



PILLAR Institute for Lifelong Learning Annual Report 2017 - 2018

PILLAR Executive Director - Vickie Heffner

PILLAR Board of Directors - December 2018

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Capital Campaign and Renovation

Since our last annual report, we've been very busy completing a successful capital campaign and renovation. After leadership determined that we needed a space we could call our own, it took a year to find the right space. Our criteria included a space:

- Where we could have control over our own audiovisual equipment and heating and cooling.
- Where we wouldn't be dependent on other organization's whims.
- Where we could regain a sense of community among our participants.
- Where we had a space that was large enough for both the office and several classrooms
- Where there was plenty of parking, food, security, accessibility, and visibility.

After looking for over one year, we finally found it at the Chapel Hills Mall. In December of 2017, we signed a 5-year lease. We established a capital campaign of an \$80,000 goal. This figure was based on contractors giving us a rough estimate of what it would cost to refurbish the space and what would outfit the classroom and in less than one month we had 50% of the goal.

As part of the campaign, we established volunteer work groups. One of the groups packed the old office up, while another cleaned the new mall space, and then another group moved our stuff into our new space all before Christmas. We also hosted hard hat tours for our donors so they could see PILLAR's new home. The office staff worked hard to reopen the office by Monday January 8th for the start of the spring term and the classroom hosts got used to coming to the mall for the host bags and attendance sheets. All of the volunteers pulled together for the start of a new term in a new place.

Toward the end of January, we acquired for a low cost over 50 classroom chairs, office chairs, white boards, file cabinets, projection screens, and a large artificial plant for our new space from a call center going out of business. We sent out an emergency call for volunteers to come and help us transport them. The next step was to clean the chairs and another group of people came to do that. There were a few chairs that didn't make the grade, but at \$10 a chair we could afford to lose some.

In February 2018, we created a Renovation Oversight Committee to oversee the project and asked three contracting companies for their bids. We worked on a written scope of work for the project with two priorities.

1. Keeping the cost down.
2. The largest room that can be made out of the renovated space (non-office).

In March, the campaign hit 70% of our goal, which was where we had agreed at our last annual meeting that we would start the renovation. So the Oversight Committee choose Bryan Construction, mainly because Bryan was a large company with a good reputation in the community. In April, the contractor and architect came over to walk the space. Subcontractors came over to run more detailed renovation figures which were more than double the January figures. Unfortunately, timing-wise we fell into a construction boom but also the tariffs. Even though they weren't in place yet, some of the subcontractors were anticipating an increase in the cost of building supplies and their bid prices went up causing our renovation estimate to go up.

We went back and forth with the contractor, making some hard choices on what we could and couldn't afford and we negotiated the costs down. We cut out walls, doors, restrooms, and kept the classroom basic as possible. We offered to do the painting, tear out the carpet, and carry out the demoed materials ourselves. We found a cheaper flooring company to put down the flooring. After several months of negotiation, we finally got the price down to 2/3's of the estimate. By then the Oversight Committee felt that we couldn't cut anymore out of the project and it still be what we needed. So we had a renovation meeting to tell our membership what had happened. We showed the proposed floorplan and explained where we were financially. We had 70% of the renovation goal, but most of it would now be going to construction costs, not equipment or furnishings. In May, we signed the contract and we received our work schedule. We would start renovation in July due to the architect's busy schedule.

So to prep for the renovation, we have moved all of the host materials into a corner of the reception area and the computers into the office area so the contractor could work on demoing walls without us being in the way. We removed the cabinets out of the lab, put them up in the kitchen for more storage, and put the extra lab drawers into the office area. We took out everything out of the lab and the x-ray room, and fixed damaged light fixtures and ceiling tiles. We painted the reception area, kitchen, restroom, etc., removed the baseboard, and carpet ourselves to save money.

Renovation was to start on July 17th but we had a huge surprise as we received a call that it was to start two weeks early. We had to quickly move our belongings to a space down the corridor in the mall. The staff moved into the kitchen area. After 7 long months of securing a contractor, searching for architects, redrawing our floorplans to fit our budget, negotiating the proposed costs, and countless volunteer hours, we finally started our renovation in July.

Our first dumpster arrived and volunteers loaded the pre-demo trash that we have accumulated in the last 7 months into the dumpster. The contractor took down all of the doors and put them in a safe place so we could reuse them. This would save us money. They then put up a dust barrier for the office staff. They disconnected all of the water lines and plumbing. Next came the demo of the drywall and the metal framing which came off in 1 ½ days. Then the framers came in to frame our new walls and doors. The HVAC subcontractor came in and moved our vents higher so we could have a 10-foot ceiling in our classroom. The plumbing and electric then was roughed in. It was noisy in the office as they demoed and worked, but not as bad as we had imagined it would be. We kept the computers covered as best as we could from all of the dust. The office staff would go home feeling gritty, but no one complained.

By early August, the texture was sprayed on the walls and PILLAR closed for a day since it was such a messy job. Then we painted the remaining space. Painting the space ourselves saved us thousands of dollars. We only had to pay for the paint. After the painting was done, the lights in the big room were turned on and the ceiling went back in. The doors were also put back. Then everything stopped for the carpet to be put down.

Bryan Construction worked hard to stay to the contract price, but we needed safety things that weren't included in the contract, like crash doors and safety lights. So the budget shifted again as the renovation costs got slightly higher. We didn't have the money for the carpet or the tables and AV equipment, but we weighed that having them in place would finish the look of the renovation. To finish the renovation, the board approved withdrawing \$5000 from our saving reserve and the rest out of the operations account, which left us with 4 months of savings reserve.

The Grand Opening brought many new people into PILLAR. Some saw the ads or articles in the newspaper. Some walked by PILLAR and stopped in for a tour. Membership jumped by 20% and class participation increased too with lots of new faces in each class.

One of things we said we would do was to allow the top donor to name our classrooms. She decided on Lyceum for the smaller classroom and Athenaeum for the larger one. Lyceum means "an institution for popular education providing discussions, lectures, concerts, etc." Perfect for the smaller classroom that will host book discussions, meetings, etc. Athenaeum is "used in the names of libraries or institutions for literary or scientific study". A grand name for our large classroom.

September finally arrived and we had two Grand Openings. One for our donors and one for everyone else. We established Grand Opening class prices for members and a Grand Opening price for a PILLAR membership to finish out the year. We had lots of people come through the newly renovated space. We had refreshments, giveaways, and drawings. After the Grand Opening, we quickly brought back all of our chairs from storage down the hall and set up the tables for our very first class in our new classroom: Lifelong Learning Day - A Taste of PILLAR. 6 mini classes and lunch for only \$10! It was a hit. September was a blur with registrations coming in fast and furious with registration totals in the first week of the term more than half of the whole fall 2017 term.

Overall, Bryan Construction and their subcontractors tried to save us money wherever they could. They reused the original doors and light fixtures, things that probably didn't make their jobs any easier or faster. In the end, Bryan Construction passed every inspection and we received a one-year warranty on their work. It paid to go with a quality construction company. We did our part too, with tearing up the carpet and painting the walls ourselves. The Board of Directors appreciated all of our office volunteers who lived through the mess and the dust for several months and never complained. In addition, the volunteers who helped in any small way to save us money by contributing their time and expertise.

Financials

Classroom Renovation Goal - \$80,000

December 2017 – 50%

January 2018 - 60%

March 2018 - 70%

July 2018 - 80%

August 2018 - 84.5%

September 2018 - 96.77%

October 2018 – 100%

Classroom Campaign Revenue and Expense

Anonymous Donation	\$10,000.00
Individual Donations	\$57,838.19
Renovation Donations	\$67,838.19
Inasmuch Foundation	\$1,250.00

Broadmoor Court	\$5,000.00
Fed Ex	\$2,500.00
Sam's Club	\$700.00
Renovation Grants	\$9450.00

Stockmen's Bank	\$500.00
Ent Credit Union	\$1,000.00
Renovation Sponsorships	\$1500.00

Renovation Costs

Original estimate from Bryan Construction \$64,906.00

CO2 Sensor	\$1,339.00
Added 3-way light switch	\$279.00
Panic bars	\$607.00
French doors	\$0.00
Safety light added in reception area	\$0.00
Arch	\$0.00
Final - Bryan Construction	\$67,131.00

Flooring

Carpet and cove	\$5,058.40
Carpet and cove labor	\$2,575.00
Kitchen floor and cove	\$653.28
Kitchen floor and cove labor	\$787.00
Final - Flooring	\$8,286.68

Miscellaneous Renovation Costs – paint, ballasts, etc. \$3172.60

Total Renovation Expenses \$78,590.28

Total Renovation Income \$78,788.19

Furnishings and AV Equipment

Classroom Laptop, HDMI Switch, HDMI cables, etc.

Projector, Mount, and wiring

Classroom Tables

Chairs

Folding Tables

White boards

Projection screens – free

Professional sound equipment – free

Marketing (signs, window photos, advertising)

Other (reception area furniture, coffee makers, clock)

Total	\$7819.80
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Total Expense for Renovation - \$86,410.08 which is slightly higher than the original renovation estimate of \$80,000.

Financials - 2017

When we finished 2017 last year, we were in the black. Our financials looked really good. But in reality it was money that was donated for the classroom renovation. That money was put into our savings reserve to save it for the renovation. By changing banks we received a better interest rate on the reserve and made a little interest on the renovation money. PILLAR had a 5-month saving reserve at the end of 2017, but that has dropped to 4-months of reserve in late 2018. We took in \$12,000 in donations in 2017, but we took in \$67,000 for the renovation in 2018.

Financials - 2018

As far as the 2018 operational financials, on the income side our grants, sponsorships, and Enterprise Zone donations are down. That is due to them going into the renovation fund instead of operations like they normally would. We made \$5135 on the wine tasting fundraiser, \$4403 on peaches, \$2700 on WES donations, and \$375 on Painting with a Twist, all which went into operations. Our partnerships for 2018 were Myron Stratton, Inn at Garden Plaza, Palisades at Broadmoor Park, and Ascension Lutheran Church. Operational sponsors included Humana, Academy Bank, Rocky Mtn. Healthcare, and Phil Long Dealerships. Our renovation sponsors were Stockmen's Bank and Ent Credit Union.

Expenses other than for the renovation were also down. So the income and expenses almost balanced each other.

Income

Class Fees	58,730.89
Member Dues	29,010.00
Grants/Foundations	4,450.00 includes capital campaign grants
4300 · Donations	44,523.99 includes capital campaign donations
4400 · Fundraising	18,603.25
4500 · Other Income for Operations	10,039.49 includes capital campaign sponsorships
4900 · In-Kind Income	8,300.00
Total Income	173,657.62

Expense

5000 · Class Expenses	3,208.54
5100 · Catalog Expenses	15,337.06
5200 · Salaries	81,920.82
5300 · Fund Raising	8,929.49
5350 · Annual Giving	10.00
5400 · Education	95.00
5410 · Memberships	0.00
5420 · Volunteers	143.04
5600 · Office	19,541.34
5700 · Marketing	5,340.84
5800 · Insurance	2,797.92
5900 · Accounting	650.00
5901 · In-Kind Expense	8,300.00
6560 · Payroll Expenses	0.00
Total Expense	146,274.05
Net Ordinary Income	27,383.57

Balance Sheet

	End of 2017	End of 2018
Total Current Assets	\$111,313.46	
Total Fixed Assets (Includes furniture & leasehold improvements)	\$ 81,861.09	
TOTAL ASSETS	\$148,332.20	\$192,992.55
 Total Liabilities	 \$25,081.03	 \$ 43,300.64
Equity		
Unrestricted Net Assets	\$34,261.40	\$108,251.17
Net Income	\$44,351.97	\$ 27,440.74
Temporarily Restricted Net Assets	\$44,637.80	\$ 15,000.00
Total Equity	\$123,251.17	\$150,691.91
Total Liabilities & Equity	\$148,332.20	\$192,992.55

Membership and Registrations

Membership numbers are up. They are at 428. Close to 100 new members have joined since September. Class registration numbers have also increased over last fall's numbers. However, although our membership numbers are up, the new memberships that coming in are at the Grand Opening prices of \$35, not the full \$66. Although our class registrations are up, those too were at the discounted rate of \$15 for members, not \$20. Both served their purpose, to expose new people to PILLAR. However, they did affect our end of year finances. The first fall term's evaluations showed that the new classrooms were loved. Most newcomers say they heard of PILLAR through friends, the library, and just by walking by in the mall.

Conclusion

I do believe that 2019 will be another big year for us. It is our 20th anniversary. Who would have thought that PILLAR would start with just 9 classes that first term and today have over 300 lifelong learning classes, discussion groups, and tours a year? In late spring, we will celebrate our 20th anniversary.

We have accomplished so much this year. In addition, to creating our beautiful classroom, we developed a new website, hired a Programming Assistant to facilitate the AV in our classroom, and put together a grant team to streamline the grant writing process. PILLAR volunteers which includes instructors, board of directors, and volunteer staff put in over 25,000 hours of volunteer time. We printed 17,000 full color PILLAR Previews and 1000 color brochures.

Who would have thought that when we walked in a year ago and saw how neglected the space was, that it could look so good now? I have to say Bryan Construction did a beautiful job, but what impressed me more is what we can accomplish with volunteers. All of you have given in your own way this year. Some with money and some with hard labor and some with both. The board of directors and I are so grateful for our membership. We wouldn't be the organization we are without all of you.

Overall, I think we did pretty well this year. We survived a renovation, designed two beautiful classrooms, all while creating three catalogs, hosting two fundraisers, and keeping PILLAR running as a whole. Look what we can accomplish when we do it together?

Vickie Heffner
Executive Director
PILLAR Institute for Lifelong Learning