LEGACY DECATUR BOARD MEETING

THURSDAY, MAY 22, 2025

5:00 P.M.

AUDITORIUM AT LEGACY PARK

1. CALL TO ORDER
2. REVIEW AND APPROVAL OF MEETING MINUTES FROM MARCH 27, 2025.
3. ACTION ITEMS

a. Discussion of Fiscal Agent Funds and Reclassification to Fiscal Sponsorships or Legacy Decatur Programs.

Legacy Decatur is the fiscal agent for twelve grassroot organizations. As a fiscal agent, Legacy Decatur offers administrative services to the organization but not its tax-exempt status. If funds were to reclassify as fiscal sponsorships, Legacy Decatur could extend the tax-exempt status to make donations to these funds tax deductible. This relationship does require Legacy Decatur to have complete oversight, discretion, and control over the funds. With approval from the Board, staff would work with a tax attorney to ensure full compliance with the Legacy Decatur IRS 501c3 status. **Approve staff to offer fiscal agent fund committees the option to become fiscal sponsorship funds, accompanied by a new contract written by a tax attorney to ensure best practices.**

b. Approve staff to transfer an additional $100,000 into the Capital One Business High Yield Savings Account.

Currently, Legacy Decatur holds approximately $400,000 in the business checking account with SouthState. Fiscal agent funds represent approximately $45,000 of those funds. The Board has already authorized the transfer of $100,000 into the Capital One high yields savings account. Investing another $100,000 would allow high interest accrual while leaving approximately $155,000 of Legacy Decatur's funds in the checking account. **Approve staff to transfer an additional $100,000 into the Capital One Business High Yield Savings Account.**

4. PROJECT UPDATES

- $54 for 54 Campaign
- 2025 Community Day
- May Truckin' Tuesday
- Creative Village
- Decatur Housing Authority
- Sidewalk Construction

5. Adjourn

Minutes
Legacy Decatur Board
Business Meeting – March 27, 2025

The meeting was posted and open to the public. Board members attending: Board Chair Tony Powers, Vice Chair Laurie Schwartz, Treasurer Peggy Merriss, Secretary Andrea Arnold, Mark Arnold, Mayor Patti Garrett, Ed Bowen, Paul Mitchell, Mark Ethun, and Brian Smith. Allen Mast joined virtually via Zoom. Staff attending: Madeleine Henner and Dymond Fogg. Zoe Seiler from Decaturish was also present.

The meeting was called to order by Board Chair Tony Powers. The Chair requested a motion to approve the minutes of the January 23, 2025 board meeting. Andrea Arnold made a motion with a second from Peggy Merriss. The Chair abstained from the vote since he was not present, all other board members present voted aye, and the minutes of the January 23, 2025 board meeting were approved as presented. Paul Mitchell joined after the board minutes were approved.

Madeleine Henner recommended the approval of a resolution certifying the purpose of the December 5, 2024 executive session and authorizing the Chair to execute an affidavit. Henner confirmed that the Chair and Andrea Arnold would sign the resolution, and the Chair would sign the affidavit. Peggy Merriss made a motion to approve a resolution certifying the purpose of the December 5, 2024 executive session and authorizing the Chair to execute an affidavit with a second from Mark Arnold, and all present members voted aye.

Andrea Arnold made a motion to amend the agenda to add Action Item 3b: Presentation and approval of the Executive Director's performance evaluation and compensation increase. Brian Smith joined the meeting during the board discussion. Andrea Arnold outlined the evaluation process used by the governance committee to assess Henner's performance. Based on the positive evaluation, it was recommended that Henner's compensation be adjusted from $74,000 to $79,920, effective retroactively to January 1, 2025. Andrea Arnold made a motion to approve the Executive Director's compensation increase to $79,920 with a second from Peggy Merriss, and all present members voted aye.

Madeleine Henner and Dymond Fogg discussed additional business including project updates on the track and field ribbon cutting ceremony, Creative Village, Kerr Cottage demolition, Piedmont Park Conservancy learning journey, and Legacy Community Day featuring the ESB Earth Day Festival.

The meeting was adjourned by Board Chair Tony Powers.

MEMORANDUM

TO: LEGACY DECATUR BOARD

FROM: MADELEINE HENNER

RE: FISCAL AGENT FUND RECLASSIFICATION TO FISCAL SPONSORSHIPS

DATE: MAY 22, 2025

Legacy Decatur is the fiscal agent for the following grassroot funds:

- Dog Park Improvements
- Friends of the Decatur Cemetery
- John Lewis Tribute Fund
- LPARC
- Master Garden Fund for the Moore Chapel Garden
- Season of Giving
- UMCH Alumni
- Waddell Park Maintenance
- Decatur Beer Festival (SUDS)
- Decatur Bicentennial
- Decatur International Festival
- Beacon Concerts

Legacy Decatur has already instituted many of the compliance requirements of fiscal sponsorships. Legacy Decatur staff review receipts and reimbursement requests to ensure expenditures are within the mission of the sponsored project. The fiscal agent funds are included in our annual third-party audit and reviewed by a licensed accountant.

These grassroot funds all fall within the mission of Legacy Decatur:

> We grow programs, partnerships, and resources that create and support a positive legacy for Decatur. Our efforts are particularly focused on community-building, environmental stewardship, and inclusive housing — and on supporting grassroots groups whose own efforts align with ours.

Any reclassifications would require a new fiscal sponsorship agreement that clearly outlines the Legacy Decatur's discretion and control of the funds, required reporting, and budgeting process. A tax attorney will assist in writing the new contracts and reporting policies to ensure that we are complying with the best practices for fiscal sponsorships.

If funds choose to remain fiscal agent funds, they will not be permitted to use the Legacy Decatur tax-exempt status or have donations to their organization be tax-deductible.

MEMORANDUM

TO: LEGACY DECATUR BOARD

FROM: MADELEINE HENNER

RE: AUTHORIZE AN ADDITIONAL $100,000 TO BE INVESTED IN THE CAPITAL ONE HIGH YIELD SAVINGS ACCOUNT

DATE: MAY 22, 2025

Currently, Legacy Decatur holds approximately $400,000 in the business checking account with SouthState. Fiscal agent funds represent approximately $45,000 of those funds. The Board has already authorized the transfer of $100,000 into the Capital One high yields savings account. Investing another $100,000 would allow high interest accrual while leaving approximately $155,000 of Legacy Decatur's funds in the checking account to cover monthly expenses.

The Legacy Decatur Board approved $100,000 to be invested into a High Yield Savings account in March 2024. Due to a miscommunication between SouthState Bank and Capital One, those funds were transferred back to Legacy Decatur with the interest it accrued in 2024. Capital One resolved the issue this week, and Legacy Decatur staff initiated a $100,000 transfer back into the Capital One High Yield Savings account.

In a review of the revenue and expenses for all the funds held in the business checking account between April 2024 and March 2025, the net income ranges between -$32,678 and $29,269. Over the 12 month period, the total net income for the business checking account was approximately -$14,000.

If the $100,000 that will soon be transferred back to the Capital One account and the $45,000 representing the fiscal agent funds held in the business checking account are subtracted from the $400,000 total held in the account, Legacy Decatur holds approximately $255,000 in the SouthState account. Placing an additional $100,000 into the high yield Capital One account would allow that money to accrue interest while leaving approximately $155,000 in the checking account, more than covering the fluctuating monthly expenses.