

**Public Life Foundation of Owensboro
Report to the Board of Directors
By Rodney Berry, President**

First Quarter 2009

A divisive few months

To a great extent, the first quarter has been characterized by public outcry over the insurance tax increase adopted by city and county governments to finance the public project components of the downtown master plan. Tax increases are almost always controversial, but had officials taken time to communicate with the public, explain the options and their rationale in making various recommendations, the tone surely would have been more civil.

Several weeks after the vote, County Commissioner Bruce Kunze took the initiative to host a public meeting at the Masonville Fire Department to explain the plan, reasons for his support of the tax increase and more. Some in attendance were not convinced, but the dialogue was respectful and healthy.

Prior to that meeting, rhetoric has been so hostile that several officials have been threatened and do not plan to run for re-election. Opponents of the tax increase may run as a slate to “take back our city and county government.” The brouhaha underscores the cynicism and distrust that exists between the public and officials elected to serve them.

Nonetheless, the downtown plan (and tax increase to finance it) appears to have considerable support. The plan was endorsed by numerous community organizations and not one organization has come out against it.

Meanwhile, many other activities have been occurring at the foundation and through citizen initiatives we support.

INFORMATION

Public Life Advocate

Published this quarter:

- Financing the downtown master plan: analyzing the options (issue brief-discussion guide)
- Top 10 issues to track in 2009
- National civic engagement initiative
- Integrating civic engagement into community decision making

- *AmericaSpeaks* founder to speak in Owensboro
- “We the People” Update
- 2008 Annual Report
- Redeveloping the Executive Inn property: Assessing planning and financing options (issue brief-discussion guide)

Tax disparities and downtown plan

The foundation prepared a PowerPoint presentation on tax disparities in Owensboro-Daviess County, with a particular focus on incentives that favor suburban development that could impede the community goal of redeveloping downtown.

Freelance writing assignment

Steve Salerno is no longer available for a freelance writing project.

A conference call with Wendell Rawls is scheduled for April 23. Rawls is a journalism professor at Middle Tennessee State University. His numerous awards include a Pulitzer Prize.

Openness and Transparency

Citizens for Good Government, a group that emerged from the “We the People” Town Meeting, will make a presentation on openness and transparency to city and county officials on April 14 and 16 respectively. This will include a proposal to sign an openness and transparency pledge.

Networking

During the first quarter, the foundation was represented/participated in activities of the following organizations:

Citizens Health Care Advocates
 Environmental Impact Council
 Healthy and Caring Community group
 Rotary Cub
 Chamber of Commerce – Rooster Booster, Legislative Forum
 Citizens for Good Government
 Daviess County Fiscal Court
 City of Owensboro
 We the People – Leadership Council, Executive Board, quarterly meetings, blog, general coaching of staff and action teams
 Healthy Horizons
 Region of Opportunity Team

Business and community leader focus group – tax disparities
City of Owensboro parks master plan
Kentucky Commission on Philanthropy
Education Alliance
Owensboro-Daviess County Regional Dental Clinic
Public forum advisory committee
Athena Awards
Coalition for the Poor
Downtown Development Commission
Citizens Committee on Education
Owensboro Area World Affairs Council – Samuelson dinner-lecture
K-PHREN
We Are Downtown
Leadership Kentucky
Cable TV Advisory Committee
Brescia University – graduate class in education
Kentucky Youth Advocates
Gheens Foundation
OCTC – Larry Miller
David Smith, former Deputy Judge-Executive
Fred Reeves
Riverfront groundbreaking
Masonville public meeting on downtown plan

DELIBERATION

Insurance tax

We offered to conduct one or more public forums on the downtown financing options (using our issue brief as a discussion guide), but officials decided to push forward with the insurance tax option.

There were four opportunities for public input on the proposal prior to the vote. City and county officials made several changes to the ordinance based on that input. Beyond that, it was apparent that officials had already made up their minds on the proposal.

While many citizens were critical (if not hostile) of the tax increase, others supported city and county officials for their vision and leadership in making unpopular decisions that they believed were in our community's best interest.

Tax disparities

We convened a meeting of business and community leaders to examine the implications of tax disparities on downtown development. There was a consensus to work toward reducing if not eliminating such disparities. In the meantime, incentives must be developed to encourage downtown and urban investment to offset the economic advantages of suburban development.

Statewide town meeting

We continue efforts to identify partners for one or more statewide town meetings on critical issues facing Kentucky, such as tax reform. Several foundations have expressed interest in sponsorships, but nothing is confirmed.

Executive Inn property

Now that the city has acquired the Executive Inn property, we may partner with other groups and host a public forum on issues surrounding the redevelopment of the property. Some decisions have already been made, but public participation is warranted.

Additional forums

We also plan a series of additional forums: OMHS plans for a new hospital, clean coal technology, and “How to speak to power effectively” are among the topics under consideration.

ACTION

“We the People”

Action teams formed following the “We the People” Town Meeting continue efforts toward community progress in education, community development, environment, health and social services and government.

Among the initiatives of citizens involved through “We the People”: curbside recycling, registration of K-CHIP eligible youth, downtown redevelopment, openness and transparency.

Carolyn Lukensmeyer, founder and CEO of *AmericaSpeaks*, presented an inspiring talk at the “We the People” quarterly meeting.

Center for Civic Engagement

Audubon Area Community Services will break ground on President's Place this summer. The project will include a 10,000s.f. community room that will house the Center for Civic Engagement – a concept we have been promoting since we phased out administrative support of several citizen groups. Still to work out: management and policy issues, purchase of furniture and equipment, staffing and operating support.

Dental Clinic

Renovation is underway on space in Mayfair Square for the new Owensboro-Daviess County Regional Dental Clinic. Nearly \$300,000 has been raised toward a \$350,000 goal.

Citizens Health Care Advocates

CHCA will soon release a position paper on universal health care.

Citizens Committee on Education

The CCE is developing a mentoring program, planning a scholarship fund through a utility bill "round-up" program, and focusing on ways to assist and encourage those with some college credit to complete their degree.

World Affairs Council

The council recently presented a public lecture by syndicated and *Newsweek* columnist Robert Samuelson. Samuelson specializes in economics and was on a book tour. Unfortunately, the only date the event could be scheduled was the week when colleges were on Spring Break, so few students benefited from the program.

Goodfellows Club

In addition to the annual Christmas party and the organization's important work done through the schools year-round, the Goodfellows Club has been a leading supporter of the dental clinic initiative.

PRIDE

The annual spring PRIDE Day will be held in April to coincide with Earth Day. PRIDE continues efforts to promote principles ranked high by citizens in workshops held several years ago: community entrances, green medians,

quality architecture, underground utilities and tree-lined streets, sign controls, and more.

Coalition for the Poor

The Coalition joined the Asset Building Coalition in opposing predatory lending practices, supporting free tax preparation, expanding the Earned Income Tax Credit, financial literacy programs and more.

ADMINISTRATION

Professional Development

Through the generous support of our founders and Calibre/Wachovia, a delegation from the foundation (John, Marjorie, Sally, Stewart, Bill and Rodney) participated in a conference on family philanthropy in Atlanta on April 1-3.

Sessions included: market/investment trends, expectations and implications on grantmaking, strategic/focused grantmaking and family communications.

Endowment

Despite a \$222,312 increase in our endowment accounts in March, our financial advisors-managers do not expect a quick rebound on the losses to our portfolio. Our total account value is currently \$5.8 million, down from a peak of \$9.4 million on October 31, 2007.

Operations

We are generally on budget through the first quarter. Exceptions include:

- Rex Robinson's painting from the Town Meeting \$2,500
John authorized the purchase in 2007 but Rex did not complete it until recently.
- Campus Vote Initiative (carried over from 2008) 2,000
- Postage machine – annual lease 500
- “We the People” initiative 8,969
 - Added costs for Lukensmeyer fee, travel, lodging
 - WTP planning fundraising campaign
 - John donated \$80,000 over two years for WTP, \$60,000 advanced in 2008 – balance carried forward is not reflected in this report

**Statement of Support/Revenues and Expenses
For the Period Jan 1, 2009 – Mar 31, 2009**

	<u>2009 Actual</u> <u>Jan 1-Mar 31</u>	<u>2009</u> <u>Budget</u>	
<u>SUPPORT & REVENUES</u>			
Donations			
Family	20,000	20,000	We the People pledge
Outside	200		We the People soliciting donations
3 rd Party Obligations	835		
Dividends & ST CAP Gains	26,967		
Interest	38,284		
Money Market Income	91		
Net Realized Gain/Loss	<u>(559,261)</u>		
Total Support and Revenues	(472,884)		
<u>EXPENSES</u>			
Administration			
Personnel (salary/wages, taxes, benefits)	65,269	261,079	Rodney, Kathy, Shelly
Operations			
Consulting Fees	0	3,000	Boeyink, Levy
Furniture/Equipment	0	4,000	
Insurance	0	2,600	worker's comp., D & O, general liability
Meetings and Travel	1,209	5,000	
Memberships/Subscriptions	971	3,000	newspapers, magazines, ASF, Rotary, etc.
Misc.	5,305	5,000	Robinson art (\$2,500) campus vote (\$2,000, 2008 carried over)
Postage	677	1,700	machine lease \$500/yr
Printing-Copying	305	800	Christmas cards, business cards
Professional Development	0	0	
Professional Fees	1,058	6,200	legal, accounting/payroll
Rent	4,410	17,640	lease
Repairs and Maintenance	0	700	copier, pest control, etc.
Supplies	466	3,200	
Taxes	0	0	
Technology	505	7,700	Knox, DSL, web hosting, etc.
Utilities	564	1,700	telephone
Projects/Programs			
<u>Information</u>			
Public Life Advocate	4,643	20,000	
<u>Dialogue & Deliberation</u>			
Panels, Forums, Presentations	129	5,000	
<u>Action</u>			
We the People	<u>8,969</u>	<u>10,000</u>	Lukensmeyer, fundraising, meetings
TOTAL	94,481	318,319	