes to an existing contract or transaction or should a transaction or contract develop in such a manner to give rise to any potential conflict of interest, said matter shall be brought to the immediate attention of the full board of Directors for review and action consistent with this article.

Interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors which authorizes the contract or transaction, however, he/she shall not vote on the matter of which he/she has interest.

ARTICLE VI

INDEMNIFICATION OF DIRECTORS AND OFFICERS

(a) The Corporation shall indemnify each Director and each officer who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a Director or officer of the Corporation, or is or was serving at the request of the Corporation as a Director or officer of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she

acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

(b) The Corporation shall indemnify each Director and each officer or employee who is held to be a fiduciary under any employee pension or welfare plan or trust of the Corporation or any of its divisions and who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was such a fiduciary and was serving as such at the request of the Corporation, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding for any breach of any of the responsibilities, obligations or duties imposed upon fiduciaries by the Employee Retirement Income Security Act of 1974 and any amendments thereto, if he or she acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of such plan or trust, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

(c) Any indemnification under paragraphs (a) and (b) of this Article (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the Director or officer is proper in the circumstances because he or she has met the applicable standard of conduct set forth in paragraphs (a) and (b). Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable but a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion.

(d) The indemnification provided by this Article shall not be deemed exclusive of any other rights to which a Director or officer seeking indemnification may be entitled under any statute, provision in the Corporation's articles of incorporation, bylaw, agreement, vote of disinterested Directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

(e) The Corporation shall purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of this status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article.

(f) The invalidity or unenforceability of any provision in this Article shall not affect the validity or enforceability of the remaining provisions of this Article.

ARTICLE VII

CONTRACTS, CHECKS, DEPOSITS & FUNDS

Section 1. **CONTRACTS.** The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, including the Executive Director, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. **CHECKS, DRAFTS, ETC.** All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation, including the Executive Director, and in such manner, as shall from time to time be determined by resolution of the Board of Directors. Initially the Executive Director shall have authority to sign a check on behalf of the corporation which is in the amount of One Thousand Dollars (\$1,000.00) or less. Checks above said amount shall require the additional signature of the President or Treasurer.

Section 3. **DEPOSITS.** All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

Section 4. **GIFTS.** The Board of Directors or the President may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation.

ARTICLE VIII

BOOKS AND RECORDS

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of Board of Directors. All books and records of the Corporation may be inspected by any Director or his or her agent or attorney for any proper purpose at any reasonable time.

ARTICLE IX

FISCAL YEAR

The fiscal year of the Corporation shall end on June 30 in each year.

ARTICLE X

SEAL

The Board of Directors shall provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the Corporation and the words "Corporate Seal."

ARTICLE XI

Section 1. **COMMITTEES OF DIRECTORS.** The Board of Directors, by resolution adopted by the Directors, may designate one or more committees, each of which shall consist of two or more Directors, which committees, to the extent provided in said resolution and not restricted by law, shall have and exercise the authority of the Board of Directors in the management of the Corporation; but the designation of such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon it or him by law.

Section 2. **EXECUTIVE COMMITTEE.** During intervals between meetings of the Board of Directors, the Executive Committee shall exercise all the powers of the Board of Directors in the management of the business and the affairs of the Corporation, except as otherwise provided by law, these Bylaws, or by resolution of the board. The presence of the majority of the members of the Executive Committee then serving in office shall constitute a quorum and the act of a majority of the members of the Executive Committee present at a meeting of the committee at which a quorum is present shall be the act of the committee. Members of the Executive Committee shall be President, Vice President, Treasurer, and Secretary. The Executive Committee shall keep full and fair records and accounts of its proceedings and transactions. The Executive Committee shall report on all action taken since the last Board meeting to the Board of Directors at the Board's next meeting.

Section 3. **OTHER COMMITTEES.** Other committees not having and exercising the authority of the Board of Directors in the Corporation may be designated by a resolution adopted by the Board of Directors. Except as otherwise provided in such resolution, members of each such committee need not be Directors of the Corporation. The Board of Directors shall appoint the members thereof, and each such committee shall have at least one member who is either a Director or officer of the Corporation. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Corporation shall be served by such removal.

Section 4. **TERM OF OFFICE.** Each member of a committee shall continue as such until the next annual meeting of the members of the Corporation and until his or her successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

Section 5. **CHAIRPERSON.** One member of each committee shall be appointed chairperson by the Board of Directors.

Section 6. **VACANCIES.** Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 7. **QUORUM.** Unless otherwise provided in the resolution of the Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 8. RULES. Each committee may adopt rules for its own governance not inconsistent with these bylaws or with rules adopted by the Board of Directors; provided, however, that each committee is required to provide each member at least two days' advance notice of any meeting of such committee, each committee is required to keep minutes of committee meetings, and each committee shall use reasonable efforts to communicate minutes to each committee member at least 24 hours prior to the committee's next meeting.

ARTICLE XII

AMENDMENTS TO BYLAWS

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by a vote of two-thirds of the Directors present at any annual, regular or special meeting at which a quorum is present, provided that at least five days' written notice is given of intention to alter, amend or repeal or to adopt new Bylaws at such meeting.

These Bylaws the Cornelius Arts and Community Center, Inc. were duly adopted by the Board of Directors at a meeting held on _____, 2017.

This the ____ day of _____, 2017.

[Corporate Seal]

Secretary

**Cain Center for the Arts – Operating Support Grant Application • January 2022
ADDENDUM F**

Table of Contents

History	2
Mission, Vision, Values	2
Operations	3
<i>Organization Chart</i>	3
<i>The Board of Directors</i>	3
<i>Staff</i>	4
PURPOSE OF THIS HANDBOOK AND ITS USE	4
CLASSIFICATION OF EMPLOYEES	5
Compensation and Payroll	6
<i>Compensation Principles</i>	6
<i>Work Hours</i>	6
<i>Salary Rates</i>	6
<i>Time Recording/Time Off Recording</i>	7
<i>Overtime Policies</i>	7
<i>Payroll Deduction Policies</i>	8
BENEFITS	8
Benefits Eligibility	8
Group Medical Insurance	8
Workers' Compensation Insurance	9
Holidays	10
Jury Duty Leave	11
Bereavement Leave	11
Adverse Weather Policy	11
HIRING PRACTICES AND POLICIES	11
Equal Opportunity Employment	11
Qualifications for Appointment	12
Employment Of Qualified Disabled Individuals	13
PERFORMANCE REVIEW AND DISCIPLINARY ACTION	13
Introductory Period	13
Performance Review	14
POLICIES AND PROCEDURES	14
Rules of Conduct and Disciplinary Actions	14
<i>Sexual Harassment and Other Offensive Behavior</i>	14
<i>Drug and Alcohol Free Workplace</i>	15
<i>Immigration and Naturalization</i>	15
<i>Pre-employment Inquires</i>	15
<i>Organization-Wide Privacy Policy</i>	15
<i>After-Hours Communications Policy</i>	16
<i>Conflicts of Interest</i>	16
<i>Relations with Vendors</i>	16
<i>Partisan Political Activity</i>	17
<i>Telecommuting Policy</i>	17
<i>Confidentiality</i>	17
<i>Use of Computers, the Internet, Social Media, and All Forms of Information Technology</i>	18
<i>Whistleblower Policy</i>	20
<i>Grievances or Complaints Policy</i>	21
ACKNOWLEDGMENT OF RECEIPT OF EMPLOYEE HANDBOOK	22

ORGANIZATION OVERVIEW

History

Cain Center for the Arts was established as a 501 (c)(3) non-profit organization on July 14, 2016, and received approval from the Internal Revenue Center for tax exempt status on March 20, 2017. This transpired after local Cornelius residents identified the need for a larger, updated arts facility in Old Town Cornelius. A \$4 million dollar Town bond was approved for use on the downtown redevelopment project in 2013. The Town also purchased land that will house the future arts center, which will be located in downtown Cornelius adjacent to the police station. Cain Center for the Arts and the Town of Cornelius partnered with C Design and Holzman Moss Bottino Architecture Firms to design the facility.

Cain Center for the Arts is currently led by Executive Director, Justin Dionne in conjunction with an ambitious Board of Directors, chaired by Greg Wessling. Cain Center for the Arts also consists of an Advisory Board with a variety of special skills and creative talents that contribute to the success of Cain Center for the Arts.

With a focus on performing arts, visual arts, and social experiences, Cain Center for the Arts will provide education and entertainment to the North Mecklenburg area and beyond.

Mission, Vision, Values

The mission of the Cain Center for the Arts is to provide exceptional visual arts, performing arts, and social experiences in the Lake Norman region.

Our vision is to empower children and adults alike to create, experience, and enjoy visual and performing arts by providing a flexible facility in our community to attract and serve a broad audience.

The Cain Center for the Arts operates under the following **core values**:

Inspirational –a place that inspires and encourages creativity.

Community-centered –a place that serves everyone. It will expose, invite, and engage as a destination for all members of the community.

Creative – serve as a hub of creativity, providing a platform for unique and individual expression.

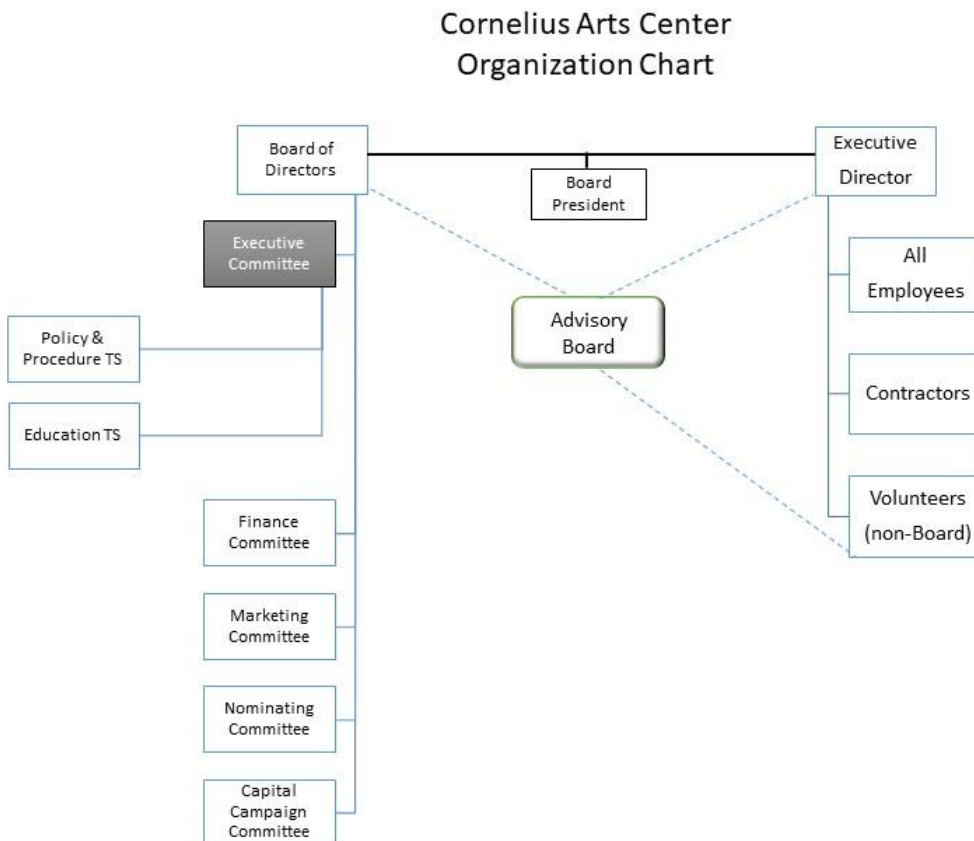
Entertaining –provide a holistic experience that produces valuable, enjoyable experiences while also focusing on comfort.

Educational - a place where the arts and education connect.

Operations

Organization Chart

Executive Director Justin Dionne oversees the Center's operations, and the strategic vision of the Center is driven by Board of Directors.



The Board of Directors

Board of Directors - (Directors serve 3-year rolling terms, up to 25) As a not-for-profit organization, overall Cain Center for the Arts operations are governed by a volunteer Board of Directors. The Board recruits, evaluates and elects its own members to serve specific terms of office, and to fulfill specific officer and committee assignments during these terms.

Members of the Board of Directors dedicate time, energy, resources and expertise towards the visibility and support of Cain Center for the Arts. The Board has total fiscal accountability and is responsible for setting policy and leading the organization in planning all aspects of its current and future programming.

1. The Executive Committee

The main function of the Board's Executive committee is to consider operational matters in detail in order to make recommendations to the full Board. This committee meets

periodically between Board meetings and is composed of the officers of the Board and other Board members appointed by the Chairperson.

2. Operational Committees

The main function of the Board's operational committees is to guide the administrative operations of the Cain Center for the Arts Board and staff organization. These committees are: Executive, Nominating, Marketing, Development, and Finance. Ad Hoc committees and task forces are appointed from time to time to deal with specific issues.

Staff

1. The Executive Director

The Executive Director is responsible for guiding the total operation of Cain Center for the Arts. The scope of authority includes direct supervision of all departments, staff employment, evaluation and termination, and financial management. The Executive Director is hired by the board and reports directly to the board.

2. Administrative Staff

Administrative employees report to the Executive Director.

PURPOSE OF THIS HANDBOOK AND ITS USE

This Handbook is intended to provide you with an overview of the Center's policies, benefits, and general information that relate to your employment and to communicate our commitment to a mutually respectful and rewarding environment while you are employed here. If you have any questions about the policies summarized in this Handbook, please feel free to ask your manager or supervisor.

Cain Center for the Arts reserves the right to modify, add, or delete provisions in this handbook, based on changes in legal requirements, business conditions, or other relevant circumstances. Consequently, its actions, from time to time, may vary from the attached policies and procedures, or any subsequent policies and procedures implemented. Whenever practicable, Cain Center for the Arts will make reasonable effort to notify employees in advance of any policy changes, but in any event, any such changes will be effective immediately unless otherwise specified regardless of advance notice. Continuation of employment after any such actions constitutes consent to such action.

Nothing in this Handbook is intended to create, nor should it be construed as creating, an express or implied contract of employment. Rather, employment is at the mutual consent of the employee and Cain Center for the Arts and can be terminated at will by the employee or the organization.

All personnel with supervising responsibilities are required to be familiar with these personnel policies and should consult with the Executive Director on questions of interpretation as may be necessary before making decisions or taking actions.

CLASSIFICATION OF EMPLOYEES

At-Will Employment

North Carolina is an employment-at-will state. This means that either the employee or the employer may terminate the employment relationship at any time and for any reason, except a reason specifically prohibited under state or federal law.

For the purpose of salary administration and eligibility for overtime payments and employee benefits, Cain Center for the Arts generally classifies its employees as follows:

Regular Full-time: Employees who are hired to work Cain Center for the Arts's normal full-time schedule on a regular basis. For administrative employees, this is generally 52 work weeks per year, except for scheduled time off such as vacation or holidays. Generally, unless otherwise provided elsewhere in this Handbook, all regular full-time employees should work at least 40 hours per week, may be eligible for standard benefits and may be "exempt" or "non-exempt" as defined below.

Regular Part-time: Employees who are hired to work fewer than 20 hours on a regular basis. Regular part-time employees are eligible for some of the standard benefits and may be "exempt" or "non-exempt" as defined below.

Temporary Employees: Employees hired either by the Cain Center for the Arts or through a temporary agency for a specific or limited period of time, generally not exceeding 3 months or the duration of a special project. Such employees generally are not eligible for benefits. Temporary employees may work a full-time or part-time schedule and may be "exempt" or "non-exempt" as defined below.

Exempt: Employees who are exempt from the overtime provisions of the Fair Labor Standards Act (FLSA) and are not eligible for overtime pay.

Non-Exempt: Employees who are required to be paid overtime at the rate of time and one-half their regular rate of pay for all hours worked beyond 40 in a workweek in accordance with the FLSA. For purposes of overtime calculation, holidays, vacation days, sick days and other similar days off of work are not counted as hours worked. The lunch hour, in which the employee is completely relieved from his or her job duties, is not counted as hours worked. Short break times (usually consisting of 5 to 20 minutes) are treated as compensable hours worked for purposes of overtime. It is important that all employees report to work on time at the end of their break or lunch period. Any extensions or deviations from the authorized break or lunch schedules must be approved by the employee's supervisor, or the employee may be subject to discipline, up to and including termination of employment.

Each employee will be informed of his or her initial employment classification and of status as an exempt or non-exempt employee at the time of hire. If an employee's position changes during employment as a result of a promotion, transfer or otherwise, the employee will be informed of any change in his or her classification and/or status.

In addition, Cain Center for the Arts may also engage independent contractors. These individuals are self-employed, perform services on a contract basis and are not intended to be governed by the provisions of this Handbook.

Compensation and Payroll

Compensation Principles

Cain Center for the Arts's compensation policy and procedures reflect a commitment to the following principles:

- All employees are evaluated according to their job duties;
- Compensation is fundamentally based on the relative level of contribution of a given position, as well as the individual performance of an employee in that position;
- Cain Center for the Arts is committed to maximizing the professional growth and development of all employees; given appropriate opportunities, all employees are encouraged to seek and rise to their highest level of potential contribution;
- Compensation administration is guided by both internal equity - the relative evaluation of positions within the overall organization - and external equity - the prevailing conditions for jobs or classes of jobs in relevant markets;
- Cain Center for the Arts has an obligation to provide clarity of responsibility and accountability for each position and employee;
- Compensation policies and practices are communicated widely and continuously to all employees;
- Compensation policies and practices are administered without regard to any characteristic protected by law; and
- Compensation policies are subject to the economic health of the organization. Increases in compensation are subject to the approval of the Executive Director.

Work Hours

The "work week" begins at 12:01 a.m. on Monday and ends at 12:00 midnight the following Sunday. Weekly payroll is based on this work week. Standard days off are Saturday and Sunday. However, all staff work schedules are based on prevailing rehearsal, production, performance needs of the Cain Center for the Arts. The normal workweek is 40 hours. Each department has its own work schedule, and the supervisor will advise each employee of the regular work schedule, meal breaks, and arrangements for personal breaks. On an individual employee basis, starting and ending times may vary, either on an ad-hoc or scheduled basis, as jointly agreed by the supervisor and employee.

In addition, all staff schedules are based on the prevailing rehearsal, production, and performance needs of the Cain Center for the Arts at the time. A lunch period and appropriate work breaks are scheduled on a daily basis. Days off are based on the rehearsal, production, and performance needs of the Cain Center for the Arts at the time.

Salary Rates

Employees will be paid monthly on the last day of the month, unless other arrangements have been negotiated. All employees will be paid via direct deposit with the exception that employees who are hired on a contract basis will be paid via live check. If Friday is a recognized holiday, checks will be delivered on the next regularly scheduled work day. Checks will normally be distributed by 2 p.m.

For the protection of employees paid via live check, checks may only be distributed directly to the employee. An exception will be made only if you give prior written

authorization and verify with your supervisor or the Executive Director that someone else is to receive your check.

Salary increases, if any, will be based on an evaluation of your performance, the funding available in the approved budget during the current fiscal year, and other business circumstances. Such salary increases are within the complete discretion of Cain Center for the Arts. Salary increases are not automatic and should *not* be expected to coincide with a formal, written evaluation. Salary increases, awarded on a discretionary basis, ordinarily become effective on September 1 and will be reflected in the first paycheck after September 1.

Cain Center for the Arts reserves the right to change salary rates based on business circumstances, including implementing any salary decreases, in its complete discretion.

Time Recording/Time Off Recording

Cain Center for the Arts is required by federal and state law to maintain accurate records of all hours worked by non-exempt employees. To insure that accurate records are kept of time worked, and to insure that employees are paid in a timely manner, non-exempt employees are required to record the time they work by using Cain Center for the Arts timesheets.

Exempt employees, although not eligible for overtime, are also required to report actual hours worked each day to account for their time for administrative purposes using the Cain Center for the Arts reporting methods.

All employees must submit requests for time off (both Paid Time Off and Unpaid Time Off) to their Supervisor for approval. Once an employee's Supervisor has approved the request, the form must be submitted to the Executive Director in advance of the payroll affected by the time off. Additionally, all employees are required to accurately track their own vacation, sick leave, and other leave(s).

Failure to comply with Cain Center for the Arts's timekeeping procedures or falsifying a time record is deemed to be a violation of Cain Center for the Arts's policies and may result in disciplinary action, up to and including termination.

Overtime Policies

Overtime is paid at time and one-half the regular hourly rate of a non-exempt employee for all hours worked over 40 hours per workweek. Non-worked, paid hours such as sick, vacation, holiday, bereavement and jury duty days are not used when calculating overtime. Supervisors will be responsible for scheduling overtime and will make every effort to notify employees as far in advance as possible. Non-exempt employees are expected to accept all requests to work overtime, unless there is an unavoidable scheduling conflict. In addition, all overtime for non-exempt employees must be authorized and approved by an employee's supervisor in advance, unless business conditions require s/he to stay later than s/he was scheduled on his/her last shift of the week. Failure to obtain prior approval from his/her supervisor for working additional hours will be grounds for disciplinary action.

Reimbursements

Cain Center for the Arts maintains a system of expense reimbursement for authorized business expenses incurred by employees. Under this system, employees who are authorized to incur necessary business expenses must present an expense report and receipts for reimbursement to their supervisor for approval.

No employee is entitled to incur business expenses or obligate Cain Center for the Arts financially without advance approval from his or her supervisor. Requests for reimbursement for business expenses should be made semi-monthly.

Payroll Deduction Policies

Cain Center for the Arts automatically withholds from your check, on your behalf, those deductions required by state and federal law, including income taxes and Social Security. In addition, you may authorize additional deductions to cover your portion of group health insurance payments, tax deferred annuity programs, and/or other expenses.

BENEFITS

Cain Center for the Arts currently maintains an employee benefit plan and program designed to assist employees and their eligible dependents. This section of the Handbook contains a brief description of some of the various benefit plans provided to eligible employees. Where the benefits are governed by formal plan documents or master policies, the exact terms of those plans or policies will govern, including those provisions governing eligibility. While it is Cain Center for the Arts's intent to continue all current benefit plans and policies, Cain Center for the Arts reserves the right to periodically review the benefit plans and policies and to modify, amend or terminate any benefit plan or policy presently in effect. Accordingly, Cain Center for the Arts makes no promise to continue the benefit plans contained in this Handbook into the future.

For copies of plan documents or master policies, or for other information on the Cain Center for the Arts's benefits, you should speak with the Executive Director.

Benefits Eligibility

For a complete description of employee eligibility for various Cain Center for the Arts benefits, please refer to the terms of the individual benefit plans. Employees are encouraged to discuss with the Executive Director whether they may elect to cover their dependents at their own cost through payroll deduction.

Group Medical Insurance

Cain Center for the Arts currently makes group medical insurance coverage available to regular full-time employees. Eligible participating staff will be given insurance enrollment forms and policies to sign during the orientation process. You will be kept informed of

changes and additions to these programs. New employees are eligible for benefits effective on the first day of the month following the 60th day of their employment.

Workers' Compensation Insurance

Cain Center for the Arts maintains workers' compensation coverage for employees, as required by law. An employee's coverage, and eligibility for coverage, is determined by law. These payments provide medical benefits and disability income payments for employees who incur work-related injuries or illnesses.

Paid Time Off

Purpose: The purpose of this policy is to provide employees with information regarding how Paid Time Off (PTO) is earned and managed. PTO is intended to be used for rest and relaxation; to handle personal business; for an employee's short-term illness; or to attend to a short-term illness of someone else. PTO eliminates the need for separate vacation, personal and sick time policies by combining these time off components into one category. It does not apply to Jury Duty, bereavement leave, military leave, or holidays.

Eligibility: This policy applies to all FULL TIME Cain Center for the Arts employees. PTO has been designed to provide paid time off for employees to use at their discretion. All full-time employees are eligible to accrue PTO time. **Upon completion of your introductory period (30 days), you will begin to earn PTO hours each month worked, following the accrual calendar below.**

Failure of an employee to observe this policy may constitute a break of the terms and conditions of employment and subject such employee to disciplinary action, up to and including termination of employee.

Accrual: Effective July 1, 2018, full-time, administrative employees are eligible to accrue PTO each year in accordance with their length of service. PTO is accrued or earned based on the employee's length of service and on time worked during the calendar year.

Completed Years Of Service On July 1st of Each Year	PTO Days Per Year	<u>Accrual Rate</u>
Less than Three Years	20 Days	1.67 days/month
Three Years Or More	25 Days	2.09 days/month

Cain Center for the Arts uses the eligible employee's date of hire in calculating the completed years of service on July 1st of each calendar year. Only whole years (12 months) of full-time continuous and completed service, measured from the employee's date of hire, are considered. For example, if an eligible employee has less than three (3) whole years of continuous and completed service as of July 1st, their PTO calculation would be 20 PTO days for that year.

Regulations: Employees may "borrow" PTO time up to the maximum allowable balance (following the accrual chart) within the fiscal year. If an employee terminates employment for

any reason, and they used PTO time that was not yet accumulated, they will be required to pay back the time that was borrowed.

Responsibilities:

a) The Executive Director (in lieu of Director of Human Resources) is responsible for the interpretation and enforcement of this policy.

In addition:

b) Employee Responsibilities

Employees are requested to provide at least seven (7) days' notice of the need to take PTO for foreseeable PTO requests whenever possible. If PTO is used for an unplanned illness or event, an employee must directly notify his/her supervisor within one hour of the normal starting time or departure time. Failure to do so may result in disciplinary action, unless the employee can demonstrate that it was not practicable to provide such notice.

Employees will schedule PTO so there will be a minimum disruption of the work of the organization. Employees must receive prior approval PTO from the Executive Director. Due to work commitments and previous requests for time off, you may not always receive the specific time period you request, and we reserve the right to schedule PTO based on business necessities.

We encourage our employees to use their PTO benefit, but we know that this is not always possible. An eligible employee may carry over unused, accrued PTO from one fiscal year to the next until the PTO in their bank reaches a maximum of 30 PTO days. Once an employee reaches the maximum accrued amount of 30 PTO days in their PTO bank, the employee can no longer carry over unused, accrued PTO and any accrued, unused PTO that results in more than 30 PTO days in the bank will be forfeited. In no event shall an eligible employee accrue more than 30 PTO days of PTO per year.

Upon Termination: Cain Center for the Arts will pay out any accrued, unused PTO, up to a maximum of ten (10) days, at separation of employment to eligible employees. Employees who are terminated for poor performance or misconduct as determined by Cain Center for the Arts in its sole discretion, or who fail to provide the proper advance notice required by Cain Center for the Arts prior to your resignation (two (2) weeks' notice, unless otherwise expressly specified in writing by the Executive Director), will forfeit any accrued, unused PTO.

Holidays

Regular employees receive ten paid holidays per calendar year. Employees vote for the particular holidays to be taken each calendar year. Examples of these holidays could be:

New Years Day	Labor Day	Martin Luther King, Jr. Day
Thanksgiving Day	Day after Thanksgiving	Memorial Day
Christmas Eve	Christmas Day	Independence Day
Floating Religious Holiday	Veterans Day	

Cain Center for the Arts recognizes and honors diverse cultures and traditions, and employees may request to substitute different holidays with prior approval by the employee's supervisor.

When a holiday falls on a normal business day, M-F, the holiday occurs on the actual business day. When the holiday occurs on Saturday, employees shall observe the holiday on Friday.

When the holiday occurs on a Sunday, employees shall observe the holiday on Monday (Including when Christmas Day falls on a Saturday).

Jury Duty Leave

Necessary time off without loss of pay shall be granted to employees called for jury duty. Cain Center for the Arts requests that as much advance notice as possible be given to the employee's supervisor so that appropriate measures can be taken to cover that employee's responsibilities during her/his absence. No refund to the Cain Center for the Arts of per diem fees and other allowances shall be required. Proof of jury service may be required.

Bereavement Leave

Regular employees are allowed up to three consecutive, paid days for bereavement leave in the event of a death in the immediate family. The immediate family is determined by birth or by legal adoption and is defined as a father, mother, sibling, child, grandparent, grandchild, aunt, uncle, spouse, spouse's parent or sibling, and step- and half-relatives at the same level. (In very unusual circumstances, leave may be granted to attend the funeral or memorial service of another relative, subject to the approval of the Executive Director.) If more time is needed, this must be approved by the Executive Director; it shall be charged to PTO.

Adverse Weather Policy

Employees are asked to plan ahead when adverse weather is predicted in order to make every effort to complete their work on schedule. Cain Center for the Arts is never considered closed for adverse weather. However, Cain Center for the Arts does not want any staff member to take unnecessary risks because of weather. Using an honor system, an employee who does not feel safe in coming to the office (or staying at the office) due to adverse weather may stay (or go) home during the hours in which safety is a concern. After missing 24 regularly-scheduled working hours due to adverse weather within one fiscal year (July 1 to June 30), employees shall automatically use any accrued PTO. After all PTO is used, employees' pay shall be reduced on a prorated basis. Employees who are able to work at home may do so if pre-approved by their supervisor.

If all employees trained to answer the phones are out at a particular time due to adverse weather, callers to the office may get a message that the Cain Center for the Arts is closed due to inclement weather. Getting this message does not mean that the Cain Center for the Arts is closed for employees who can make it in safely.

HIRING PRACTICES AND POLICIES

Equal Opportunity Employment

Cain Center for the Arts is committed to equal employment and affirmative action. Staff shall be selected on the basis of the applicant's qualifications and without regard to race, color, religion, sex, age, veteran status, sexual orientation, marital status, national origin, ancestry, disability, pregnancy, genetic information, gender identity/expression or any other protected characteristic or class, except where specific age, sex, or physical requirements constitute a bona fide occupational qualification necessary for job performance.

This policy applies to all persons in all aspects of employment at Cain Center for the Arts, including, but not limited to recruitment, selection, placement, training, compensation, benefits,

promotions, transfers, layoff, termination and other treatment on the job. All employees and job applicants are guaranteed equality of employment opportunity. Reasonable accommodations will be made for job applicants and employees with disabilities in compliance with the federal Americans With Disabilities Act.

All recruitment, selection, placement, training, and layoff decisions made by Cornelius' managers will be based solely on job-related qualifications and abilities of candidates. In some cases, seniority may be treated as a factor to be considered in the selection process. The qualifications of candidates for a promotion or transfer will be assessed solely on the basis of an individual's ability, merit, and seniority where applicable.

Employment advertisements shall contain assurances of equal employment opportunity and shall comply with federal and state statutes regarding nondiscrimination in employment matters based on age, sex, race, color, religion, national origin, and disabilities.

All personnel policies and practices, including compensation, benefits, discipline, and safety and health programs, as well as social and recreational activities, will be administered and conducted without discrimination.

The full cooperation and support of all employees is essential to the success of Cornelius' equal employment efforts. Any employee who believes that he or she has been subjected to discrimination or harassment of any kind must immediately report the prohibited conduct to his or her supervisor so that an investigation can be initiated and appropriate action can be taken.

If you feel you have suffered unlawful discrimination, contact the Executive Director. If the Executive Director is the one you feel is discriminating, contact the Cornelius' Board of Directors President. No form of retaliation is permitted for bona fide charges of illegal discrimination.

All complaints will be investigated promptly. Appropriate action will then be taken by Cain Center for the Arts based on the results of the investigation. Any attempt to coerce, intimidate or retaliate against anyone who complains of harassment or discrimination pursuant to this policy or who assists in an investigation will not be tolerated. Anyone found to be engaging in any type of unlawful discrimination or harassment will be subject to disciplinary action, up to and including termination of employment.

Qualifications for Appointment

(a) Classification Standards - All applicants must meet the specifications of the position as defined in the classification plan. These specifications contain minimum knowledge, skills and abilities, and experience and educational requirements. Other reasonable, job-related minimum standards may also be established by the Town Manager as appropriate.

(b) Physical & Mental Standards - All applicants for employment must meet the physical and mental standards established for the position for which they apply as a condition for employment in order to perform the essential duties of the position.

(c) Forms of Application – All applicants for employment must fill out and furnish complete information on the Cain Center for the Arts's application form and/or resume.

(d) Other Standards for Employment - Where other standards or requirements for a

particular position are established, all applicants shall be required to meet those standards as a condition for employment. Any standards developed shall be job-related, approved by the Executive Director and entered on the applicable position or class specification. Any substitution for or deviation from established standards shall be approved by the Executive Director. The Executive Director may establish and must approve any tests or examinations which are developed and warranted to determine whether or not an applicant or employee meets established standards.

Employment Of Qualified Disabled Individuals

Cain Center for the Arts is committed to complying with all applicable provisions of state and federal laws protecting the rights of qualified disabled individuals. It is Cornelius' policy not to discriminate against any qualified employee or applicant with regard to any terms or conditions of employment because of such individual's disability or perceived disability so long as the employee can perform the essential functions of the job. Consistent with this policy of nondiscrimination, Cain Center for the Arts will provide reasonable accommodations to a qualified individual with a disability, as defined under applicable law, who has made Cain Center for the Arts aware of his or her disability, provided that such accommodation does not constitute an undue hardship on Cain Center for the Arts.

Applicants or employees with a disability who believe they need a reasonable accommodation to perform the essential functions of their job should contact an appropriate management representative. On receipt of an accommodation request, Cain Center for the Arts will review the potential reasonable accommodation(s) that Cain Center for the Arts might make to enable you to perform the essential functions of the job. As part of this process, an employee or applicant may be required to provide authorization for Cain Center for the Arts to communicate with and obtain documentation from their doctor(s) regarding the medical condition(s) for which reasonable accommodation is sought, and may further be required to be evaluated by a doctor of Cain Center for the Arts's choice. All such medical information discussed and received will be treated as confidential to the extent required and permissible by law. The Executive Director is responsible for compliance with these federal employment requirements and shall work with managers on a case-by-case basis to affect compliance.

PERFORMANCE REVIEW AND DISCIPLINARY ACTION

Introductory Period

All new employees must complete a six-month introductory period. Your supervisor may extend the introductory period when necessary. An introductory period does not modify the at-will nature of your employment as all employment may be terminated at-will both during and after the trial period.

The introductory period permits you to become familiar with your position and to demonstrate the skills, abilities, and work habits required for continued employment. During this period, you and your immediate supervisor are encouraged to establish goals, discuss all performance standards, and assess your progress. Supervisors are responsible for documenting any performance deficiencies and problems during the introductory period, notifying employees of any such matters, and outlining ways to correct those deficiencies. Employees may be terminated at any time during the initial introductory period if, in the judgment of the supervisor, continued employment at the Cain Center for the Arts would not be in the best interests of the organization. Every staff member shall remain an employee-at-will regardless of successful completion of the introductory period. This introductory status does not affect eligibility for benefits.

Performance Review

A performance review will generally be conducted for each employee by her or his supervisor after six months of employment and annually thereafter. The supervisor's analysis of strengths, areas that need improvement, and any revision needed in priorities or responsibilities then becomes part of the employee's personnel file. This practice in no way obligates the supervisor or the Cain Center for the Arts to conduct a formal performance evaluation. A self-evaluation by the employee also may be requested as part of this evaluation process.

The Executive Director's performance is reviewed at least annually by the Board of Directors. See the Board policy for the schedule and procedure. The President of the Board is responsible for meeting one-on-one with the Executive Director shortly thereafter to communicate the results of this review and then to prepare the written record for the personnel file.

POLICIES AND PROCEDURES

Cain Center for the Arts has established a set of policies and procedures in order to maintain quality practices, and a lawful working environment. These policies and procedures apply to all employees of the organization. All employees are responsible for reading, understanding, and complying with the established policies and procedures documented in this handbook. Policies and procedures can be changed at any time for any purpose by the executive director and/or board of directors.

Rules of Conduct and Disciplinary Actions

The Cain Center for the Arts believes in providing its employees with opportunities for improvement when feasible and appropriate.

Employees are expected to meet established standards of attendance, performance, and conduct. Employees who demonstrate poor attendance, substandard work performance, or unacceptable conduct shall be subject to review and corrective action that may include termination.

Corrective action is exercised at the discretion of management, based on the specific situation and its severity. Corrective actions may include verbal reminders, written reprimands, suspension, reassignment, demotion, termination, or other actions consistent with the circumstances. The Cain Center for the Arts reserves the right to decide, at its own discretion, whether corrective action is appropriate and, if so, the order and nature of corrective action. Nothing in this policy obligates the organization to follow a pattern of progressive discipline, nor is it intended in any way to limit the organization's right to terminate an employee at any time, with or without cause, and with or without advance notice.

Sexual Harassment and Other Offensive Behavior Policy

The Cain Center for the Arts is committed to creating and maintaining a workplace free of sexual harassment. Improper conduct in the workplace, or between employees after hours, is inappropriate and will not be tolerated. This conduct includes: (a) expressed or implied requests for sexual favors as a condition of job retention, promotion, or other benefit of employment; (b) unwelcome physical contact; and (c) harassment or other inappropriate behavior [such as sexually explicit jokes, improper suggestions, graphic or descriptive comments or discussions about an individual's body or physical appearance, degrading verbal comments, offensive sexual flirtations, and intimidation].

Offensive behavior directed at a person's race, color, religion, gender, age, national or ethnic origin, disability, sexual orientation, or marital status is also prohibited. The Cain

Center for the Arts's policy on sexual harassment and other offensive behavior applies to staff, its Board of Directors, donors, and volunteers.

Any complaints of harassment shall be referred immediately to the Executive Director and Board President. All investigations shall be conducted as promptly and confidentially as possible, and at no time shall the complainant be retaliated against. Appropriate disciplinary action shall be taken when warranted. Fabricated complaints, which are not based on a reasonable belief, shall not be tolerated and may lead to disciplinary action against the false accuser.

Employees will not be retaliated against for filing a complaint and/or assisting in a complaint or investigation process. Further, the Cain Center for the Arts shall not tolerate or permit retaliation by supervisors or co-workers against any complainant or anyone assisting in a harassment investigation.

The Federal Equal Employment Opportunity Commission (EEOC) and the North Carolina Office of Administrative Hearings, Civil Rights Division (OAH) investigate and prosecute complaints of prohibited harassment in employment. If an employee believes he or she has been harassed or discriminated against or retaliated against for resisting or complaining, the employee may also file a complaint with the appropriate agency in addition to exhausting the above complaint procedure.

Drug and Alcohol Free Workplace Policy

The unlawful use, possession, or distribution of a controlled substance is prohibited in this workplace. Any abuse of this policy shall be reported to the Executive Director immediately. An exception is alcohol consumed in moderation on the premises for special occasions or at functions outside the office with the Executive Director's prior approval.

Immigration and Naturalization Policy

As required by law, new and rehired employees must complete the necessary tax withholding and Immigration and Naturalization Service forms (Form I-9) and provide the correct identification documents to ensure authenticity within the first three days of employment. Re-verification of existing employees may occur. All employees may be required to re-verify their identity and employment eligibility.

Pre-employment Inquires Policy

Before an employee is hired, the Cain Center for the Arts may contact references as well as administering a background check. The Fair Credit Reporting Act requires employers to notify applicants that a background check will be sought and used to evaluate their qualifications for employment.

Organization-Wide Privacy Policy

The Cain Center for the Arts values protecting the privacy of its members, vendors, and other constituents. Cain Center for the Arts ensures that all data collected is compliant with the U.S. Department of Justice, U.S. Federal Trade Commission's safe harbor

guidelines, Section 512 of the Digital Millennium Copyright Act, and e-discovery rules for gathering, storing, and sharing data.

After-Hours Communications Policy

Under the Fair Labor Standards Act of 1938 (FLSA) employees are entitled to be paid for all hours worked, and non-exempt employees may use computers to, for example, check work emails away from the office and during non-scheduled hours. The purpose of this policy is to instruct non-exempt employees concerning use of electronic communications devices when not scheduled for work duty.

Employees of the Cain Center for the Arts may perform job duties using a variety of electronic communications depending on the nature of the work and responsibilities involved. Some of the required communication mediums might include cell phones, text messaging devices, computers, and handheld computers such as personal digital assistants (PDAs).

As with other types of authorized work, all time spent by non-exempt employees using electronic communications for work purposes will be considered hours worked; the time is compensable and will count toward overtime eligibility as required by law. Therefore, to avoid incurring unnecessary expenses, electronic communications should not be used outside regularly scheduled work hours unless required by management. This includes all types of work-related communication.

Non-exempt employees should not check for, read, send, or respond to work-related emails outside their normal work schedules unless specifically authorized based on job duties or direction by management to do so.

Non-exempt employees using electronic communications for work-related correspondence during unauthorized times may be subject to discipline for violating this policy. Supervisors requiring non-exempt employees to use electronic communications for work-related correspondence at unauthorized times are also subject to discipline up to and including termination.

Conflicts of Interest Policy

All employees are asked to review, sign, and date the Conflict of Interest Policy at the beginning of their employment and each year thereafter. Failure to sign does not nullify the policy.

Relations with Vendors Policy

Cain Center for the Arts makes decisions about the purchase of products and services and about vendors and contractors to use based on our values and on good financial accountability. For all Cain Center for the Arts purchases, the Cain Center for the Arts strives to ensure the best quality at the best price.

While the Cain Center for the Arts encourages employees to have friendly relations with vendors and contractors, employees shall base business decisions solely on the Cain Center for the Arts's needs and the quality and price of the products or services needed. If an employee enters into a personal relationship with an employee or owner of

an entity having financial dealings with the Cain Center for the Arts, this creates a possible conflict of interest that requires full disclosure by the employee to the Executive Director.

Partisan Political Activity Policy

Cain Center for the Arts believes in the importance of civic engagement in all its forms. However, as a 501(c)(3) nonprofit, Cain Center for the Arts is strictly prohibited from participating in any partisan political activities. Doing so would immediately jeopardize the organization's tax-exempt status as a public charity. Thus, the following guidelines on partisan political activities by individual employees are very important:

- Any partisan political activity of employees shall be clearly identified as being personal and shall not identify the employee as a representative or employee of the Cain Center for the Arts.
- Engagement in partisan political activities shall be done on the employee's own time (i.e., not during time when he/she is being paid to perform Cain Center for the Arts duties).
- Cain Center for the Arts's facilities shall not be used for partisan political activities. This includes, but is not limited to, the Cain Center for the Arts's office, equipment, email accounts, website, and social networking accounts.
- No partisan political materials shall be posted in Cain Center for the Arts offices in common or personal areas.

Telecommuting Policy

This practice is not available to all employees and is subject to the approval of the supervisor and the Executive Director. The Cain Center for the Arts may allow some employees in specific positions to telecommute and work at home within designated limits as long as it does not adversely affect the employee's productivity or the efficient operation of the organization. By their very nature, some positions within the Cain Center for the Arts do not lend themselves to telecommuting.

Confidentiality Policy

Because the Cain Center for the Arts considers certain information to be confidential and/or proprietary, it will provide each new employee with instructions on the confidentiality of information and records, and each employee must sign a confidentiality agreement at the beginning of their employment and annually thereafter at the beginning of the Cain Center for the Arts's fiscal year on the first work day of July. Employees may not communicate this information without authorization from their supervisor. Confidential information can include the following information about the Cain Center for the Arts or about the organizations it serves: certain business information such as financial and marketing data or strategies, budget information, bid proposals, contract negotiations; information on internal organizational issues or problems, research and development ideas, current or proposed policies, meeting minutes, passwords, access codes, fundraising information, and donors' or prospective donors' names or affiliations; personnel actions such as promotions, demotions, terminations, personnel controversies, compensation, payroll data, and performance appraisals; information that is of a personal or confidential nature; certain legal advice, opinions, and documents; and any other information designated as confidential. If employees are not sure if the information they

are handling is confidential, they shall consult their supervisor or the Executive Director, where appropriate.

If discussing or transmitting confidential information, staff shall follow these guidelines:

- Do not reveal any confidential information unless your supervisor approves it;
- Be sure that confidential information is properly marked and secured before transmittal;
- Ensure that the recipient has a legitimate need to know the confidential information;
- Avoid displaying confidential information where it can be easily observed;
- Immediately inform your supervisor of the loss of any confidential information;
- Limit reproduction and distribution of such information;
- Secure confidential documents in locked cabinets or containers when not in use;
- Make sure that you properly dispose of all confidential information.

Employees may not remove any confidential information from the Cain Center for the Arts's offices without specific authorization to do so. Employees who are leaving the Cain Center for the Arts must return all confidential and sensitive information to their supervisor before departing.

As previously mentioned, the Cain Center for the Arts strives to ensure that all data collected is compliant with the U.S. Department of Justice, U.S. Federal Trade Commission's Safe Harbor Guidelines, Section 512 of the Digital Millennium Copyright Act, and e-discovery rules for data sharing. Employees are expected to abide by the related rules and regulations.

Use of Computers, the Internet, Social Media, and All Forms of Information Technology Policy

The Cain Center for the Arts's information technology systems (networks, software, computers, Internet access, and any others) are tools provided to employees to enhance productivity and performance on the job. Limited non-business use is permitted on personal time (i.e., during lunch or after work). However, all data, files, information, and communications that are created, stored, or transmitted using the Cain Center for the Arts's information systems are the property of the Cain Center for the Arts and shall not be considered private. The Executive Director or other employees shall have access of this property at any time.

Employees shall exercise good judgment in their use of e-mail, the internet, and social media. Failure to do so or to abide by any of the Cain Center for the Arts's policies may result in suspension of privileges or other disciplinary action, up to and including termination.

All employees shall first be familiar with and follow the Cain Center for the Arts's Code of Ethics and its personnel policies on "Confidentiality" and "Use of Computers, the Internet, and All Forms of Information Systems." All communications must respect the privacy and confidentiality of the Cain Center for the Arts's staff, board, funders, Members, partners, and other stakeholders. None of these groups shall be cited or

obviously referenced without their written approval.

Misuse or unauthorized disclosure of confidential information not otherwise available to persons or firms outside of the Cain Center for the Arts is prohibited.

Examples of inappropriate uses of technology include, but are not limited to, the following:

- Violation of law or government regulation.
- Unauthorized access to computer systems or networks, including any access of the Cain Center for the Arts's data on behalf of a third party.
- Unauthorized installation and/or download of software. Please note that all installations must have prior approval.
- Promotion or expression of disrespect for an individual, discrimination, or anything that constitutes a personal attack.
- Viewing, copying, or transmitting material with sexual, profane, or discriminatory content or any form of obscenity. All of the forms of diversity discussed at the beginning of the Cain Center for the Arts's personnel policies also are protected in the use of social media and other electronic communications just as they are in the Cain Center for the Arts's workplace itself.
- Transmission of harassing or soliciting messages.
- Transmission of unsolicited advertising or any advertising that is not approved by the employee's supervisor.
- Use of copyrighted material without express permission or legal right.
- Any use of chat-based or instant messaging software.
- Any use for personal financial gain, or in a manner that could create a potential conflict of interest for the Cain Center for the Arts or its employees.
- Defamatory, inflammatory, or derogatory statements about individuals or any organization or their products.
- Waste of the Cain Center for the Arts's resources, including network resources, in any form.
- Transmission or forwarding of spam e-mail.
- Recreational games or other recreational purposes.
- Any use that involves the risk of corruption or destruction of data.
- Any discussion on social media of confidential Cain Center for the Arts information not otherwise available to persons or firms outside of the Cain Center for the Arts.

The same principles and guidelines that apply to Cain Center for the Arts employees' activities in general also apply to their activities online, both at and outside of work. This includes all forms of online publishing and discussion, including but not limited to blogs, wikis, file-sharing, user-generated video and audio, social networks, and other social media applications.

Social media applications have become increasingly important arenas for the kind of engagement and communication that are vital to the Cain Center for the Arts's mission. Each social media tool and medium has proper and improper uses. While the

Cain Center for the Arts encourages all employees to join a global conversation, it is important for staff to understand what is recommended, expected, and required when they discuss Cain Center for the Arts-related topics, whether at work or on their own time.

Any social media activity is a permanent public record. It is the same as writing in the Cain Center for the Arts's name a signed letter to the editor of a newspaper that will be archived permanently. Employees should not write anything that they or the Cain Center for the Arts would be embarrassed to see printed on the front page of a national newspaper or to be heard by everyone who watches TV news or reads news online.

Only staff authorized to do so by the President may speak on behalf of the Cain Center for the Arts or establish or update a Cain Center for the Arts presence on a public social network. Unless authorized to speak for the Cain Center for the Arts, staff are representing only themselves when communicating through social media. All employees shall exercise good judgment and follow the intention of this policy in the use of the Cain Center for the Arts's materials and logo.

Engagement in social media will vary by job position at the Cain Center for the Arts. Employees are responsible to discuss with their supervisor how much of their job — if any — necessitates their on-the-job participation in social networking of any sort, and act accordingly.

With its strong belief in transparency and honesty, the Cain Center for the Arts strongly discourages the use of anonymous postings or the use of pseudonyms when employees participate in online conversations, posts, or comments that relate to the Cain Center for the Arts or issues with which the Cain Center for the Arts is engaged.

The Cain Center for the Arts respects employees' right to free speech. Employees are free to express themselves and their opinions in whatever way they see fit as long as they are clearly representing themselves as individuals and not speaking as employees of the Cain Center for the Arts or referring to the Cain Center for the Arts in any way, and as long as they fully comply with the confidentiality and ethics policies cited earlier.

Cain Center for the Arts supervisors and executives have a special, additional responsibility when communicating in online public spaces. By virtue of their positions, they must consider whether personal thoughts they publish may be misunderstood as official Cain Center for the Arts positions. Also, supervisors should assume that their own staff will read what is written. A public website or social network is not the place to communicate Cain Center for the Arts policies to employees.

Employees shall be sure that what they say electronically is factually correct and does not include inflammatory statements or attempt to engage in an aggressive or defensive way. If employees see misrepresentations made about the Cain Center for the Arts by media, analysts, or other online users, they shall inform an authorized Cain Center for the Arts spokesperson. That spokesperson will decide if or how to respond.

Whistleblower Policy

If an employee reasonably believes that some policy, practice, or activity of the Cain Center for the Arts is in violation of the law or a clear mandate or public policy, that employee shall file a written complaint with the Executive Director. If the violation involves the Executive Director, the employee shall file a written complaint with the

President of the Board.

The Cain Center for the Arts will not retaliate against an employee who, in good faith, has made a protest or raised a complaint against some practice of the Cain Center for the Arts, against another employee of the Cain Center for the Arts, or against another individual or entity with whom the Cain Center for the Arts has a business relationship if that protest or complaint is based on a reasonable belief that the practice is in violation of law or a clear mandate or public policy.

The Cain Center for the Arts also will not retaliate against an employee who discloses or threatens to disclose to a supervisor or a public body any Cain Center for the Arts activity, policy, or practice that the employee reasonably believes is in violation of a law, a rule or regulation mandated pursuant to law, or a clear mandate or public policy.

An employee is protected from retaliation only if he or she brings the alleged unlawful activity, policy, or practice to the attention of the appropriate person at the Cain Center for the Arts as designated above and gives the Cain Center for the Arts a reasonable opportunity to investigate and correct the alleged unlawful activity.

Grievances or Complaints Policy

For grievances or complaints from constituents: To reflect its mission and commitment to excellence, the Cain Center for the Arts addresses any grievances from its constituents as quickly and fully as possible. To ensure that Member organizations are aware of this commitment, this statement is given to each Member at the time of initial enrollment and at each renewal: “The Cain Center for the Arts is committed to addressing problems when they occur. Any staff member or volunteer who is unable to resolve a constituent’s complaint is expected to bring the problem to the attention of his or her supervisor or other senior staff. If the problem or concern is not resolved, we encourage you to bring it to the immediate attention of (in this priority order) the Executive Director, Board President, or Board Vice President.”

For employees’ grievances or complaints: The Cain Center for the Arts gives all employees the opportunity to seek internal resolution of work-related concerns. Whenever people work together, differences will occasionally arise. When this happens, the employee should talk frankly and early with the individual who is the source of the concern. If the problem cannot be resolved after a good faith effort, the employee should attempt to resolve the problem informally with their supervisor as soon as possible.

In exceptional cases where a solution cannot be reached, the employee may file a formal, written grievance with the Executive Director within a reasonable time after the concern arises by outlining clearly the nature of the grievance. The employee must give a copy of the written grievance to the person who caused the grievance, to that person’s supervisor, and to their own supervisor. The Executive Director (or authorized designee) will set up a meeting to discuss the complaint. As necessary, he or she may also meet with others who are named in the complaint or who may have knowledge of the facts set forth in the complaint. He or she shall give the employee a written response to the complaint. If it can be resolved, the terms of the resolution shall be recorded and signed by the employee and the Executive Director (or authorized designee).

If the grievance involves the Executive Director, the employee may file a written grievance with the President of the Board. The Board or, at the Board's request, the Executive Committee shall then determine the method it will use to resolve the grievance, and the Board's decision shall be final. No employee who has filed a complaint in good faith shall be unlawfully disciplined or otherwise retaliated against. This policy does not apply to other disciplinary issues, including termination.

ACKNOWLEDGMENT OF RECEIPT OF EMPLOYEE HANDBOOK

The Employee Handbook contains important information about Cain Center for the Arts, and I understand that I should consult the Executive Director regarding any questions not answered in the handbook. I have entered into my employment relationship with Cain Center for the Arts voluntarily, and understand that there is no specified length of employment.

I understand and agree that no person other than the Executive Director may enter into an employment agreement for any specified period of time, or make any agreement contrary to Cain Center for the Arts's stated employment-at-will policy.

Since the information, policies, and benefits described herein are subject to change at any time, I acknowledge that revisions to the handbook may occur, except to Cain Center for the Arts's policy of employment-at-will. All such changes will generally be communicated through official notices, and I understand that revised information may supersede, modify, or eliminate existing policies. Only the Executive Director has the ability to adopt any revisions to the policies in this handbook.

Furthermore, I understand that this handbook is neither a contract of employment nor a legally-binding agreement. I have had an opportunity to read the handbook, and I understand that I may ask my supervisor or Executive Director any questions I might have concerning the handbook. I accept the terms of the handbook. I also understand that it is my responsibility to comply with the policies contained in this handbook, and any revisions made to it. I further agree that if I remain with Cain Center for the Arts following any modifications to the handbook, I thereby accept and agree to such changes.

I have received a copy of the Cain Center for the Arts's Employee Handbook on the date listed below. I understand that I am expected to read the entire handbook. **Additionally, I will sign the two copies of this Acknowledgment of Receipt, retain one copy for myself, and return one copy to Cain Center for the Arts representative listed below on the date specified. I understand that this form will be retained in my personnel file.**

Signature of Employee

Date

Employee's Name - Printed

Company Representative

Date

Cain Center for the Arts
2022 FINANCIAL AID AGREEMENT

Cain Center for the Arts offers **financial aid** to qualifying students for all art programs, both youth and adult. Scholarship space is limited and fills on a first-come, first-served basis.

Important information about financial aid:

- Financial aid is awarded based on financial need and are assigned on a first-come, first served basis. There are a limited number of financial aid packages available.
- The entire application must be completed and submitted to be considered.
- Students receiving a scholarship must arrive on time for class. Frequent tardiness or absenteeism could affect future aid eligibility and may result in dismissal from class
- Inappropriate behavior in class could affect future aid eligibility and may result in dismissal from class.
- Students are eligible for only one financial aid package per registration session. (i.e. fall session, winter session, Summer Camp)
- Financial aid does not carry over from session to session. An application is necessary for each class session. (Only one tax return or proof of income is required from Fall through end of Summer. Everyone will need to reapply at the start of the Fall.)

Consider the following:

- Financial Aid awarded may be for any portion of the tuition up to the full amount. Financial Aid will be awarded as a reduction in the Tuition amount.
- Information provided will be maintained confidential and will be destroyed after the information is no longer needed. The information will not be returned.
- All decisions to offer financial aid are made by the Cain Center for the Arts and are final.

Cain Center for the Arts
2022 FINANCIAL AID AGREEMENT

APPLICANT INFORMATION – *Please print legibly*

Student Name _____

Address _____ City _____ State _____ Zip _____

Phone _____

Parent/Guardian Email _____

Class applying to: _____

Information required below from any legal guardians or individuals who will claim the applicant as a dependent in 2020 or 2021:

For Child students:

Birthdate _____ Age _____ Grade _____

Parent 1 Name _____ Parent 2 Name _____



2022 FINANCIAL AID APPLICATION

Employer _____ Employer _____

Parent 1 Annual Income _____ Parent 2 Annual Income _____

Total Number in Household _____ Additional Income _____ Source _____

How much can your family financially contribute towards the class expense? _____

How much are you requesting? _____

For Adult Students:

Name _____ Employer _____

Annual Income _____

Total Number in Household _____ Additional Income _____ Source _____

How much can you financially contribute towards the class expense? _____

Please describe the factors affecting financial need and any special circumstances which prompted you to apply for financial aid. *(Please feel free to elaborate on a separate page if needed)*

I acknowledge and accept the stated conditions and requirements of receiving Financial Aid from Cain Center for the Arts. The information I have provided is true and accurate to the best of my knowledge.

Parent Name (Print) _____ Signature _____

Financial Aid Applicant Name (Print) _____

Date _____



2022 FINANCIAL AID APPLICATION



20823 N. MAIN ST.

CORNELIUS NC, 28031

704.557.6941

Terms of Agreement:

Below are the terms that Learn Music and the Cain Center for the Arts agree to:

- Learn Music will acknowledge the Cain Center for The Arts on all publicity materials including posters, social media posts, publicity articles, website:
 - Include the language "Presented by Cain Center for the Arts" or "Made Possible by funding from Cain Center for the Arts"
 - Cain Center Logo included on all advertisements and publicity
- Learn Music will allow the Cain Center for the Arts to produce publicity material using content from this program
 - All publicity material produced from this content will include Learn Music acknowledgment (Logo and website)
 - Cain Center is responsible for contacting Learn Music representative Adam Wilson to schedule any video or photo shoot in advance. No publicity work should interfere with classes.
 - Cain Center is responsible for collecting photo release forms.
- Learn Music will provide a monthly report to the Cain Center detailing the amount of lessons given that month and the progress of students enrolled in the program toward specific program goals.
- Upon the end of the program, the final payment will be made after receipt of the final program report to the Cain Center for the Arts. The program report should include final numbers on how many students were served, hours provided, demographics of students
- A tax donation in the amount necessary to cover 10 instruments for participants of this program will be able to be made to the Cain Center for the Arts by

X

Cain Center for the Arts representative (Signature and date)

X

Learn Music representative (Signature and date)



Community Music Program

STUDENT INFORMATION

Student Name:

Student Address:

Birthday:

Student Phone Number:

Student Email:

Parent/Guardian 1 Name:

Parent/Guardian 1 Phone:

Parent/Guardian 1 Email:

Parent/Guardian 2 Name:

Parent/Guardian 2 Phone:

Parent/Guardian 2 Email:

This section is for the Front Desk to fill out.

Weekly Lesson Time: _____

Start Date: _____



Community Music Program

COMMUNITY LESSONS PARENT/STUDENT AGREEMENT

STUDENT NAME(S): _____

PAYMENT

Students who participate in the community lesson program can participate in lessons tuition free, as long as they uphold the student code of conduct that must be agreed to later in this document in order to participate. These lessons have no cash value to the student.

CANCELLATION POLICY

When a lesson is canceled at least 24 hours in advance, while CCA/Learn Music cannot guarantee a makeup lesson will be given, we will make every effort to offer a makeup time. This makeup time must be within 10 business days of the canceled lesson. If a student does not show up to their scheduled lesson time 3 weeks in a row and the student or parent does not contact Learn Music in that time frame, they will automatically be released from the program. If inclement weather does not allow for in person lessons, all lessons will continue as scheduled online via Google Hangouts. If you need to reschedule a lesson, call the Learn Music front desk at 704-557-6941 or email frontdesk@learnmusicnc.com.

HOLIDAYS

Learn Music is closed all day on the following holidays: New Year's Day, Memorial Day, the 4th of July, and Labor Day. Learn Music is also closed a full week for Thanksgiving and a full week in celebration of Christmas. Makeups will not be scheduled for the days Learn Music is closed for the holidays.

ADDITIONAL INFORMATION

As a security precaution, each Learn Music classroom is equipped with a security camera. These are strictly for the security of our property as well as the safety of our students. Video footage is only accessible to Learn Music owners (Adam and Rachael Wilson) and will never be shared with anyone outside of legal authority.

Photo Release

Cain Center for the Arts and Learn Music occasionally hires professional photographers to photograph live events and lessons. We use these photos for promotional materials, our website, and social media. We also "live stream" our events so that they can be shared with friends and family who aren't able to attend the events. By signing this agreement, you give CCA and Learn Music permission to use any photos, videos, or quotes of your student.



Community Music Program

Student Code of Conduct

In order to participate in this program and receive an instrument at the end of the session, students must uphold the following code of conduct throughout the entire course of the session:

1. Student must not miss more than 6 lessons throughout the entire session.
2. Student must commit to practicing their instrument 5 days a week, 20 minutes per day.
3. Students must fill out a weekly practice sheet detailing their weekly practice
4. Students must exhibit good behaviour at all times, being a good listener and showing respect for their instructor and all other Learn Music Staff
5. Student must participate in 2 Learn Music Lives during the course of the session.

Students who do not uphold the above code of conduct will be removed from the program.

X

_____ Date: _____

(Parent Signature)

X

_____ Date: _____

(Student Signature)

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 20, 2022

To: Mayor and Board of Commissioners

From: Andrew Grant, Town Manager


Action Requested:

Senior Community Connections applied for an Annual Support Grant for FY23, and presented their proposal to the Town Board. On June 6, 2022, the Town Board approved the FY23 Budget which included \$7,600 for the Senior Community Connections. The next step is for the Town to approve the grant agreement.

Manager's Recommendation:

Approve the grant agreement and provide the authority to the Town Manager and Town Attorney to finalize the terms and execute the agreement.

ATTACHMENTS:

Name:	Description:	Type:
 2022_Support_Grant_Agreement_SCC.pdf	Grant Agreement	Backup Material



SUPPORT GRANT AGREEMENT

This Support Grant Agreement (the "Grant Agreement") entered into on this _____ day of _____, 20____ by and between TOWN OF CORNELIUS, a North Carolina municipal corporation ("Town"), and the following Grantee, _____, a North Carolina non-profit corporation ("Grantee").

WHEREAS, Town is authorized, pursuant to N.C.G.S. §160A-488, to establish and support public museums, art galleries, art centers, arts facilities and arts programs; and

WHEREAS, The Town is authorized, pursuant to The North Carolina Constitution and N.C.G.S. §160A-20.1 to support those carrying out a public purpose that benefits the citizens of the Town of Cornelius; and

WHEREAS, Grantee has applied to the Town for a Support Grant for the Town's fiscal year 2023 by completing the Support Grant Application attached hereto and incorporated herein as "Exhibit A"; and

WHEREAS, the Town has reviewed Grantee's grant Application and awards to Grantee a grant award subject to the terms and conditions set forth below.

NOW THEREFORE, in consideration of the foregoing recitals, of mutual promises of the Parties and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Town and Grantee agree as follows:

1. Grant Award. The Town hereby grants to Grantee a Support Grant for fiscal year 2023 in the amount of \$_____.
2. Use of Grant Awards. Grant Awards are to be used by Grantee solely for those purposes more particularly described in the Support Grant Application submitted by Grantee, attached hereto as Exhibit A and incorporated herein by reference.
3. Funding Period. Each funding period for the Grant Award begins on July 1 and terminates on June 30 (the "Annual Funding Period").
4. Payment of Grant Award. The Town shall pay the Grant Award to Grantee in one (1) installment during each Annual Funding Period, payment to be processed on or before the last day of September of the fiscal year for which a grant is awarded.

5. Annual Reporting Requirements. Grantee shall submit a Final Report to the Town no later than October 1 of the Town's following fiscal year. The Final Report shall describe with particularity how the Grant Funds were expended. Grantee shall retain and keep safe financial and other records that corroborate the information contained in the Final Report (invoices, receipts, pay vouchers, etc.) for a period of no less than five years. The Town shall have the authority to review these financial records from time to time.
6. Material Failure to Perform. The Town shall have no obligation to pay the Grant Award or any remaining portion thereof should Grantee fail to provide required financial reporting (annual audit report within 6 months of the completion of the audited fiscal year) or should Grantee materially fail to comply with Exhibit A. In the event of such material failure, Grantee shall return the full amount of the Annual Grant Award already paid to Town.
7. Compliance with Laws. Grantee shall comply with all state and federal laws, ordinances, rules and regulations including but not limited to related to those laws governing discrimination, project implementation and the expenditure of funds. Grantees who do not comply with these regulations may be ineligible for future funding.
8. Operation Deficits. The Town shall not be responsible for nor liable for operating deficits of Grantee.
9. Indemnification. Grantee assumes sole responsibility and liability, and will defend, indemnify, and hold Town harmless from and against all liabilities, fines, suits, claims, demands, actions, injuries, damages, judgments, costs, expenses, penalties or losses of any kind or nature whatsoever (including without limitation for damage to real or personal property, and/or or injury or death to a person) (collectively, the "Liabilities") caused by, arising out of, or in any manner related to the operation, management, occupancy and/or use of the Grantee's facilities, including from intentional or negligent acts by Grantee or its agents, employees, licensees, contractors, patrons, guests, invitees, customers and other visitors, or the public; provided, however, that Grantee shall not be liable to Town for liabilities arising from or directly related to Town's gross negligence or willful misconduct. Grantee waives all claims against Town for liabilities arising from or related to the Grantee's facilities, except for claims arising from or directly related to Town's gross negligence or willful misconduct. Grantee's indemnity obligations pursuant to this Section shall survive the termination or expiration of this Agreement.
10. Severability and Duration. If any provision of this Agreement is deemed or declared illegal, unenforceable, or invalid, such provision will be read out of this Agreement, and will not affect the validity of any other provision or give rise to any cause of action of the parties against the other, and the remainder of this Agreement will be valid and enforced to the fullest extent permitted by law.

11. Waiver. Any waiver at any given time of any term or condition of this Agreement, or the failure to take action with respect to any breach of any such term or condition, will not be deemed to be a waiver of the term or condition with regard to any subsequent breach of the term or condition, or of any other term or condition of the Agreement.
12. Modifications. This Agreement may be modified, altered or amended only by written agreement executed by Town and Grantee.
13. Governing Law. This Agreement shall be governed in all respects, including as to validity, interpretation, and effect, by the internal laws of the state of North Carolina, without giving effect to the conflict of laws and rules thereof. The language in all parts of this Agreement will be, in all cases, construed according to its fair meaning and not strictly for or against Town or Grantee.
14. Waiver of Jury Trial. The Parties waive trial by jury in any action, proceeding or counterclaim brought by or against the other with respect to any matter arising out of or in connection with this Agreement.
15. Relationship. The parties agree that neither any provision of this Agreement nor any act of the parties shall be deemed to create any joint venture relationship or other partnership agreement between Grantee and Town.
16. Time of the Essence. Time is of the essence for each of the provisions of this Agreement.
17. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which counterparts collectively shall constitute one Agreement. Signatures may be exchanged by copy, or with original signatures to follow. Each party shall be bound by its own copied signature and shall accept the copied signature of the other party.
18. Performance of Government Function. Nothing contained in this Agreement shall be deemed or construed to estop, limit, or impair Town from exercising or performing any regulatory, legislative, governmental, or other powers or functions.

IN WITNESS WHEREOF, the parties have executed this Agreement under seal in Cornelius, North Carolina, as of the Effective Date.

Signature of Authorized Representative	Date
--	------

Federal Identification #

Town of Cornelius

Signature of Authorized Representative

Date

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

Signature of Authorized Finance Officer

Date

CORNELIUS NORTH CAROLINA

Exhibit A

ANNUAL SUPPORT GRANT APPLICATION

(Application due January 31)

Application to be submitted to:

Town of Cornelius

Attn: Town Manager

PO Box 399

Cornelius, NC 28031

Date of Application: January 31, 2022

Amount Requested: \$7,600

Legal name of organization applying: Davidson Village Network DBA Senior Community Connections (Should be same as on IRS determination letter and as supplied on IRS Form 990)

Year Founded: 2015

Executive Director: Ellen Giduz, Board President (effective 3/22); Shanna Reeb, Director of Operations

Address (principal/administrative office): PO Box 327

City/State/Zip: Davidson, NC 28036

Phone number: 980-689-1843 **Fax Number:** N/A

Web address: www.seniorcommunityconnections.org

Primary Contact/Executive Director Information:

Name: Shanna Reeb, Director of Operations

Email Address: shannareeb@gmail.com

Telephone Number: 817-894-1473

List any previous support you have received from Cornelius in the last 5 years:

None

Time Period Covered by Request: 7/1/22 - 6/30/23 the "Funding Period"

Amount Requested: \$7,600

Ellen W Giduz Signature,
Chairperson, Board of Directors Signature, Executive Director (if applicable)
Ellen Giduz, Board President

Typed Name and Title Typed Name and Title
1/28/2022 Date

500-1

A. NARRATIVE

1. Executive Summary:

Senior Community Connections (SCC) is a non-profit organization that helps older adults remain independent in their homes and actively engaged in their community. Through a trusted network of vetted volunteers, SCC provides transportation, technology support, personal advocacy and information, minor household repairs, friendly visits and calls, social activities and help with day-to-day errands. SCC members and their families have peace of mind knowing that local support is only a 'phone call away'. Residents who serve as SCC volunteers engage positively with the seniors they assist, and are committed to being part of a program they themselves may one day need.

SCC was first established in 2015 in Davidson, NC as the "Davidson Village Network" (DVN) with service delivery beginning in late 2017. While Davidson was the targeted service area, the need for help in greater Lake Norman was apparent and approximately 8% of total membership has been from Cornelius residents. In October 2021, having successfully established itself in Davidson and with a delivery model capable of expansion, DVN changed its name to SCC and expanded its service area to include Cornelius, Huntersville and Southern Mooresville.

SCC is requesting this grant to help older Cornelius residents maintain their independence and quality of life by 1) increasing the number of older adult members of SCC; 2) expanding the senior support network in Cornelius by increasing the number of Cornelius residents serving as volunteers; and 3) imbedding SCC in Cornelius' social service, community and faith-based service delivery systems. These goals will be accomplished by:

- Raising awareness of SCC among Cornelius senior residents, caregivers and service providers;
- Establishing partnerships with social service, faith-based and community organizations; and
- Providing scholarships to Cornelius residents with limited resources to cover the cost of membership*.

Grant funds (Total of \$7,600 requested: \$6,100 marketing; \$1,500 scholarships) will be used by SCC to:

- Implement public awareness activities via social and traditional media;
- Create Cornelius-specific collateral (brochures, etc) to distribute at community events and make available to partners in targeted communities; and
- Make membership scholarships available to senior citizens for whom the annual fee may be a barrier (identified by Cornelius community service organizations and/or self-identified).

*SCC's full membership includes both services and social activities. SCC also offers a social membership that includes social activities only (\$125 per year). The scholarships included in this grant application are for full membership.

2. Purpose of Grant

Statement of Need/Problem: Currently, 15.8% of Cornelius residents are over age 60 (cornelius.org). Adults age 65+ is the fastest growing age group in the County with 45% of the total population growth between now and 2035 projected to be among those age 55+ (mecknc.gov). To address the needs of this growing population, Mecklenburg County issued the "Age Friendly Mecklenburg County Action Plan" in June 2021, calling upon communities and organizations to implement 7 strategies, the following 5 of which are addressed by SCC services: expanding services for senior adults; determining how to make services for seniors more affordable and accessible; launching campaigns to inform the public about seniors and their needs; building awareness of and access to resources available to caregivers; and providing senior engagement opportunities so older adults feel valued and part of the community (mecknc.gov/age friendly).

Most older adults want to remain living independently in their home as long as possible. This is true whether they live in a single family home or apartment, senior housing or shared residence community. Unfortunately, many older adults find themselves 1) in need of assistance to complete day-to-day tasks; 2) no longer able to drive; and 3) experiencing less social interaction. Adult children find it difficult to provide all of the assistance needed due to the competing demands of work and family, or because they do not live nearby. Social service agencies and other community-based organizations have limited resources and are often restricted in the types of service they can provide due to their bylaws or funding sources (for example, some transportation providers are limited to medical appointments). A lack of support increases the vulnerability of older residents and often requires them to relocate sooner than they would like. It is this group of people, as well as those seniors who would benefit from increased social interaction, who are targeted by this grant.

SCC is a volunteer-driven organization. All service delivery is provided by volunteers with administrative support and leadership from one part-time Operations Director and a volunteer Board of Directors. This model allows service to be provided in a very cost-effective manner. The annual cost for full SCC membership is \$250. The fee covers SCC administrative costs such as volunteer background checks, insurance, program materials, etc. To demonstrate the value of membership, consider one of our current members who receives a ride to and from a local gym twice per week. He receives these 8 round trips each month as part of his annual membership fee, which pro-rates to a monthly fee of less than \$22.00. Any additional services (including other rides) he receives are also covered by this fee.

While the annual fee is modest, it can be a barrier for some people. Through partnerships with a number of local agencies and individuals, SCC currently has 12 scholarships available for people for whom the fee is a barrier. SCC will dedicate 4 of these current scholarships to Cornelius residents, along with the additional scholarship funding included in this grant application.

Goal 1: Enable older Cornelius residents to remain in their homes and maintain high quality of life for as long as possible.

Objective: Add 12 Cornelius residents as full SCC members by June 30, 2023. Up to 10 of these members will receive scholarships to cover the cost of membership.

Action Plan:

1. Marketing/Outreach

- i. Ad placement (6x) with Cornelius Today, The Herald, Bi-monthly, Aug.-June, $\$300 \times 6 = \1800
- ii. Digital advertising on Nextdoor.com - targeted to Cornelius, Monthly Aug - June $\$100 \times 11$ months = **\$1100**
- iii. Digital advertising on Facebook.com - targeted to Cornelius, Monthly Aug.-June, $\$200 \times 10$ months = **\$2000**
- iv. Newsletter advertising/sponsorship in senior community print/enewsletters (i.e., Bailey's Glen, etc.) 5 orgs x $\$100$ ea = **\$500**
- v. Flyer distribution in coffee shops and town buildings 200 flyers printed = **\$100**
- vi. Event partnerships with civic organizations and churches 3 events per year @ $\$200$ ea = **\$600**
- vii. **Total Cornelius spend = \$6,100**

2. SCC will be a guest on Cornelius' Coffee Chat or Evening Address program to introduce SCC to residents. Conversation will encourage residents to consider both membership and volunteering. Schedule to be determined by the Town of Cornelius.
3. SCC will attend and host an informational table at a minimum of two town sponsored events to promote awareness of SCC, its services and volunteer opportunities. SCC invites the Town of Cornelius to assist us in identifying which events should be included, such as the Black History Month event, Praise in the Park, or the annual holiday senior luncheon. Schedule to be determined by dates of selected events.
4. Continue presentations at local civic organizations (e.g. Rotary, etc.) and fellow nonprofits that serve seniors in Lake Norman (ongoing).
5. Partner with Smithville Community Coalition and other like entities to identify individuals in need of services appropriate for membership scholarships (ongoing). 6 Scholarships x \$250/each = \$1500.

Goal 2: Expand the SCC infrastructure (network) in Cornelius.

Objective 1: Establish partnerships with a minimum of 6 community and/or faith-based organizations in Cornelius by June 30, 2023.

Action Plan: Establish Partnerships with Community and Faith-Based Organizations - Each month, beginning in August 2022, SCC will meet with a targeted organization to discuss partnership. Among the organizations to be targeted are: Mt. Zion United Methodist Church, First Baptist Church of Cornelius, Union Bethel AME Zion Church, Love LKN, North Mecklenburg Exchange Club, Torrence Chapel AME, Davidson United Methodist Church (Cornelius members) and Alpha Kappa Alpha. The discussion will include education about SCC and its services, ways in which the organizations can work collaboratively to support older adults, encourage the organization to make referrals to SCC, and assist SCC in identifying seniors who may benefit from a membership scholarship. The discussion will also include ways to promote volunteering with SCC among the organizations' members. A minimum of 10 meetings will occur during the grant year.

Objective 2: Add an additional 12 Cornelius residents as SCC volunteers by June 30, 2023.

Action Plan: See Action Plan under Goal 1; see Action Plan under Goal 2, Objective 1.

3. Evaluation

The Board of Directors and Director of Operations will evaluate grant outcomes as follows:

Overall grant success will be determined by:

1. Steadily increasing number of new members from Cornelius up to a minimum of 12 over the life of the grant.
2. Steadily increasing number of new volunteers from Cornelius up to a minimum of 12 over the life of the grant.
3. A minimum of 6 partnerships formed with social service, community and faith-based organizations in Cornelius.
4. Reach 5000+ residents through events, print and digital advertising and outreach to increase awareness and engagement with SCC

In addition, SCC's ongoing evaluation will be utilized to assess member impact and satisfaction:

1. Annual client satisfaction survey that includes questions to assess how SCC has impacted members' lives, the services/activities that members have most frequently used and their satisfaction with those services/activities and the identification of any gaps in service.
2. Monthly tracking of the number and types of services that members requested and that were provided; number of requests (if any) that were not filled any why; number of volunteers providing services; and number of social events provided.

3. Where applicable, soliciting feedback from adult children on SCC value/impact concerning their parent members.
4. Soliciting feedback from the community-at-large on SCC name recognition and reputation through attendance at local community and civic meetings, informal gatherings, etc.

4. Funds Provided By Other Entities

- Peninsula Club Foundation Grant of \$5,000, January - December, 2022.

Note: Other funding received from organizations and individuals to support scholarships did not require a grant proposal. For example: \$1,000 received from Davidson Rotary in December 2021 to fund 4 Scholarships. SCC also participates in fundraising events including one in December 2021 that raised \$11,000.

5. Organization Information

SCC was initially established in 2015 in Davidson, NC as the "Davidson Village Network". The first services were delivered in late 2017 and targeted Davidson residents. In October 2021, Davidson Village Network changed its name to Senior Community Connections and expanded its service area to include Cornelius, Huntersville and Southern Mooresville. This change was enabled by the established infrastructure and prompted by the service needs in adjacent communities.

SCC is part of the national village-to-village network. The village model originated in Boston in 2002 and is replicated in 300 communities across the country. Villages are built on the concepts of "neighbors helping neighbors" and "aging in place". "Villages" are considered by many thought leaders as one of today's best ways to support older adults due to its individualized, "meet you where you are" approach and cost effectiveness. (vtvnetwork.org)

SCC's mission is to enable seniors to remain in their homes by providing support through a network of trusted volunteers and community partnerships. Engagement with this vibrant network allows members to remain engaged in their community and avoid the all-too-common feelings of loneliness and isolation experienced by many people as they age. At a broader level, SCC supports townships in providing a means for older residents 1) to access the help they need to remain in their homes; and 2) to continue to be vital parts of their community. Volunteers are the key to the program's success, directly providing needed services. Volunteers benefit from the gratification they experience directly from the people they help, as well as from the knowledge that they are contributing to a community network that is helping their neighbors, their parents, and perhaps one day, themselves.

SCC support is not restricted to a menu of services. While the most common services provided are transportation, small household chores, tech support, social gatherings and education (on topics such as health insurance and Social Security) each member is assessed individually and volunteers are utilized to best meet those needs (excluding health care, emergency services and/or long term housekeeping services). Because SCC is a volunteer driven organization (with only one part-time paid staff person), services are provided in a very cost-efficient manner. The organization's six 'working' Board members take on lead responsibility in areas such as membership, volunteer management, marketing and outreach.

During 2020 and part of 2021, DVN was hit hard by COVID due to its foundation of engagement. All customary services, except for transportation for urgent services (typically medical appointments) were suspended. Assistance was provided via telephone and/or zoom when possible. Beginning in the summer of 2021, services and activities were incrementally reinstituted, with changes continuing to be made to service delivery and activities based on current COVID guidelines.

Since its inception, SCC has had a total of 88 members, with 7 being Cornelius residents (7.9%). A total of ninety-eight people have been trained as volunteers, 17 (17.3%) of these being Cornelius residents.

Despite the challenges of COVID, more than 300 services were provided to members in 2021. This is a conservative number, as many volunteers provide help "unofficially" once they establish a relationship with a member. Each month SCC sponsors 3-4 activities, including educational and/or arts programs, physical activities such as hosted walks and yoga, trips, theater, shared meals and coffee gatherings. Throughout 2021, SCC's roster of members averaged 42 and its roster of volunteers averaged 50.

SCC is an organization "without walls". The Director of Operations, as well as the Board members, work from their homes or in public meeting places. The Director of Operations, a current board member, and our immediate Past President (and now active volunteer) are Cornelius residents. Service is delivered in members' homes, in volunteers' vehicles and in a variety of public places (such as restaurants, theaters, etc.).

P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: DEC 04 2015

DAVIDSON VILLAGE NEWTOWN
417 WINDWARD DRIVE
DAVIDSON, NC 28036-0000

Employer Identification Number:
47-5421673
DLN:
26053734001255
Contact Person:
CUSTOMER SERVICE ID# 31954
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
September 30
Public Charity Status:
509(a)(2)
Form 990/990-EZ/990-N Required:
Yes
Effective Date of Exemption:
October 27, 2015
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

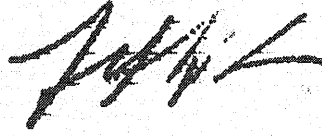
For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Letter 5436

Sec-7

DAVIDSON VILLAGE NEWTORK

Sincerely,

A handwritten signature in dark ink, appearing to read 'J. Cooper', with a stylized flourish at the end.

Jeffrey I. Cooper
Director, Exempt Organizations
Rulings and Agreements

Letter 5436

SCC-8



Board of Directors

Directory

David Critchlow

Outgoing President (3/1/22)
19221 Berkley Commons Drive
Cornelius
704-892-0199
carlislesouth@gmail.com

Natalie Heling

Secretary
18114 Ebenezer Drive
Cornelius
704-997-5169
natalie.heling@gmail.com

Shana Erber

Marketing Director
113 North Lynbrook Drive
Davidson
312-925-6570
shana_erber@yahoo.com

Gerry Mackenzie

Outreach Director
510 Liburdi Court
Davidson
609-240-5512
gerrymackenziescc@gmail.com

Ellen Giduz

Volunteer Director, Incoming President (3/1/22)
106 Hillside Drive
Davidson
704-770-6417
elgiduz@gmail.com

Beth Quinn

Membership Director
13707 Evening Primrose Drive
Davidson
704-591-0078
bethmilderquinn@gmail.com

Sue Winter-Hallman

Title: TBD
112 Easter Lane
Davidson
704-307-8339
winterflakes89@gmail.com

Shanna Reeb

Dir. of Operations (non-voting)
1138 South Street
Cornelius
817-894-1473
shannareeb@gmail.com

FORM 990-N 2020

2018
FILED


2019
FILED

2020
E-FILE NOW

ORGANIZATION NAME
DAVIDSON VILLAGE NETWORK

DOING BUSINESS AS (OPTIONAL)
Senior Community Connections

EIN: #47-5421673

Tax Period: Oct 2020 - Sep 2021  Edit

WEBSITE (OPTIONAL)
<https://davidsonvillagenetwork.org/>

 **Officer**

NAME
David Critchlow

ADDRESS LIN...
PO Box 327

ADDRESS LINE 2

CITY
Davidson

STATE *
North Carolina ▼

ZIP
28036

COUNTRY *
United States ... ▼

Organization Address

STREET ADDRESS
PO Box 327

CITY
Davidson

STATE *
North Carolina ▼

ZIP
28036

COUNTRY *
United States of America ▼

- ☐ Has your organization been terminated or gone out of business?
- ☒ Are your gross receipts normally \$50,000 or less?

[CONTINUE TO PAYMENT](#)



You are filing for 2020

Note: Forms are initially pre-populated with information from previous filings for convenience.

If any information is missing, out-of-date, or otherwise incorrect, you should update these items prior to submitting your form.

January 22, 2022

Ms. Ellen Giduz, President
Senior Community Connections
P. O. Box 327
Davidson, NC. 28036

Dear Ms. Giduz:

I am writing to express my strong support for approval of the Senior Community Connections grant request for the town of Cornelius.

I am now 75 and have been a homeowner in Cornelius for nearly 10 years. I originally became aware of the nationwide Village Network movement, of which Senior Community Connections is a part, through a friend who helped to organize and then served as president of the Charlotte chapter. I was pleased to find that a group of Davidson residents had been working for a number of years to initially form a Davidson chapter under the Village Network umbrella and then work to expand membership to seniors in neighboring communities.

I know that both these chapters are providing meaningful services and activities to many seniors to support their desire to remain independent in their homes. It is important to many seniors – living alone – to know that they have a community resource to help them when needed (assist in running errands; a ride to the doctor; finding professional help, e.g., a plumber or electrician; helping with around-the-house to-do-lists, paperwork, etc.; IT support). Many of these are routine for younger people but can become overwhelming for seniors. Additionally, and equally important, is the social aspect of the Village movement – usually small gatherings/day trips that promote socializing and help to reduce isolation and loneliness. There are many seniors in Cornelius who would benefit through participation in Senior Community Connections. Grant funding is used in part to afford the membership opportunity to those with limited financial resources. Importantly, membership fees are kept as low as possible due to most support being provided by volunteers, lean organizational structure, and only one part-time paid employee. I joined Senior Community Connections in 2018 and have served since then as a volunteer.

This community will be better served being a part of Senior Community Connections.


JOHN SCOTT MONAGHAN



P.O. Box 1842
Davidson, NC 28036
(704) 896-0471
(704) 896-0497 fax

www.adajenkins.org

Harold E. Rice, Jr.
Chief Executive Officer

Board of Directors

Brian Peace, Co-Chair
Angela Kirkby, Co-Chair
Kim Jude, Vice Chair
Richard Pappas, Treasurer
Marvin Brandon, Secretary
Martha Bergstedt
Dr. Laura Colson
Lisa DeMao
Iretha Kerns
Steph Wells

Ex Officio

Rusty Knox
Stacy Phillips
Bill Russell
Dave Gilroy

January 24, 2022

Ellen Giduz, Board President
Senior Community Connections
P.O. Box 327
Davidson, NC 28036

Dear Mrs. Giduz,

As the Chief Executive Officer, I write on behalf of the Ada Jenkins Center in support of the grant application being presented to the Town of Cornelius by the Senior Community Connections (SCC), a non-profit organization. I am aware that SCC has established its services in the Town of Davidson with much success serving almost 100 seniors with 98 trained and vetted volunteers in the community.

Now SCC wishes to formally expand its program in Cornelius. Already almost 10 percent of SCC's volunteers and members are from Cornelius. I strongly support this grant application because I believe that helping older adults remain independent in their homes and encouraging their engagement in their community is a win/win for our town, its elderly and their caregivers and families. Senior Community Connection's many services can be offered for a minimal fee because the organization is solely run with and by volunteers except for a part-time staff person and there is no building. SCC offers a wide array of services for older adults; however, this organization also aims to prevent loneliness as adults move into their golden years.

Personally, as a community leader and advocate, I see the great need and value of such an organization because we all find ourselves at times full of activity within our own lives to go and check on our older adult neighbors.

We support the promotion of SCC's services in our town and hope you will consider funding them so that they may expand their network in Cornelius and help further establish an age friendly community here.

Sincerely,

Harold E. Rice, Jr.
Chief Executive Officer

January 25, 2022

Ellen Giduz, Board President
Senior Community Connections
P.O. Box 327
Davidson, NC. 28036

Dear Dr. ^{Ellen}Giduz,

As a member of the Davidson Town Board, I am writing in support of the grant application being presented to the Town of Cornelius by the Senior Community Connections (SCC), a non-profit organization.

Even before being elected in 2017, I was one of the members of the Davidson community who participated in conversations about what an organization like Davidson Village Network - now **Senior Community Connections** - could provide for residents of our town. Since those early discussions, I have watched the "birth" and growth of this important organization in the Town of Davidson. Most importantly, I joined by 4 colleagues in unanimously supporting to award one of our nonprofit grants to DVN, now Senior Community Connections.

Our vote was significant for more reason than the obvious. It carried even greater significance because it was a unanimous vote to support a nonprofit grant that did NOT fall within the framework of our stated nonprofit grant process. Despite that important distinction, we voted to help this important new startup nonprofit get off the ground.

Not only did SCC get off the ground, they soared. Measuring their success is not all about the numbers, it is about the individual stories of the impact they make in the lives of the seniors and their families. That being said, their numbers are pretty darn terrific too - serving almost 100 seniors with 98 trained and vetted volunteers in the community.

I strongly support this grant application because I believe that helping older adults remain independent in their homes and encouraging their engagement in their community is a win/win for the town, its elderly and their caregivers and families. And there is no magic dividing line that separates the need across our two towns. As is the case with most of our community nonprofits, there is already an overlap of services. Currently, nearly 10 percent of SCC's volunteers and members are from Cornelius.

I hope you will award SCC the grant they are requesting. Without that support, I don't foresee that they will have capacity to expand beyond the current 10%. That would be a significant loss for residents of Cornelius. Help SCC help the Town of Cornelius do the hard work to build a more age-friendly community.

Sincerely,


Jane Campbell
Commissioner/Mayor Pro Tempore – Town of Davidson

PLEASE DON'T HESITATE TO
LET ME KNOW HOW I
CAN BE OF FURTHER
ASSISTANCE!

SCC-13



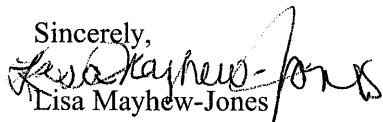
Ellen Giduz, Board President
Senior Community Connections
P.O.B. 327
Davidson, NC. 28036

Dear Mrs. Giduz,

As the President/Co-Chair I write on behalf of Smithville Community Coalition in support of the grant application being presented to the Town of Cornelius by the Senior Community Connections (SCC), a non-profit organization. I am aware that SCC has established its services in the Town of Davidson with much success serving almost 100 seniors with 98 trained and vetted volunteers in the community. Now SCC wishes to formally expand its program in Cornelius. Already almost 10 percent of SCC's volunteers and members are from Cornelius. I strongly support this grant application because I believe that helping older adults remain independent in their homes and encouraging their engagement in their community is a win/win for our town, its elderly and their caregivers and families. Senior Community Connection's many services can be offered for a minimal fee because the organization is solely run with and by volunteers except for a part-time staff person and there is no building.

Personally, as an advocate for our community I see the great need and value of such an organization because of the many seniors in our community that would be able to have access to this organization. We would be interested in forming a partnership with SCC to support and assist our senior population and their caregivers. We would also benefit from their offering free memberships to our congregation for those in financial need, as is their model.

We support the promotion of SCC's services in our town and hope you will consider funding them so that they may expand their network in Cornelius and help further establish an age friendly community here.

Sincerely,

Lisa Mayhew-Jones
President/Co-Chair
Smithville Community Coalition

Smithville Community Coalition
PO Box 1260
Cornelius, NC 28031
Nmayhew0@email.cpcc.edu
704-299-8804
TIN# 46-1055584



Mt. Zion United Methodist Church
19600 Zion Ave.
Cornelius, NC 28031
(704) 892-8566

January 27, 2022

Ellen Giduz, President of the SCC Board
Senior Community Connections
P.O. Box 327
Davidson, NC 28036

Dear Mrs. Giduz,

As one of the Senior Pastors at Mt. Zion United Methodist Church in Cornelius, I write in support of the grant application being presented to the Town of Cornelius by the Senior Community Connections, (SCC), a non-profit organization. At a meeting of the Rotary Club on May 12, 2021, I listened attentively to the board president of the Davidson Village Network (as they were formerly known) tell us about his organization. I immediately thought of several members of my church who could benefit from what was being described. I was impressed with the good work that they were doing for seniors, and I was curious about whether their services extended beyond just the town of Davidson. I was pleased to hear that they were also beginning to work in the Cornelius area, and I was glad when I heard that they had changed their name to reflect their commitment to the wider area. I learned of their success in Davidson, serving almost 100 seniors with 98 trained and vetted volunteers in the community.

Now SCC wishes to expand formally its program in Cornelius. Already, almost 10 percent of their volunteers and members are from Cornelius. I strongly support this grant application because I believe that helping older adults remain independent in their homes and encouraging their engagement in the community is very positive for our town, its elderly, and their caregivers and families. As a pastor, I regularly talk with older adults about their desire to stay in their homes, but they often feel like they need help to do so. The SCC is exactly what they need for their own happiness and the well-being of their families and neighbors. Senior Community Connection's many services can be offered for a minimal fee because the organizing is solely run with and by volunteers except for a part-time staff person and there is no building.

As a pastor in Cornelius, I see the need and the value of the SCC. I think of many people I know who need a ride to the grocery store, or the pharmacy, or to a medical appointment. Some of them need some basic assistance so that they can take advantage of programs and services offered online. Sometimes, they just need help with a minor project around their house and yet they might not have

children or grandchildren around who can help. They often simply need an advocate who will help them negotiate their way through different government services. I believe Mt. Zion United Methodist Church would be interested in forming a partnership with SCC to support and assist our senior population and their caregivers. We would also benefit from their offering free memberships to those in our congregation who have financial need.

I support the promotion of their services in our town and hope you will consider funding them so that they may expand their network in Cornelius and help increase our age friendly community.

Sincerely,

Jonathan D. Marlowe

Jonathan D. Marlowe
Sr. Pastor
Mt. Zion United Methodist Church

FRANCES DAWSON
21217 Pecan St., Cornelius, NC 28031
704.701.7599

January 21, 2022

Ellen Giduz, Board President
Senior Community Connections
P.O.B. 327
Davidson, NC. 28036

Dear Dr. Giduz,

As a volunteer and concerned Cornelius resident, I write in support of the grant application being presented to the Town of Cornelius by Senior Community Connections (SCC), a non-profit organization.

As one of the nearly 100 trained and vetted Senior Community Connection volunteers, I have seen firsthand the impact SCC has on the lives of seniors maintaining independence in their homes, while also benefiting personally from my interactions and growing friendships built through volunteering.

Over the past several years I have had the pleasure of assisting SCC clients by driving them to doctor/therapy appointments; providing transportation and accompanying clients on their weekly grocery shopping and errands; assisting with minor home chores; walking with clients to promote wellness/healing; attending social events with clients; and so many other valuable interactions. I know for a fact that such support extended the time an elderly resident could remain in their home independently, something we all hope for. I also know that the support of SCC services provides welcome relief and comfort for the family members of SCC clients.

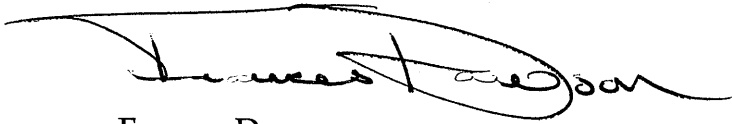
The desire of SCC to formally expand their program of service to Cornelius residents is particularly appealing to me. Historically the focus of SCC has been Davidson residents, but even now their client base is approximately 10% Cornelius residents. The need is great to support Cornelius seniors, especially those on limited incomes, in receiving the benefits of a community program such as Senior Community Connection.

As a seventeen-year resident of Cornelius I would be proud of the town's support of our more elderly residents. Community is built on the contributions of residents' young and old, along with opportunities to support each other through every chapter of life. I equate support of SCC in Cornelius as a wonderful way of uplifting a true sense of community for all of us.

SCC has proven to be a good steward of their resources offering their services for a nominal fee, possible because of their volunteer base, a small part-time staff and no overhead or facility to maintain. Funding and community partners also provide the opportunity for need-based, client scholarships.

I strongly support this grant application as I believe that supporting the desire of older adults to remain independent while promoting personal interactions and opportunities for engagement is a benefit for the town and its residents. Furthermore, I support the promotion of SCC's services in Cornelius and hope you will consider funding this grant application so that SCC may expand their network in our town and help further establish an age friendly community in Cornelius.

Sincerely,

A handwritten signature in black ink, appearing to read "Frances Dawson", with a long, sweeping horizontal line extending to the left.

Frances Dawson
Cornelius Resident and Community Volunteer
REALTOR/Broker, RE/MAX Executive Cornelius

Williams Place

Gracious Retirement Living

825 Peninsula Dr, Davidson, NC 28036
phone: 704-896-3278

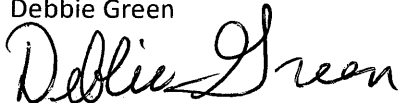
Ellen Giduz, Board President
Senior Community Connections
P.O. Box 327
Davidson NC 28036

Dear Mrs. Giduz,

As the Activities Coordinator, I write of behalf of Williams Place Gracious Retirement here in Davidson for support of the grant application being presented to the Town of Cornelius by the Senior Community Connections, a non-profit organization. They have really helped our residents with being able to do more activities beyond what we have to offer here at Williams Place. We have had several residents who participate with Senior Community Connections. There are some residents who don't see well, or for some reason are not able to drive themselves, but want that connection with other seniors. I believe that helping older adults remain independent in their homes and offering these options, help them to better enjoy their lives, and not feel alone.

Personally as an activities coordinator here at Williams Place, I see the great need and value of such an organization because of the help and support of independent seniors that they give!

Sincerely,
Debbie Green



Activities Coordinator
Williams Place Gracious Retirement
Davidson NC 28036

Attachment 4: Relevance & Participation Narrative

a. What benefit does your organization's work provide for the Cornelius community?

SCC's benefits for older adults and their caregivers (often adult children) are addressed fully in the grant narrative. In summary, SCC provides tangible services such as transportation, in-home services, advice and advocacy, friendly visiting and social activities.

In re: the broader Cornelius community, primary benefits include:

1. SCC is a cost effective way to address the service needs of Cornelius' growing older adult community.
2. SCC is a creative and affordable response to the County's "Age Friendly Mecklenburg County Action Plan".
3. SCC provides Cornelius residents and community service agencies with the opportunity to become part of a local network that supports its older residents today and in the future.

b. Define your audience. In what ways are you seeking to expand or evolve the audience you serve in the coming year(s)?

The SCC audience includes older adults, caregivers and the community-at-large (including community-based service and faith-based organizations).

As detailed in the grant narrative, in October 2021 SCC officially changed its service area to include Cornelius, Huntersville and Southern Mooresville. New members, volunteers and agency partners are being actively engaged in these communities.

SCC is also implementing protocols to engage older adults who are traditionally hard-to-reach or live in underserved communities. This is being done through partnerships with social service and faith-based organizations, and offering scholarships to cover the cost of annual membership fees. See question below for additional information on partnerships.

c. How do you build meaningful relationships with community partners, audiences, visitors, participants, etc.?

SCC is grass-roots, home-grown and volunteer based. Therefore, it is flexible in how it engages in meaningful relationships with its members, volunteers and partners. As noted in the grant application, we use an individualized approach to meeting each member's needs rather than a prescribed menu of services. To this end, we communicate with members (and/or their designated caregiver) via phone or email, provide customized services and "check-ins", and foster repeat engagements between members and volunteers to encourage deeper connections. SCC produces a monthly newsletter which is distributed to members, volunteers and partners.

With respect to volunteers, they provide transportation, assistance in technology support, household chores, education/information sharing and hosting social events.

In addition to coordinating volunteer service, the Board member serving as Director of Volunteers also dedicates her time to maintaining communication with the volunteers and recognizing their contributions. SCC volunteers choose the activities they are engaged in and are continually recognized and reminded that they are the backbone of the network.

SCC is in continual communication with Davidson residents through postings in the *News of Davidson*, the Town of Davidson's Community Calendar and local lake Norman businesses. As detailed in the narrative, we hope to establish similar open communication with residents of Cornelius.

SCC's approach to community partnerships is addressed in the question below.

- d. Describe how your organization has prioritized becoming more accessible, inclusive and equitable. What initiatives are currently underway, and what are you learning in the process? What strategies are you putting in place for the coming year?**

FISCAL

SCC focuses on two aspects of accessibility/inclusion: knowledge (awareness) of SCC and access to SCC. As to knowledge, some older adults are unaware of SCC or may be hesitant to utilize its services. It often takes a trusted voice to encourage an older adult to take the first step to ask for help. For these reasons, SCC is committed to reaching out to agencies and organizations that can assist us in reaching underserved and/or hard-to-reach populations. We are open to sharing information directly with constituent groups, or working with trusted community leaders within targeted communities to promote awareness of our services.

As to access to SCC, SCC recognizes that while modest, its full membership fee (\$250 individual; \$400 couple per year) may be a barrier for some residents. To address this directly, SCC partners with individuals and organizations to make scholarships available to older adults in need of financial assistance. Availability of scholarships will be highlighted in outreach activities so that interested persons can self-identify or be linked to SCC through one of our partners. Efforts to expand the number of available scholarships are ongoing, and are an essential component of this application.

SCC approaches partnership with flexibility. Several current partnerships are outlined below. These examples, or other modified models, will be replicated with Cornelius organizations.

Ada Jenkins - Partnership for referral and access to service. Ada Jenkins also has an open membership with SCC which it can fill as needed to meet the needs of an older adult identified by the staff of Ada Jenkins.

Temple Kol Tikvah - Partnership for referral and access to service. The Temple can refer members for service as needed. Usage is monitored and promoted within the entire community, including cross-participation in both organization's events.

The Bungalows - SCC is partnering with a leader within this subsidized housing community to share information and foster referrals among appropriate residents.

The Rotary of Davidson - The Rotary is providing funds for 4 scholarships to be awarded at SCC's discretion to expand access to service.

Williams Place - SCC hosts a quarterly "coffee chat" at Williams Place (for residents at the senior residence, as well as the general public) to promote SCC and offer a social activity.

e. Participation: Please discuss any changes, fluctuations, or trends in total annual participation. How do you measure feedback from participants/audience, and how do you incorporate feedback?

SCC service delivery began in late 2017 (as DVN) and was well-established in Davidson at the time that COVID caused all but critical services (primarily medical-related transportation), online events and telephone reassurance to be halted. In-person activities and transportation for non-emergent travel were reinstated fully by June/July 2021. Service levels and the types of social activities offered have varied from October 2021 to today based on COVID protocols.

SCC membership, which slowed during the peak of COVID, has been steadily increasing since Summer 2021. We currently have 42 members and 50 volunteers.

The process for soliciting input from SCC members is addressed in the grant narrative and copied below. The Board uses input from members, caregivers, and volunteers, as well as data from service delivery analysis, to inform its annual Strategic Planning and ongoing operations. As a working Board, the members are involved in activities on a daily basis, and meet regularly to discuss emergent issues.

1. Annual client satisfaction survey that includes questions to assess how SCC has impacted members' lives, the services/activities that members have most frequently used and their satisfaction with those services/activities and the identification of any gaps in service.
2. Monthly tracking of the number and types of services that members requested and that were provided; number of requests that were not filled (if any) and why; number of volunteers providing services; and number of social events provided.
3. Where applicable, soliciting feedback from adult children on SCC value/impact

concerning their parent members.

4. Soliciting feedback from the community-at-large on SCC name recognition and reputation through attendance at local community and civic meetings, informal gatherings, etc.

Attachment 5:

Proposed Programming: Provide proposed programming including a description of and number of events, educational programs, exhibitions, performances and private events for the grant period.

SCC's full membership includes service delivery and social activities. SCC also offers a social membership that includes social activities only (\$125 per year).

Each month SCC offers a variety of social activities that members may choose to participate in. Typically, a weekly activity is offered within one of the following categories: education, art, physical activity, recreation and social. Topical experts (such as an upcoming speaker from the Alzheimer's Foundation) are engaged as speakers on various topics of interest to our members.

Activities recently held or planned for the first quarter of 2022 include a movie at a local theater, a trip to Nutcracker in Charlotte, a concert at Davidson College, a pizza lunch, a garden party, a breakfast at local restaurant, a presentation on new North Mecklenburg Recreation Center, walking, yoga and crafting. SCC offers transportation to the events it sponsors for both full and social members, using volunteer drivers or group transportation as needed.

CONFLICT OF INTEREST POLICY

Article I

Purpose

The purpose of the conflict of interest policy is to protect **DAVIDSON VILLAGE NETWORK** ("Organization") interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Article II

Definitions

1. Interested Person

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
- b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III

Procedures

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to

the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, s/he shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, s/he shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

- a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

**Article IV Records of
Proceedings**

The minutes of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V **Compensation**

- a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI Annual **Statements**

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Organization is charitable and in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Article VII **Periodic Reviews**

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining,
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Article VIII **Use of Outside Experts**

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

Approved and Adopted by the Board of Directors on November , 2015

NON-DISCRIMINATION POLICY

Davidson Village Network, a North Carolina non-profit corporation, hereby declares that it is the policy of the corporation not to discriminate against any person (exclusive of corporations) on the basis of race, religion, color, creed, national origin, age, gender, handicap status, or sexual orientation. This policy is meant to be universal, internal and external, such that it encompasses membership, officers and directors, committee personnel, volunteers, vendors and any other person(s) having actual or prospective dealings with the corporation.

Approved and Adopted by the Board of Directors on January 19, 2017

Attest: _____

Pamela Brunell, Secretary

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 20, 2022

To: Mayor and Board of Commissioners

From: Andrew Grant, Town Manager


Action Requested:

Arts & Science Council (ASC) applied for an Annual Support Grant for FY23, and presented their proposal to the Town Board. On June 6, 2022, the Town Board approved the FY23 Budget which included \$4,000 for ASC. The next step is for the Town to approve the grant agreement.

Manager's Recommendation:

Approve the grant agreement and provide the authority to the Town Manager and Town Attorney to finalize the terms and execute the agreement.

ATTACHMENTS:

Name:	Description:	Type:
 2022_Support_Grant_Agreement_ASC.pdf	Grant Agreement	Backup Material



SUPPORT GRANT AGREEMENT

This Support Grant Agreement (the "Grant Agreement") entered into on this _____ day of _____, 20____ by and between TOWN OF CORNELIUS, a North Carolina municipal corporation ("Town"), and the following Grantee, _____, a North Carolina non-profit corporation ("Grantee").

WHEREAS, Town is authorized, pursuant to N.C.G.S. §160A-488, to establish and support public museums, art galleries, art centers, arts facilities and arts programs; and

WHEREAS, The Town is authorized, pursuant to The North Carolina Constitution and N.C.G.S. §160A-20.1 to support those carrying out a public purpose that benefits the citizens of the Town of Cornelius; and

WHEREAS, Grantee has applied to the Town for a Support Grant for the Town's fiscal year 2023 by completing the Support Grant Application attached hereto and incorporated herein as "Exhibit A"; and

WHEREAS, the Town has reviewed Grantee's grant Application and awards to Grantee a grant award subject to the terms and conditions set forth below.

NOW THEREFORE, in consideration of the foregoing recitals, of mutual promises of the Parties and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Town and Grantee agree as follows:

1. Grant Award. The Town hereby grants to Grantee a Support Grant for fiscal year 2023 in the amount of \$_____.
2. Use of Grant Awards. Grant Awards are to be used by Grantee solely for those purposes more particularly described in the Support Grant Application submitted by Grantee, attached hereto as Exhibit A and incorporated herein by reference.
3. Funding Period. Each funding period for the Grant Award begins on July 1 and terminates on June 30 (the "Annual Funding Period").
4. Payment of Grant Award. The Town shall pay the Grant Award to Grantee in one (1) installment during each Annual Funding Period, payment to be processed on or before the last day of September of the fiscal year for which a grant is awarded.

5. Annual Reporting Requirements. Grantee shall submit a Final Report to the Town no later than October 1 of the Town's following fiscal year. The Final Report shall describe with particularity how the Grant Funds were expended. Grantee shall retain and keep safe financial and other records that corroborate the information contained in the Final Report (invoices, receipts, pay vouchers, etc.) for a period of no less than five years. The Town shall have the authority to review these financial records from time to time.
6. Material Failure to Perform. The Town shall have no obligation to pay the Grant Award or any remaining portion thereof should Grantee fail to provide required financial reporting (annual audit report within 6 months of the completion of the audited fiscal year) or should Grantee materially fail to comply with Exhibit A. In the event of such material failure, Grantee shall return the full amount of the Annual Grant Award already paid to Town.
7. Compliance with Laws. Grantee shall comply with all state and federal laws, ordinances, rules and regulations including but not limited to related to those laws governing discrimination, project implementation and the expenditure of funds. Grantees who do not comply with these regulations may be ineligible for future funding.
8. Operation Deficits. The Town shall not be responsible for nor liable for operating deficits of Grantee.
9. Indemnification. Grantee assumes sole responsibility and liability, and will defend, indemnify, and hold Town harmless from and against all liabilities, fines, suits, claims, demands, actions, injuries, damages, judgments, costs, expenses, penalties or losses of any kind or nature whatsoever (including without limitation for damage to real or personal property, and/or or injury or death to a person) (collectively, the "Liabilities") caused by, arising out of, or in any manner related to the operation, management, occupancy and/or use of the Grantee's facilities, including from intentional or negligent acts by Grantee or its agents, employees, licensees, contractors, patrons, guests, invitees, customers and other visitors, or the public; provided, however, that Grantee shall not be liable to Town for liabilities arising from or directly related to Town's gross negligence or willful misconduct. Grantee waives all claims against Town for liabilities arising from or related to the Grantee's facilities, except for claims arising from or directly related to Town's gross negligence or willful misconduct. Grantee's indemnity obligations pursuant to this Section shall survive the termination or expiration of this Agreement.
10. Severability and Duration. If any provision of this Agreement is deemed or declared illegal, unenforceable, or invalid, such provision will be read out of this Agreement, and will not affect the validity of any other provision or give rise to any cause of action of the parties against the other, and the remainder of this Agreement will be valid and enforced to the fullest extent permitted by law.

11. Waiver. Any waiver at any given time of any term or condition of this Agreement, or the failure to take action with respect to any breach of any such term or condition, will not be deemed to be a waiver of the term or condition with regard to any subsequent breach of the term or condition, or of any other term or condition of the Agreement.
12. Modifications. This Agreement may be modified, altered or amended only by written agreement executed by Town and Grantee.
13. Governing Law. This Agreement shall be governed in all respects, including as to validity, interpretation, and effect, by the internal laws of the state of North Carolina, without giving effect to the conflict of laws and rules thereof. The language in all parts of this Agreement will be, in all cases, construed according to its fair meaning and not strictly for or against Town or Grantee.
14. Waiver of Jury Trial. The Parties waive trial by jury in any action, proceeding or counterclaim brought by or against the other with respect to any matter arising out of or in connection with this Agreement.
15. Relationship. The parties agree that neither any provision of this Agreement nor any act of the parties shall be deemed to create any joint venture relationship or other partnership agreement between Grantee and Town.
16. Time of the Essence. Time is of the essence for each of the provisions of this Agreement.
17. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which counterparts collectively shall constitute one Agreement. Signatures may be exchanged by copy, or with original signatures to follow. Each party shall be bound by its own copied signature and shall accept the copied signature of the other party.
18. Performance of Government Function. Nothing contained in this Agreement shall be deemed or construed to estop, limit, or impair Town from exercising or performing any regulatory, legislative, governmental, or other powers or functions.

IN WITNESS WHEREOF, the parties have executed this Agreement under seal in Cornelius, North Carolina, as of the Effective Date.

Signature of Authorized Representative	Date
--	------

Federal Identification #

Town of Cornelius

Signature of Authorized Representative

Date

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

Signature of Authorized Finance Officer

Date

Exhibit A

ANNUAL SUPPORT GRANT APPLICATION: Arts & Science Council

Application to be submitted to:
Town of Cornelius
Attn: Town Manager
PO Box 399 Cornelius, NC 28031

Date of Application: **January 31, 2022**

Amount Requested: **\$20,000**

Legal name of organization applying: **Arts & Science Council Charlotte-Mecklenburg, Inc.**

Year Founded: **1958**

Executive Director: **Krista Terrell, APR**

Address (principal/administrative office): **P.O. Box 30246**

City/State/Zip: **Charlotte, NC 28230**

Phone number: **704-333-2ASC (2272)** Fax Number: **704-335-3274**

Web address: **<https://www.artsandscience.org/>**

Primary Contact/Executive Director Information:

Name: **Krista Terrell, APR**

Email Address: **krista.terrell@artsandscience.org**

Telephone Number: **704-335-3035**

List any previous support you have received from Cornelius in the last 5 years:

\$15,000 in FY18; \$10,000 in FY19; \$0 in FY20; \$5,000 in FY21; \$5000 in FY22

Time Period Covered by Request: **July 1, 2022-June 30, 2023**

Requested: **\$20,000**

Signature, Chairperson, Board of Directors (if applicable):



Typed Name and Title: **Susan Patterson, Chair**

Date: January 29, 2022

Signature, Executive Director:



Typed Name and Title: **Krista Terrell, President**

Date: January 29, 2022

GRANT APPLICATION FORMAT

*Please provide the following information in this order. Use these headings, subheadings and numbers provided in your own word processing format, thus leaving flexibility for length of response. **Please note that a formal presentation of this grant request shall be made by Applicant to a meeting of the Cornelius Board of Commissioners following the application submission. Applicant shall schedule this presentation with the Town Manager's Office.***

A. NARRATIVE

1. Executive Summary

• *Begin with a half-page executive summary. Briefly explain why your agency is requesting this grant, what outcomes you hope to achieve, and how you will spend the funds if the grant is made.*

We believe that arts, culture and creativity play a critical role in creating a sense of belonging to a community. As Mecklenburg County's Local Arts Agency, the Arts & Science Council (ASC) combines resources from local and state government with those of the private sector to maximize community impact throughout the cultural sector. We function as a resource hub, lead advocate, and fund cultural work by and for the residents of Mecklenburg. Our team is guided by five core values: equity, community, collaboration, accessibility, and accountability. We are asking for this grant because, while proud of the work we have done in Cornelius and across the County thus far, there is so much more we can do with greater support.

There is an existing gap between the creative, transformative projects our community members are proposing and what ASC is able to fund. For example, our Cultural Vision Grant program supports projects which respond to the Mecklenburg community's interest in arts, science, history and heritage programming that builds strong communities and demonstrates innovative, relevant and transformative cultural expression. Cultural Vision Grants have provided \$26,000 of support for the Town of Cornelius in recent years, including \$3,000 in support of the Cornelius Cultural Arts Group bi-annual Tawba Walk, \$7,000 in support for productions and performances through The Warehouse Performing Arts Center, \$15,000 in support for the Charlotte Asian Festival and Dragon Boat Race, \$3,250 in support for Camerin Watson's Collective Healing through Collective Dance, and \$6,000 in direct support to the Cain Center for the Arts (for continuation of Tawba Walks Arts and Music Festivals). In FY21, eligible individuals and nonprofit organizations applied for a total of \$550,669 in Cultural Vision Grant funding, but ASC only had \$297,113 to award, leaving 46% of eligible projects unfunded. In our Creative Renewal Fellowship and Emerging Creators Fellowship programs, only 18% and 15% respectively of eligible applicants were awarded funding last fiscal year. With greater financial support from the Town of Cornelius and our other public and private funders, ASC has the grant making structure in place to distribute resources equitable, accessibly, accountably, and while centering community in all we do.

If granted, ASC will use funding from the Town of Cornelius to unrestrictedly support our work, which includes grant making to creative individuals and cultural organizations, advocacy, community engagement, cultural education programs, cultural planning, fundraising, workshops and trainings for the cultural community.

2. Purpose of Grant

- *Description of your goals, measurable objectives, and action plans for the Fiscal Year.*
- *Statement of needs/problems to be addressed; description of target population and how they will benefit.*
- *Description on how grantee addresses participants who have a financial need.*
- *Timetable for implementation and/or general program calendar.*

Our plan for the upcoming fiscal year is to maintain and grow our existing grant programs for creative individuals and cultural organizations across Mecklenburg County. Each grant program addresses different needs and ultimately serves residents in different ways, so below is a detailed breakdown of each program that we hope to fund through this grant, including descriptions of who the grant is for, what the grant program is designed to address, and the timeline for implementation:

1. Individual Artist Fellowships

- a. What are the Individual Artist Fellowships?
 - i. The Emerging Creator Fellowship, an \$8,000 award, is a targeted investment in early career artists who are establishing their creative practice, to provide them the financial resources to explore ideas, connect with professionals in their field and create new projects.
 - ii. The Creative Renewal Fellowship, a \$15,000 award, is distinct from professional development opportunities because it focuses on personal renewal with the belief that the entire community will benefit through investments in individuals in the creative community. It is similar to a sabbatical.
- b. Eligible applicants have been Mecklenburg County residents for 3+ years, pursuing a career as a full-time artist/cultural practitioner, and generate the majority of their income from their creative practice. ASC received over 100 eligible applications in FY21.
- c. Application: eligible artists fill out a 3-part application for this opportunity.
 - i. Part 1: Applicant profile (contact info, demographics, etc.).
 - ii. Part 2: Narrative Questions specific to their plans for the fellowship and how these will impact their creative practice.
 - iii. Part 3: Résumé and Work Samples: the applicants upload a résumé and work samples appropriate for their creative practice.
 - iv. While the application is open, ASC Staff hosts info session and office hours to guide applicants through the process.
- d. Application Review:
 - i. ASC Staff recruits a panel of creative practitioners including non-profit arts professionals, academics, full-time artists, and past recipients. The panel is chaired by an ASC board member.
 - ii. ASC Staff conducts an initial eligibility screening of the applications and prepares the applications for the panel.
 - iii. The panelists individually read the applications, review the work samples, and score the applications. After the initial scoring, the panelists meet to discuss the top scoring applications, and select the Fellows.
 - iv. After the Fellows are selected, ASC Staff administers contracts, distributes the funds, and hosts gatherings of the fellows during the

fellowships. ASC Staff also provides feedback to applicants who are not selected, to guide them in future opportunities.

- e. Timeline: ASC offers this opportunity once a year, and the process for fellowships takes six-seven months. The following is a sample timeline.
 - i. Applications open in November; ASC Staff hosts info sessions and office hours while the application is open.
 - ii. Applications close late January, and ASC Staff begins its eligibility review.
 - iii. Applications are distributed to the panel in February, for their review.
 - iv. The panel meets in March to discuss the applications and select the Fellows.
 - v. ASC Staff distributes contracts and processes payments in April.

2. Artist Support Grants

- a. The Artist Support Grant provides funding to regional artists for their professional development opportunities, equipment, and other resources to grow their creative practice. This process has concluded for FY22. Applicants are eligible for up to \$3,000.
- b. The Artist Support Grant is a statewide program by the North Carolina Arts Council (NCAC), a division of the North Carolina Department of Natural Resources. ASC administers the program on behalf of NCAC for Mecklenburg County and five other counties in the region. The program is generously funded by the NCAC, Mecklenburg County, the City of Charlotte's Infusion Fund and its generous donors, and the towns of Cornelius, Davidson, Matthews, Mint Hill, and Pineville. The robust support on the local level allows ASC to make a significant investment in Mecklenburg based artists.
- c. Who is Eligible? Applicants who have been Mecklenburg County residents for 1+ years. ASC also accepts applications for the 5 surrounding counties that are part of our NCAC consortium.
- d. Application: eligible artists fill out a 4-part application for this opportunity.
 - i. Part 1: Applicant information (contact info, demographics, etc.
 - ii. Part 2: Narrative Questions (specific to their plans for the grant application and how these will impact their creative practice.)
 - iii. Part 3: Applicants provide a budget detailing expenses and income for the project.
 - iv. Part 4: Résumé and Work Samples: the applicants upload a résumé and work samples appropriate for their creative practice.
 - v. While the application is open, ASC Staff hosts info session and office hours to guide applicants through the process.
- e. Application Review:
 - i. ASC Staff recruits a panel of creative practitioners including non-profit arts professionals, academics, full-time artists, and past recipients. The panel broken into smaller mini-panels based on discipline. They conduct their reviews online.
 - ii. ASC Staff conducts an initial eligibility screening of the applications and prepares the applications for the panel.
 - iii. The panelists individually read the applications, review the work samples, and score the applications.

- iv. ASC Staff reviews the panel scores and uses these scores to make awards. Grant contracts are issued, and payments are made on the awards.
- f. Timeline: ASC offers this opportunity once a year, and the process for Artist Support Grants takes six-seven months. The following is a sample timeline.
 - i. Application opens in July. ASC Staff host office hours and info sessions while the application is open.
 - ii. Application closes in September. ASC Staff does an eligibility screening of all the applications and prepares them for the panel.
 - iii. The panelists review the applications in October and return the scores early November.
 - iv. ASC Staff reviews the scores and determines awards in November. All applicants are notified of the status of their award. Grant contracts are produced, and feedback is provided for unsuccessful applications.
 - v. Contracts are returned to ASC Staff in December. The paperwork is processed, and payments are distributed in January.
- 3. Cultural Vision Grants
 - a. Cultural Vision Grants support projects which respond to the Charlotte Mecklenburg community's interest in arts, science, history and heritage programming that builds strong communities and demonstrates innovative, relevant and transformative cultural expression. Creative Individuals, non-profit cultural organizations, and non-profit service organizations conducting cultural programming are eligible.
 - b. Applicants are eligible for up to \$10,000 based on the project budget. The average award is between \$5,000-\$6,000.
 - c. ASC seeks to support high quality arts and culture projects presented within Mecklenburg County by creative individuals or nonprofit organizations that: build community or provide relevant and innovated programming.
 - d. Who is Eligible?
 - i. Arts, science, history or heritage project that takes place in Mecklenburg County.
 - ii. Applicant is either an individual with a primary residence in Mecklenburg County or a Mecklenburg County-based, non-profit, tax-exempt organization that is in good standing with the Internal Revenue Service (IRS). (Groups that do not have tax-exempt status may apply through a fiscal sponsor organization)
 - e. Initial Application and Panel Process
 - i. Applicants submit an initial application which outlines the following.
 - 1. Applicant profile and contact information
 - 2. Preliminary budget
 - 3. Key project details
 - ii. ASC Staff reviews all these applications to screen for eligibility and determine the max eligible award. ASC Staff may meet with new applicants to clarify and questions that come up in their review of the applications. The eligible award is based on their budget and the financial needs as outlined in the budget section of the application.
 - iii. ASC Staff recruits a panel chaired by an ASC Board member and community leaders. These panelists read and score the application, and then meet to discuss the applicants. The panel selects which applicants should be invited to the full application.

- f. Full Application
 - i. Following the panel meeting, ASC Staff meets with all the selected applicants to discuss feedback from the panel.
 - ii. Applicants then provide a final budget, marketing plan, and any remaining key details through the full application.
 - iii. The panel meets a final time for an update on the grantees, and ASC Staff confirms the awards.
- g. Timeline: The Cultural Vision Grant is offered twice a year. Both cycles have concluded for FY22. Each process takes about 6 months. A sample timeline is below.
 - i. Applications open in July. ASC Staff hosts info session and office hours until the application closes.
 - ii. Application closes in September. ASC Staff reviews the applications for eligibility, meets with applicants as required, and determines awards.
 - iii. Panelists review the applications in September and meet in October to discuss the applications.
 - iv. Successful applicants are invited to the full application in November and have until December to complete the additional requirements.
 - v. Panel meets a final time to review the applications and recommendations of ASC Staff. ASC Staff issues contracts in December, and payments go out to the grantees in January.
 - vi. ASC Staff collects regular reporting on the status of the grants during the term of the grant (3 months – 24 months).
- 4. Technical Assistance Grants & Professional Development Scholarships
 - a. Technical Assistance Grants & Professional Development Scholarships support capacity building opportunities that improve an organization's management, develop audiences, strengthen fundraising and/or achieve operating efficiencies. We wish to encourage staff and board development at all levels of the organization. This opportunity has not opened in FY22.
 - b. Eligibility: Any Mecklenburg County-based not-for-profit organization with a primary mission of arts, science, history or heritage. Public and independent schools, colleges, and universities, after school programs and camps are not eligible. Generally, this program supports opportunities within organizations previously funded by ASC.
 - c. Applicants submit a 2-part application for this opportunity
 - i. Narrative describing the proposed capacity building opportunity and how it will impact the organizations
 - ii. Budget outlining income and expenses, used to determine the potential grant amount
 - iii. Technical Assistance grants typically are accepted on a rolling basis, and the staff reviews these opportunities to confirm eligibility. Staff collects a final report outlining expenses and an overview of the completed project.

3. Evaluation

- *Plans for evaluation including measuring objectives and how success will be defined and measured.*

Our Grants & Services team has identified three measurable objectives for our grant programs in the coming year.

The first is our objective to get to a place financially where we can increase the cap on total amounts that Cultural Vision Grant (CVG) recipients are eligible to receive. Currently, the program is only able to provide a maximum CVG award of \$10,000. However, as discussed in Question 1, there are consistently projects eligible for funding that cannot receive it and many whose potential impact could be so much greater with increased resources. We will measure success on this metric by whether we are able to secure enough resources for the CVG program to include up to \$20,000 for projects that build strong communities and demonstrates innovative, relevant and transformative cultural expression.

The second objective for our grant making is to grow the capacity of the Artist Support Grant program to the point where we can issue two annual funding calls instead of the current one. We are aware that the limited application season of a single window per year makes these grants difficult to access for creative individuals whose work does not align with the specific ASG time period, and our team has been actively exploring adding a second window to capture more applicants and provide support to individual artists throughout the year. In FY23, we will be successful at meeting this objective if we are able to fund Artist Support Grant application calls in both the fall and the spring.

Third, our team is exploring what staff support it would take for us to convert each of our grant applications, process and support, for individuals and organizations, into Spanish. We recognize that our Latin-a/o/x/e neighbors are underrepresented in both current grant applicants and recipients. We will succeed in meeting our goal on this measure if we are able to offer both English and Spanish versions of each grant application and Spanish language support for creatives throughout the application and granting processes by the end of FY23.

4. Funds Provided By Other Entities

• *List of amounts requested of other foundations, corporations and other funding sources to which a proposal has been submitted.*

While we do anticipate submitting further requests to foundations, corporations and other funding sources in the coming months, these are the only existing requests we have made to such entities for FY23 so far:

Harris Teeter: \$20,000

Corning Foundation: \$5,000

Reemprise Fund: \$25,000

5. Organization Information

Brief summary of organization's history, including duration that programs or services have been provided.

Brief statement of organization's mission and goals. Primary focus of services and/or programs.

Location of headquarters.

Location of principal business activities.

Description of current programs, activities and accomplishments.

All good stories have a beginning, middle and end. We at ASC are currently embracing the middle: building on a strong past and preparing for an even brighter future.

In 1958, ASC was founded as a cultural hub. Its role was to sustain and support art in Charlotte and Mecklenburg County. With time our grant programs available have evolved to respond to

the needs of the community, needs we learn about through intentional research and community engagement. ASC is a dedicated steward of resources, and is committed to making Charlotte-Mecklenburg come alive through meaningful encounters with art, science and history. This involves partnering with the community in every way. Befriending local corporations. Being present in local schools. Connecting neighborhoods with artists. Understanding government policy. We work at this tirelessly because we believe in Culture For All.

ASC's Mission: Investing in people, programs and ideas that move us toward a more equitable, sustainable and innovative creative ecosystem.

ASC's Vision: An equitable, connected community where creativity is central, celebrated and supported.

We are currently operating mostly as a remote team, working from our kitchens, yards, and home offices across the county, with key administrative staff members working out of small office at WeWork. Our current business address is P.O. Box 30246, Charlotte, NC 28230.

The current grant programs ASC offers are, for individuals: [Artist Support Grants](#), [Cultural Vision Grants](#), [Culture Blocks](#), [Creative Renewal Fellowship](#), and [Emerging Creators Fellowship](#), and, for organizations: [Cultural Vision Grants](#), [Culture Blocks](#), [Technical Assistance Grants](#), and [Professional Development](#). Several specific stories of ASC grantees and their work in community are available through the [ASC Blog](#), and we maintain a free directory of upcoming cultural events in Charlotte-Mecklenburg on [CharlotteCultureGuide.com](#). In 2021, ASC was proud to release our inaugural [Equity Report](#); we encourage you to read the report and help hold us accountable to upholding equity in our work with the Town of Cornelius.

B. Attachments:

- A. IRS Determination Letter**
- B. Board of Directors**
- C. Finances: Form 990**
- D. Letters of Support**
 - a. Dr. Marla Brown**
 - b. Dr. John Chen**
 - c. Charu Kumarhia**
- E. Relevance & Participation Narrative**
- F. Proposed Programming**
- G. Conflict of Interest Policy**
- H. Non-Discrimination Policy**

OGDEN UT 84201-0038

In reply refer to: 0441923249
Oct. 20, 2010 LTR 4168C E0
56-0693436 000000 00
00024849
BODC: TE

ARTS & SCIENCE COUNCIL CHARLOTTE
MECKLENBURG INC
227 W TRADE ST STE 250
CHARLOTTE NC 28202-1676



008139

Employer Identification Number: 56-0693436
Person to Contact: Ms. Barrera
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your Oct. 08, 2010, request for information regarding your tax-exempt status.

Our records indicate that you were recognized as exempt under section 501(c)(03) of the Internal Revenue Code in a determination letter issued in February 1961.

Our records also indicate that you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Please refer to our website www.irs.gov/eo for information regarding filing requirements. Specifically, section 6033(j) of the Code provides that failure to file an annual information return for three consecutive years results in revocation of tax-exempt status as of the filing due date of the third return for organizations required to file.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,



Rita A. Leete
Accounts Management II

ARTS & SCIENCE COUNCIL BOARD OF DIRECTORS 2021-2022

SUSAN L. PATTERSON*, BOARD CHAIR

John S. and James L. Knight Foundation
(Ret.)

CHRIS COPE

President – Allen Tate Mortgage Partners,
LLC

BRETT DENTON

Executive Vice President, Chief Legal
Officer – Atrium Health

ED DRIGGS

District 7 – Charlotte City Council

GEORGE DUNLAP

Chair – Mecklenburg County Board of
Commissioners

RENEE GARNER

Commissioner – Town of Matthews

DURRAL GILBERT*

Community Volunteer

JEANNE E. JOHNSON*

Principal, Advisory – KPMG LLC

WESLEY MANCINI

President – Wesley Mancini, Ltd.

MATTIE MARSHALL

Civic Leader

VALECIA M. MCDOWELL*

Member – Moore & Van Allen

TIM MILLER

SVP, Communications – Bank of America

NALAN KARAKAYA MULDER

Head of Virtual Channels Compliance –
Wells Fargo

KATRINA PRIDE

Community Volunteer

DEBORAH STEWART

Principal – Stewart + Company

JAZ TUNNELL

Manager, Large Account Management –
Piedmont Natural Gas

BANU VALLADARES

Executive Director – Charlotte Bilingual
Preschool

MIKE VASAUNE

Senior Director of Business Intelligence and
Performance Reporting – TIAA

DENYTRA WHITNER

Community Volunteer

LISA WILLIAMS

Partner – McGuire Woods

PUBLIC DISCLOSURE COPY

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2018

Open to Public Inspection

A For the 2018 calendar year, or tax year beginning **JUL 1, 2018** and ending **JUN 30, 2019**

B Check if applicable: <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization ARTS & SCIENCE COUNCIL CHARLOTTE/MECKLENBURG, INC. Doing business as Number and street (or P.O. box if mail is not delivered to street address) Room/suite 222 S. CHURCH STREET, SUITE #300 City or town, state or province, country, and ZIP or foreign postal code CHARLOTTE, NC 28202 F Name and address of principal officer: RONALD JEEP BRYANT SAME AS C ABOVE	D Employer identification number 56-0693436 E Telephone number (704)-333-2272 G Gross receipts \$ 13,800,154. H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) H(c) Group exemption number ▶
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527 J Website: ▶ WWW.ARTSANDSCIENCE.ORG K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶ L Year of formation: 1958 M State of legal domicile: NC		

Part I Summary

1	Briefly describe the organization's mission or most significant activities: SEE SCHEDULE O		
2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
3	Number of voting members of the governing body (Part VI, line 1a)	3	26
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	26
5	Total number of individuals employed in calendar year 2018 (Part V, line 2a)	5	63
6	Total number of volunteers (estimate if necessary)	6	400
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
7b	Net unrelated business taxable income from Form 990-T, line 38	7b	0.
8	Contributions and grants (Part VIII, line 1h)	8	15,843,756.
9	Program service revenue (Part VIII, line 2g)	9	0.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	10	-776.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	11	0.
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	12	15,842,980.
13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	13	8,384,817.
14	Benefits paid to or for members (Part IX, column (A), line 4)	14	0.
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	15	3,046,397.
16a	Professional fundraising fees (Part IX, column (A), line 11e)	16a	0.
16b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 1,742,632.	16b	
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	17	6,600,226.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	18	18,031,440.
19	Revenue less expenses. Subtract line 18 from line 12	19	-2,188,460.
20	Total assets (Part X, line 16)	20	44,085,990.
21	Total liabilities (Part X, line 26)	21	9,394,767.
22	Net assets or fund balances. Subtract line 21 from line 20	22	34,691,223.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer RONALD JEEP BRYANT, CHIEF EXECUTIVE OFFICER Type or print name and title	Date
Paid Preparer Use Only	Print/Type preparer's name AMANDA ADAMS Preparer's signature Date Check <input type="checkbox"/> if self-employed PTIN P00748038 Firm's name ▶ CHERRY BEKAERT LLP Firm's EIN ▶ 56-0574444 Firm's address ▶ 1111 METROPOLITAN AVE. STE. 900 CHARLOTTE, NC 28204 Phone no. 704-377-1678	

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.

Form 990 (2018)

56-0693436 Page 2

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III ☒

- 1 Briefly describe the organization's mission:

SEE SCHEDULE O.

- 2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

- 3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

- 4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 5,804,672. including grants of \$ 5,804,672.) (Revenue \$)
THE ARTS & SCIENCE COUNCIL GRANTED OPERATING SUPPORT FUNDING TO 31 REGIONAL CULTURAL PARTNERS. GRANTS ARE AWARDED BY A DELIBERATE SYSTEM OF PEER AND EXPERT REVIEW CONDUCTED BY PANELS OF CITIZEN VOLUNTEERS AND PROFESSIONAL STAFF. AWARDS ARE MADE BASED ON A PRE-ESTABLISHED RANKING SYSTEM THAT TAKES INTO CONSIDERATION PROGRAM EXCELLENCE, RELEVANCE AND FINANCIAL STEWARDSHIP. GRANT AWARD RECOMMENDATIONS FROM THE REVIEW PROGRAM EXCELLENCE, RELEVANCE AND FINANCIAL STEWARDSHIP. GRANT AWARD RECOMMENDATIONS FROM THE REVIEW PANELS ARE APPROVED BY ASC'S BOARD OF DIRECTORS.

4b (Code:) (Expenses \$ 4,353,020. including grants of \$ 2,631,058.) (Revenue \$)
THE ARTS & SCIENCE COUNCIL MAKES A VARIETY OF PROJECT SUPPORT GRANTS AND FUNDS AN ARRAY OF SERVICES THAT CONTRIBUTE TO THE VITALITY AND SUSTAINABILITY OF THE REGIONAL CULTURAL SECTOR. THESE GRANTS AND SERVICES DIRECTLY ALIGN WITH ASC'S MISSION OF SUSTAINING ACCESS TO AN EXCELLENT AND RELEVANT CULTURAL SECTOR - ADVANCING ARTS, SCIENCE, HISTORY, AND HERITAGE ENDEAVORS IN THE CHARLOTTE-MECKLENBURG REGION. IN CONCERT WITH ASC'S OPERATING SUPPORT PROGRAM, PROJECT AND OTHER SERVICE FUNDING BUILD COMMUNITY, INCREASE CULTURAL PROGRAM RELEVANCE AND INNOVATION, AND ADVANCE THE ARTS, SCIENCE, HISTORY, AND HERITAGE IN PRE K-12 EDUCATION.

4c (Code:) (Expenses \$ 2,550,417. including grants of \$) (Revenue \$)
THE ARTS & SCIENCE COUNCIL PROVIDES MANAGEMENT SERVICES FOR THE CITY OF CHARLOTTE, MECKLENBURG COUNTY, AND OTHER PRIVATE PARTNERS TO ENSURE EXCELLENCE AND RELEVANCE OF PUBLIC ART PROGRAMMING AND INSTALLATION.

- 4d Other program services (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 12,708,109.

Form 990 (2018)

**ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Form 990 (2018)

56-0693436 Page **3**

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>	X	
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	X	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	X	
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	X	

**ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Form 990 (2018)

56-0693436 Page **4**

Part IV Checklist of Required Schedules (continued)

	Yes	No
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22 X	
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23 X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	24a	X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a	X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b	X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>	26	X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27	X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a	X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b	X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33	X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34 X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36	X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37	X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38 X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V ☐

	Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a 240	
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b 0	
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c X	

**ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Form 990 (2018)

56-0693436 Page **5**

Part V **Statements Regarding Other IRS Filings and Tax Compliance** (continued)

		Yes	No
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 63		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	X	
Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		X
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O	3b		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		X
b If "Yes," enter the name of the foreign country: See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		X
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		X
d If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the sponsoring organization make any taxable distributions under section 4966?	9a		
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b		
10 Section 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on Part VIII, line 12	10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11 Section 501(c)(12) organizations. Enter:			
a Gross income from members or shareholders	11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state?	13a		
Note. See the instructions for additional information the organization must report on Schedule O.			
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b		
c Enter the amount of reserves on hand	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a		X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b		
15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year?	15		X
If "Yes," see instructions and file Form 4720, Schedule N.			
16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income?	16		X
If "Yes," complete Form 4720, Schedule O.			

Form **990** (2018)

**ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Form 990 (2018)

56-0693436 Page **6**

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI ☒ **X**

Section A. Governing Body and Management

		Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	1a 26		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.			
b Enter the number of voting members included in line 1a, above, who are independent	1b 26		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5		X
6 Did the organization have members or stockholders?	6		X
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a		X
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a The governing body?	8a	X	
b Each committee with authority to act on behalf of the governing body?	8b	X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a Did the organization have local chapters, branches, or affiliates?	10a		X
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.			
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	X	
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	X	
13 Did the organization have a written whistleblower policy?	13	X	
14 Did the organization have a written document retention and destruction policy?	14	X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a The organization's CEO, Executive Director, or top management official	15a	X	
b Other officers or key employees of the organization	15b	X	
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).			
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		X
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **▶NC**

18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☒ Own website ☒ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records **▶**
NINA SCHULTZ - (704) 333-2272
222 S. CHURCH STREET, SUITE #300, CHARLOTTE, NC 28202

**ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Form 990 (2018)

56-0693436 Page **7**

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII ☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) PAULA VINCENT BOARD CHAIR	5.00 0.00	X		X				0.	0.	0.
(2) VALECIA MCDOWELL BOARD CHAIR-ELECT	5.00 0.00	X		X				0.	0.	0.
(3) ROBERT HARRINGTON IMMEDIATE PAST CHAIR	3.00 0.00	X		X				0.	0.	0.
(4) SUSAN PATTERSON SECRETARY	3.00 0.00	X		X				0.	0.	0.
(5) JEANNE JOHNSON TREASURER	3.00 0.00	X		X				0.	0.	0.
(6) NORMA ABENNE MEMBER	1.00 0.00	X						0.	0.	0.
(7) MISSY BANKS MEMBER	1.00 0.00	X						0.	0.	0.
(8) DENIS BILODEAU MEMBER	1.00 0.00	X						0.	0.	0.
(9) KATHERYN BLACK MEMBER	1.00 0.00	X						0.	0.	0.
(10) MICHAEL BRYANT MEMBER	1.00 0.00	X						0.	0.	0.
(11) BRETT DENTON MEMBER	1.00 0.00	X						0.	0.	0.
(12) LISA LEWIS DUBOIS MEMBER	1.00 0.00	X						0.	0.	0.
(13) MATTHEW GARDNER MEMBER	1.00 0.00	X						0.	0.	0.
(14) WILLIAM FARTHING, JR. MEMBER	1.00 0.00	X						0.	0.	0.
(15) DURRELL GILBERT MEMBER	1.00 0.00	X						0.	0.	0.
(16) WESLEY MANCINI MEMBER	1.00 0.00	X						0.	0.	0.
(17) LAWANA MAYFIELD MEMBER	1.00 0.00	X						0.	0.	0.

**ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Form 990 (2018)

56-0693436 Page **8**

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) TIM MILLER MEMBER	1.00 0.00	X						0.	0.	0.
(19) KATRINA PRIDE MEMBER	1.00 0.00	X						0.	0.	0.
(20) ELLA SCARBOROUGH MEMBER	1.00 0.00	X						0.	0.	0.
(21) DEBORAH STEWART MEMBER	1.00 0.00	X						0.	0.	0.
(22) JAZ TUNNELL MEMBER	1.00 0.00	X						0.	0.	0.
(23) BANU VALLADARES MEMBER	1.00 0.00	X						0.	0.	0.
(24) MIKE VASAUNE MEMBER	1.00 0.00	X						0.	0.	0.
(25) TIFFANY WADDELL MEMBER	1.00 0.00	X						0.	0.	0.
(26) DENYTRA WHITNER MEMBER	1.00 0.00	X						0.	0.	0.
1b Sub-total								0.	0.	0.
c Total from continuation sheets to Part VII, Section A								876,645.	0.	63,823.
d Total (add lines 1b and 1c)								876,645.	0.	63,823.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **6**

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
BLACKBAUD, INC. P.O. BOX 930256, ATLANTA, GA 31193	SOFTWARE MAINTENANCE	113,500.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **1**

SEE PART VII, SECTION A CONTINUATION SHEETS

Form **990** (2018)

**ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Form 990

56-0693436

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees *(continued)*

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(27) ROBERT BUSH CEO	40.00 0.00			X				216,065.	0.	14,221.
(28) SUSAN GARY SVP COO	40.00 0.00			X				120,306.	0.	7,910.
(29) TONI FREEMAN EVP	40.00 0.00				X			159,484.	0.	9,800.
(30) BARBARA ANN TEMPLE VP, EDUCATION	30.00 10.00					X		141,069.	0.	11,898.
(31) KATHERINE MOORING SVP, COMMUNITY INVESTMENT	40.00 0.00					X		136,203.	0.	10,996.
(32) KRISTA TERRELL VP, MARKETING & COMMUNICATIONS	40.00 0.00					X		103,518.	0.	8,998.
Total to Part VII, Section A, line 1c								876,645.		63,823.

**ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Form 990 (2018)

56-0693436 Page **9**

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a						
	b Membership dues	1b						
	c Fundraising events	1c						
	d Related organizations	1d	1,450,356.					
	e Government grants (contributions)	1e	8,698,412.					
	f All other contributions, gifts, grants, and similar amounts not included above	1f	3,651,386.					
	g Noncash contributions included in lines 1a-1f: \$		18,114.					
	h Total. Add lines 1a-1f		13,800,154.					
Program Service Revenue			Business Code					
	2 a							
	b							
	c							
	d							
	e							
	f All other program service revenue							
	g Total. Add lines 2a-2f							
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)							
	4 Income from investment of tax-exempt bond proceeds							
	5 Royalties							
	6 a Gross rents	(i) Real	(ii) Personal					
	b Less: rental expenses							
	c Rental income or (loss)							
	d Net rental income or (loss)							
	7 a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other					
	b Less: cost or other basis and sales expenses							
	c Gain or (loss)							
	d Net gain or (loss)							
	8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a						
	b Less: direct expenses	b						
	c Net income or (loss) from fundraising events							
	9 a Gross income from gaming activities. See Part IV, line 19	a						
	b Less: direct expenses	b						
	c Net income or (loss) from gaming activities							
	10 a Gross sales of inventory, less returns and allowances	a						
	b Less: cost of goods sold	b						
	c Net income or (loss) from sales of inventory							
	Miscellaneous Revenue			Business Code				
	11 a							
b								
c								
d All other revenue								
e Total. Add lines 11a-11d								
12 Total revenue. See instructions			13,800,154.	0.	0.	0.		

**ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Form 990 (2018)

56-0693436 Page **10**

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☒ **X**

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	8,139,760.	8,139,760.		
2 Grants and other assistance to domestic individuals. See Part IV, line 22	295,970.	295,970.		
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	527,786.	246,751.	136,033.	145,002.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	2,309,736.	1,079,850.	595,320.	634,566.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	27,679.	13,464.	6,809.	7,406.
9 Other employee benefits	277,185.	134,043.	68,673.	74,469.
10 Payroll taxes	199,263.	96,105.	49,527.	53,631.
11 Fees for services (non-employees):				
a Management				
b Legal	656.	656.		
c Accounting	32,777.	13,659.	8,522.	10,596.
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch. O.)	2,413,199.	2,146,746.	118,772.	147,681.
12 Advertising and promotion	69,168.	13,913.	7,120.	48,135.
13 Office expenses	290,606.	91,826.	92,832.	105,948.
14 Information technology	281,510.	59,390.	37,754.	184,366.
15 Royalties				
16 Occupancy	266,647.	134,605.	49,755.	82,287.
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	126,090.	46,342.	29,381.	50,367.
23 Insurance				
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a PROCESSING FEES	133,635.	26,541.	9,665.	97,429.
b				
c				
d				
e All other expenses	398,249.	168,488.	129,012.	100,749.
25 Total functional expenses. Add lines 1 through 24e	15,789,916.	12,708,109.	1,339,175.	1,742,632.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here ☐ if following SOP 98-2 (ASC 958-720)

**ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Form 990 (2018)

56-0693436 Page **11**

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	1,834,522.	1	1,015,684.
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net	7,163,789.	3	6,521,571.
	4 Accounts receivable, net	558,600.	4	811,398.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	73,311.	9	21,777.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	1,844,640.		
	b Less: accumulated depreciation	1,550,203.		
		373,911.	10c	294,437.
	11 Investments - publicly traded securities	2,822.	11	0.
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
15 Other assets. See Part IV, line 11	34,079,035.	15	31,253,274.	
16 Total assets. Add lines 1 through 15 (must equal line 34)	44,085,990.	16	39,918,141.	
Liabilities	17 Accounts payable and accrued expenses	594,367.	17	209,447.
	18 Grants payable		18	
	19 Deferred revenue	3,598,965.	19	3,986,795.
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	5,201,435.	25	4,846,199.
	26 Total liabilities. Add lines 17 through 25	9,394,767.	26	9,042,441.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	-2,798,601.	27	-3,058,880.
	28 Temporarily restricted net assets	9,581,459.	28	6,026,215.
	29 Permanently restricted net assets	27,908,365.	29	27,908,365.
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	34,691,223.	33	30,875,700.
	34 Total liabilities and net assets/fund balances	44,085,990.	34	39,918,141.

Form **990** (2018)

**ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Form 990 (2018)

56-0693436 Page **12**

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI ☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	13,800,154.
2	Total expenses (must equal Part IX, column (A), line 25)	2	15,789,916.
3	Revenue less expenses. Subtract line 2 from line 1	3	-1,989,762.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	34,691,223.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-1,825,761.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	30,875,700.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII ☐

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2a	X
b Were the organization's financial statements audited by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2b	X
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____ If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	2c	X
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? _____	3a	X
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits _____	3b	

Form **990** (2018)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2018

Open to Public
Inspection

Name of the organization **ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Employer identification number
56-0693436

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990 or 990-EZ).)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 ☐ An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: _____
- 10 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 11 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 12 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
- a ☐ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
- b ☐ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
- c ☐ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
- d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
- e ☐ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.

f Enter the number of supported organizations _____

g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
Total						

ARTS & SCIENCE COUNCIL

Schedule A (Form 990 or 990-EZ) 2018 CHARLOTTE/MECKLENBURG, INC.

56-0693436 Page 2

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	10937706.	10322998.	11537392.	15843756.	13800154.	62442006.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	10937706.	10322998.	11537392.	15843756.	13800154.	62442006.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						1856574.
6 Public support. Subtract line 5 from line 4.						60585432.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
7 Amounts from line 4	10937706.	10322998.	11537392.	15843756.	13800154.	62442006.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources	454.		112.	99.		665.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						62442671.
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2018 (line 6, column (f) divided by line 11, column (f))	14	97.03	%
15 Public support percentage from 2017 Schedule A, Part II, line 14	15	99.15	%
16a 33 1/3% support test - 2018. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization			<input checked="" type="checkbox"/>
b 33 1/3% support test - 2017. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization			<input type="checkbox"/>
17a 10% -facts-and-circumstances test - 2018. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization			<input type="checkbox"/>
b 10% -facts-and-circumstances test - 2017. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization			<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions			<input type="checkbox"/>

Schedule A (Form 990 or 990-EZ) 2018

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2018 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2017 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2018 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2017 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2018. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2017. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV Supporting Organizations

(Complete only if you checked a box in line 12 on Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked 12a or 12b in Part I, answer (b) and (c) below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer 10b below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
11a		
b A family member of a person described in (a) above?		
11b		
c A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI .		
11c		

Section B. Type I Supporting Organizations

	Yes	No
1 Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
1		
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		
2		

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		
1		

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
1		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).		
2		
3 By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.		
3		

Section E. Type III Functionally Integrated Supporting Organizations

- 1** Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).
- a** ☐ The organization satisfied the Activities Test. Complete **line 2** below.
- b** ☐ The organization is the parent of each of its supported organizations. Complete **line 3** below.
- c** ☐ The organization supported a governmental entity. Describe in **Part VI** how you supported a government entity (see instructions).

2 Activities Test. Answer (a) and (b) below.

	Yes	No
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.		
2a		
b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.		
2b		
3 Parent of Supported Organizations. Answer (a) and (b) below.		
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI .		
3a		
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.		
3b		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

- 1 ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI.) **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (explain in detail in Part VI):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d	3	
4	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

ARTS & SCIENCE COUNCIL

Schedule A (Form 990 or 990-EZ) 2018 CHARLOTTE/MECKLENBURG, INC.

56-0693436 Page 7

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI). See instructions.	
7 Total annual distributions. Add lines 1 through 6.	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	
9 Distributable amount for 2018 from Section C, line 6	
10 Line 8 amount divided by line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2018	(iii) Distributable Amount for 2018
1 Distributable amount for 2018 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2018 (reasonable cause required- explain in Part VI). See instructions.			
3 Excess distributions carryover, if any, to 2018			
a From 2013			
b From 2014			
c From 2015			
d From 2016			
e From 2017			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2018 distributable amount			
i Carryover from 2013 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2018 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2018 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2018, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI . See instructions.			
6 Remaining underdistributions for 2018. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI . See instructions.			
7 Excess distributions carryover to 2019. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2014			
b Excess from 2015			
c Excess from 2016			
d Excess from 2017			
e Excess from 2018			

Schedule A (Form 990 or 990-EZ) 2018

Schedule A (Form 990 or 990-EZ) 2018

56-0693436 Page 8

Supplemental Information. Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a, and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information.
(See instructions.)

Schedule B

(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

- ▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2018

Name of the organization

ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.

Employer identification number

56-0693436

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☒ 501(c)(3) (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

☐ 527 political organization

Form 990-PF

☐ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

- ☐ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

- ☒ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** \$5,000; or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I (entering "N/A" in column (b) instead of the contributor name and address), II, and III.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization

ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.

Employer identification number

56-0693436

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1		\$ 5,213,308.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2		\$ 1,450,356.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3		\$ 2,574,791.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization

ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.

Employer identification number

56-0693436

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

Name of organization

ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.

Employer identification number

56-0693436

Part III

Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this info. once.) ► \$ _____

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

SCHEDULE D
(Form 990)Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**
▶ **Attach to Form 990.**▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2018**Open to Public Inspection****Name of the organization** **ARTS & SCIENCE COUNCIL**
CHARLOTTE/MECKLENBURG, INC.**Employer identification number**
56-0693436**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year	3	
2 Aggregate value of contributions to (during year)	0.	
3 Aggregate value of grants from (during year)	0.	
4 Aggregate value at end of year	1,354,117.	
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).
☐ Preservation of land for public use (e.g., recreation or education) ☐ Preservation of a historically important land area
☐ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶

4 Number of states where property subject to conservation easement is located ▶

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1 ▶ \$

(ii) Assets included in Form 990, Part X ▶ \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenue included on Form 990, Part VIII, line 1 ▶ \$

b Assets included in Form 990, Part X ▶ \$

ARTS & SCIENCE COUNCIL

CHARLOTTE/MECKLENBURG, INC.

Schedule D (Form 990) 2018

56-0693436 Page 2

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibitiond ☐ Loan or exchange programsb ☐ Scholarly researche ☐ Other _____c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets

to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
1c	
1d	
1e	
1f	

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ Nob If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII ☐**Part V Endowment Funds.** Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	32,466,657.	32,023,789.	31,432,008.	32,095,072.	33,415,834.
b Contributions			30,000.		
c Net investment earnings, gains, and losses	-385,731.	3,066,543.	2,134,306.	907,804.	7,564.
d Grants or scholarships	1,450,356.	2,623,675.	1,572,525.	1,570,868.	1,328,326.
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	30,630,570.	32,466,657.	32,023,789.	31,432,008.	32,095,072.

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ☐ _____ %b Permanent endowment ☒ 91.11 %c Temporarily restricted endowment ☒ 8.89 %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) unrelated organizations

(ii) related organizations

	Yes	No
3a(i)		X
3a(ii)	X	
3b	X	

b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? ☐

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		1,844,640.	1,550,203.	294,437.
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				294,437.

Schedule D (Form 990) 2018

**ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Schedule D (Form 990) 2018

56-0693436 Page **3**

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ►		

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ►		

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) BENEFICIAL INTEREST IN GREATER CHARLOTTE CULTURAL TRUST	31,253,274.
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ►	31,253,274.

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value	
(1) Federal income taxes		
(2) PAYABLE - DESIGNATED BENEFICIARIES	4,846,199.	
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ►	4,846,199.	

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII ☒

Schedule D (Form 990) 2018

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	11,975,427.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains (losses) on investments	2a	
b	Donated services and use of facilities	2b	1,034.
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	1,034.
3	Subtract line 2e from line 1	3	11,974,393.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	1,825,761.
c	Add lines 4a and 4b	4c	1,825,761.
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	13,800,154.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	15,790,950.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	1,034.
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	1,034.
3	Subtract line 2e from line 1	3	15,789,916.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	15,789,916.

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART V, LINE 4:

ASC'S ENDOWMENT CONSISTS OF 19 INDIVIDUAL FUNDS ESTABLISHED FOR A VARIETY OF PURPOSES.

PART X, LINE 2:

ASC IS EXEMPT FROM FEDERAL INCOME TAX UNDER THE PROVISIONS OF SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE ("IRC"). IN ACCORDANCE WITH IRC REGULATIONS, ASC IS TAXED ON UNRELATED BUSINESS INCOME, WHICH CONSISTS OF EARNINGS FROM ACTIVITIES NOT RELATED TO THE EXEMPT PURPOSE OF ASC. ASC ACCOUNTS FOR TAX UNCERTAINTIES BASED ON A MORE LIKELY THAN NOT RECOGNITION THRESHOLD WHEREBY TAX BENEFITS ARE ONLY RECOGNIZED WHEN ASC BELIEVES THAT THEY HAVE A GREATER THAN 50% LIKELIHOOD OF BEING SUSTAINED UPON

Part XIII Supplemental Information *(continued)*

EXAMINATION BY TAXING AUTHORITIES.

PART XI, LINE 4B - OTHER ADJUSTMENTS:

CHANGE IN BENEFICIAL INTEREST 1,825,761.

SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**
Complete if the organization answered "Yes" on Form 990, Part IV, line 21 or 22.

▶ **Attach to Form 990.**

▶ **Go to www.irs.gov/Form990 for the latest information.**

OMB No. 1545-0047

2018

**Open to Public
Inspection**

Name of the organization **ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Employer identification number
56-0693436

Part I General Information on Grants and Assistance

- 1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ **Yes** ☐ **No**
- 2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
A SIGN OF THE TIMES OF THE CAROLINAS - 6228 EAGLE PEAK DRIVE - CHARLOTTE, NC 28214	20-4766220	501(C)(3)	20,000.	0.			OPERATING SUPPORT GRANT
ACTOR'S THEATRE OF CHARLOTTE 2219 FREEDOM DRIVE CHARLOTTE, NC 28208	58-1888236	501(C)(3)	45,000.	0.			OPERATING SUPPORT GRANT
ARTS+ 345 N. COLLEGE ST. CHARLOTTE, NC 28202	59-1356847	501(C)(3)	376,084.	0.			CULTURE BLOCKS PROGRAM INVESTMENT, OPERATING SUPPORT GRANT, AND TECHNICAL ASSISTANCE
BACH AKADEMIE CHARLOTTE 3527 PROVIDENCE RD CHARLOTTE, NC 28207	82-2472670	501(C)(3)	7,500.	0.			CULTURAL VISION GRANT
BECHTLER MUSEUM OF MODERN ART 420 S. TRYON STREET CHARLOTTE, NC 28202	56-2225722	501(C)(3)	369,060.	0.			CULTURE BLOCKS PROGRAM INVESTMENT, OPERATING SUPPORT GRANT, AND TECHNICAL ASSISTANCE
BLUMENTHAL PERFORMING ARTS 345 NORTH COLLEGE STREET CHARLOTTE, NC 28202	13-4258900	501(C)(3)	250,000.	0.			OPERATING SUPPORT, CULTURAL EDUCATION IN SCHOOLS, SPECIAL PROJECT GRANT

- 2** Enter total number of section 501(c)(3) and government organizations listed in the line 1 table **82.**
- 3** Enter total number of other organizations listed in the line 1 table **1.**

LHA **For Paperwork Reduction Act Notice, see the Instructions for Form 990.**

Schedule I (Form 990) (2018)

SEE PART IV FOR COLUMN (H) DESCRIPTIONS

**ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Schedule I (Form 990)

56-0693436

Page 1

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
BNS PRODUCTIONS 9611 BROOKDALE DRIVE CHARLOTTE, NC 28215	81-0705805	501(C)(3)	41,295.	0.			CULTURAL VISION GRANT AND CULTURE BLOCKS PROGRAM INVESTMENT
CAROLINA RAPTOR CENTER P.O. BOX 16443 CHARLOTTE, NC 28297	56-1349170	501(C)(3)	100,363.	0.			OPERATING SUPPORT
CAROLINA VOICES 1900 QUEENS ROAD CHARLOTTE, NC 28207	56-0810412	501(C)(3)	35,000.	0.			OPERATING SUPPORT
CAROLINAS AVIATION MUSEUM 4672 FIRST FLIGHT DRIVE CHARLOTTE, NC 28208	56-1769105	501(C)(3)	45,000.	0.			OPERATING SUPPORT, TECHNICAL ASSISTANCE GRANT
CAROLINE CALOUCHE & CO. 9315-E MONROE ROAD CHARLOTTE, NC 28270	20-3607784	501(C)(3)	6,000.	0.			CULTURAL VISION GRANT
CHARLOTTE ART LEAGUE 1517 CAMDEN RD CHARLOTTE, NC 28203	23-7414250	501(C)(3)	12,500.	0.			OPERATING SUPPORT GRANT
CHARLOTTE BALLET 701 N. TRYON STREET CHARLOTTE, NC 28202	58-1314711	501(C)(3)	613,550.	0.			CULTURE BLOCKS PROGRAM INVESTMENT, OPERATING SUPPORT GRANT, AND TECHNICAL ASSISTANCE
CHARLOTTE CENTER FOR LITERARY ARTS INC - 1817 CENTRAL AVENUE, ROOM 302 - CHARLOTTE, NC 28205	47-4988291	501(C)(3)	7,500.	0.			CULTURE VISION GRANT
CHARLOTTE DRAGON BOAT ASSOCIATION 4700 CARSONS POND ROAD CHARLOTTE, NC 28225	27-0270077	501(C)(3)	5,000.	0.			CULTURE VISION GRANT

Schedule I (Form 990)

**ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Schedule I (Form 990)

56-0693436

Page 1

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CHARLOTTE FOLK SOCIETY PO BOX 36864 CHARLOTTE, NC 28236-6864	56-1328389	501(C)(3)	11,000.	0.			OPERATING SUPPORT GRANT
CHARLOTTE REPERTORY DANCE THEATRE (CRDT) - 4910 LAKEVIEW RD - CHARLOTTE, NC 28216	82-4459994	501(C)(3)	7,830.	0.			CULTURE BLOCKS PROGRAM INVESTMENT
CHARLOTTE SYMPHONY 301 S TRYON STREET, SUITE 1700 CHARLOTTE, NC 28282	56-6011568	501(C)(3)	666,331.	0.			OPERATING SUPPORT, EDUCATION ENDOWMENT GRANT, TECHNICAL ASSISTANCE
CHICKSPEARE 1313 RENFROW LANE CHARLOTTE, NC 28270		501(C)(3)	10,900.	0.			CULTURE BLOCKS PROGRAM INVESTMENT
CHILDREN'S THEATRE OF CHARLOTTE 300 EAST SEVENTH STREET CHARLOTTE, NC 28202	56-1028031	501(C)(3)	374,235.	0.			OPERATING SUPPORT, CULTURAL BLOCKS PROGRAM INVESTMENT
CLAYWORKS 4506 MONROE ROAD CHARLOTTE, NC 28205	90-0198258	501(C)(3)	60,000.	0.			OPERATING SUPPORT GRANT
CLEAN AIR CAROLINA P.O. BOX 5311 CHARLOTTE, NC 28202	57-0462653	501(C)(3)	5,000.	0.			CULTURAL VISION GRANT
COMMUNITY DREAM BUILDERS, INC. 445 KESWICK AVENUE CHARLOTTE, NC 28206	46-2711220	501(C)(3)	5,000.	0.			CULTURAL VISION GRANT
COMMUNITY EDUCATION PROJECT 4025 KALISPELL LN CHARLOTTE, NC 28269	26-3825618	501(C)(3)	7,990.	0.			CULTURAL VISION GRANT

Schedule I (Form 990)

**ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Schedule I (Form 990)

56-0693436

Page 1

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

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DAPPER STREET PRODUCTIONS, INC. 7430 ARAGORN LANE CHARLOTTE, NC 28212	20-8333303	501(C)(3)	14,600.	0.			CULTURE BLOCKS PROGRAM INVESTMENT
DAVIDSON COLLEGE BOX 7117 DAVIDSON, NC 28035	56-0529961	501(C)(3)	6,500.	0.			CULTURAL VISION GRANT
DAVIDSON COMMUNITY PLAYERS P.O. BOX 76 DAVIDSON, NC 28036	58-1542159	501(C)(3)	30,000.	0.			OPERATING SUPPORT
DEAR SOUL MUSIC COMPANY 433 WEST CRAIGHEAD RD. CHARLOTTE, NC 28206	81-4740768	501(C)(3)	23,705.	0.			CULTURE BLOCKS PROGRAM
DIGI-BRIDGE 216 SYLVANIA AVE. CHARLOTTE, NC 28206	46-4859045	501(C)(3)	20,000.	0.			CULTURAL VISION GRANT
DISCOVERY PLACE, INC. 301 N TRYON STREET CHARLOTTE, NC 28202	56-0529944	501(C)(3)	794,095.	0.			CULTURAL BLOCKS PROGRAM INVESTMENT, OPERATING SUPPORT, TECHNICAL ASSISTANCE GRANT
FESTIVAL IN THE PARK 1409 EAST BLVD CHARLOTTE, NC 28273	56-6087310	501(C)(3)	15,000.	0.			CULTURAL VISION GRANT
FIRST BAPTIST CHURCH WEST COMMUNITY SERVICES ASSOCIATION - 1801 OAKLAWN AVENUE - CHARLOTTE, NC 28216	90-0080769	501(C)(3)	10,000.	0.			CULTURAL VISION GRANT
GAY MENS CHORUS OF CHARLOTTE P.O. BOX 560661 CHARLOTTE, NC 28256	20-5361365	501(C)(3)	10,000.	0.			OPERATING SUPPORT

Schedule I (Form 990)

**ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Schedule I (Form 990)

56-0693436

Page 1

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

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GOODYEAR ARTS 1776 STATESVILLE AVE. CHARLOTTE, NC 28206	82-1291043	501(C)(3)	6,000.	0.			CULTURAL VISION GRANT
GUILD OF CHARLOTTE ARTISTS 2730 RANDOLPH ROAD CHARLOTTE, NC 28207	23-7370764	501(C)(3)	6,000.	0.			CULTURAL VISION GRANT
HARVEY B. GANTT CENTER FOR AFRICAN-AMERICAN ARTS + CULTURE - 551 S TRYON STREET - CHARLOTTE, NC 28202	56-1152286	501(C)(3)	189,880.	0.			OPERATING SUPPORT, TECHNICAL ASSISTANCE
HISTORIC ROSEDALE PLANTATION 3427 N TRYON STREET CHARLOTTE, NC 28206	56-1558489	501(C)(3)	15,000.	0.			OPERATING SUPPORT
INDIA ASSOCIATION OF CHARLOTTE 3212 DEVON CROFT LN. CHARLOTTE, NC 28269	56-1907586	501(C)(3)	14,000.	0.			CULTURAL VISION GRANT
INREACH 4530 PARK RD., SUITE 300 CHARLOTTE, NC 28209	52-1084075	501(C)(3)	9,000.	0.			CULTURAL VISION GRANT
INSPIRE THE FIRE, INC. 3811 YORKFORD DRIVE CHARLOTTE, NC 28206	56-2403601	501(C)(3)	10,000.	0.			CULTURAL VISION GRANT
JAZZ ARTS CHARLOTTE 345 N. COLLEGE ST. CHARLOTTE, NC 28202	27-1728470	501(C)(3)	52,500.	0.			OPERATING SUPPORT, TECHNICAL ASSISTANCE
JOHNSON C. SMITH UNIVERSITY INCORPORATED - 100 BEATTIES FORD ROAD - CHARLOTTE, NC 28216-5302	25-0983069	501(C)(3)	8,000.	0.			CULTURAL VISION GRANT

Schedule I (Form 990)

**ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Schedule I (Form 990)

56-0693436

Page 1

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

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LATIN AMERICAN COALITION 4938 CENTRAL AVE CHARLOTTE, NC 28205	58-1945776	501(C)(3)	8,000.	0.			CULTURAL VISION GRANT
LEVINE MUSEUM OF THE NEW SOUTH 200 E. 7TH STREET CHARLOTTE, NC 28202	56-1748648	501(C)(3)	452,077.	0.			CULTURE BLOCKS PROGRAM INVESTMENT, OPERATING SUPPORT, OTHER GRANTS
LORIEN ACADEMY OF THE ARTS 2461 ARTY AVE CHARLOTTE, NC 28208	82-2409144	501(C)(3)	7,000.	0.			CULTURAL VISION GRANT
MAHA'S DANCES OF INDIA 5349 CASPER DRIVE CHARLOTTE, NC 28214	29-3824588	501(C)(3)	7,360.	0.			CULTURE BLOCKS PROGRAM INVESTMENT
MATTHEWS PARKS RECREATION AND CULTURAL RESOURCES DEPT. - 100 MCDOWELL ST. - MATTHEWS, NC 28202	56-6001283	501(C)(3)	5,000.	0.			ASC TOWN INITIATIVES GRANT
MATTHEWS PLAYHOUSE OF THE PERFORMING ARTS - 100 E MCDOWLL ST - MATTHEWS, NC 28105	56-1937368	501(C)(3)	30,000.	0.			OPERATING SUPPORT
MCCOLL CENTER FOR ART + INNOVATION 721 N TRYON STREET CHARLOTTE, NC 28202	51-0195015	501(C)(3)	281,600.	0.			OPERATING SUPPORT
MINT HILL ARTS 11205 LAWYER'S ROAD, SUITE A MINT HILL, NC 28227	04-3846871	501(C)(3)	10,000.	0.			OPERATING SUPPORT
MINT MUSEUM OF ART, INC. 2730 RANDOLPH RD. CHARLOTTE, NC 28207	56-0670666	501(C)(3)	951,352.	0.			OPERATING SUPPORT, OTHER GRANTS, TECHNICAL ASSISTANCE

Schedule I (Form 990)

**ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Schedule I (Form 990)

56-0693436

Page 1

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

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MOVING SPIRITS, INC. 6848 ENGLISH HILLS DRIVE, 2B CHARLOTTE, NC 28212	45-3503467	501(C)(3)	15,618.	0.			CULTURE BLOCKS PROGRAM INVESTMENT
MUSIC AT ST. ALBAN'S P.O. BOX 371 DAVIDSON, NC 28036	46-4695666	501(C)(3)	16,100.	0.			CULTURAL VISION GRANT
NORTH MECKLENBURG COMMUNITY CHORUS, INC. - P.O. BOX 1234 - CORNELIUS, NC 28031	27-1469178	501(C)(3)	12,500.	0.			CULTURAL VISION GRANT
OBEY FOUNDATION INC P.O. BOX 25163 CHARLOTTE, NC 28229	13-3985609	501(C)(3)	20,000.	0.			CULTURE BLOCK PROGRAM
ONE VOICE INC P.O. BOX 9241 CHARLOTTE, NC 28299	58-1979889	501(C)(3)	27,500.	0.			OPERATING SUPPORT
OPERA CAROLINA 1600 ELIZABETH AVENUE CHARLOTTE, NC 28204	56-6019660	501(C)(3)	491,150.	0.			THRIVE FUND, OTHER GRANTS, OPERATING SUPPORT, EDUCATION ENDOWMENT GRANT
ORDER MY STEPS (OMS) 9229 LAWYERS RD. SUITE I & J MINT HILL, NC 28227	90-0582305	501(C)(3)	13,460.	0.			CULTURE BLOCKS PROGRAM INVESTMENT
PLAYING FOR OTHERS (PFO), INC. 720 S. SUMMIT AVE., STE. B CHARLOTTE, NC 28202	20-1426441	501(C)(3)	6,500.	0.			CULTURAL VISION GRANT
PREAH VIHEAR COMMUNITY CENTER P.O. BOX 43777 CHARLOTTE, NC 28215	80-0856710	501(C)(3)	7,000.	0.			CULTURAL VISION GRANT

Schedule I (Form 990)

**ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Schedule I (Form 990)

56-0693436

Page 1

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

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PROJECT ART AID INC P.O. BOX 1133 CHARLOTTE, NC 28105	46-1311652	501(C)(3)	5,000.	0.			CULTURAL VISION GRANT
PROJECT SCIENTIST 1724 EAST BLVD. SUITE 202 CHARLOTTE, NC 28203	46-1763945	501(C)(3)	7,200.	0.			CULTURAL VISION GRANT
PROMISE RESOURCE NETWORK 1041 HAWTHORNE LANE CHARLOTTE, NC 28205	27-2648129	501(C)(3)	7,500.	0.			CULTURAL VISION GRANT
PURPLE CHARLOTTE STEPPERS 1015 S BELVEDERE AVE GASTONIA, NC 28054	81-3130327	501(C)(3)	19,500.	0.			CULTURE BLOCKS PROGRAM INVESTMENT
QUE-OS P.O. BOX 11256 CHARLOTTE, NC 28205	46-0643659	501(C)(3)	10,000.	0.			CULTURAL VISION GRANT
SOUTHEND ARTS 2143 PARK ROAD CHARLOTTE, NC 28203	83-2061483	501(C)(3)	7,500.	0.			CULTURAL VISION GRANT
STEVE CRUMP 12114 PRAILS MILL LANE CHARLOTTE, NC 28262	40-3847857		5,000.	0.			PRESIDENT'S DISCRETIONARY FUND
SUSTAIN CHARLOTTE PO BOX 18201 CHARLOTTE, NC 28205	01-0975452	501(C)(3)	5,000.	0.			CULTURAL VISION GRANT
THE ARTS EMPOWERMENT PROJECT 11402 JAMES JACK LANE CHARLOTTE, NC 28277	45-4837497	501(C)(3)	10,000.	0.			CULTURAL VISION GRANT

Schedule I (Form 990)

**ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Schedule I (Form 990)

56-0693436

Page 1

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

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THE CAROLINAS LATIN DANCE COMPANY PO BOX 43770 CHARLOTTE, NC 28215	56-2276606	501(C)(3)	7,500.	0.			OPERATING SUPPORT
THE LIGHT FACTORY 1817 CENTRAL AVE CHARLOTTE, NC 28205	51-0185359	501(C)(3)	35,000.	0.			OPERATING SUPPORT GRANT
THEATRE CHARLOTTE 501 QUEENS ROAD CHARLOTTE, NC 28207	56-0591306	501(C)(3)	90,650.	0.			OPERATING SUPPORT GRANT
THREE BONE THEATRE 643 HILLSIDE AVE. CHARLOTTE, NC 28209	46-4220126	501(C)(3)	12,500.	0.			OPERATING SUPPORT GRANT
TOSCO MUSIC PARTIES 4953 ALBEMARLE RD. CHARLOTTE, NC 28205	56-2135861	501(C)(3)	20,000.	0.			OPERATING SUPPORT
TOWN OF DAVIDSON P.O. BOX 579 DAVIDSON, NC 28036	56-6001212	GOVT	10,000.	0.			ASC TOWN INITIATIVES GRANT
TOWN OF HUNTERSVILLE PARKS & RECREATION - 105 GILEAD RD. FL. 3 - HUNTERSVILLE, NC 28078	56-6001252	GOVT	10,000.	0.			ASC TOWN INITIATIVES GRANT
TOWN OF MATTHEWS PARKS, RECREATION AND CULTURAL RESOURCE DEPARTMENT - 100 E. MCDOWELL ST - MATTHEWS, NC 28105		GOVT	5,000.	0.			ASC TOWN INITIATIVES GRANT
TOWN OF MINT HILL 4430 MINT HILL VILLAGE LN. MINT HILL, NC 28227	56-1034572	GOVT	10,000.	0.			ASC TOWN INITIATIVES GRANT

Schedule I (Form 990)

**ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Schedule I (Form 990)

56-0693436

Page 1

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TOWN OF PINEVILLE 1000 JOHNSTON DR. PINEVILLE, NC 28134	56-6001310	GOVT	10,000.	0.			ASC TOWN INITIATIVES GRANT
UNCC OFFICE OF INTERNATIONAL PROGRAMS - 9201 UNIVERSITY CITY BLVD - CHARLOTTE, NC 28223	56-0791228	501(C)(3)	5,000.	0.			CULTURAL VISION GRANT
UNIVERSITY CITY FOUNDATION 8801 JM KEYNES DRIVE, SUITE 450 CHARLOTTE, NC 28262	81-4461399	501(C)(3)	5,000.	0.			CULTURE BLOCKS PROGRAM INVESTMENT
UNIVERSITY OF NORTH CAROLINA SCHOOL OF THE ARTS FOUNDATION INC. - 1533 SOUTH MAIN STREET - WINSTON-SALEM, NC 27127	56-6064850	501(C)(3)	15,000.	0.			NC SCHOOL OF THE ARTS - WACHOVIA
WING HAVEN 248 RIDGEWOOD AVENUE CHARLOTTE, NC 28209	56-1014180	501(C)(3)	45,000.	0.			OPERATING SUPPORT, TECHNICAL ASSISTANCE

Schedule I (Form 990)

ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.

56-0693436

Part III **Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
CREATIVE RENEWAL FELLOWSHIP GRANT	7	70,000.	0.		
CULTURAL VISION GRANT	5	27,000.	0.		
CULTURE BLOCKS PROGRAM INVESTMENT	27	131,676.	0.		
REGIONAL ARTIST PROJECT GRANT	38	63,294.	0.		
TECHNICAL ASSISTANCE GRANT	4	4,000.	0.		

Part IV **Supplemental Information.** Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.

PART I, LINE 2:

ASC OPERATING SUPPORT RECIPIENTS:

OPERATING SUPPORT GRANT RECIPIENTS ARE REQUIRED TO SUBMIT THE FOLLOWING

DOCUMENTATION TO MONITOR THE USE OF GRANT FUNDS: SIGNED GRANT AGREEMENT -

REQUIRED BEFORE FIRST PAYMENT; METRICS GRID (CREATED BY EACH ORGANIZATION

LISTING THEIR TOP 3 METRICS OF SUCCESS FOR THE FISCAL YEAR) IS SUBMITTED IN

JULY, UPDATED IN JANUARY, FINAL REPORT IS JULY; QUARTERLY BUDGET TO ACTUAL

FINANCIALS; AUDIT OR COMPILATION OF PREVIOUS YEAR; COPIES OF BROCHURES AND

MAILINGS; QUARTERLY ATTENDANCE FIGURES AND BOARD OF DIRECTORS LIST.

Part IV Supplemental Information

ASC STAFF ALSO MONITORS GRANT RECIPIENTS BY CONDUCTING SITE VISITS AND CONDUCTING FACE-TO-FACE MEETINGS DURING THE AWARD YEAR.

ASC PROJECT GRANT RECIPIENTS:

PROJECT GRANT RECIPIENTS ARE REQUIRED TO SUBMIT THE FOLLOWING DOCUMENTATION TO MONITOR THE USE OF GRANT FUNDS: INITIAL PAPERWORK: SIGNED GRANT AGREEMENT; REVISED NARRATIVE & BUDGET (IF THE GRANTEE RECEIVED LESS THAN THE AMOUNT REQUESTED). FINAL PAPERWORK: FINAL REPORT OUTLINING ASSESSMENT AND EVALUATION; FINAL BUDGET AND PROJECT DOCUMENTATION.

ADDITIONALLY, PROJECT GRANT RECIPIENTS WHO RECEIVE STATE SUB-GRANTS ARE REQUIRED TO SUBMIT ADDITIONAL PAPERWORK INCLUDING: NOTARIZED CONFLICT OF INTEREST POLICY; NOTARIZED NO OVERDUE TAX DEBT FORM; STATE GRANT CERTIFICATION & SWORN STATEMENT AND STATE GRANT COMPLIANCE REPORT.

ASC STAFF ALSO PERIODICALLY MONITORS GRANT RECIPIENTS BY CONDUCTING SITE VISITS TO FUNDED PROJECTS.

PART II, LINE 1, COLUMN (H):

NAME OF ORGANIZATION OR GOVERNMENT: ARTS+

(H) PURPOSE OF GRANT OR ASSISTANCE: CULTURE BLOCKS PROGRAM INVESTMENT, OPERATING SUPPORT GRANT, AND TECHNICAL ASSISTANCE GRANT

NAME OF ORGANIZATION OR GOVERNMENT: BECHTLER MUSEUM OF MODERN ART

(H) PURPOSE OF GRANT OR ASSISTANCE: CULTURE BLOCKS PROGRAM INVESTMENT, OPERATING SUPPORT GRANT, AND TECHNICAL ASSISTANCE GRANT

Part IV	Supplemental Information
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OPERATING SUPPORT GRANT, AND TECHNICAL ASSISTANCE GRANT

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

- For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
 ► Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
 ► Attach to Form 990.
 ► Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2018

Open to Public
Inspection

Name of the organization **ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.** Employer identification number **56-0693436**

Part I Questions Regarding Compensation

	Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.		
<input type="checkbox"/> First-class or charter travel		
<input type="checkbox"/> Travel for companions		
<input type="checkbox"/> Tax indemnification and gross-up payments		
<input type="checkbox"/> Discretionary spending account		
<input type="checkbox"/> Housing allowance or residence for personal use		
<input type="checkbox"/> Payments for business use of personal residence		
<input type="checkbox"/> Health or social club dues or initiation fees		
<input type="checkbox"/> Personal services (such as maid, chauffeur, chef)		
b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?	2	
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.		
<input checked="" type="checkbox"/> Compensation committee		
<input type="checkbox"/> Independent compensation consultant		
<input checked="" type="checkbox"/> Form 990 of other organizations		
<input checked="" type="checkbox"/> Written employment contract		
<input type="checkbox"/> Compensation survey or study		
<input checked="" type="checkbox"/> Approval by the board or compensation committee		
4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:		
a Receive a severance payment or change-of-control payment?	4a	X
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X
c Participate in, or receive payment from, an equity-based compensation arrangement?	4c	X
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.		
Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.		
5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:		
a The organization?	5a	X
b Any related organization?	5b	X
If "Yes" on line 5a or 5b, describe in Part III.		
6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:		
a The organization?	6a	X
b Any related organization?	6b	X
If "Yes" on line 6a or 6b, describe in Part III.		
7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III	7	X
8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8	X
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9	

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2018

**ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.**

Schedule J (Form 990) 2018

56-0693436

Page **2**

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) ROBERT BUSH CEO	(i)	216,065.	0.	0.	4,492.	9,729.	230,286.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) TONI FREEMAN EVP	(i)	156,484.	3,000.	0.	2,074.	7,726.	169,284.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) BARBARA ANN TEMPLE VP, EDUCATION	(i)	139,069.	2,000.	0.	4,172.	7,726.	152,967.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
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	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III	Supplemental Information
-----------------	---------------------------------

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

[illegible]

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2018

Open to Public
Inspection

Name of the organization	ARTS & SCIENCE COUNCIL CHARLOTTE/MECKLENBURG, INC.	Employer identification number 56-0693436
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FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

THE ARTS & SCIENCE COUNCIL IS A PROACTIVE, NON-PROFIT ORGANIZATION THAT PROVIDES THE PLANNING, OVERSIGHT AND FUNDING REQUIRED TO ENSURE AND SUPPORT A VIBRANT AND CULTURALLY DIVERSE ARTS, SCIENCE, AND HISTORY COMMUNITY IN CHARLOTTE-MECKLENBURG FOR THE EDUCATION OF OUR CHILDREN AND THE ENJOYMENT OF ALL RESIDENTS.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

THE ARTS & SCIENCE COUNCIL (ASC) IS: THE COMMUNITY'S CHIEF ADVOCATE FOR ARTS, SCIENCE, HISTORY AND HERITAGE, A GATHERER AND STEWARD OF PUBLIC AND PRIVATE COMMUNITY RESOURCES, AN INVESTOR OF THOSE RESOURCES IN THE CULTURAL SECTOR AND COMMUNITY, THE STRATEGIC PLANNER FOR THE COMMUNITY'S CULTURAL SECTOR, AND THE PUBLIC ART AGENT FOR THE CITY OF CHARLOTTE AND MECKLENBURG COUNTY. THE MISSION OF THE ORGANIZATION IS BUILDING APPRECIATION, PARTICIPATION AND SUPPORT FOR ARTS, SCIENCE, HISTORY AND HERITAGE IN CHARLOTTE-MECKLENBURG. THE VISION IS TO SHAPE A VIBRANT CULTURAL LIFE FOR ALL.

FORM 990, PART VI, SECTION B, LINE 11B:

THE ADMINISTRATION AND OPERATIONS COMMITTEE, ASC PRESIDENT AND CFO EACH REVIEW A DRAFT OF THE 990 IN DETAIL. UPON THEIR ACCEPTANCE OF THE DOCUMENT, THE FORM 990 IS SHARED WITH THE FULL BOARD OF DIRECTORS FOR REVIEW PRIOR TO FILING.

FORM 990, PART VI, SECTION B, LINE 12C:

THE BOARD MEMBERS AND STAFF ARE PROVIDED A COPY OF THE CONFLICT OF INTEREST

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule O (Form 990 or 990-EZ) (2018)

Name of the organization	ARTS & SCIENCE COUNCIL CHARLOTTE/MECKLENBURG, INC.	Employer identification number 56-0693436
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POLICY EACH JULY AND ASKED TO REVIEW AND SIGN THE FORM INDICATING THEY HAVE READ THE POLICY AND MADE ANY APPROPRIATE DISCLOSURES. SHOULD A CONFLICT EXIST ON A MATTER COMING TO A VOTE, THE MEMBER WITH THE CONFLICT WOULD EXCUSE HIMSELF/HERSELF FROM THE VOTE.

FORM 990, PART VI, SECTION B, LINE 15:

THE PRESIDENT'S COMPENSATION IS ESTABLISHED ANNUALLY BY THE OFFICERS OF THE BOARD OF DIRECTORS. COMPENSATION ADJUSTMENTS ARE MADE BASED ON INDIVIDUAL PERFORMANCE (AS DETERMINED THROUGH A 360 DEGREE REVIEW), MARKET CONDITIONS, AND COMPARABLE NONPROFIT PEER COMPENSATION. DISCUSSIONS ARE DOCUMENTED IN THE MEETING MINUTES. THE OFFICERS OF THE BOARD OF DIRECTORS ALSO ESTABLISH THE PRESIDENT'S ANNUAL PERFORMANCE BONUS BASED ON ORGANIZATIONAL AND PERSONAL PERFORMANCE WITHIN THE GUIDELINES OF THE BONUS PROGRAM APPROVED BY THE BOARD OF DIRECTORS. THE PRESIDENT IS RESPONSIBLE FOR ESTABLISHING THE SALARIES OF HIS DIRECT REPORTS, INCLUDING KEY EMPLOYEES. COMPENSATION ADJUSTMENTS FOR KEY EMPLOYEES ARE SHARED WITH THE OFFICERS OF THE BOARD OF DIRECTORS TO ENSURE REASONABLENESS.

FORM 990, PART VI, SECTION C, LINE 19:

THE ORGANIZATION'S GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC UPON REQUEST.

FORM 990, PART IX, LINE 11G, OTHER FEES:

ARTIST CONTRACTS:

PROGRAM SERVICE EXPENSES	1,958,046.
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MANAGEMENT AND GENERAL EXPENSES	0.
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FUNDRAISING EXPENSES	0.
----------------------	----

TOTAL EXPENSES	1,958,046.
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Name of the organization	ARTS & SCIENCE COUNCIL CHARLOTTE/MECKLENBURG, INC.	Employer identification number 56-0693436
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CONSULTING FEES:

PROGRAM SERVICE EXPENSES	119,749.
MANAGEMENT AND GENERAL EXPENSES	74,705.
FUNDRAISING EXPENSES	92,888.
TOTAL EXPENSES	287,342.

CONTRACTED SERVICES:

PROGRAM SERVICE EXPENSES	40,564.
MANAGEMENT AND GENERAL EXPENSES	25,305.
FUNDRAISING EXPENSES	31,465.
TOTAL EXPENSES	97,334.

OTHER PROFESSIONAL FEES:

PROGRAM SERVICE EXPENSES	28,387.
MANAGEMENT AND GENERAL EXPENSES	18,762.
FUNDRAISING EXPENSES	23,328.
TOTAL EXPENSES	70,477.
TOTAL OTHER FEES ON FORM 990, PART IX, LINE 11G, COL A	2,413,199.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

CHANGE IN BENEFICIAL INTEREST	-1,825,761.
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SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.**

▶ **Attach to Form 990.**

▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2018

**Open to Public
Inspection**

Name of the organization **ARTS & SCIENCE COUNCIL
CHARLOTTE/MECKLENBURG, INC.** Employer identification number
56-0693436

Part I Identification of Disregarded Entities. Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
GREATER CHARLOTTE CULTURAL TRUST - 82-0576292, 217 S. TRYON STREET, CHARLOTTE, NC 28202	ENDOWMENT INVESTMENT & ADMINISTRATION	NORTH CAROLINA	501(C)(3)	LINE 12A, I	N/A		X

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2018

Part III

Part IV Identification of Related Organizations Taxable as a Corporation or Trust. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a corporation or trust during the tax year.

Schedule R (Form 990) 2018

Part V Transactions With Related Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note: Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

	Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity	1a	X
b Gift, grant, or capital contribution to related organization(s)	1b	X
c Gift, grant, or capital contribution from related organization(s)	1c	X
d Loans or loan guarantees to or for related organization(s)	1d	X
e Loans or loan guarantees by related organization(s)	1e	X
f Dividends from related organization(s)	1f	X
g Sale of assets to related organization(s)	1g	X
h Purchase of assets from related organization(s)	1h	X
i Exchange of assets with related organization(s)	1i	X
j Lease of facilities, equipment, or other assets to related organization(s)	1j	X
k Lease of facilities, equipment, or other assets from related organization(s)	1k	X
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	X
m Performance of services or membership or fundraising solicitations by related organization(s)	1m	X
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	X
o Sharing of paid employees with related organization(s)	1o	X
p Reimbursement paid to related organization(s) for expenses	1p	X
q Reimbursement paid by related organization(s) for expenses	1q	X
r Other transfer of cash or property to related organization(s)	1r	X
s Other transfer of cash or property from related organization(s)	1s	X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			

Part VI **Unrelated Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

Provide additional information for responses to questions on Schedule R. See instructions.

THE WAREHOUSE

Performing Arts Center

THEATRE | CINEMA | MUSIC

9216-A Westmoreland Rd.
Cornelius, NC 28031
704.425.5564
marla@warehousepac.com

January 25, 2022

Dear Town of Cornelius,

Hi. My name is Marla Brown, and I am writing to advocate that Cornelius provides continued financial support to the Arts and Science Council. In regards to theatrical arts, I have served as Artistic Director for The Warehouse Performing Arts Center in the Cornelius area for ten years and I continue to work closely with Davidson Community Players in various roles. In addition, I've served as an administrator for Charlotte Writer's Club-North, served on the Advisory Board for the Cain Arts Center during its inception, and served on CCAG for supporting Bella Love as they develop and grow large community arts events, including 'Tawba Walk and JazzFest. All of these organizations receive support and guidance from the Arts and Science Council. I am proud that our area has such a rich arts scene, and the ASC has played a critical role in allocating resources to ensure and manage our area arts expansion. Most arts organizations in Cornelius and the Lake Norman area—music and choral groups, film clubs, visual arts events and programs—have flourished, in part, through the work of ASC.

If you question whether or not ASC is a necessary agency in managing arts funding, please know that they are critical to continuing the Town of Cornelius's successes. They are critical in support and development. First and foremost, the ASC has an in depth knowledge of the big picture. They understand the interworking of artists and arts organizations as they impact the entirety of Mecklenburg arts organizations across disciplines. Through their numerous workshops and grant outreach programs, they work directly with arts organizations and artists and, thus, have a comprehensive awareness of what groups exist, the communities they serve, the resources needed for operation, and how to foster artistic synergy. The Town of Cornelius's support of the ASC underwrites their history and knowledge of arts networks and business.

Second, the ASC helps foster inclusivity in community arts. Part of their vision states, "To truly achieve 'Culture for All,' residents must have equitable opportunity to participate in the culture life of our region..." The ASC plays a critical role in keeping the conversation about inclusivity going. Furthermore, they hold artists and organizations accountable to action. This is critical to maintaining a healthy community for everyone. By supporting the ASC, The Town of Cornelius is supporting efforts of inclusivity not only within the arts but the town, itself.

I appreciate your consideration of supporting the ASC!

Sincerely,



Dr. Marla Morton-Brown
Warehouse PAC, Artistic Director
UNC-Charlotte, Dramaturgy



Town of Cornelius
Attn: Town Manager Andrew Grant
PO Box 399. Cornelius, NC 28031

Dear Mr. Grant:

As Chairman and Founder of the Charlotte Dragon Boat Association and Chair of the Carolinas Asian-American Chamber of Commerce, I am enthusiastically offering my support of the Arts & Science Council as you consider public investments for the next fiscal year.

Held annually at Ramsey Creek Park here in Cornelius during National Asian Heritage Month, the Charlotte Asian Festival and Dragon Boat Race celebrates Asian traditions, culture and heritage. The family-oriented festival brings together Asian and broader community members from in and around Mecklenburg County and throughout the Carolinas to share in cultural exhibits, stage performances, food and vendors, and the annual Dragon Boat races that feature more than 40 community teams.

The Charlotte Dragon Boat Association has been supported by the Arts & Science Council's community-focused cultural grantmaking for over fourteen years now. We initially received funding support through their Cultural Festival Grant program, and have in recent years received support through the Cultural Vision Grant program. As the grantmaking programs of the Arts & Science Council have evolved to better meet the needs of the community, their team has continued to recognize the impact of the Charlotte Asian and Dragon Boat Festivals in Cornelius. Arts & Science Council's staff work with us throughout the grant application and panel review process, providing feedback and guidance to help us

continue to successfully demonstrate to grant panelists the Asian Festival and Dragon Boat Race's alignment with the Cultural Vision Grant program's goals of building community by connecting individuals across points of difference and by nurturing, celebrating and supporting authentic cultures and creative expression.

In my years as a professional partner of the Arts & Science Council, I have seen responsible stewardship, innovative and conscientious investment, proactive and responsive community engagement, and fierce pursuit of the organization's stated vision: An equitable, connected community where creativity is central, celebrated and supported.

If you would like to follow-up with any questions, I can be reached at 704-621-6668.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'John C. Chen', with a stylized, flowing script.

John C. Chen, PhD
Founder & Chairman

Dear Cornelius Leaders,

It is my pleasure to come to you and ask you to continue to support The Arts and Science Council. When reviewing the financials for this not for profit organization I was surprised that more than 74 thousand was spent right here in our town since 2018 - what a return on investment!

Many of the events you may have attended, like the Dragon Boat Race on Lake Norman. I also happen to know one of the artists who received funding from ASC to provide dance classes for disabled students (students with Down's Syndrome, or students who were deaf). She lives right in the heart of town and her kids go to Cornelius Elementary. My point is that this is not some distant organization that we have to drive into the city to utilize (although we can), we benefit from ASC right here in Cornelius. I look forward to making the arts and culture more accessible to our friends and neighbors here and I hope you will help towards this goal.

Thank you,

Charu Kumarhia

Cornelius Resident

Journalist, Writer, Speaker

ASC Advisory Council Member representing Mecklenburg County District 1

Relevance & Participation Narrative: Answer the following questions on Relevance

- a. What benefit does your organization's work provide the Cornelius community?*
- b. Define your audience. In what ways are you seeking to expand or evolve the audience you serve in the coming year(s)?*
- c. How do you build meaningful relationships with community partners, audiences, visitors, participants, etc.?*
- d. Describe how your organization has prioritized becoming more accessible, inclusive, and equitable. What initiatives are currently underway, and what are you learning in the process? What strategies are you putting in place for the coming fiscal year?*
- e. Participation: Please discuss any changes, fluctuation, or trends in total annual/participation? How do you measure feedback from participants/audience, and how do you incorporate feedback?*

In recent years, our Cultural Vision Grant (Table 1) and Artist Support Grant (Table 2) programs have benefitted the following individuals and organizations in Cornelius directly:

Table 1: Cultural Vision Grants to Cornelius Individuals and Organizations, FY18-FY22			
2018	Charlotte Dragon Boat Association	\$5,000.00	To support the 2018 Charlotte Dragon Boat/Asian Festival at Ramsey Creek Park - a celebration of Asian traditions, arts and heritage, May 19, 2018.
2018	Cornelius Cultural Arts Group	\$1,000.00	To support the bi-annual Tawba Walk, an exciting community arts festival that celebrates unique culture and character of historic downtown Cornelius by bringing together local artists, businesses and community residents.
2018	The Warehouse PAC	\$2,500.00	To support Shakespeare-on-the-Rocks performances of Much Ado About Nothing on the green at Jetton Village, rekindling the exuberant audience participation format from Shakespeare's day for the Lake Norman area.
2019	Cornelius Cultural Arts Group	\$2,000.00	To support bi-annual Tawba Walk, a community arts festival which celebrates the unique culture and character of historic downtown Cornelius.
2020	Charlotte Dragon Boat Association	\$5,000.00	To support the 2020 Charlotte Dragon Boat/Asian Festival
2021	Cain Center for the Arts	\$6,000.00	To support Tawba Walks Arts & Music Festivals in September 2020 and April 2021

2021	The Warehouse PAC	\$4,500.00	To support the production of Sweat, by Lynn Nottage.
2022	Watson, Camerin	\$3,250.00	To support Camerin Watson in developing a movement for Collective Healing through Collective Dance in Fall 2021.
2022	Charlotte Dragon Boat Association	\$5,000.00	To support the 2022 Charlotte Dragon Boat/Asian Festival May 14, 2022 at Ramsey Creek Park.

Table 2: Artist Support Grants to Cornelius artists in FY22

2022	Watson, Camerin	\$5,000.00	To support local dance artist Camerin Watson in developing greater proficiency in choreography for inclusive groups of dancers (with and without disabilities) by funding her trip to Axis' Dance Summer Intensive and Teacher Training in Aug. 2022.
2022	Wik, Bradley	\$1,000.00	To support the recording costs for an upcoming album.
2022	Wik, Brianne	\$2,500.00	To publish Book 3 of The Iridescent Series, A Luminescent End, by Brianne Wik, which completes her debut romantic fantasy trilogy.

In addition to these grants, ASC administers the Culture Blocks program and the County's Public Art program in Cornelius, both of which benefit the residents of Cornelius. Culture Blocks, funded by Mecklenburg County, supports cultural experiences that are planned with resident involvement and/or take place at libraries, recreation centers, parks, and relevant community spaces.

Across each program administered by ASC, we are actively prioritizing access, inclusion, and equity. In recent years we have reimagined our mechanisms for funding, collected and analyzed data on who is underrepresented in our applicants and grant recipients, and worked to deepen relationships with those groups. Our data demonstrates that aligning the funding models to community goals has been the most effective way of expanding the applicant pool to include communities of color, underrepresented communities and low-income communities.

ASC is grateful for the deep relationship we have built with the Town of Cornelius in our decades of partnering together. As we approach the opening of the Cain Center for the Arts and development of the Cornelius Arts District, we are enthusiastically looking forward to the expansion of our relationship and will encourage the Cain Center to apply to ASC's grants for cultural organizations: Cultural Vision Grants, Cultural Blocks, Technical Assistance Grants, and Professional Development.

We will also continue to ardently support individual artists and creatives of Cornelius; an example we are proud to share is Meredith Connelly. Meredith Connelly, based in Cornelius, is a multidisciplinary artist whose work is inspired by science, nature, and technology. Her works

have been exhibited at art museums within the Southeast and are housed in various private and corporate collections. Her public projects include the “I Heart Rail Trail” in Charlotte’s South End and “Lights,” an illuminated walking trail commissioned by the U.S. National Whitewater Center in 2019.

Connelly was selected from the ASC Prequalified Regional Artist Directory, which serves as an internal resource to identify North and South Carolina artists capable of creating public art, to spearhead a current Public Art project planned for Ezell Farms Community Park. Connelly will work with residents and community stakeholders to create an impactful artwork that is integrated into the site and connects to the historic farm theme and agrarian and nature-based project vision. In January 2022, Connelly met virtually with local residents for a community engagement workshop, listening to residents about their connection to Mint Hill and the public art site to identify themes and ideas to inspire her artwork. We are proud that the intersection of ASC practices has helped this create this opportunity for a major local Public Art project in Mint Hill to be headed by a local artist from Cornelius.

Proposed Programming:

Provide proposed programming including a description of and number of events, educational programs, exhibitions, performances, and private events for the grant period.

Because the specific events, programs, exhibitions, and performances will be determined by the projects proposed in FY23 applications, our proposed programming is best framed in terms of our grant programs. In depth descriptions of the details and process of each program are included in the answer to Narrative Question 2: Purpose of Grant, but a simplified breakdown of the grant programs this allocation would fund and the proposed number of opportunities for each program in FY23 is as follows. Also included for reference are the number of grants made through each program in FY21 and FY22, numbers we are equipped and eager to grow with increased investment capacity in FY23.

- Individual Artist Fellowships
 - Emerging Creators Fellowships
 - Offered once per year
 - In FY21, 6 awards made
 - In FY22, 10 awards made
 - Creative Renewal Fellows
 - Offered once per year
 - In FY21, 8 awards made
 - In FY22, 10 awards made
- Artist Support Grants
 - Offered once per year, with hopes to increase capacity to two annual calls in FY23
 - In FY21, 39 grants made
 - In FY22, 74 grants made
- Cultural Vision Grants
 - Offered twice per year
 - In FY21, 49 grants made
 - In FY22, 79 grants made

ARTS & SCIENCE COUNCIL

Conflict of Interest & Business Practices Policy

Approved June 22, 2005

Amended June 11, 2008

Amended June 15, 2016

Introduction

The Arts & Science Council of Charlotte-Mecklenburg, Inc. (ASC) conducts its business in accordance with the highest ethical, moral and legal standards. ASC relies upon the participation of members of the Board of Directors ("Board members") to carry out ASC's charter and fulfill its mission. Board members stand in a fiduciary relationship to ASC and have a responsibility to discharge their duties in good faith, with a high degree of diligence, care and benefit to ASC.

It is recognized that actual or potential conflicts of interest may arise because of the multiple activities of Board members. This statement of policy establishes guidelines for dealing with actual or potential conflicts of interest between a Board member and ASC. This policy is not intended to prohibit Board members from furnishing services or otherwise entering into business relationships with ASC or any organization that receives financial support from ASC. However, such arrangements must be pursuant to an arm's length agreement for fair and reasonable consideration.

It goes without saying that violation of these rules of conduct by a Board member would be considered a serious matter, with consequences up to and including removal from the Board of Directors ("the Board").

Policy

Board members must avoid any situation that may involve or appear to involve a conflict between their personal interests and the interests of ASC. In addition, no Board member shall disclose confidential information regarding current or planned decisions or actions of the Board of Directors. In dealings with current or potential employees, suppliers, and contractors or organizations that receive financial support from ASC, Board members should act in the best interests of ASC to the exclusion of personal advantage. No Board member may use his or her position as a Board member to obtain financial or other gain for the private benefit of the Board member, the Board member's family or any organization with which the Board member is associated.

Each Board member shall make prompt and full disclosure to the Chair of the ASC Board and/or the President of ASC of any situation which may involve or appear to involve a conflict of interest. If a Board member is uncertain whether a conflict of interest exists, a determination may be requested by the Board. The Board will make a determination by majority vote. Every effort will be made to determine whether or not the situation involves an actual conflict of interest and to suggest reasonable and realistic alternatives.

Board members who have declared or have been found to have a conflict of interest in any matter pending before the Board shall abstain from discussion or voting or using his or her personal influence to affect the voting on any issues that raise such conflict of interest. In such instance, the Board member may not be counted in determining the quorum of a meeting at which such action is to be taken. The minutes of the meeting shall reflect the individual's abstention from voting.

While it is virtually impossible to anticipate and, therefore, set forth an all-inclusive list of conflict-of-interest situations, here are some examples of situations which may involve, or appear to involve, a conflict of interest:

1. Ownership by a Board member of an active or passive investment interest in any supplier or contractor to ASC if the holding is either:
 - a. Five percent or more of the stock, assets, or other interests of the supplier, customer, or competitor, or
 - b. Ten percent or more of the Board member's or an immediate family member's net assets.

An "immediate family member" means a close relative, such as a dependent parent/step-parent, spouse, dependent child/step-child, and members of an employee's family and his/her spouse or anyone living in the same household as the Board member whether or not a relative.

A "passive investment interest" is defined as a purely financial involvement in an organization for which the employee performs no managerial functions, provides no advice, and has no ability to influence the policies, products, or business of the outside organization.
2. Serving as a director, officer, partner, consultant, representative, agent, broker, finder, advisor, or in any key role of any outside enterprise that does or seeks to do business with ASC.
3. Engaging in any other activity that could create the appearance of a conflict of interest and thereby impair ASC's impartiality. Examples of such activities include:
 - a. Having a financial involvement with an employee or representative of a supplier, vendor, or contractor to ASC with whom the Board member regularly comes in contact while performing ASC business.
 - b. Accepting personal discounts (on products, services or other items) from an employee or representative of a supplier or contractor to ASC.
 - c. Dealing directly, in the course of normal ASC responsibilities, with a family member who is employed by a supplier or contractor to ASC.
 - d. Because of a Board member's relationship to an immediate family member, engaging in a business transaction on behalf of ASC with that family member or with a firm in which such a person is a principal, officer, or representative.
 - e. Having other gainful employment with respect to a service, feature, or facility that is incompatible with duties for ASC. The term "gainful employment" includes personal work effort, direction, or training of other persons or advice for any form of remuneration.

The foregoing list is not intended to be exhaustive of those situations which constitute a conflict of interest, nor is it intended to substitute for good judgment. If any Board member finds him- or herself in a situation that may possibly give rise to a conflict of interest, disclosure should be made as noted above in order to protect the interest of both ASC and the Board member.

A. Receiving and Giving of Gifts and Gratuities

Board members may not give or accept any cash gifts. In addition, Board members may not give or accept gifts or business courtesies of value which might indicate an intent to influence improperly the normal business relationship between ASC and any supplier or contractor, or any organization that receives financial support from ASC. If a Board member receives or is offered any gift or business courtesy of more than nominal value (\$100), this gift must be disclosed to the Chair of the ASC Board and/or the President of ASC for approval prior to acceptance. No gifts, services, business courtesies, entertainment or anything of value may be offered or made available in any amount, directly or indirectly, to any government official or Board member.

A “business courtesy” is defined as a gift or favor from persons or firms with whom ASC maintains or may establish a business relationship and for which fair market value is not paid by the recipient. A business courtesy may be a tangible or intangible benefit, including, but not limited to, such items as non-monetary gifts, meals, drinks, entertainment, hospitality, recreation, door prizes, transportation discounts, tickets, passes, promotional items, or use of a donors time, materials or equipment.

B. Accepting and Providing Entertainment

Business-related entertainment in a non-business environment (restaurant, private home, etc) can be a useful, desirable, and perfectly ethical practice if it is not excessive. Entertainment may be provided at ASC expense, therefore, if it is authorized in advance, not overly lavish, and will not place the recipient in a potentially awkward situation with ASC.

Accepting entertainment is permissible if it is clearly related to the Board member’s duties and not overly lavish. Not permitted, however, is the use of contractor or supplier-owned homes, boats or comparable facilities for holiday or other leisure time use.

Offering or accepting entertainment which is not a reasonable adjunct to a business relationship, but is primarily intended to gain favor or influence, is prohibited.

C. Bribes, Kickbacks and Other Illegal Acts

All Board members are prohibited from:

1. Providing, attempting to provide, or offering to provide any kickback, bribe or other illegal payment.
2. Soliciting, accepting, or attempting to accept any kickback, bribe or other illegal payment.

If a Board member is confronted with the demand or offer for a bribe, kickback, or other illegal payment from anyone, such demand or offer must be immediately brought to the attention of the Chair of the ASC Board and/or the President of ASC.

Certification

Annually, Board members will be required to certify that they received a copy and understand the Conflict of Interest Policy and understand that they must declare any and all conflicts of interest (actual or perceived).

Board Committee Responsible: Governance Committee

Amendments:

June 2008 – Policy language brought into alignment with new Strategic Plan

September 2015 – New responsibilities of Board members to reflect new governance structure

June 2016 – Policy language consistency and Committee responsible updated to align with Bylaws

A handwritten signature in black ink, reading "Krista Terrell", is written over a horizontal line.

Krista Terrell, APR
President

September 23, 2021

Date

ARTS & SCIENCE COUNCIL

Nondiscrimination Policy

Approved December 7, 1999

Amended June 11, 2008

The Arts & Science Council (ASC) is committed to serving a diverse range of individuals and organizations through its programs and services.

- A. Grant-making - Every individual or organization that meets the specific eligibility requirements for a grant program may apply to that program. No eligible applicant will be prevented from applying for or receiving a grant based on race, color, sex, religion, age, national origin, marital status, sexual orientation, disability or any characteristic protected by law. ASC is not a political action committee. **ASC's sole purpose in providing grant support to eligible applicants is to offer a broad range of quality programs which enhance and expand the cultural opportunities for the education and enjoyment of all citizens.** As such, ASC will discourage grant applications from non-profit, public service organizations that seek to exclusively advance a particular agenda inconsistent with ASC's sole purpose. ASC has multiple grant programs with specific eligibility criteria. Some grant programs are restricted to non-profit organizations whose primary missions include an emphasis on arts, science, history or heritage programs and services. Other programs are open to any non-profit that operates as a public service organization and seeks to offer programs in the areas of art, science, history or heritage consistent with ASC's funding priorities.
- B. Facility Usage - ASC will only hold meetings, conferences, seminars, social events or other gatherings of the ASC Board, its committees, or officers in clubs or other facilities which uphold stated nondiscriminatory practices pertaining to membership and guest privileges. Such facilities should not prohibit attendance and participation of attendees solely on the basis of race, religion, sex, national origin, or disability status. Further, these facilities should reflect adherence to such policies through practice in their daily operations.

This policy should not be construed to prohibit the use of religious facilities that require a certain religious belief as prerequisite to membership.

ASC requires its Cultural Partners, their guilds, and other support groups or organizations sponsoring events, galas, or other benefits on their behalf to establish a similar policy and to be governed by the same in all their programming. ASC will exclude from funding consideration applications presented by Cultural Partners whose policies and/or practices are deemed to be discriminatory and inconsistent with ASC's stated policy.

Board Committee Responsible: Executive Committee

Amendments:

June 2008 – Policy language brought into alignment with new Strategic Plan

REQUEST FOR BOARD ACTION



Date of Meeting: June 20, 2022

To: Mayor and Board of Commissioners

From: Julie Niswonger, Finance Director

Action Requested:

Summary of Required Policies Pertaining to Expenditure of ARPA/CSLFRF

The Town of Cornelius has been allocated \$9,642,828 from the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARPA/CSLFRF). CSLFRF funds are subject to the U.S. Department of Treasury ("Treasury") regulations, including the Final Rule, the Award Terms and Conditions, and the Title VII implementing regulations at 31 C.F.R. Part 22. Further, ARPA/CSLFRF funds are subject to the compliance requirements as listed in the Award Terms and Conditions and the Assistance Listing (21.027) which are primarily focused on the federal Uniform Grant Guidance, 2 CFR Sect. 200 (UG).

It is a requirement of the ARPA/CSLFRF that these compliance policies be adopted /reaffirmed as it relates to the expenditure of these specific funds.

- **Eligible Use Policy:** This policy defines the permissible and prohibited uses of the ARPA/CSLFRF funds. It also outlines the procedures for determining how the Town will spend its ARP/CSLFRF funds. Permissible expenditure categories include: 1) support COVID-19 public health expenditures; 2) address negative economic impacts caused by the public health emergency; 3) to provide governmental services through the revenue calculation; 4) provide premium pay for essential workers; and 5) invest in water, sewer, and broadband infrastructure.
- **Cost Principles Policy:** Defines those items of cost that are allowable, and which are unallowable. The tests of allowability under the cost principles are: (a) the costs must be reasonable; (b) they must be allocable to eligible projects; (c) they must be given consistent treatment through application of those generally accepted accounting principles appropriate to the circumstances; and (d) they must conform to any limitations or exclusions set forth in these principles or in the ARP/CSLFRF grant award as to types or amounts of cost items.
- **Records Retention Policy:** Outlines Treasury's five-year record retention requirement for documents related to expenditures ARPA/CSLFRF funds. This record retention requirement is longer than the traditional three-year record retention requirement. The Town shall retain relevant records for a period of five years beyond the final expenditure of ARP/CSLFRF funds.
- **Nondiscrimination Policy:** Reaffirms that the unit will ensure that no person shall, on the ground of race, color, national origin (including limited English Proficiency), familial status, sex, age, or disability, be excluded from participation in, be denied the benefits of, or be otherwise, subject to discrimination under any program or activity administered by the local government, including programs/activities funded in whole or part with ARPA/CSLFRF.
- **Conflict of Interest Policy:** Establishes conflict of interest standards that apply when the unit enters into a contract or makes a subaward.

Manager's Recommendation:

Adopt ARPA compliance policies.

<u>ATTACHMENTS:</u>		
Name:	Description:	Type:
RES-Adopting_ARPA_Policies.2022.pdf	ARPA Policies	Resolution Letter

**RESOLUTION ADOPTING POLICIES APPLICABLE TO
THE TOWN OF CORNELIUS' USE OF CSLRF FUNDS**

WHEREAS, the Town of Cornelius has received an allocation of funds from the “Coronavirus State Fiscal Recovery Fund” or “Coronavirus Local Fiscal Recovery Fund” (together “CSLFRF funds”), established pursuant to Sections 602 and 603 of the Social Security Act, as added by Section 9901 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (the “ARP/CSLFRF award”); and

WHEREAS, CSLFRF funds are subject to the U.S. Department of Treasury (“Treasury”) regulations, including the Final Rule, the Award Terms and Conditions, and the Title VII implementing regulations at 31 C.F.R. Part 22.

NOW THEREFORE, BE IT RESOLVED, that the governing board of the Town of Cornelius hereby adopts and enacts the following policies, which shall apply to any contract or the operations of any program, activity, or facility that is supported in whole, or in part, by expenditures of CSLFRF funds pursuant to the ARP/CSLFRF award:

1. Conflict Of Interest Policy Applicable to Contracts and Subawards of Town of Cornelius Supported by CSLRF. *(Attached as Exhibit A)*
2. Eligible Project Policy for the Expenditure of American Rescue Plan Act of 2021 Coronavirus State and Local Fiscal Recovery Funds by the Town of Cornelius. *(Attached as Exhibit B)*
3. Town of Cornelius Policy for Allowable Costs and Cost Principles for Expenditure of American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Funds. *(Attached as Exhibit C)*
4. Town of Cornelius CSLRF Non-Discrimination Policy. *(Attached as Exhibit D)*
5. Town of Cornelius Record Retention Policy: Documents Created or Maintained Pursuant to the ARP/CSLRF Award. *(Attached as Exhibit E)*

Adopted this 20th day of June 2022.

ATTEST:

Lori A. Harrell, Town Clerk

David Gilroy, Mayor Pro-Tem

APPROVED AS TO FORM:

Town Attorney

CONFLICT OF INTEREST POLICY
APPLICABLE TO CONTRACTS AND SUBAWARDS OF TOWN OF CORNELIUS
SUPPORTED BY CSLFRF

The Town of Cornelius has received an allocation of funds from the “Coronavirus State Fiscal Recovery Fund” or “Coronavirus Local Fiscal Recovery Fund” (together “CSLFRF funds”), established pursuant to Sections 602 and 603 of the Social Security Act, as added by Section 9901 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (the “ARP/CSLFRF award”).

CSLFRF funds are subject to the U.S. Department of Treasury (“Treasury”) regulations, including the Final Rule, the Award Terms and Conditions, and the Title VII implementing regulations at 31 C.F.R. Part 22.

The governing board of the Town of Cornelius hereby adopts and enacts the following Conflict of Interest policy, which shall apply to any contract or the operations of any program, activity, or facility that is supported in whole, or in part, by expenditures of CSLFRF funds pursuant to the ARP/CSLFRF award.

I. Scope of Policy

- a. **Purpose of Policy.** This Conflict of Interest Policy (“*Policy*”) establishes conflict of interest standards that (1) apply when the Town of Cornelius (“*Town*”) enters into a Contract (as defined in Section II hereof) or makes a Subaward (as defined in Section II hereof), and (2) meet or exceed the requirements of North Carolina law and 2 C.F.R. § 200.318(c).
- b. **Application of Policy.** This Policy shall apply when the Town (1) enters into a Contract to be funded, in part or in whole, by Federal Financial Assistance to which 2 C.F.R. § 200.318(c) applies, or (2) makes any Subaward to be funded by Federal Financial Assistance to which 2 C.F.R. § 200.318(c) applies. If a federal statute, regulation, or the terms of a financial assistance agreement applicable to a particular form of Federal Financial Assistance conflicts with any provision of this Policy, such federal statute, regulation, or terms of the financial assistance agreement shall govern.

II. Definitions

Capitalized terms used in this Policy shall have the meanings ascribed thereto in this Section II: Any capitalized term used in this Policy but not defined in this Section II shall have the meaning set forth in 2 C.F.R. § 200.1.

- a. “*Contract*” means, for the purpose of Federal Financial Assistance, a legal instrument by which the Town purchases property or services needed to carry out a program or project under a Federal award.
- b. “*Contractor*” means an entity or individual that receives a Contract.
- c. “*Covered Individual*” means a Public Officer, employee, or agent of the Town.
- d. “*Covered Nonprofit Organization*” means a nonprofit corporation, organization, or association, incorporated or otherwise, that is organized or operating in the State of North Carolina

primarily for religious, charitable, scientific, literary, public health and safety, or educational purposes, excluding any board, entity, or other organization created by the State of North Carolina or any political subdivision of the State (including the Town).

- e. “*Direct Benefit*” means, with respect to a Public Officer or employee of the Town, or the spouse of any such Public Officer or employee, (i) having a ten percent (10%) ownership interest or other interest in a Contract or Subaward; (ii) deriving any income or commission directly from a Contract or Subaward; or (iii) acquiring property under a Contract or Subaward.
- f. “*Federal Financial Assistance*” means Federal financial assistance that the Town receives or administers in the form of grants, cooperative agreements, non-cash contributions or donations of property (including donated surplus property), direct appropriations, food commodities, and other Federal financial assistance (except that the term does not include loans, loan guarantees, interest subsidies, or insurance).
- g. “*Governing Board*” means the Board of Commissioners of the Town of Cornelius.
- h. “*Immediate Family Member*” means, with respect to any Covered Individual, (i) a spouse, and parents thereof, (ii) a child, and parent thereof, (iii) a parent, and spouse thereof, (iv) a sibling, and spouse thereof, (v) a grandparent and grandchild, and spouses thereof, (vi) domestic partners and parents thereof, including domestic partners of any individual in (ii) through (v) of this definition; and (vii) any individual related by blood or affinity whose close association with the Covered Individual is the equivalent of a family relationship.
- i. “*Involved in Making or Administering*” means (i) with respect to a Public Official or employee, (a) overseeing the performance of a Contract or Subaward or having authority to make decisions regarding a Contract or Subaward or to interpret a Contract or Subaward, or (b) participating in the development of specifications or terms or in the preparation or award of a Contract or Subaward, (ii) only with respect to a Public Official, being a member of a board, commission, or other body of which the Public Official is a member, taking action on the Contract or Subaward, whether or not the Public Official actually participates in that action.
- j. “*Pass-Through Entity*” means a non-Federal entity that provides a Subaward to a Subrecipient to carry out part of a Federal program.
- k. “*Public Officer*” means an individual who is elected or appointed to serve or represent the Town (including, without limitation, any member of the Governing Board), other than an employee or independent contractor of the Town.
- l. “*Recipient*” means an entity, usually but not limited to a non-Federal entity, that receives a Federal award directly from a Federal awarding agency. The term does not include Subrecipients or individuals that are beneficiaries of the award.
- m. “*Related Party*” means (i) an Immediate Family Member of a Covered Individual, (ii) a partner of a Covered Individual, or (iii) a current or potential employer (other than the Town) of a Covered Individual, of a partner of a Covered Individual, or of an Immediate Family Member of a Covered Individual.

- n. “*Subaward*” means an award provided by a Pass-Through Entity to carry out part of a Federal award received by the Pass-Through Entity. It does not include payments to a contractor or payments to a contractor or payments to an individual that is a beneficiary of a Federal program.
- o. “*Subcontract*” means mean any agreement entered into by a Subcontractor to furnish supplies or services for the performance of a Contract or a Subcontract. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders.
- p. “*Subcontractor*” means an entity that receives a Subcontract.
- q. “*Subrecipient*” means an entity, usually but not limited to a non-Federal entity, that receives a subaward from a Pass-Through Entity to carry out part of a Federal award; but does not include an individual that is a beneficiary of such award. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.
- r. “*Town*” has the meaning specified in Section I hereof.

III. Conflict of Interest Standards in Contracts and Subawards

- a. North Carolina Law. North Carolina law restricts the behavior of Public Officials and employees of the Town involved in contracting on behalf of the Town. The Town shall conduct the selection, award, and administration of Contracts and Subawards in accordance with the prohibitions imposed by the North Carolina General Statutes and restated in this Section III.
 - i. G.S. § 14-234(a)(1). A Public Officer or employee of the Town Involved in Making or Administering a Contract or Subaward on behalf of the Town shall not derive a Direct Benefit from such a Contract or Subaward.
 - ii. G.S. § 14-234(a)(3). No Public Officer or employee of the Town may solicit or receive any gift, favor, reward, service, or promise of reward, including but not limited to a promise of future employment, in exchange for recommending, influencing, or attempting to influence the award of a Contract or Subaward by the Town.
 - iii. G.S. § 14-234.3. If a member of the Governing Board of the Town serves as a director, officer, or governing board member of a Covered Nonprofit Organization, such member shall not (1) deliberate or vote on a Contract or Subaward between the Town and the Covered Nonprofit Corporation, (2) attempt to influence any other person who deliberates or votes on a Contract or Subaward between the Town and the Covered Nonprofit Corporation, or (3) solicit or receive any gift, favor, reward, service, or promise of future employment, in exchange for recommending or attempting to influence the award of a Contract or Subaward to the Covered Nonprofit Organization.
 - iv. G.S. § 14-234.1. A Public Officer or employee of the Town shall not, in contemplation of official action by the Public Officer or employee, or in reliance on information which was made known to the public official or employee and which has not been made public, (1) acquire a pecuniary interest in any property, transaction, or enterprise or gain any

pecuniary benefit which may be affected by such information or other information, or (2) intentionally aid another in violating the provisions of this section.

b. Federal Standards.

- i. Prohibited Conflicts of Interest in Contracting. Without limiting any specific prohibition set forth in Section IV(a), a Covered Individual may not participate in the selection, award, or administration of a Contract or Subaward if such Covered Individual has a real or apparent conflict of interest.

1. Real Conflict of Interest. A real conflict of interest shall exist when the Covered Individual or any Related Party has a financial or other interest in or a tangible personal benefit from a firm considered for a Contract or Subaward.

Attachment 1 attached hereto provides a non-exhaustive list of examples of (i) financial or other interests in a firm considered for a Contract or Subaward, and (ii) tangible personal benefits from a firm considered for a Contract or Subaward.

2. Apparent Conflict of Interest. An apparent conflict of interest shall exist where a real conflict of interest may not exist under Section IV(b)(i)(1), but where a reasonable person with knowledge of the relevant facts would find that an existing situation or relationship creates the appearance that a Covered Individual or any Related Party has a financial or other interest in or a tangible personal benefit from a firm considered for a Contract or Subaward.

- ii. Identification and Management of Conflicts of Interest.

1. Duty to Disclose and Disclosure Forms

- a. Each Covered Individual expected to be or actually involved in the selection, award, or administration of a Contract or Subaward has an ongoing duty to disclose a potential real or apparent conflicts of interest arising under this Policy.
 - b. Prior to the Town's award of a Contract or Subaward, the Town Manager shall advise Covered Individuals expected to be involved in the selection, award, or administration of the Contract or Subaward of such duty.

2. Identification After Award of Contract or Subaward.

- a. If the Town discovers that a real or apparent conflict of interest has arisen after the Town has entered into a Contract or Subaward, the Town Manager shall, as soon as possible, disclose such finding to the Mayor and to each member of the Governing Board. Upon discovery of such a real or apparent conflict of interest, the Town shall cease all payments under the relevant Contract or Subaward until the conflict of interest has been resolved.

3. Management After Award of Contract or Subaward.

- a. Following the receipt of such disclosure of a potential real or apparent conflict of interest pursuant to Section IV(b)(ii)(4), the Governing Board may reject the finding of the Conflict by documenting in writing a justification supporting such rejection. If the Governing Board fails to reject the finding of Conflict, the Town Manager shall:
 - i. if Town is a Recipient of Federal Financial Assistance funding the Contract or Subaward, disclose the conflict to the Federal awarding agency providing such Federal Financial Assistance in accordance with 2 C.F.R. § 200.112 and/or applicable regulations of the agency, or
 - ii. if Town is a Subrecipient of Federal Financial Assistance, disclose the conflict to the Pass-Through Entity providing a Subaward to Town in accordance with 2 C.F.R. § 200.112 and applicable regulations of the Federal awarding agency and the Pass-Through Entity.

IV. Oversight of Subrecipient's Conflict of Interest Standards

- a. Subrecipients of Town Must Adopt Conflict of Interest Policy. Prior to the Town's execution of any Subaward for which the Town serves as a Pass-Through Entity, the Town ensure that the proposed Subrecipient of Federal Financial Assistance has adopted a conflict of interest policy that satisfies the requirements of 2 C.F.R. § 200.318(c)(1), 2 C.F.R. § 200.318(c)(2), and all other applicable federal regulations.
- b. Obligation to Disclose Subrecipient Conflicts of Interest. The Town shall ensure that the legal agreement under which the Town makes a Subaward to a Subrecipient shall require such Subrecipient to disclose to the Town any potential real or apparent conflicts of interest that the Subrecipient identifies. Upon receipt of such disclosure, the Town shall disclose such information to the Federal awarding agency that funded the Subaward in accordance with that agency's disclosure policy.

V. Gift Standards

- a. Federal Standard. Subject to the exceptions set forth in Section VI(b), a Covered Individual may not solicit or accept gratuities, favors, or anything of monetary value from a Contractor or a Subcontractor.
- b. Exception. Notwithstanding Section VI(a), a Covered Individual may accept an unsolicited gift from a Contractor or Subcontractor of one or more types specified below if the gift has an aggregate market value of \$20 or less per source per occasion, provided that the aggregate market value of all gifts received by the Covered Individual pursuant to this Section VI(b) does not exceed \$50 in a calendar year:
 - i. honorariums for participating in meetings;
 - ii. advertising items or souvenirs of nominal value; or
 - iii. meals furnished at banquets.

- c. Internal Reporting. A Covered Individual shall report any gift accepted under Section VI(b) to the Town. If required by regulation of a Federal awarding agency, the Town shall report such gifts to the Federal awarding agency or a Pass-Through Entity for which the Town is a Subrecipient.

VI. Violations of Policy

- a. Disciplinary Actions for Covered Individuals. Any Covered Individual that fails to disclose a real, apparent, or potential real or apparent conflict of interest arising with respect to the Covered Individual or Related Party may be subject to disciplinary action, including, but not limited to, an employee's termination or suspension of employment with or without pay, the consideration or adoption of a resolution of censure of a Public Official by the Governing Board, or termination of an agent's contract with the Town.
- b. Disciplinary Actions for Contractors and Subcontractors. The Town shall terminate any Contract with a Contractor or Subcontractor that violates any provision of this Policy.
- c. Protections for Whistleblowers. In accordance with 41 U.S.C. § 4712, the Town shall not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant: (i) a member of Congress or a representative of a committee of Congress; (ii) an Inspector General; (iii) the Government Accountability Office; (iv) a Treasury or other federal agency employee responsible for grant oversight or management; (v) an authorized official of the Department of Justice or other law enforcement agency; (vi) a court or grand jury; of (vii) a management official or other employee of the Town, a Contractor, or Subcontractor who has the responsibility to investigate, discover, or address misconduct.

Adopted this the 20th day of June 2022.

Attachment 1

Examples

<i>Potential Examples of a “Financial or Other Interest” in a Firm or Organization Considered for a Contract or Subaward</i>	<i>Potential Examples of a “Tangible Personal Benefit” From a Firm or Organization Considered for a Contract or Subaward</i>
Direct or indirect equity interest in a firm or organization considered for a Contract or Subaward, which may include: <ul style="list-style-type: none">- Stock in a corporation.- Membership interest in a limited liability company.- Partnership interest in a general or limited partnership.- Any right to control the firm or organization’s affairs. For example, a controlling equity interest in an entity that controls or has the right to control a firm considered for a contract.- Option to purchase any equity interest in a firm or organization.	Opportunity to be employed by the firm considered for a contract, an affiliate of that firm, or any other firm with a relationship with the firm considered for a Contract. A position as a director or officer of the firm or organization, even if uncompensated.
Holder of any debt owed by a firm considered for a Contract or Subaward, which may include: <ul style="list-style-type: none">- Secured debt (e.g., debt backed by an asset of the firm (like a firm’s building or equipment))- Unsecured debt (e.g., a promissory note evidencing a promise to repay a loan).<ul style="list-style-type: none">o Holder of a judgment against the firm.	A referral of business from a firm considered for a Contract or Subaward.
Supplier or contractor to a firm or organization considered for a Contract or Subaward.	Political or social influence (e.g., a promise of appointment to an local office or position on a public board or private board).

Exhibit B

ELIGIBLE PROJECT POLICY FOR THE EXPENDITURE OF AMERICAN RESCUE PLAN ACT OF 2021 CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS BY THE TOWN OF CORNELIUS

The Town of Cornelius has received an allocation of funds from the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP/CSLFRF).

The U.S. Treasury is responsible for implementing ARP/CSLFRF and has enacted a Final Rule outlining eligible projects.

The funds may be used for projects within these categories, to the extent authorized by state law.

1. Support COVID-19 public health expenditures, by funding COVID-19 mitigation and prevention efforts, medical expenses, behavioral healthcare, preventing and responding to violence, and certain public health and safety staff; and
2. Address negative economic impacts caused by the public health emergency, including economic harms to households, small businesses, non-profits, impacted industries, and the public sector; and
3. Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic; and
4. Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and
5. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

The ARP/CSLFRF are subject to the provisions of the federal Uniform Grant Guidance, 2 CFR Part 200 (UG), as provided in the Assistance Listing; and

The U.S. Treasury has issued a Compliance and Reporting Guidance v.2.1 (November 15, 2021) dictating implementation of the ARP/CSLFRF award terms and compliance requirements.

The Compliance and Reporting Guidance states on page 6 that:

Per 2 CFR Part 200.303, your organization must develop and implement effective internal controls to ensure that funding decisions under the SLFRF award constitute eligible uses of funds, and document determinations.

The Town of Cornelius hereby adopts and enacts the following Eligibility Determination Policy for ARP/CSLFRF funds.

Eligibility Determination Policy for American Rescue Plan Act of 2021 Coronavirus State and Local Fiscal Recovery Funds

This policy defines the permissible and prohibited uses of the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP/CSLFRF) funds. It also outlines the procedures for determining how the Town of Cornelius will spend its ARP/CSLFRF funds.

I. PERMISSIBLE USES OF ARP/CSLFRF FUNDING

U.S. Treasury issued its **Final Rule** regarding use of ARPA funds on January 6, 2022. (The Final Rule is effective as of April 1, 2022. Until that date, a local government may proceed under the regulation promulgated by US Department of the Treasury in its **Interim Final Rule** or the Final Rule.) The Final Rule (and the Interim Final Rule) identify permissible uses of ARP/CSLFRF funds and certain limitations and process requirements. Local governments must allocate ARP/CSLFRF funds no later than December 31, 2024 and disburse all funding no later than December 31, 2026. Failure of an entity to expend all funds by December 31, 2026, will result in forfeiture of ARPA funds.

ARP/CSLFRF funds may be used for projects within the following categories of expenditures:

1. Support COVID-19 public health expenditures, by funding COVID-19 mitigation and prevention efforts, medical expenses, behavioral healthcare, preventing and responding to violence, and certain public health and safety staff; and
2. Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, non-profits, impacted industries, and the public sector; and
3. Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic; and
4. Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and
5. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

II. PROHIBITED USES OF ARPA FUNDING

The ARP/CSLFRF and US Treasury's Final Rule prohibit certain uses of ARP/CSLFRF funds. Specifically, ARP/CSLFRF funds may not be used for projects within the following categories of expenditures:

1. To make a deposit into a pension fund that constitutes an extraordinary payment of an accrued, unfunded liability (Note that routine contributions as part of a payroll obligation for an eligible project are allowed.); and
2. To borrow money or make debt service payments; and
3. To replenish rainy day funds or fund other financial reserves; and
4. To satisfy an obligation arising from a settlement agreement, judgment, consent decree, or judicially confirmed debt restricting in a judicial, administrative, or regulatory proceeding (There is an exception to this prohibition if the settlement or judgment requires the Town of Cornelius to provide services to respond to the COVID-19 public health emergency or its negative economic impacts or to provide

- government services, then the costs of those otherwise ARP/CSLFRF-eligible projects are allowed.); and
5. For a project that includes a term or condition that undermines efforts to stop the spread of COVID-19 or discourages compliance with recommendations and guidelines in CDC guidance for stopping the spread of COVID-19; and
 6. In violation of the conflict-of-interest requirements imposed by the award terms and 2 CFR 200.318(c); and
 7. For any expenditure that would violate other applicable federal, state, and local laws and regulations.

The Town of Cornelius, and any of its contractors or subrecipients, may not expend any ARP/CSLFRF funds for these purposes.

III. PROCEDURES FOR PROJECT APPROVAL

The following are procedures for ARP/CSLFRF project approvals. All Town of Cornelius employees and officials must comply with these requirements.

1. Requests for ARP/CSLFRF funding, must be made in writing and include all the following:
 - a. Brief description of the project
 - b. Identification of ARP/CSLFRF Expenditure Category (EC) (A list of ECs in in the Appendix to the US Treasury Compliance and Reporting Guidance.)
 - c. Required justifications for applicable projects, according to the requirements in the Final Rule. Employees or any applicant seeking ARPA funding should review the Final Rule and Final Rule Overview prior to submitting a proposal.
 - d. Proposed budget, broken down by cost item, in accordance with the Town of Cornelius's Allowable Cost Policy.
 - e. A project implementation plan and estimated implementation timeline (All ARP/CSLFRF funds must be fully obligated by December 31, 2024, and fully expended by December 31, 2026.)
2. Requests for funding must be submitted to the Town Manager for approval. All requests will be reviewed by the Finance Director for ARP/CSLFRF compliance and by the Town Manager and Finance Director for allowable costs and other financial review.
3. No ARP/CSLFRF may be obligated or expended before final written approval by the Town Manager.
4. If a proposal does not meet the required criteria, it will be returned to the requesting party for revision and resubmittal.
5. Following approval, employees responsible for implementing the project must conform actual obligations and expenditures to the pre-approved project budget. Changes in project budgets must be approved by the Finance Director or Town Manager and may require a budget amendment before proceeding. Any delay in the projected project completion date shall be communicated to the Finance Director immediately.

6. The Finance Director must collect and document required information for each EC, for purposes of completing the required Project and Expenditure reports.
7. The Finance Director must maintain written project requests and approvals, all supporting documentation, and financial information at least until December 31, 2031.

Adopted this 20th day of June 2022.

Exhibit C

TOWN OF CORNELIUS POLICY FOR ALLOWABLE COSTS AND COST PRINCIPLES FOR EXPENDITURE OF AMERICAN RESCUE PLAN ACT CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS

The Town of Cornelius has received an allocation of funds from the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (the “Funds”).

The Funds may be used for projects within these categories, to the extent authorized by state law.

1. Support COVID-19 public health expenditures, by funding COVID-19 mitigation and prevention efforts, medical expenses, behavioral healthcare, preventing and responding to violence, and certain public health and safety staff;
2. Address negative economic impacts caused by the public health emergency, including economic harms to households, small businesses, non-profits, impacted industries, and the public sector;
3. Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
4. Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,
5. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

The Funds are subject to the provisions of the federal Uniform Grant Guidance, 2 CFR Sect. 200 (UG), as provided in the Assistance Listing; and

The Compliance and Reporting Guidance for the State and Local Fiscal Recovery Funds provides, in relevant part:

Allowable Costs/Cost Principles. As outlined in the Uniform Guidance at 2 CFR Part 200, Subpart E regarding Cost Principles, allowable costs are based on the premise that a recipient is responsible for the effective administration of Federal awards, application of sound management practices, and administration of Federal funds in a manner consistent with the program objectives and terms and conditions of the award. Recipients must implement robust internal controls and effective monitoring to ensure compliance with the Cost Principles, which are important for building trust and accountability.

The Funds may be, but are not required to be, used along with other funding sources for a given project. Note that the Funds may not be used for a non-Federal cost share or match where prohibited by other Federal programs, e.g., funds may not be used for the State share for Medicaid.

Treasury’s Interim Final Rule and guidance and the Uniform Guidance outline the types of costs that are allowable, including certain audit costs. For example, per 2 CFR

200.425, a reasonably proportionate share of the costs of audits required by the Single Audit Act Amendments of 1996 are allowable; however, costs for audits that were not performed in accordance with 2 CFR Part 200, Subpart F are not allowable. Please see 2 CFR Part 200, Subpart E regarding the Cost Principles for more information.

- a. Administrative costs. Recipients may use the Funds for administering the SLFRF program, including costs of consultants to support effective management and oversight, including consultation for ensuring compliance with legal, regulatory, and other requirements. Further, costs must be reasonable and allocable as outlined in 2 CFR 200.404 and 2 CFR 200.405. Pursuant to the ARP/CSLFRF Award Terms and Conditions, recipients are permitted to charge both direct and indirect costs to their SLFRF award as administrative costs. Direct costs are those that are identified specifically as costs of implementing the ARP/CSLFRF program objectives, such as contract support, materials, and supplies for a project. Indirect costs are general overhead costs of an organization where a portion of such costs are allocable to the ARP/CSLFRF award such as the cost of facilities or administrative functions like a director's office. Each category of cost should be treated consistently in like circumstances as direct or indirect, and recipients may not charge the same administrative costs to both direct and indirect cost categories, or to other programs. If a recipient has a current Negotiated Indirect Costs Rate Agreement (NICRA) established with a Federal cognizant agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals, then the recipient may use its current NICRA. Alternatively, if the recipient does not have a NICRA, the recipient may elect to use the de minimis rate of 10 percent of the modified total direct costs pursuant to 2 CFR 200.414(f).
- b. Salaries and Expenses: In general, certain employees' wages, salaries, and covered benefits are an eligible use of ARP/CSLFRF award funds.

Subpart E of the UG dictates allowable costs and cost principles for expenditure of ARP/CSLFRF funds.

Subpart E of the UG (specifically, 200.400) states that:

The application of these cost principles is based on the fundamental premises that:

- (a) The non-Federal entity is responsible for the efficient and effective administration of the Federal award through the application of sound management practices.
- (b) The non-Federal entity assumes responsibility for administering Federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the Federal award.
- (c) The non-Federal entity, in recognition of its own unique combination of staff, facilities, and experience, has the primary responsibility for employing whatever form of sound organization and management techniques may be necessary in order to assure proper and efficient administration of the Federal award.

- (d) The application of these cost principles should require no significant changes in the internal accounting policies and practices of the non-Federal entity. However, the accounting practices of the non-Federal entity must be consistent with these cost principles and support the accumulation of costs as required by the principles and must provide for adequate documentation to support costs charged to the Federal award.
- (e) In reviewing, negotiating and approving cost allocation plans or indirect cost proposals, the cognizant agency for indirect costs should generally assure that the non-Federal entity is applying these cost accounting principles on a consistent basis during their review and negotiation of indirect cost proposals. Where wide variations exist in the treatment of a given cost item by the non-Federal entity, the reasonableness and equity of such treatments should be fully considered.
- (f) For non-Federal entities that educate and engage students in research, the dual role of students as both trainees and employees (including pre- and post-doctoral staff) contributing to the completion of Federal awards for research must be recognized in the application of these principles.
- (g) The non-Federal entity may not earn or keep any profit resulting from Federal financial assistance, unless explicitly authorized by the terms and conditions of the Federal award.

The governing board of the Town of Cornelius hereby adopts and enacts the following UG Allowable Costs and Cost Principles Policy for the expenditure of ARP/CSLFRF funds.

Town Allowable Costs and Costs Principles Policy

I. ALLOWABLE COSTS AND COSTS PRINCIPLES POLICY OVERVIEW

Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, commonly called Uniform Guidance (UG), specifically Subpart E, defines those items of cost that are allowable, and which are unallowable. The tests of allowability under these principles are: (a) the costs must be reasonable; (b) they must be allocable to eligible projects under the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP/CSLFRF); (c) they must be given consistent treatment through application of those generally accepted accounting principles appropriate to the circumstances; and (d) they must conform to any limitations or exclusions set forth in these principles or in the ARP/CSLFRF grant award as to types or amounts of cost items. Unallowable items fall into two categories: expenses which are by their nature unallowable (e.g., alcohol), and unallowable activities (e.g., fund raising).

The Town shall adhere to all applicable cost principles governing the use of federal grants. This policy addresses the proper classification of both direct and indirect charges to ARP/CSLFRF funded projects and enacts procedures to ensure that proposed and actual expenditures are consistent with the ARP/CSLFRF grant award terms and all applicable federal regulations in the UG.

Responsibility for following these guidelines lies with the Finance Director and Town Manager, who are charged with the administration and financial oversight of the

ARP/CSLFRF. Further, all local government employees and officials who are involved in obligating, administering, expending, or monitoring ARP/CSLFRF grant funded projects should be well versed with the categories of costs that are generally allowable and unallowable. Questions on the allowability of costs should be directed to the Town Manager. As questions on allowability of certain costs may require interpretation and judgment, local government personnel are encouraged to ask for assistance in making those determinations.

II. GENERAL COST ALLOWABILITY CRITERIA

All costs expended using ARP/CSLFRF Funds must meet the following general criteria:

1. **Be necessary and reasonable for the proper and efficient performance and administration of the grant program.**

A cost must be *necessary* to achieve a project object. When determining whether a cost is necessary, consideration may be given to:

- Whether the cost is needed for the proper and efficient performance of the grant project.
- Whether the cost is identified in the approved project budget or application.
- Whether the cost aligns with identified needs based on results and findings from a needs assessment.
- Whether the cost addresses project goals and objectives and is based on program data.

A cost is *reasonable* if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision to incur the cost was made. For example, reasonable means that sound business practices were followed, and purchases were comparable to market prices. When determining reasonableness of a cost, consideration must be given to:

- Whether the cost is a type generally recognized as ordinary and necessary for the operation of the Town or the proper and efficient performance of the federal award.
- The restraints or requirements imposed by factors, such as: sound business practices; arm's-length bargaining; federal, state, and other laws and regulations; and terms and conditions of the ARP/CSLFRF award.
- Market prices for comparable goods or services for the geographic area.
- Whether individuals concerned acted with prudence in the circumstances considering their responsibilities to the Town its employees, the public at large, and the federal government.

- Whether The Town significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the ARP/CSLFRF award's cost.
2. **Be allocable to the ARP/CSLFRF federal award.** A cost is allocable to the ARP/CSLFRF award if the goods or services involved are chargeable or assignable to the ARP/CSLFRF award in accordance with the relative benefit received. This means that the ARP/CSLFRF grant program derived a benefit in proportion to the funds charged to the program. *For example, if 50 percent of a local government program officer's salary is paid with grant funds, then the local government must document that the program officer spent at least 50 percent of his/her time on the grant program.*

If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit. If a cost benefits two or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, then the costs may be allocated or transferred to benefitted projects on any reasonable documented basis. Where the purchase of equipment or other capital asset is specifically authorized by the ARP/CSLFRF, the costs are assignable to the Federal award regardless of the use that may be made of the equipment or other capital asset involved when no longer needed for the purpose for which it was originally required.
 3. **Be authorized and not prohibited under state or local laws or regulations.**
 4. **Conform to any limitations or exclusions set forth in the principles, federal laws, ARP/CSLFRF award terms, and other governing regulations as to types or amounts of cost items.**
 5. **Be consistent with policies, regulations, and procedures that apply uniformly to both the ARP/CSLFRF federal award and other activities of the Town.**
 6. **Be accorded consistent treatment.** A cost MAY NOT be assigned to a federal award as a direct cost and also be charged to a federal award as an indirect cost. And a cost must be treated consistently for both federal award and non-federal award expenditures.
 7. **Be determined in accordance with generally accepted accounting principles (GAAP), unless provided otherwise in the UGG.**
 8. **Be net of all applicable credits.** The term "applicable credits" refers to those receipts or reduction of expenditures that operate to offset or reduce expense items allocable to the federal award. Typical examples of such transactions are purchase discounts; rebates or allowances; recoveries or indemnities on losses; and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to and received by the local government related to the federal award, they shall be credited to the ARP/CSLFRF award, either as a cost reduction or a cash refund, as appropriate and consistent with the award terms.

9. Be adequately documented.

III. SELECTED ITEMS OF COST

The UGG examines the allowability of fifty-five (55) specific cost items (commonly referred to as Selected Items of Cost) at 2 CFR § 200.420-.475.

The Finance Department responsible for determining cost allowability must be familiar with the Selected Items of Cost. The Town must follow the applicable regulations when charging these specific expenditures to the ARP/CSLFRF grant. Finance Department personnel will check costs against the selected items of cost requirements to ensure the cost is allowable and that all process and documentation requirements are followed. In addition, State laws, Town regulations, and program-specific rules may deem a cost as unallowable, Finance Department personnel must follow those non-federal rules as well.

Attachment 1 identifies and summarizes the Selected Items of Cost.

IV. DIRECT AND INDIRECT COSTS

Allowable and allocable costs must be appropriately classified as direct or indirect charges. It is essential that each item of cost be treated consistently in like circumstances either as a direct or an indirect cost.

Direct costs are expenses that are specifically associated with a particular ARP/CSLFRF-eligible project and that can be directly assigned to such activities relatively easily with a high degree of accuracy. Common examples of direct costs include salary and fringe benefits of personnel directly involved in undertaking an eligible project, equipment and supplies for the project, subcontracted service provider, or other materials consumed or expended in the performance of a grant-eligible project.

Indirect costs are (1) costs incurred for a common or joint purpose benefitting more than one ARP/CSLFRF-eligible project, and (2) not readily assignable to the project specifically benefited, without effort disproportionate to the results achieved. They are expenses that benefit more than one project or even more than one federal grant. Common examples of indirect costs include utilities, local telephone charges, shared office supplies, administrative or secretarial salaries.

For indirect costs, the Town may charge a 10 percent de minimis rate of modified total direct costs (MTDC). According to UGG Section 200.68 MTDC means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$25,000 of each subaward (regardless of the period of performance the subawards under the award). MTDC EXCLUDES equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of \$25,000.

V. SPECIAL PROVISIONS FOR STATE AND LOCAL GOVERNMENTS

There are some special provisions of the UG that apply only to states, local governments, and Indian Tribes.

§ 200.444 General costs of government.

- a) For states, local governments, and Indian Tribes, the general costs of government are unallowable (except as provided in § 200.475). Unallowable costs include:
 - 1) Salaries and expenses of the Office of the Governor of a state or the chief executive of a local government or the chief executive of an Indian tribe;
 - 2) Salaries and other expenses of a state legislature, tribal council, or similar local governmental body, such as a county supervisor, city council, school board, etc., whether incurred for purposes of legislation or executive direction;
 - 3) Costs of the judicial branch of a government;
 - 4) Costs of prosecutorial activities unless treated as a direct cost to a specific program if authorized by statute or regulation (however, this does not preclude the allowability of other legal activities of the Attorney General as described in § 200.435); and
 - 5) Costs of other general types of government services normally provided to the general public, such as fire and police, unless provided for as a direct cost under a program statute or regulation.
- b) For Indian tribes and Councils of Governments (COGs) (see definition for *Local government* in § 200.1 of this part), up to 50% of salaries and expenses directly attributable to managing and operating Federal programs by the chief executive and his or her staff can be included in the indirect cost calculation without documentation.

NOTE THAT EXPENDITURES OF ARP/CSLFRF FUNDS IN THE REVENUE REPLACEMENT CATEGORY ARE EXPLICITLY AUTHORIZED IN THE FINAL RULE TO BE SPENT ON GENERAL GOVERNMENT SERVICES.

§ 200.416 COST ALLOCATION PLANS AND INDIRECT COST PROPOSALS.

- a) For states, local governments and Indian tribes, certain services, such as motor pools, computer centers, purchasing, accounting, etc., are provided to operating agencies on a centralized basis. Since Federal awards are performed within the individual operating agencies, there needs to be a process whereby these central service costs can be identified and assigned to benefitted activities on a reasonable and consistent basis. The central service cost allocation plan provides that process.
- b) Individual operating agencies (governmental department or agency), normally charge Federal awards for indirect costs through an indirect cost rate. A separate indirect cost rate(s) proposal for each operating agency is usually necessary to claim indirect costs under Federal awards. Indirect costs include:

- 1) The indirect costs originating in each department or agency of the governmental unit carrying out Federal awards and
 - 2) The costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.
- c) The requirements for development and submission of cost allocation plans (for central service costs and public assistance programs) and indirect cost rate proposals are contained in appendices V, VI and VII to this part.

§ 200.417 INTERAGENCY SERVICE.

The cost of services provided by one agency to another within the governmental unit may include allowable direct costs of the service plus a pro-rated share of indirect costs. A standard indirect cost allowance equal to ten percent of the direct salary and wage cost of providing the service (excluding overtime, shift premiums, and fringe benefits) may be used in lieu of determining the actual indirect costs of the service. These services do not include centralized services included in central service cost allocation plans as described in Appendix V to Part 200.

VI. COST ALLOWABILITY REVIEW PROCESS

PREAPPROVAL COST ALLOWABILITY REVIEW

Before an ARP/CSLFRF-funded project is authorized The Finance Department and the Town Manager must review the proposed cost items within an estimated project budget to determine whether they are allowable and allocable and whether cost items will be charged as direct or indirect expenses. This review will occur concurrently with the review of project eligibility and *before* obligating or expending any ARP/CSLFRF funds.

- Local government personnel must submit proposed ARP/CSLFRF projects to the Finance Director for review. In addition to other required information, all proposed project submissions must delineate estimated costs by cost item.
- Along with a general review of project eligibility and conformance with other governing board management directives, the Finance Department must review estimated costs for specific allowable cost requirements, budget parameters, indirect rates, fringe benefit rates, and those activities/costs that require pre-approval by the US Treasury.
- If a proposed project includes a request for an unallowable cost, the Finance Department will return the proposal to the requesting party for review and, if practicable, resubmission with corrected cost items.
- Once a proposed project budget is pre-approved the Finance Director and the Town Manager, the local government personnel responsible for implementing the project must conform actual obligations and expenditures to the pre-approved project budget.

POST-EXPENDITURE COST ALLOWABILITY REVIEW

Once an expenditure is incurred related to an eligible project, and an invoice or other demand for payment is submitted to the local government, the Finance Department must perform a second review to ensure that actual expenditures comprise allowable costs.

- All invoices or other demands for payment must include a breakdown by cost item. The cost items should mirror those presented in the proposed budget for the project. If an invoice or other demand for payment does not include a breakdown by cost item, the Finance Department will return the invoice to the project manager and/or vendor, contractor, or subrecipient for correction.
- The Finance Department must review the individual cost items listed on the invoice or other demand for payment to determine their allowability and allocability.
- If all cost items are deemed allowable and properly allocable, the Finance Department must proceed through the local government's normal disbursement process.
- If any cost item is deemed unallowable, the Finance Department will notify the project management and/or vendor, contractor, or subrecipient that a portion of the invoice or other demand for payment will not be paid with ARP/CSLFRF funds. The Finance Director may in their discretion, and consistent with this policy, allow an invoice or other demand for payment to be resubmitted with a revised cost allocation. If the local government remains legally obligated by contract or otherwise to pay the disallowed cost item, it must identify other local government funds to cover the disbursement. Town's governing board must approve any allocation of other funds for this purpose.
- The Finance Director must retain appropriate documentation of budgeted cost items per project and actual obligations and expenditures of cost items per project.

VII. COST TRANSFERS

Any costs charged to the ARP/CSLFRF federal award that do not meet the allowable cost criteria must be removed from the award account and charged to an account that does not require adherence to federal UGG or other applicable guidelines.

Failure to adequately follow this policy and related procedures could result in questioned costs, audit findings, potential repayment of disallowed costs and discontinuance of funding.

Adopted this 20th day of June 2022.

Attachment 1

Selected Items of Cost	Uniform Guidance General Reference	Allowability
Advertising and public relations costs	2 CFR § 200.421	Allowable with restrictions
Advisory councils	2 CFR § 200.422	Allowable with restrictions
Alcoholic beverages	2 CFR § 200.423	Unallowable
Alumni/ae activities	2 CFR § 200.424	Not specifically addressed
Audit services	2 CFR § 200.425	Allowable with restrictions
Bad debts	2 CFR § 200.426	Unallowable
Bonding costs	2 CFR § 200.427	Allowable with restrictions
Collection of improper payments	2 CFR § 200.428	Allowable
Commencement and convocation costs	2 CFR § 200.429	Not specifically addressed
Compensation – personal services	2 CFR § 200.430	Allowable with restrictions; Special conditions apply (e.g., § 200.430(i)(5))
Compensation – fringe benefits	2 CFR § 200.431	Allowable with restrictions
Conferences	2 CFR § 200.432	Allowable with restrictions
Contingency provisions	2 CFR § 200.433	Unallowable with exceptions
Contributions and donations	2 CFR § 200.434	Unallowable (made by non-federal entity); not reimbursable but value may be used as cost sharing or matching (made to non-federal entity)
Defense and prosecution of criminal and civil proceedings, claims, appeals and patent	2 CFR § 200.435	Allowable with restrictions

infringements		
Depreciation	2 CFR § 200.436	Allowable with qualifications
Employee health and welfare costs	2 CFR § 200.437	Allowable with restrictions
Entertainment costs	2 CFR § 200.438	Unallowable with exceptions
Equipment and other capital expenditures	2 CFR § 200.439	Allowability based on specific requirement
Exchange rates	2 CFR § 200.440	Allowable with restrictions
Fines, penalties, damages and other settlements	2 CFR § 200.441	Unallowable with exceptions
Fund raising and investment management costs	2 CFR § 200.442	Unallowable with exceptions
Gains and losses on disposition of depreciable assets	2 CFR § 200.443	Allowable with restrictions
General costs of government	2 CFR § 200.444	Unallowable with exceptions
Goods and services for personal use	2 CFR § 200.445	Unallowable (goods/services); allowable (housing) with restrictions
Idle facilities and idle capacity	2 CFR § 200.446	Idle facilities - unallowable with exceptions; Idle capacity - allowable with restrictions
Insurance and indemnification	2 CFR § 200.447	Allowable with restrictions
Intellectual property	2 CFR § 200.448	Allowable with restrictions
Interest	2 CFR § 200.449	Allowable with restrictions
Lobbying	2 CFR § 200.450	Unallowable
Losses on other awards or contracts	2 CFR § 200.451	Unallowable (however, they are required to be included in the indirect cost rate base for

		allocation of indirect costs)
Maintenance and repair costs	2 CFR § 200.452	Allowable with restrictions
Materials and supplies costs, including costs of computing devices	2 CFR § 200.453	Allowable with restrictions
Memberships, subscriptions, and professional activity costs	2 CFR § 200.454	Allowable with restrictions; unallowable for lobbying organizations
Organization costs	2 CFR § 200.455	Unallowable except federal prior approval
Participant support costs	2 CFR § 200.456	Allowable with prior approval of the federal awarding agency
Plant and security costs	2 CFR § 200.457	Allowable; capital expenditures are subject to § 200.439
Pre-award costs	2 CFR § 200.458	Allowable if consistent with other allowabilities and with prior approval of the federal awarding agency
Professional services costs	2 CFR § 200.459	Allowable with restrictions
Proposal costs	2 CFR § 200.460	Allowable with restrictions
Publication and printing costs	2 CFR § 200.461	Allowable with restrictions
Rearrangement and reconversion costs	2 CFR § 200.462	Allowable (ordinary and normal)
Recruiting costs	2 CFR § 200.463	Allowable with restrictions
Relocation costs of employees	2 CFR § 200.464	Allowable with restrictions
Rental costs of real property and equipment	2 CFR § 200.465	Allowable with restrictions
Scholarships and student aid costs	2 CFR § 200.466	Not specifically addressed
Selling and marketing costs	2 CFR § 200.467	Unallowable with exceptions

Specialized service facilities	2 CFR § 200.468	Allowable with restrictions
Student activity costs	2 CFR § 200.469	Unallowable unless specifically provided for in the federal award
Taxes (including Value Added Tax)	2 CFR § 200.470	Allowable with restrictions
Termination costs	2 CFR § 200.471	Allowable with restrictions
Training and education costs	2 CFR § 200.472	Allowable for employee development
Transportation costs	2 CFR § 200.473	Allowable with restrictions
Travel costs	2 CFR § 200.474	Allowable with restrictions
Trustees	2 CFR § 200.475	Not specifically addressed

Exhibit D

TOWN OF CORNELIUS CSLFRF NON-DISCRIMINATION POLICY

The Town of Cornelius (the “Town”) has received an allocation of funds from the “Coronavirus State Fiscal Recovery Fund” or “Coronavirus Local Fiscal Recovery Fund” (together “CSLFRF funds”), established pursuant to Sections 602 and 603 of the Social Security Act, as added by Section 9901 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (the “ARP/CSLFRF award”).

CSLFRF funds are subject to the U.S. Department of Treasury (“Treasury”) regulations, including the Final Rule, the Award Terms and Conditions, and the Title VII implementing regulations at 31 C.F.R. Part 22.

Pursuant to the ARP/CSLFRF Award Terms and Conditions, and as a condition of receiving CSLFRF funds, the Town agrees to follow all federal statutes and regulations prohibiting discrimination in its administration of CSLFRF under the terms and conditions of the ARP/CSLFRF award, including, without limitation, the following:

- i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury’s implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin within programs or activities receiving federal financial assistance; and
- ii. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability; and
- iii. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving Federal financial assistance; and
- iv. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury’s implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and
- v. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

The governing board of the Town of Cornelius hereby adopts and enacts the following nondiscrimination policy, which shall apply to the operations of any program, activity, or facility that is supported in whole, or in part, by expenditures CSLFRF pursuant to the ARP/CSLFRF award.

Nondiscrimination Policy Statement

It is the policy of the Town of Cornelius to ensure that no person shall, on the ground of race, color, national origin (including limited English Proficiency), familial status, sex, age, or disability, be excluded from participation in, be denied the benefits of, or be otherwise subject to discrimination under any program or activity administered by the Town including programs or activities that are funded in whole or part, with Coronavirus State and Local Fiscal Recovery Funds ("CSLFRF"), which the Town received from the U.S. Department of Treasury ("Treasury") pursuant to Sections 602 and 603 of the Social Security Act, as added by Section 9901 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (herein the "ARP/CSLFRF award").

I. Governing Statutory & Regulatory Authorities

As required by the CSLFRF [Award Terms and Conditions](#), the Town shall ensure that each "activity," "facility," or "program"¹ that is funded in whole, or in part, with CSLFRF and administered under the ARP/CSLFRF award, will be facilitated, operated, or conducted in compliance with the following federal statutes and federal regulations prohibiting discrimination. These include, but are not limited to, the following:

- i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance;
- ii. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;
- iii. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance;
- iv. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age within programs or activities receiving federal financial assistance; and
- v. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

¹ 22 C.F.R. § 22.3 defines "program" and "activity" as all operations of an entity, including local governments, that receive Federal financial assistance, and the departments, agencies, or special purpose districts of the local governments to which Federal financial assistance is distributed. "Federal financial assistance" includes, among other things, grants and loans of federal funds. "Facility" includes all or any part of structures, equipment, or other real or personal property or interests therein, and the provision of facilities includes the construction, expansion, renovation, remodeling, alteration, or acquisition of facilities.

II. Discriminatory Practices Prohibited in the Administration of the ARP/CSLFRF Award

To ensure compliance with Title VII of the Civil Rights Act of 1964, and Title 31 Code of Federal Regulations, Part 22, the Civil Rights Restoration Act of 1987, and other pertinent nondiscrimination authorities, the Town shall prohibit, at a minimum, the following practices in its administration of CSLFRF pursuant to the ARP/CSLFRF award:

1. Denying to a person any service, financial aid, or other program benefit without good cause; and
2. Providing to a person any service, financial aid, or another benefit which is different in quantity or quality, or is provided in a different manner, from that provided to others under the program; and
3. Subjecting a person to segregation or separate treatment in any matter related to the receipt of any service, financial aid, or other benefit under the program; and
4. Restricting a person in the enjoyment of any advantages, privileges, or other benefits enjoyed by others receiving any service, financial aid, or other benefit under the program; and
5. Treating a person differently from others in determining whether that person satisfies any admission, enrollment, quota, eligibility, membership, or other requirement or condition which persons must meet to be provided any service, financial aid, or other benefit provided under the program; and
6. Implementing different standards, criteria, or other requirements for admission, enrollment, or participation in planning, advisory, contractual, or other integral activities to the program; and
7. Adopting methods of administration which, directly or through contractual relationships, would defeat or substantially impair the accomplishment of effective nondiscrimination; and
8. Selecting a site or location of facilities with the purpose or effect of excluding persons from, denying them the benefits of, subjecting them to discrimination, or with the purpose or effect of defeating or substantially impairing the accomplishment of the objectives of Title VI or related acts and regulations; and
9. Discriminating against any person, either directly or through a contractual agreement, in any employment resulting from the program, a primary objective of which is to provide employment; and
10. Committing acts of intimidation or retaliation, including threatening, coercing, or discriminating against any individual for the purpose of interfering with any right or privilege secured by any pertinent nondiscrimination law, or because an individual made a complaint, testified, assisted, or participated in an investigation, proceeding, or hearing.

III. Reporting & Enforcement

1. The Town shall cooperate in any enforcement or compliance review activities by the Department of the Treasury. Enforcement may include investigation, arbitration, mediation, litigation, and monitoring of any settlement agreements that may result from these actions. The Town shall comply with information requests, on-site compliance reviews, and reporting requirements.
2. The Town shall maintain a complaint log and inform the Treasury of any complaints of discrimination on the grounds of race, color, or national origin (including limited English proficiency covered by Title VI of the Civil Rights Act of 1964 and implementing regulations and provide, upon request, a list of all such reviews or proceedings based on the complaint, whether pending or completed, including the outcome. The Town shall inform the Treasury if it has received no complaints under Title VI.
3. Any person who believes they have been aggrieved by a discriminatory practice under Title VI has a right to file a formal complaint with the Treasury. Any such complaint must be in writing and filed with the Treasury's Title VI Coordinator within one hundred eighty (180) days following the date of the alleged discriminatory occurrence.
4. Any person who believes that because of that person's race, color, national origin, limited English proficiency, familial status, sex, age, religion, or disability that he/she/they have been discriminated against or unfairly treated by Town in violation of this policy should contact the following office within 180 days from the date of the alleged discriminatory occurrence:

Andrew Grant
Town Manager
Town of Cornelius
21445 Catawba Ave.
PO Box 399
Cornelius, NC 28031
(704) 892-6031
AGrant@Cornelius.org

Andrew Grant, Town Manager

Date

Adopted this 20th day of June 2022.

Exhibit E

Town of Cornelius Record Retention Policy: Documents Created or Maintained Pursuant to the ARP/CSLFRF Award

Retention of Records: The Coronavirus Local Fiscal Recovery Funds (“CSLFRF”) Award Terms and Conditions and the Compliance and Reporting Guidance set forth the U.S. Department of Treasury’s (“Treasury”) record retention requirements for the ARP/CSLFRF award.

It is the policy of the Town of Cornelius (“Town”) to follow Treasury’s record retention requirements as it expends CSLFRF pursuant to the APR/CSLFRF award. Accordingly, the Town shall:

- Retain all financial and programmatic records related to the use and expenditure of CSLFRF pursuant to the ARP/CSLFRF award for a period of five (5) years after all CLFRF funds have been expended or returned to Treasury, whichever is later.
- Retain records for real property and equipment acquired with CSLFRF for five years after final disposition.
- Ensure that the financial and programmatic records retained sufficiently evidence compliance with section 603(c) of the Social Security Act “ARPA,” Treasury’s regulations implementing that section, and guidance issued by Treasury regarding the foregoing.
- Allow the Treasury Office of Inspector General and the Government Accountability Office, or their authorized representatives, the right of timely and unrestricted access to any records for the purpose of audits or other investigations.
- If any litigation, claim, or audit is started before the expiration of the 5-year period, the records will be retained until all litigation, claims, or audit findings involving the records have been resolved.

Covered Records: For purposes of this policy, records are information, regardless of physical form or characteristics, that are created, received, or retained that evidence the Town’s expenditure of CSLFRF funds on eligible projects, programs, or activities pursuant to the ARP/CSLFRF award.

Records that shall be retained pursuant to this policy include, but are not limited to, the following:

- Financial statements and accounting records evidencing expenditures of CSLFRF for eligible projects, programs, or activities; and
- Documentation of rationale to support a particular expenditure of CSLFRF (e.g., expenditure constitutes a general government service); and
- Documentation of administrative costs charged to the ARP/CSLFRF award; and
- Procurement documents evidencing the significant history of a procurement, including, at a minimum, the rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for contract cost or price; and
- Subaward agreements and documentation of subrecipient monitoring; and
- Documentation evidencing compliance with the Uniform Guidance property management standards set forth in 2 C.F.R. §§ 200.310-316 and 200.329; and
- Personnel and payroll records for full-time and part-time employees compensated with CSLFRF, including time and effort reports; and
- Indirect cost rate proposals.

Storage: The Town's records must be stored in a safe, secure, and accessible manner. Wherever practicable, such records should be collected, transmitted, and stored in open and machine-readable formats.

Departmental Responsibilities: Any department or unit of the Town and its employees, who are responsible for creating or maintaining the covered documents in this policy shall comply with the terms of this policy. Failure to do so may subject the Town to civil and/or criminal liability. Any employee who fails to comply with the record retention requirements set forth herein may be subject to disciplinary sanctions, including suspension or termination.

The Town Manager or his designee is responsible for identifying the documents that the Town must or should retain and arrange for the proper storage and retrieval of records. The Town Manager shall also ensure that all personnel subject to the terms of this policy are aware of the record retention requirements set forth herein.

Reporting Policy Violations: The Town is committed to enforcing this policy as it applies to all forms of records. Any employee that suspects the terms of this policy have been violated shall report the incident immediately to that employee's supervisor. If an employee is not comfortable bringing the matter up with the supervisor, the employee may bring the matter to the attention of the Director of Human Resources. The Town prohibits, any form of discipline, reprisal, intimidation, or retaliation for reporting incidents of inappropriate conduct of any kind, pursuing any record destruction claim, or cooperating in related investigations.

Questions About the Policy: Any questions about this policy should be referred to the Town Manager, who is in charge of administering, enforcing, and updating this policy.

Adopted this 20th day of June 2022.

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 20, 2022

To: Mayor and Board of Commissioners

From: Andrew Grant, Town Manager

Action Requested:

Approve a Resolution to cancel the first regular meeting in July in observance of Independence Day (July 4th) holiday week and amend the regular meetings calendar to reflect the cancellation.

Manager's Recommendation:

Approve a Resolution amending the 2022 Town Board meeting calendar.

ATTACHMENTS:

Name:	Description:	Type:
 6.20.22.pdf	July Meeting Cancellation	Resolution Letter

**RESOLUTION TO CANCEL
THE BOARD OF COMMISSIONERS
FIRST MEETING DATE IN JULY AND
AMEND THE REGULAR MEETING CALENDAR**

WHEREAS, General Statute 160A-71 requires a Board to fix a time and place for regular meetings; and

WHEREAS, General Statute 143-318.12(a) requires the Board of Commissioners' schedule of regular meetings to be kept on file with the Town Clerk; and

WHEREAS, July 4th is a nationally recognized holiday in the United States celebrating our country's freedom; and

WHEREAS, it has been customary by the Town Board of Commissioners to observe this holiday week; and

WHEREAS, the Town Board of Commissions is desirous of cancelling the first Board of Commissioner's meeting in July because of the holiday week.

NOW, THEREFORE, LET IT BE RESOLVED that the Board of Commissioners of the Town of Cornelius hereby revises its schedule of regular meetings for 2022 in cancelling their first regular meeting in July as shown on *Exhibit A* attached hereto.

Adopted this the 20th day of June 2022.

SEAL

Woody Washam, Jr., Mayor

ATTEST:

Lori A. Harrell, Town Clerk

Town Attorney

Town Board Calendar of Meetings 2022

Exhibit A

January						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

April						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

July						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

October						
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16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

February						
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6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28					

May						
S	M	T	W	T	F	S
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8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

August						
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7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

November						
S	M	T	W	T	F	S
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13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

March						
S	M	T	W	T	F	S
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13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

June						
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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

September						
S	M	T	W	T	F	S
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11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

December						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Adopted 12/6/21

Amended 6/20/22

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 20, 2022

To: Mayor and Board of Commissioners

From: Julie Niswonger, Finance Director



Action Requested:

Please find the attached two lists of proposed refunds based upon the information received from the County Assessor. The lists are necessary as a result of value adjustments as performed by the Mecklenburg County Assessor and/or Board of Equalization and Review and corrections as determined by the Mecklenburg County Assessor. Those refunds total = \$106.66 (tax) + \$1.36 (interest) = \$108.02. The refunds range in value from \$8.94 to \$31.46. As required by Statute, please approve refunds. There are no Board member refunds in this group.

Manager's Recommendation:

Approve tax refunds.

ATTACHMENTS:

Name:	Description:	Type:
 62122T1_Cornelius_no_interest_refunds_2022_02_21.pdf	County List #1	Cover Memo
 62122T3_Cornelius_with_interest_refunds_2022_03_15.pdf	County List #2	Cover Memo

Tax Year	Bill Number	Source Type	Adj #	Adj Reason	Date of Adj.	Refund Recipient Name	Refund Amount (\$)
2019	0008136548-2019-2019-0000-00	IND	601968	Over Assessment	2/17/2022	JACOBUS, CAROL RAE	\$ 31.46
2020	0008136548-2020-2020-0000-00	IND	601967	Over Assessment	2/17/2022	JACOBUS, CAROL RAE	\$ 21.76
2021	0008136548-2021-2021-0000-00	IND	601934	Over Assessment	2/17/2022	JACOBUS, CAROLE RAE	\$ 21.33
							\$ 74.55

Tax Year	Bill Number	Source Type	Adj #	Adj Reason	Date of Adj.	Refund Recipient Name	Payment Date for Interest Calculation	Refund	Interest
2021	0008074519-2021-2021-0000-00	IND	602247	BER Decision	3/3/2022	BOURSSE, PIERRE G	1/6/2022	\$ 23.17	\$ 0.98
2021	0008204399-2021-2021-0000-00	IND	602246	BER Decision	2/28/2022	MOLLER, JENS STIG	1/6/2022	\$ 8.94	\$ 0.38
TOTAL								\$ 32.11	\$ 1.36
TOTAL WITH INTEREST								\$ 33.47	

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 20, 2022

To: Mayor and Board of Commissioners

From: Lori Harrell, Town Clerk

Action Requested:

Review the minutes from June 6th - Closed Session.

Manager's Recommendation:

Approve minutes.

ATTACHMENTS:

Name:	Description:	Type:
 06-06-22_Closed_Session.pdf	Closed Session	Backup Material

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 20, 2022

To: Mayor and Board of Commissioners

From: Lori Harrell, Town Clerk

Action Requested:

Review the minutes from June 6 - Regular Meeting.

Manager's Recommendation:

Approve minutes.

ATTACHMENTS:

Name:	Description:	Type:
 06-06-22_Regular_Meeting.pdf	Regular Meeting Minutes	Backup Material



BOARD OF COMMISSIONERS

June 6, 2022
MINUTES

PRE-MEETING – 4:30PM

❖ Agenda Review

Manager Grant gave an overview of the 6PM agenda.

❖ Closed Session

Mayor Washam called for a motion to go into Closed Session.

Commissioner Bilodeau made a motion to go into Closed Session pursuant to NCGS 143-318.11(a)(3) at 4:44PM. Commissioner Furcht seconded the motion and it passed unanimously, 5-0. Commissioner Gilroy joined via Zoom.

Upon return from Closed Session at 5:11PM, the Board continued with the Pre-meeting topics.

❖ Bailey's Glen Condos Agreement for Park Amenities

Deputy Manager Herron gave an overview of the Bailey's Glen condos rezoning that was approved December 14, 2014. The rezoning approved 132 condominium units, 220 parking spaces, a pool, and other amenities with conditions. He outlined condition 5a regarding future amenities at Bailey Road Park to be constructed, bonded or a payment in lieu provided prior to the construction document approval, and condition 5d to remove the public street connection between the development and the park but retain the multi-use pedestrian connection. Deputy Manager Herron explained that the applicant claims that he had an agreement with the Town to provide \$250K payment in lieu of for Condition 5a; however, current staff does not know how that agreement originated. Staff has requested detail of all costs incurred by the applicant with regards to engineering services. The applicant has agreed to construct the multi-purpose path, but it will not be built to handle emergency traffic and staff has agreed with the applicant on this amendment due to the existing road network and the excessive clearing and grading that would occur in the park.

Deputy Manager Herron asked the Board if the \$250K payment in lieu was an acceptable term to negotiate for Condition 5a and if the multi-purpose path could be constructed without accommodating emergency vehicles. The Board consensus was to allow the amendment to Condition 5d and directed staff to have further conversations with the developer and attempt to locate documentation that validates the developer's stance.

❖ FY2023 Budget Update

Manager Grant updated the Board on the FY23 recommended \$33.1M budget with a 23.2 cents per \$100 assessed value tax rate and highlighted the items of particular importance.

❖ NCDOT Projects Status Discussion

Deputy Manager Herron provided an update on new cost estimates received from NCDOT for various transportation projects that will impact the Town. He stated that staff does not recommend moving forward with project U-5906 (Torrence Chapel triple roundabouts) and have it rescored in the future (P8.0).

Commissioner Bilodeau stated that during conversations at CRTPO there has been a lot of talk about negotiating with NCDOT for top priority projects if other projects were foregone. In speaking with Rep. Bradford, there's not a lot of hope for IJA funds but there is \$7B sitting in a state fund that could be made available to help cover the gap funding for transportation projects.

Mayor Washam stated he has heard from Sen. Sawyer that the legislation to supplement the Highway Trust Fund is real and will most likely happen to divert a percentage of the sales tax over to the Highway Trust Fund as the current formula is unsustainable.

Commissioner Osborne asked what the penalty was for pulling out of the project later. Deputy Manager Herron explained that if the Town commits right now then it is on the hook for whatever is spent to pulling the plug, which could result in paying several million.

The Board consensus is to withdraw from NCDOT Municipal Agreement which will limit Cornelius' financial exposure.

REGULAR MEETING – 6:00PM

1. CALL TO ORDER

Mayor Washam called the meeting to order at 6:10PM.

2. DETERMINATION OF QUORUM

All commissioners were present with the exception of Commissioner Gilroy who joined via Zoom.

3. APPROVAL OF AGENDA

*Commissioner Osborne made a motion to approve the agenda as presented.
Commissioner Furcht seconded the motion and it passed unanimously, 5-0.*

4. MOMENT OF SILENCE AND PLEDGE OF ALLEGIANCE

Don Rainey led the pledge after a moment of silence was observed.

5. RULES FOR PUBLIC HEARINGS AND PUBLIC COMMENTS

A. Adopted Rules

Mayor Washam gave an overview of the adopted rules for public hearings and public comments.

6. CITIZEN CONCERNS/COMMENTS

Terry Maher – 10065 Switchyard Drive, thanked everyone who supported the Boesmillier Family fundraiser held on May 22nd at Eleven Lakes Brewery. He spoke about Senate Bill 779 sponsored by Sen. Natasha Marcus to appropriate \$150K to the Nicholas School

of the Environment at Duke University to study the potential causes of and solutions for abating ocular melanoma in northern Mecklenburg County and urged the Board to support the Bill and consider matching the funding.

Dawne Kakitsis – 21226 Norman Shores Drive, expressed her support for the Smithville Revitalization Plan and the Town’s funding support it has pledged.

7. PRESENTATIONS

A. Officer Recognition

Manager Grant introduced Officer Jessica Fail who joined the Cornelius Police Department on May 16, 2022.

B. Top Deck – UTV

Don Rainey with Top Deck Foundation and Brad Keselowski with Checkered Flag Foundation presented their UTV contribution to the Cornelius Police Department. Chief Black thanked the foundations for their support for the police department.

8. PUBLIC HEARING AND CONSIDERATION OF APPROVAL

A. FY2023 Operating Budget and Tax Rate

Mayor Washam called for a motion to reconvene the FY23 Budget public hearing.

Commissioner Furcht made a motion to reconvene the public hearing. Commissioner Sansbury seconded the motion and it passed unanimously, 5-0.

Manager Grant gave an overview of the ARP and budget survey results received to date, as well as a brief overview of his FY23 recommended \$33.1M budget with a 23.2 cent per \$100 assessed value tax rate and highlighted the items of particular importance.

Mayor Washam invited the public to speak, and the following comments were made:

Lin Snowa – 9133 Robbins Preserve Road, expressed his support of the FY23 operating budget and tax rate as presented by Manager Grant.

There being no further public comments, Mayor Washam called for a motion to close the public hearing.

Commissioner Bilodeau made a motion to close the public hearing. Commissioner Furcht seconded the motion and it passed unanimously, 5-0.

Commissioner Furcht stated that the Board has spent a lot of time discussing the budget over the past several months, received feedback from the community, and the process has not been taken lightly. He supports the recommended budget that takes care of fire, police, town employees, roads, and parks.

Commissioner Sansbury stated that the budget process has been an interesting journey for each commissioner. The recent survey results shows the majority of respondents prefer to pay for projects upfront and the FY23 budget shows that the

Town is being proactive in its budgetary planning for what's coming in the future. He supports the FY23 budget and tax rate as presented.

Commissioner Osborne referenced the survey results and preparing to pay for the projects that the Town has already committed to. The longer the Town waits to pay for projects, the more expensive those project costs become. The 20% increase in salaries, although it's a big increase, still does not catch up with our neighboring towns. He supports the FY23 budget and tax rate as presented.

Commissioner Bilodeau thanked staff for putting together a good budget and his fellow commissioners and citizens for their input; however, he does not support the 1 cent tax increase. He stated that he likes the budget but does not believe that enough has gone in for police and fire and believes the fund balance contributions over the last 4 years (\$15M) should be used instead of raising taxes during a time when gas prices are soaring, and inflation is at an all-time high.

Commissioner Gilroy thanked the management team for their efforts in preparing the budget, agreed with Commissioner Bilodeau's comments, and stated that he will not be in support of the proposed budget. The spending increases in one year go beyond what a disciplined financial management requires as fiduciaries. He represents the average taxpayer in a very tough year as they struggle with inflation, therefore, a tax increase is not necessary.

Mayor Washam thanked staff for a stellar year in the budget process with a new Board that took the process very seriously and truly wanted to listen to the citizens. No one likes tax increases; however, this stuff is not free and there's a long way to go in getting the Town in a place that the community deserves. It is time to prepare for what is coming in capital needs even with an unknown economy and inflation out of control, therefore, he supports the proposed FY23 budget and tax rate.

Commissioner Furcht made a motion to approve Ordinance #2022-00791 establishing the FY2023 operating budget and setting the tax rate at 23.2 cents per \$100 assessed value. Commissioner Osborne seconded the motion and it passed 3-2, Commissioners Bilodeau and Gilroy were opposed.

Ordinance #2022-00791 is hereby made part of the minutes by reference.

9. CONSIDERATION OF APPROVAL

A. FY2023 Operating Budget Amendment

Finance Director Niswonger gave an overview of the budget amendment allocating \$25K to the Ada Jenkins Center.

Attorney Wolter stated that Commissioner Gilroy is recused from this item as he is a board member on the Ada Jenkins Board and should not vote.

Commissioner Sansbury made a motion to approve Ordinance #2022-00792 to amend the FY2023 operating budget as presented. Commissioner Furcht seconded the motion and it passed 3-1, Commissioner Bilodeau was opposed.

Ordinance #2022-00792 is hereby made part of the minutes by reference.

B. ARP/CSLFRF Grant Project Ordinance Amendment

Finance Director Niswonger gave an overview of the project ordinance amendment to transfer the \$4,821,414 from the Grant Project Fund to the General Fund.

Commissioner Osborne made a motion to approve Ordinance 2022-00793 amending the ARP/CSLFRF Grant Project Ordinance as presented. Commissioner Sansbury seconded the motion and it passed unanimously, 5-0.

Ordinance #2022-00793 is hereby made part of the minutes by reference.

C. Offer to Purchase Contract – Town Property

Deputy Manager Herron gave an overview of the \$8K offer to purchase made by Robinson Lewis Properties LLC, for +/- 3,500sqft. of town-owned land located at 18936 Statesville Road so that they can expand their business parking at 18820 Statesville Road. He outlined the upset bid process that will take place as part of the process.

Commissioner Bilodeau made a motion to approve Resolution #2022-01057 accepting the offer to purchase and start the upset bid process. Commissioner Sansbury seconded the motion and it passed unanimously, 5-0.

Resolution #2022-01057 is hereby made part of the minutes by reference.

D. Street Acceptance – Bailey Springs

Asst. Manager Beardsley gave an overview of the street acceptance request for Potts Plantation Circle in Bailey Springs along with staff conditions to consider.

Commissioner Bilodeau asked if TAB has made a recommendation. Deputy Manager Herron explained that the conditions had not been developed prior to the TAB meeting; however, TAB recommended approving the street acceptance and supported whatever conditions staff came up with. Asst. Manager Beardsley stated that the HOA's reasoning for the speed bumps is related to the Hough High School traffic in their neighborhood.

Commissioner Furcht asked if there was a precedent being set for communities installing speed bumps of their own and then asking the Town to accept their streets. Asst. Manager Beardsley stated that in his 12-years with the Town no community has installed speed bumps on their own.

Commissioner Sansbury asked if the HOA has agreed to the staff conditions. Asst. Manager Beardsley stated that they have agreed to the conditions.

Mayor Washam called for a motion to approve a Resolution accepting Potts Plantation Circle in Baileys Spring with the presented conditions. There being no motion, Commissioner Bilodeau recommended an amended motion to approve the

street acceptance without the staff conditions. There being no second, the motion failed.

Commissioner Sansbury asked if there was an option of removing the speed bumps for the street to be accepted. Asst. Manager Beardsley stated that is possible but it most likely will cost more to remove them than maintain them. Commissioner Bilodeau stated that all but one neighbor was in favor of keeping the speed bumps. Manager Grant stated that staff sympathizes with the neighborhood's reasoning for installing the speed bumps but allowing this street acceptance will set a precedence. Manager Grant stated that staff cannot recommend acceptance since it is not compliant with Town policies. Attorney Wolter added that if the Board chooses to accept the street with the speed bumps, the Town can also choose to remove them at the time of which the street would need repairs.

Commissioner Furcht stated that he will only support the street acceptance if the speed bumps were removed before the vote.

Commissioner Sansbury made a motion to approve Resolution #2022-01058 accepting Potts Plantation Circle with staff conditions as presented. Commissioner Bilodeau seconded the motion and it passed 3-2, Commissioners Furcht and Osborne were opposed.

Resolution #2022-01058 is hereby made part of the minutes by reference.

E. Award Installment Financing

Finance Director Niswonger gave an overview of the bid process to finance construction of 3 parking lots that were approved in the FY22 budget. The response from Truist Bank is the low bid for a 3-year term at 2.86% with no prepayment penalty.

Commissioner Furcht made a motion to approve Resolution #2022-01059 authorizing the financing terms presented and authorizing the Town Manager, Attorney and Finance Director to finalize the terms and conditions. Commissioner Osborne seconded the motion and it passed unanimously, 5-0.

Resolution #2022-01059 is hereby made part of the minutes by reference.

10. NEW BUSINESS

A. Temporary Sign Regulation and Policy

Deputy Manager Herron gave an overview of the Town regulations and policy for temporary signs that are allowed due to hardship created by the pandemic. The consensus of the Board is to allow the temporary signs at least through 2022, and to reassess this fall if an extension is warranted. Commissioner Sansbury asked if the "flipper" signs were permitted. Deputy Manager Herron stated that they are not allowed. Commissioner Gilroy asked if the Town is ever going to crack down on the "For Lease" signs that have become permanent in many areas throughout Town. Deputy Manager Herron explained that they are allowed by the *Code* and staff does follow up with the commercial building owners to ensure that space is still available.

If there is nothing available, the signs are to be removed. Deputy Manager Herron stated that LDCAB can take another look at these types of signs.

11. CONSENT AGENDA

- A. Approve Minutes – Special Meeting – Mar. 30th (Budget Workshop) (Approved 5-0)
- B. Approve Minutes – Closed Session – Mar. 31st (Budget Workshop) (Approved 5-0)
- C. Approve Minutes – Regular Meeting – May 16th (Approved 5-0)

*Commissioner Furcht made a motion to approve the Consent Agenda as presented.
Commissioner Osborne seconded the motion and it passed unanimously, 5-0.*

12. MAYOR/COMMISSIONER/MANAGER REPORTS

Commissioner Bilodeau reported on the following:

- CRTPO has growing concerns of NCDOT's \$8B shortfall on their commitments. He encouraged the Board to look at all the Town's projects that are competing against others around the state and inform NCDOT of the Town's absolute first priority, which he suggested as Exit 27 as the top priority followed by West Catawba Avenue, Phase 2.

Commissioner Sansbury reported on the following:

- Attended the Memorial Day celebration and thanked staff for their efforts.
- Encouraged citizens to participate in the monthly Connecting Cornelius morning events.
- Encouraged citizens to use the Town's website as an information tool.

Commissioner Furcht reported on the following:

- Parks & Recreation will hold adult movie night on June 11th at Smithville Park featuring The Breakfast Club. Dress as your favorite movie character.
- Symphony in the Park will be held on June 18th at Bailey Road Park (6PM-10PM).
- VLN updates – Nick Jelliff and Taylor Perry recently joined the VLN team as summer interns. The USTA NC 18+ tennis championships will be held June 16th-19th at various courts in the area (1,000 tennis players will be competing).

Manager Grant reported on the following:

- ARPA survey #2 will be open until the end of June and three in-person sessions will be held so residents can receive assistance with paper copies of the survey: June 7th – First Baptist Church (9:30AM-12:30PM); June 13th – First Baptist Church (6:00PM-7:30PM); and June 23rd – Neighborhood Care Center (11:30AM-2:30PM).
- Smithville Revitalization Plan – a public meeting will be held on June 7th in the Community Room of Town Hall (5:00PM-7:00PM).
- Outdoor Cinema Series – Adult night on June 11th at Smithville Park (6:30PM) featuring The Breakfast Club.
- Symphony in the Park and fireworks will be held on June 18th (6PM-10PM).
- Connecting Cornelius – July events have been cancelled. The next morning event will be on Aug. 1st (8:30AM) at H2 Public House.

Mayor Washam reported on the following:

- Attended Jazz Fest and the Little Library dedication on May 21st.
- Attended the LNEDEC meeting featuring Sen. Thom Tillis.

13. COMMISSIONER CONCERNS

No concerns were expressed.

14. ADJOURNMENT

There being no further business to discuss, Commissioner Bilodeau made a motion to adjourn at 7:52PM. Commissioner Osborne seconded the motion and it passed unanimously, 5-0.

Approved this 20th day of June 2022.

ATTEST:

David Gilroy, Mayor Pro-Tem

Lori A. Harrell, Town Clerk