

UNIVERSITY HEIGHTS CITY BEAUTIFUL CORPORATION MEETING MINUTES

August 2, 2023

I. Roll Call

The meeting was called to order by Mayor Brennan at 7:10 p.m.

Board Members present:	Michael Dylan Brennan	Michele Weiss
	Sheri Sax	Geoff Englebrecht (via Zoom)
	John Rach	Susan Drucker
	Shawn Belt	

Board Members absent:

Others Present: Deanna Bremer Fisher, Dennis Kennedy, Joe Gibbons

II. Approval of Minutes

March 15, 2023 - Ms. Weiss made a motion to approve the minutes. Mr. Brennan seconded. Mr. Rach and Ms. Drucker abstained. A voice vote was taken, and the ayes carried the vote.

III. Approval of Financials

Mr. Kennedy presented the financial statements prepared by Zupka & Assoc for the year ending Dec. 31, 2022 for board approval. The CIC is required to file as a component unit of the city. Mr. Kennedy stated that he had filed the financial statements with the state auditor. Once he received a verbal OK with an email confirmation to file the statements with the state. The bank balance reconciles to the financial statements. As of the end of year, the corporation's assets were \$75,675.

Ms. Drucker made a motion to approve the documents. Ms. Sax seconded. A voice vote was taken, and the ayes carried the vote.

Mr. Kennedy then presented the 990-EZ form for the year ending Dec. 31, 2022 and requested the board's authorization to file it with the IRS. The form was due May 15, 2023 to the IRS. Because the 2022 financial statements had not yet been approved, Mr. Kennedy filed for an extension.

Ms. Weiss requested a copy of the 990 before approving it. She was informed that the document was contained in the preparation documents for the meeting.

Ms. Weiss made a motion to authorize Mr. Kennedy to file the 990-EZ. Mr. Rach seconded.

Ms. Sax inquired about the reason the extension was needed: was it because the CIC did not have a meeting scheduled prior to the due date? Mr. Kennedy affirmed that that was the reason. She asked that the board be cognizant of that going forward.

A voice vote was taken, and the ayes carried the vote.

IV. Review of Bylaws

Mr. Gibbons presented an overview of the CIC's articles of incorporation, which were filed on Dec. 10, 2018. The organization's original name was University Heights Future. It was amended to be University Heights City Beautiful Corporation on March 22, 2019.

CICs came into being around 1965. Ohio Revised Code Section 1724.01.b1: Its purposes include "advancing, encouraging, and promoting the industrial, economic, commercial, and civic development of a community or area."

The powers of the corporation are found in Section 1724.02. For example, if a city acquires property and wants to redevelop it, municipal corporations have many restrictions. The CIC doesn't have as many restrictions. It can enter into an agreement with a developer; it doesn't have to sell to the highest bidder. The result is that you can have someone that the community feels will do a better job, even if they are not the highest bidder, and can have more input on terms. It is a way that the community can help control development.

The mission of the UH City Beautiful Corporation is to engage in beautification and economic development opportunities. It was passed and adopted in 2021. The code of regulations creates the organizational structure. Bylaws are the rules that govern the organization.

Article I, Section 1.1 talks about Members and Directors. The code states that there should not be less than three Members: the Mayor, Vice Mayor and Economic Development Director. There shall be seven Directors: the Members, plus two at-large Council Members, one citizen appointed by City Council, and one Director appointed by the Mayor, who is a City employee and who works in economic development, building, and/or housing.

Section 1.2- 1.5 talk about the powers, terms and procedures for the appointment of Directors. The term of the Members is while they are in office. The term for Council appointees was initially for two years, then there would be three-year terms.

Section 1.6 gives the Directors significantly broad powers.

Section 1.7 specifies who can sign checks.

Section 1.8 enables the President (Mayor) to spend up to \$1,000 without prior Board approval.

Section 1.9 talks about ex-officio Members – A majority of the Board can appoint any number of non-voting ex-officio Members

Section 1.10 talks about Members using “ordinary care” and “reasonable diligence” in performance of their duties and not being accountable for mistakes in judgement or any actions if they are done in good faith.

Sections 1.11 and 1.12 talk about taxes and records. Records are open to all Directors.

Article II covers meetings and voting rights.

Section 2.1 says that the place of meeting is 2300 Warrensville Center Road.

Section 2.2 says that there should be an annual meeting that is designated by the President and that the corporation should meet not less than quarterly. Special meetings are called by the President or by any two Directors.

Section 2.3 talks about how meetings must be noticed and that they are open to the public.

Section 2.4 is about quorum and adjournment. Majority of Directors constitutes a quorum. If one night there isn't a quorum, the only thing the Board can do is vote on adjournment.

Section 2.5 is regarding consent to meetings. Provided that proper notice is given, the transactions during any meeting are valid if a quorum is present and if before or after the meeting any Director not present gives a waiver of notice.

Section 2.6 talks about organization. The President is chair, the Vice President acts as chair if the President is not present.

Section 2.7 is regarding proxies. A Director by written proxy can authorize another person to vote for him or her.

Article III is Officers, Terms and Compensation. There's President, Vice President, Secretary and Treasurer that the Board appoints for two-year terms. There is majority vote. There is no compensation.

Article IV is Duties of the Officers. The President presides at meetings and executes documents. The President is an ex-officio member of all committees. Secretary keeps accurate records of proceedings and gives formal notices. The Treasurer submits a complete financial statement at each regular meeting.

Article V states you are required to maintain a policy regarding Identifying and enforcing conflict of interest.

Article VI, Purpose, states that the entity exists entirely for charitable purposes (501 (c)3), there are to be no political matters, and nothing is done purely for profit.

Article VII is the Order of Business. It states that a majority vote can change the agenda.

Article VIII, Fiscal Year, calls for end of the year to be December 31st.

Article IX, Amendment, states, that the regulations can be amended by majority vote of the Members.

Article X, Notices, discusses how a meeting can be noticed and formal notice can be waived.

Article XI, Indemnification, “Each Director, officer, and employee, or a former Director, officer, or employee, or any person who is serving or has served at the request of the corporation as a Director, officer, or employee of another Corporation, shall be indemnified by the corporation against expenses (including attorney fees), judgments, decrees, fines, penalties, or amounts paid in settlement reasonably incurred in connection with the defense of any pending or threatened or completed action, suit or proceeding, whether criminal, civil, investigative or administrative, to which he or she is or may be a party by reason of being or having been such Director, officer, or employee.”

This is a very good, strong and broad indemnification. However, it is conditioned by a few things. One is that there be an adjudication that determines that the person has not been negligent or guilty of misconduct in the performance of their duty, that they have acted in good faith and in best interests of the corporation, and that there is no reasonable cause to believe, if criminal action was involved, that their conduct was unlawful.

Mr. Rach asked how are officers selected? Mr. Gibbons stated that he didn’t see that delineated. That language could be added to make it clearer, but not everything has to be in the Code of Regulations. You can decide how you want to do it.

Ms. Weiss thanked him for the review. Mr. Gibbons stated that Directors could email him with any further questions.

Ms. Sax asked about the section of the bylaws that states that the corporation should meet not less than once per quarter. She stated that it would help to have a calendar of meetings, including meetings to meet financial deadlines. Special meetings could be called. She asked how to make that happen. Mr. Gibbons replied that he thought it made sense to set a date, and that if you couldn’t get a quorum for a particular date that you could change it. Ms. Drucker suggested that she make a motion.

Ms. Sax motioned to set quarterly meetings, Ms. Drucker seconded. A voice vote was taken, and the ayes carried the vote.

V. Old Business

None

VI. New Business

None

VII. Motion to Adjourn

Ms. Drucker made a motion to adjourn. Mr. Brennan seconded. A voice vote was taken. The ayes had it and the meeting adjourned at 7:36 p.m.