

**Kimball Jenkins Estate Trust: Business Plan  
June 2010 through December 2011**

June 25, 2010

Trustees:

Bill Chapman  
Sherry Young  
Gary Shirk  
Steven Metzger  
Peggy Senter  
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### **Executive Summary**

The Carolyn Jenkins Charitable Trust was established to hold the buildings now known as the Kimball Jenkins Estate (the “Estate”) for the use and benefit of charitable, scientific, literary and educational purposes, “including the encouragement of art.” Ms. Jenkins hoped that the Estate would be maintained as she maintained it and made available for public charitable uses.

Beginning in about 2000, the financial condition of the Trust began to decline, making it increasingly more difficult to finance the necessary maintenance and repair of the Estate. Various attempts to heighten the visibility of the Estate and increase revenues through use of its buildings had mixed results. The notable exception is the School of Art which, from its beginning, has enjoyed both success and strong commitment from the greater Capital region.

As a result of proceedings initiated by the Director of Charitable Trust, New Hampshire Attorney General’s Office, the Merrimack Probate Court, in October 2009, appointed a new slate of trustees and charged them to find a sustainable future for the Estate. Within a month of the new trustees’ appointment, New Hampshire Technical Institute, which for several years had provided approximately one-half of the Trust’s revenue through use of the Estate’s buildings for its arts curriculum, announced it would terminate its lease at the end of the 2010 Spring semester. Addressing what could become a financial crisis and demise of the Trust became the immediate focus of the new trustees' activities.

After holding a public forum at the end of this past January to solicit ideas from the community how the Estate could best serve the greater Capital region, the trustees began work on the elements of a business plan. Simultaneously, and with the recommendation of Director of Charitable Trust, they sought and obtained approval from the Probate Court to increase the Trust’s line of credit from \$25,000 to \$250,000. Most recently, the trustees have begun soliciting contributions and/or loans from loyal supporters of the Estate and, to date, have secured \$20,000 for operational purposes.

Following a second public forum in April, the trustees completed this business plan that reflects the thoughtful participation and ideas of community members. Described in detail below, the plan serves several purposes. First it defines the trustees' vision for the Estate, a vision that includes fully restoring the four buildings so they can be used to benefit a the full range of cultural and artistic endeavors, including an expansion of the School of Art. Second, the plan describes a set of strategies that will increase public participation in the Trust and secure its financial future. Finally, the plan sets goals, short term objectives and a series of immediate initiatives that will further the trustees’ vision by, over time, increasing revenues from diverse sources.

Through implementation of the business plan, the trustees, by the end of 2011, will have achieved financial stability for the Trust and be well on the way to a sustainable future for the Estate.

## **Introduction**

### The Carolyn Jenkins Charitable Trust

In her will dated March 30, 1981, Carolyn Jenkins bequeathed the bulk of her financial assets and her real estate located at 264-266 North Main Street in Concord, to a trust to be established upon her death. The will specified that the purpose of the Carolyn Jenkins Charitable Trust is to hold the property now known as the Kimball Jenkins Estate...

“for the use and benefit of such corporation, associations or trusts and operated in the United States exclusively for religious, charitable, scientific or literary and educational purposes, including the encouragement of art ... as my trustees may select ...

“It is my hope but not my command that the above-described real estate may be maintained substantially as I have maintained it and that my trustees may make arrangement with the New Hampshire Historical Society for use of such property as a gallery or meeting place or library or alternatively that my trustees may consult with the New Hampshire Charitable Trust to find a public use of such property maintaining it as nearly in its original condition as feasible.

“...all of the income if at any time my trustees shall have determined that the specified uses are infeasible shall have disposed of the property at 264-266 North Main Street without any obligation to support or maintain it, shall be distributed exclusively for educational and charitable purposes in the City of Concord.”

The first paragraph set forth above permits a broad array of charitable uses of the Estate, while the second paragraph urges the trustees to maintain the Estate as Ms. Jenkins did in devoting the Estate to those uses. The third paragraph anticipates that the trustees may find that charitable uses to which the Estate is devoted cannot sustain and maintain it, under which circumstances the trustees are authorized to sell the Estate and distribute the net proceeds exclusively for educational and charitable purposes in Concord.

Upon Ms. Jenkins' death a few years later, the Carolyn Jenkins Charitable Trust was established.

### Brief History

Until about 2000, the trustees balanced historical and arts uses of the Estate with Ms. Jenkins' preservation wishes. Public events, tours, and other uses of the Estate were sufficient to maintain the facilities when combined with earnings from an endowment established by the original trustees from the Ms. Jenkins' financial assets. Yet, with the passage of time use of the endowment combined with its decline in value meant that new funding sources had to be found to sustain the Trust. Attempts met with limited success with the exception of the School of Art. Moreover, some efforts involved conflicting commitments to different parties, all without seeking public input or Probate Court

approval. Ultimately, a several-year investigation undertaken by the Director of Charitable Trusts resulted in a recommendation that the Probate Court appoint a new slate of trustees, which the court did in 2009.

Nevertheless, during the post-2005 period the School of Art flourished. Since its inception in 1998, the school has developed a loyal and growing constituency. Today it is synonymous with the Estate and, considered alone, why the Estate is an important, singular community asset that needs to be preserved. The success of the school in large measure is a reflection of Ryan Linehan, the Education Director, whose many talents and devotion to the school are widely recognized in the greater Capital region. It was Mr. Linehan who formed an advisory board in 2007 to provide guidance to him in running the school. That board's profound and dedicated commitment to the school led it to establish the School of Art Supporters (SAS), a nonprofit, charitable organization that has and continues to provide both financial and moral support to the school.

As noted, the Probate Court appointed a new group of trustees in 2009 and charged them with finding a charitable mission for the Trust – meaning the Estate – that would enjoy broad and sustaining community support.

### The New Trustees

In October 2009, the Probate Court appointed four new trustees, each of whom had been recommended by the Director of Charitable Trust. In January 2010, the court appointed a fifth trustee specifically to reflect the interests of SAS. The trustees accepted their appointment on the understanding, approved by both the Director of Charitable Trust and Probate Court, that their mission *be transitional*. Their purpose is to find a charitable use or uses for the Trust – the four buildings located at 264-266 North Main Street in the Historic District – that will address community needs *and* be supported by the community in a fully sustainable manner. As part of this process, the trustees will identify and recruit a talented and committed group of citizens who are enthusiastic about devoting the Estate to such charitable needs and are qualified by virtue of professional training or otherwise to implement the trustees' mission through the development of widespread and deep community support.

The new trustees have the experience and knowledge needed to provide leadership to the Trust as it rebuilds:

**Bill Chapman, Chairperson**, is a shareholder, past president and chair of Orr & Reno, P.A., of Concord. He has practiced law for the firm since moving to New Hampshire in 1972, and has focused his work representing newspapers, publishers and journalist located in New Hampshire and other states. Bill has served on the boards of a number charitable organization including the United Way of Merrimack County, New Hampshire Public Radio and the New Hampshire Humanities Council.

**Sherilyn Burnett Young, Vice Chairperson and Secretary**, is a resident of Concord, New Hampshire. Ms. Young is a founder and President of the law firm of Rath, Young and Pignatelli, P.C., with offices in Concord and Nashua, New Hampshire and Boston, Massachusetts. She chairs the firm's Environmental Practice Group, and also has considerable experience in estate, trust and tax law and corporate and securities transactions. Her professional activities include service on the New Hampshire Business and Industry Association Board of Directors, the New Hampshire Supreme Court Society

Board of Trustees, and the Board of Trustees of Franklin Pierce Law Center. Her civic and charitable activities include current service as a member of the New Hampshire Death Penalty Commission (Governor appointee) and a Trustee of the Kimball Jenkins Trust. Ms. Young also currently serves as a Director of Centrix Bank.

**Gary Shirk, Treasurer,** came to NH in 1984 to take a management position at Yankee Book Peddler (YBP Library Services) in Contoocook, where he served in numerous positions including nine years as President and Chief Operating Officer, retiring in September 2008. He is a management consultant, currently serving as Director of Operations for Bovie Screen Process Printing, Inc. in Bow. In addition to this position, he provides consulting services to the book industry and serves on several both for-profit and not-for-profit Boards of Directors, currently including the Kimball Jenkins Estate Board of Trustees and the Board of Governors of the Merrimack County United Way.

**Steve Metzger** was a major caulking/sealant contractor in Chicago prior to moving to the Concord area in 1979. For the past 40 years he has been president and co-owner of Metzger/McGuire, a Bow-based manufacturer of specialty chemical products used in the protection and repair of industrial concrete floors. Steve has also acted as a floor consultant to numerous Fortune 500 corporations. In December 2008 he formed the predecessor of the organization now known as School of Art Supporters (SAS), a volunteer group that supports and advocates for the School of Art at Kimball-Jenkins. He is currently the Chair of SAS. Steve and his wife Janice, a School of Art community student, live in Barnstead.

**Peggy Senter,** founder and president of the Concord Community Music School, is a Phi Beta Kappa graduate of the University of North Carolina in music education, and also holds a master of music degree in piano performance from the University of Wisconsin. She has received such honors as the Governor's Award for Arts Education (1993), the University of North Carolina Distinguished Alumna Award (1999), and the Greater Chamber of Commerce Citizen of the Year Award (2007). She serves frequently as a guest panelist, speaker, and evaluator for state and national arts organizations, government agencies, and foundations, and has served as a consultant for community arts schools nationwide and NH arts organizations. Her previous faculty positions include the Rivers Music School, North Shore Community College, and St. Paul's School. She has performed in recital and as concerto soloist and chamber musician in North Carolina, Wisconsin, and New England, including many premieres of new works.

The trustees have asked **Lorrie Carey** of Boscawen, currently serving as an advisor to the Board, to become a trustee and have applied to the Probate Court for her appointment. Ms. Carey, a New Hampshire native, is a cum laude graduate of the University of North Carolina-Greensboro with a Bachelor of Fine Arts and Master in Public Affairs. Upon her return to New Hampshire in 1987, she restarted a family business, Marshall's Florist, which she continues to run. She was a Presidential appointee, under President Clinton, to the White House Conference on Small Business as well as being a past winner of the NH Business in the Arts Award. A long-time Concord Chamber of Commerce member, she and her business energy concerns were featured on the cover of Nation's Business magazine. She has served as President of the Concord Business and Professional Women, the Co-President of the Concord Community Concert Association, the President of the Granite Symphony Orchestra, as a School Board member and Selectwoman for the Town of Boscawen, as well as serving on a number of other non-profit boards.

Since their appointment in October 2009, the trustees have met almost every other week, focusing initially on the financial implications and opportunities arising from New Hampshire Technical Institute's decision to end its relationship with the Trust in the Spring of 2010, and thereafter on planning a public forum to solicit ideas from the community on how the Estate could best serve the needs of the greater Capital region.

The first public forum was held at the end of January 2010, and nearly 100 people participated. Many attendees provided heart-felt support for the School of Art, while others expressed interest in the preserving the Estate because of its historic significance and devoting it to uses by other arts and civic groups. Several personal friends of Carolyn Jenkins spoke of her love of the arts, particularly the theater, and her hopes and intentions for the Trust. Dozens of suggestions were made with respect to future programming possibilities. The first forum affirmed that 1) the School of Art is a valued community asset and should be continued, and 2) the community needs facilities to serve a broad range of art, cultural, and civic activities.

The trustees held a second forum in mid- April which, although not as well-attended, included representatives from a number of leading nonprofit groups. Much discussion centered on restoration and preservation of the Mansion. Strong support continued to be expressed for the School of Art. It became clear that a wide range of people are interested in the Estate and capable of providing support.

The two forums have been invaluable to the trustees' thinking about the mission of the Trust and future of the Estate; many of the community's ideas are reflected in the initiatives outlined below (see Initiatives).

### **Organizational Structure and Practices**

The Trustees have taken steps to assure that the Carolyn Jenkins Trust will employ the best non-profit organization structures, policies, and practices. Among these the following have already been established:

- The Trust's bylaws have been revised and approved by the Probate Court. Among the critical provisions is the requirement that trustees serve specified terms, then rotate off the board.
- The Trustees have begun to initiate structures to both strengthen the organization and assure public participation in its activities: the Trust will establish committees of volunteers to assist in fund raising, preservation of the estate, and development of arts programming.
- To assure day-to-day financial controls, the Executive director provides invoices to the Trust's independent accountant who prepares checks and signs them. The checks also require the signature of the Trust's Treasurer.
- The Trustees have invited more intense oversight of the Probate Court by volunteering to submit quarterly financial reports.
- In the future, annual financial audits will assure that the Trust's financial practices adhere to the highest level of security.
- The Trustees have established background checks for all prospective Trustees and employee's.
- The Trust's Bylaws, summary level meeting minutes, and reports of its public forums have been added to the Kimball Jenkins web site.

The Trustees seek to be open and transparent in all its decisions and practices and invite public

comment and recommendations to further strengthen the organization.

## **Plan**

### Vision and Goals

The Trustees envision a future in which the Carolyn Jenkins Charitable Trust truly fulfills its mission by preserving the Estate for use by independent, non-profit arts and educational organizations. The Trustees will recruit talented and dedicated volunteers for various committees, including Buildings and Grounds, School of Art, Finance and Development. Each Trustee will embrace the dual goals of preservation and development of the estate and managing the estate to benefit a wide ranging group of arts, charitable, and educational groups. The Trustees will establish a membership organization that draws its membership from the greater Capital region and its vitality from those in the community with a passion for art and its ability to enrich human society.

The Estate will be a thriving, vibrant cultural magnet for all greater Capital area residents, where "the arts" can be enjoyed, discussed, learned, shared and promoted by the average person as well as the trained artist and artisan. "The arts" is meant to be expansive in its possible and practical breadth, including but not limited to drawing, painting, sculpture, music, theater, dance, literature, crafts, lore, the healing arts (yoga, meditation, Reiki, etc.) and other diverse interests. The Estate will host events, exhibits, lecturers, workshops, field schools and other stimulating programs.

For the period defined in this business plan, our goals are focused near term:

- By mid-June 2010, secure low interest loans from Trustees and supporters and an adequate bank line of credit to operate a stable financial platform.
- By the end of December 2011, the Trust will have achieved annual revenues which exceed normal operating costs, with surplus revenues used for the renovation and maintenance of the Estate's buildings.

### Near term strategies and objectives

Reaching these goals in the current economic environment will be challenging but achievable given the strong community support exhibited at the forums - support that recognizes the beautiful and historic buildings and grounds and the outstanding reputation and support of the Kimball Jenkins School of Art. On these two foundations, the Trustees will build a future that achieves the dreams of Carolyn Jenkins and the vision we have proposed.

The Trustees are committed to pursuing a set of synergistic strategies:

*Increase public awareness and participation:* Open communications and public participation in the funding and governance of the Trust is required to restore confidence in the Trust's leadership.

*Increase the size and broaden the mix of Trustees and Committee volunteers:* The court appointed group of five Trustees meets the minimum requirements of the Trust and is focused on legal,

organizational, and financial activities. The long term vitality of the Trust requires a larger group that mirrors the diversity of the community and includes the skills and experience needed to manage both historic preservation activities and the facilities geared to support a wide ranging program of the arts.

*Seek “bridge” financing, then build a sustainable financial structure:* Despite a physical asset base of 2-\$3 million, the Trust will not be able to pay its bills beyond August without an injection of cash. Initial indications from local banks (individually or perhaps through a consortium) suggest that they may be willing to provide a line of credit needed for bridge financing. However, before providing this financing they require a clearer view of how the Trust will develop the revenue sources needed to repay the loan. That is the purpose of this business plan. In the immediate future, the Trustees will appeal to people with the means and commitment to the Estate to provide short term loans. These loans may be repaid upon establishment of a new, larger line of credit or when the loan term is complete. (We will also encourage our individual lenders to consider making a future charitable contribution of some or all of these loans.)

*Define and develop a program for renovation and restoration of the Estate's building and grounds:* Any sustainable future for the Trust must include a strong component of building restoration, development, and maintenance of its buildings and grounds. The buildings are at the core of the Trust's purpose and have a substantial constituency in the greater Capital region. Individuals and groups interested in local history and preservation will provide a committed core of support.

*Broaden the School of Art's appeal:* The public forums clearly established that the Kimball Jenkins School of Art must be an essential part of the Estate's future. Testimony from Carolyn Jenkins' contemporaries indicated that she considered the “arts” much more broadly than the visual or graphic arts. Her vision embraced theater, music, dance, literature and more. With NHTI's departure, the trustees can expand the School of Arts programming to broaden its appeal within the community and replace part of the lost revenues.

*Pursue closer relationships with other charitable arts organizations in the region:* The future of the Trust is best achieved by supporting regional charitable arts. The trustees believe that establishing closer relationships with other arts organizations will be mutually beneficial: The Estate may provide lower cost facilities to these organizations, and the members of these organizations may provide support to the Estate.

None of these strategies alone is strong enough to achieve our goals, yet each supports the others and will, over the period of this plan, provide the resources needed to provide a sustainable future for the Trust and the Estate it supports.

Our primary objectives for the period of the business plan are as follows:

- By mid-July 2010, receive a cash infusion of up to \$50,000 by soliciting loans and contributions from the Trustees and community members willing to support the Trust until a larger line of credit can be secured. (We currently have a commitment of \$20,000 from the Trustees.)
- By end of August 2010, receive a bank line of credit that increases the present \$25,000 up to as much as \$250,000.
- By December 2010, achieve a minimum of 100 members for the membership program. By December 2010, launch our fund raising, grants, and development efforts needed to raise annual

operating funds, to restore and renovate the Estate's buildings, and to rebuild the Trusts' endowment.

- By Spring 2011, expand the School of Arts programming to make optimal use of the Estate's buildings and generate approximately \$50,000 of additional revenue .
- By March 2011, develop a plan for restoration and renovation of the Estate's buildings and a program to use the newly maintained facilities to increase facilities rentals to at least \$25,000 per year.

### Initiatives

The business plan's objectives further the trustees' strategies while focusing on achieving financial sustainability. The initiatives that follow draw from as many diverse revenue sources as possible, thus minimizing the impact from the loss or reduction of any one source. The trustees will aim for the broadest spectrum of potential Estate users and contributors. Several of the fund raising efforts below are offered by way of example and not intended to restrict any fund raising ideas that may emerge. Other potentially attractive fund raising options, such as annual naming auction, are already under discussion.

#### 1. Additional Art Program Offerings

The departure of NHTI has opened up the exciting opportunity for approximately 130 classroom hours per week that can eventually be replaced by School of Art (SOA) classes. The hiring of prominent and qualified instructors, in line with the SOA's current reputation for quality visual arts instruction, will be a key to both class expansion and sustainability. Accordingly, the SOA will expand its curriculum slowly, probably adding 5-6 classes for the fall 2010 term as well as popular one day workshops for beginning and advanced students.

The average class registration is 8-10 students. The typical 8 week course at the SOA is priced at \$200-\$250/student, with approximately 25-40% of the fee going toward instructor salary. 5 new fall term classes with an average of 8 students each we will generate 40 new tuitions for a gross revenue increase of over \$8-9000 and a net profit of about \$5-6,000 per term. On an annualized basis five new classes would generate about \$20-25,000 in net profit. 10 new classes by fall 2011 we will add \$40-50,000 in net income to our revenue stream.

Consideration is also being given to increasing tuitions and/or registrations by 10-20%. The trustees believe this can be done without losing many students because (a) SOA is the only non-degreed visual arts school in the Concord area, (b) SOA is significantly less costly than similar NHTI courses that are mostly held in the evening, and (c) most SOA students tend to have disposable income due to their relative stage in life.

The above projections are realistic and, if anything, conservative. Successful classes and workshops build a loyal student clientele that returns term after term.

#### 2. Historic Restoration, Refurnishing and Preservation

There is substantial community interest in seeing the Victorian mansion, the focal building on

the Estate restored, refurnished and preserved in a professional and historically accurate manner. There is similar interest in seeing the other historically significant buildings. such as Daniel Webster's former Law Office- the Yellow House, and the grounds -which include many specimen plants- improved.

Those most interested in achieving these objectives have expressed their enthusiasm at the two public forums and have indicated they would support this effort in both an active and a financial manner. One woman has indicated she is willing to donate a number of antique furniture pieces, and others can be expected to make similar period furnishing contributions.

The Buildings & Grounds committee will be charged to work with a professional historic preservation consultant to address the physical needs of the Estate. In addition to seeking contributions from community members, the committee will apply for grants and historic preservation funds.

The trustees believe it is reasonable to expect donations for restoration, refurnishing and preservation through the membership campaign and other targeted efforts. A conservative estimate is \$5,000 during the remainder of 2010 and \$10,000 or more per year in future years an estimate which is below the Estate's historic financial records on previous restoration efforts.

### 3. Membership Program (primarily for individuals)

Despite negative publicity in the recent past the trustees have found there is a strong core of support for both the Estate and the SOA. It is our intent to tap into this source of goodwill by developing a membership program that will give participants an opportunity for ownership in the security and future of the Estate and SOA.

The program will likely have several levels of membership (\$30 Individual, \$50 Family, \$100 Art Advocate), each having distinct benefits. For example, Individual and Family memberships will have their registration fees waived for SOA courses and workshops, \$100 members (Art Advocate Membership) will be given a discount on tuition and the registration waiver, whereas \$500 donors (Carolyn Jenkins Membership), would receive the same discount plus added incentives such as complimentary passes to special ticketed events and pre-reception social opportunities with exhibiting artists, etc.

The trustees expect that participation in the membership by current SOA students will be very strong. Additional membership support will come from those most interested in the restoration and preservation of the Estate's historic significance. Membership forms will include a special restricted donation category for the Mansion Restoration Fund There should also be a level of support from those in the community that are altruistic and believe that the Estate adds to the cultural enhancement of the greater Capital region.

The trustees project a first year membership program revenue of \$5,000 to \$6,000, with successive years showing proportional growth as our visibility and student attendance increase.

Our probability of success in matching these projection is above 80%

#### 4. Business Partner Program

As enthusiasm and support for the Trust's mission grows, the trustees anticipate businesses will wish to be associated with the Estate. Accordingly, the trustees have begun a Business Partner Program. This program has a progressive contribution/benefits structure, with the basic level of \$250 and the highest level of \$2,500. Benefits such as discounts on classes for employees, discounted estate rental rates and public recognition in print media and at special events increase with contributions.

The primary attraction for a business is the level of publicity and name promotion it will receive as a result of the Estate's typical clientele (adult students, event attendees, etc.) and expanded exposure through various arts and cultural events. Being affiliated with a well respected arts organization offers cache'. In addition, the discount benefits will partially offset the membership costs. Overall, businesses will have an excellent return on their investment.

The trustees project year-end Business Partner Program revenues to be approximately \$5,000. This revenue should increase progressively as businesses increasingly seek unique advertising opportunities.

The probability of success in reaching this revenue objective is above 80%.

#### 5. Increased estate rentals

The recession and reduced staff resources decreased the rental revenue because businesses and government agencies trimmed their event and meeting budgets. Nonetheless, the Estate continued to have rental income for weddings. In 2010, along with the local economy rental income has begun to increase. With the planned improvements to the buildings and the landscaping throughout the beautiful grounds, weddings and event rentals should continue to improve.

Additional income comes from renting space to several artisans for use as studio space. While the revenue from these rentals is minimal, net income is very high since the overhead to support them is small.

In 2009 event and meeting revenue was about \$10,800. The trustees anticipate increase income in the third quarter of 2010 since November federal and state elections should result in more rentals in the mansion, the Carolyn Jenkins Gallery, and on the grounds. A reasonable estimate for 2010 rental revenue is \$25,000. Assuming the economy continues to gradually improve, projected revenue in 2011 is \$35-40,000.

As a means of increasing rental income, the trustees are also exploring hiring a rental agent to work on a commission-only basis.

The probability of realizing 2010 rental revenue of \$25,000 is above 80%.

## 6. Fund Raising Events - New Committee

In the past two years most fund raising events were sponsored and run by the School of Art Supporters (SAS), a volunteer group advocating for the SOA.

While SAS will continue to hold several fund raising events a year, including larger events now being considered, the Trust's Development Committee will host its own fund raising events by year-end 2010.

Earlier this month the SAS run Kitchen Tour generated \$3,000 for the Estate. The SAS "Wine Tasting Event" this coming September should result in net revenue of about \$5-7,000. Tentative plans are in place for a fall Halloween Haunted House, which should raise another \$5,000 or more.

## 7. Pursuit of Grants

The Trustees will seek grants from the Ford Foundation, which in April launched \$100 million initiative to support "arts spaces," to renovate and restore the Mansion, as well as from the New Hampshire Community Development Finance Authority, the New Hampshire Preservation Alliance and the New Hampshire Charitable Fund and local trusts such as the Jamison Trust, which supported the Estate in the past. In this connection, it should be mentioned the Creative Concord committee of the Concord Chamber of Commerce will include the Estate in a study to be done by Artspace Projects, a national consultant that has been retained to advise on developing vibrant arts community in the greater Capital region.

Several trustees have experience preparing and grants, and the trustees will consider retaining one or more grant writers to assist in obtaining grant funding. At this point it is premature to estimate how much funding the Trust will obtain other than to state that substantial funds are available.

## 8. Cost Reductions and Efficiencies

While the Estate's operations are "lean & mean," there are always efficiencies and cost savings that can be found with creative thinking. For example, the trustees will solicit in-kind gifts wherever possible to reduce spending on products and services. This will help build economic "bridges" in the community between the Estate and local businesses.

The trustees are researching the possibility of changing the quarterly SOA course schedule mailers from a multiple page newspaper type format to a single large sheet folded thus making its outreach material "greener" and less expensive. Speaking of "green initiatives", the trustees are exploring alternative lighting, alternative energy suppliers to reduce electricity usage and costs and the installation of an energy-efficient furnace to reduce annual heating costs and repairs at the Estate.

## Expected Financial Results

Based upon implementation of the preceding initiatives we believe a conservative estimate of net revenue increases would be as follows:

<b>Initiative</b>	<b>Balance of 2010</b>	<b>Full Year 2011</b>
1. Additional Art Program Offerings	5,000	30,000*
2. Historic (Collateral donations)	5,000	10,000
3. Membership Program	5,000	8,000
4. Business Partner Program	5,000	10,000
5. Increased Estate Rentals	15,000	25,000
6. Fund Raising Events (KJ & SAS)	10,000	25,000
7. Pursuit of Grants	1,000	15,000
8. Cost Reductions/Efficiencies	1,500	5,000
	<hr/>	<hr/>
TOTAL "INCREASE NET REVENUE"	\$47,500	\$128,000

\* This 2011 estimate assumes adding 5 new classes this fall term, another 5 for the spring term and another 5 for next year's fall term for a total of 15 classes. Not included in this revenue total is the special one-day workshops we offer. These may only net \$4-500/day but often encourage more students to enroll for full terms.

**Appendix A:**  
**FY 2010 and FY2011 Income/Expense Forecast**

Kimball Jenkins Estate- Business Plan Forecast for Calendar Year 2010

	2010												Total
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
<b>Income</b>													
NHTI Fees		\$23,750.00			\$23,750.00								\$47,500.00
KJ School of Art Revenue	\$13,777.50	\$995.00	\$6,000.00	\$8,000.00	\$8,000.00	\$6,000.00	\$13,000.00	\$800.00	\$800.00	\$25,000.00	\$2,500.00	\$2,500.00	\$87,372.50
Rentals	\$2,387.50	\$575.00	\$2,600.00	\$13,600.00	\$600.00	\$2,000.00	\$1,000.00	\$500.00	\$500.00	\$500.00	\$900.00	\$500.00	\$25,662.50
Special Events	\$2,718.21			\$1,500.00	\$3,000.00				5000	5000			\$17,218.21
Membership								\$1,500.00	\$1,500.00	\$1,000.00	\$500.00	\$500.00	\$5,000.00
Business Partners							\$500.00	\$1,000.00	\$1,500.00	\$1,000.00	\$500.00	\$500.00	\$5,000.00
Donations/Grants	\$388.35	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$800.00	\$1,200.00	\$1,200.00	\$2,200.00	\$2,200.00	\$1,200.00	\$10,188.35
<b>Total Income</b>	<b>\$19,271.56</b>	<b>\$25,520.00</b>	<b>\$8,800.00</b>	<b>\$23,300.00</b>	<b>\$35,550.00</b>	<b>\$8,200.00</b>	<b>\$15,300.00</b>	<b>\$5,000.00</b>	<b>\$10,500.00</b>	<b>\$34,700.00</b>	<b>\$6,600.00</b>	<b>\$5,200.00</b>	<b>\$197,941.56</b>
<b>Expense</b>													
Art School--													
Wages & contracts: Faculty	\$5,168.94	\$5,168.94		\$5,200.00	\$5,200.00		\$7,500.00	\$7,500.00		\$6,500.00	\$6,500.00		\$48,737.87
Other (Advertising, supplies, etc)	\$3,444.67	\$3,444.67		\$3,500.00	\$3,500.00		\$3,500.00	\$3,500.00		\$4,000.00	\$4,000.00		\$28,889.34
Rentals--													
General Expenses	\$4,485.46	\$4,485.46	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,200.00	\$1,000.00	\$19,170.92
Commissions													
Estate--													
Dumpster			\$111.00	\$112.00	\$113.00	\$114.00	\$115.00	\$116.00	\$117.00	\$118.00	\$119.00	\$120.00	\$1,155.00
Janitorial					\$540.00	\$540.00	\$540.00	\$540.00	\$540.00	\$540.00	\$540.00	\$540.00	\$4,320.00
Electricity	\$152.32	\$152.32	\$810.00	\$1,178.00	\$993.00	\$695.00	\$1,049.00	\$898.00	\$903.00	\$841.00	\$851.00	\$546.00	\$9,068.63
Gas	\$816.80	\$816.80	\$2,744.00	\$1,344.00	\$567.00	\$182.00	\$137.00	\$134.00	\$120.00	\$230.00	\$650.00	\$1,000.00	\$8,741.59
Water	\$62.67	\$62.67	\$206.00	\$268.00	\$275.00	\$246.00	\$201.00	\$234.00	\$321.00	\$247.00	\$271.00	\$306.00	\$2,700.34
Telephone	\$272.88	\$272.88	\$273.00	\$270.00	\$270.00	\$270.00	\$270.00	\$270.00	\$150.00	\$100.00	\$80.00	\$80.00	\$2,578.76
Grounds and Gardens			\$190.00	\$491.00	\$213.00	\$1,500.00	\$10.00	\$27.00	\$10.00	\$10.00	\$10.00	\$1,200.00	\$3,661.00
Wages: estate office	\$2,730.00	\$2,730.00	\$5,051.00	\$5,051.00	\$5,051.00	\$5,051.00	\$5,051.00	\$5,051.00	\$5,051.00	\$5,051.00	\$5,051.00	\$5,051.00	\$55,970.00
Wages: Maintenance			\$710.00	\$790.00	\$890.00	\$830.00	\$1,080.00	\$590.00	\$760.00	\$850.00	\$840.00	\$1,240.00	\$8,580.00
Payroll Taxes	\$50.70	\$50.70	\$685.00	\$767.00	\$641.00	\$622.00	\$948.00	\$549.00	\$633.00	\$636.00	\$567.00	\$937.00	\$7,086.40
Payroll Processing Fees	\$183.20	\$183.20	\$90.00	\$95.00	\$131.00	\$90.00	\$158.00	\$101.00	\$89.00	\$107.00	\$95.00	\$132.00	\$1,454.39
Health Insurance	\$854.39	\$854.39	\$854.39	\$854.39	\$854.39	\$854.39	\$854.39	\$854.39	\$854.39	\$854.39	\$854.39	\$854.39	\$10,252.68
Building and Other Insurance	\$1,775.00				\$6,743.00	\$4,653.00	\$551.00		\$2,291.00				\$16,013.00
Accounting & Legal Fees	\$1,387.50				\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$8,775.00
Office Supplies & postage	\$72.70	\$1,387.50	\$600.00	\$600.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$895.39
Misc Expense	\$265.57	\$265.57	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$2,531.13
<b>Total Operating Expense</b>	<b>\$21,722.77</b>	<b>\$19,947.77</b>	<b>\$13,599.39</b>	<b>\$21,795.39</b>	<b>\$27,856.39</b>	<b>\$17,522.39</b>	<b>\$23,839.39</b>	<b>\$22,239.39</b>	<b>\$13,714.39</b>	<b>\$21,959.39</b>	<b>\$22,503.39</b>	<b>\$13,881.39</b>	<b>\$240,581.44</b>
Term Loan Payment	\$-309.69	\$-309.69	\$-423.00	\$-423.00	\$-423.00	\$-423.00	\$-423.00	\$-423.00	\$-423.00	\$-423.00	\$-423.00	\$-423.00	\$-4,849.37
<b>Net Income: (Expense) Before ST Interest</b>	<b>-\$2,760.90</b>	<b>\$5,262.55</b>	<b>-\$5,222.39</b>	<b>\$1,081.61</b>	<b>\$7,270.61</b>	<b>-\$9,745.39</b>	<b>-\$8,962.39</b>	<b>-\$17,662.39</b>	<b>-\$3,637.39</b>	<b>\$12,317.61</b>	<b>-\$16,326.39</b>	<b>-\$9,104.39</b>	<b>-\$47,489.25</b>
LOC & Short Term Loan Interest			\$-52.08	\$-49.83	\$-34.68	\$-54.99	\$-73.66	\$-110.45	\$-118.03	\$-92.37	\$-126.38	\$-145.35	\$-857.83
<b>Net Income: Expense</b>	<b>-\$2,760.90</b>	<b>\$5,262.55</b>	<b>-\$5,274.47</b>	<b>\$1,031.78</b>	<b>\$7,235.93</b>	<b>-\$9,800.38</b>	<b>-\$9,036.05</b>	<b>-\$17,772.84</b>	<b>-\$3,755.42</b>	<b>\$12,225.24</b>	<b>-\$16,452.77</b>	<b>-\$9,249.74</b>	<b>-\$48,347.08</b>
<b>LOC and other short term loans Balance*</b>			<b>\$25,000.00</b>	<b>\$23,918.39</b>	<b>\$16,647.78</b>	<b>\$26,393.17</b>	<b>\$35,355.56</b>	<b>\$53,017.95</b>	<b>\$56,655.34</b>	<b>\$44,337.73</b>	<b>\$60,664.12</b>	<b>\$69,768.51</b>	

\* From Public, to be offset with negotiated LOC.

**Kimball Jenkins Estate- Business Plan Forecast for Calendar Year 2011**

June 6, 2010rev

	Jan	Feb	Mar	Apr	May	Jun	2011 Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>Income</b>													
KJ School of Art Revenue	\$30,000.00	\$3,000.00	\$12,000.00	\$15,000.00	\$20,000.00	\$9,000.00	\$25,000.00	\$1,600.00	\$3,500.00	\$30,000.00	\$5,000.00	\$5,000.00	\$159,100.00
Rentals	\$4,000.00	\$2,000.00	\$4,200.00	\$14,000.00	\$3,100.00	\$3,500.00	\$2,500.00	\$2,000.00	\$2,000.00	\$2,000.00	\$1,500.00	\$1,500.00	\$42,300.00
Special Events	\$4,000.00		\$3,000.00	\$1,000.00	\$6,000.00		4000		7000	7000			\$32,000.00
Membership	\$1,000.00	\$700.00	\$500.00	\$1,000.00	\$1,000.00	\$700.00	\$500.00	\$500.00	\$500.00	\$700.00	\$500.00	\$500.00	\$8,100.00
Business Partners	\$800.00	\$800.00	\$1,000.00	\$1,000.00	\$1,000.00	\$800.00	\$500.00	\$1,000.00	\$1,300.00	\$1,000.00	\$500.00	\$500.00	\$10,200.00
Donations/Grants	\$2,000.00	\$2,200.00	\$3,500.00	\$2,500.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$26,200.00
<b>Total Income</b>	<b>\$41,800.00</b>	<b>\$8,700.00</b>	<b>\$24,200.00</b>	<b>\$34,500.00</b>	<b>\$33,100.00</b>	<b>\$16,000.00</b>	<b>\$34,500.00</b>	<b>\$7,100.00</b>	<b>\$16,300.00</b>	<b>\$42,700.00</b>	<b>\$9,500.00</b>	<b>\$9,500.00</b>	<b>\$277,900.00</b>
<b>Expense</b>													
<b>Art School--</b>													
Wages & contracts: Faculty	\$7,000.00	\$7,000.00		\$7,300.00	\$7,300.00		\$9,500.00	\$9,500.00		\$8,500.00	\$8,500.00		\$64,600.00
Other (Advertising, supplies, etc)	\$2,000.00	\$2,000.00		\$2,500.00	\$2,500.00		\$3,000.00	\$3,000.00		\$3,500.00	\$3,500.00		\$22,000.00
<b>Rentals--</b>													
General Expenses	\$4,485.46	\$4,485.46	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,200.00	\$1,000.00	\$19,170.92
Commissions	\$400.00	\$200.00	\$420.00	\$1,400.00	\$310.00	\$350.00	\$250.00	\$200.00	\$200.00	\$200.00	\$150.00	\$150.00	\$4,230.00
<b>Estate--</b>													
Dumpster			\$111.00	\$112.00	\$113.00	\$114.00	\$115.00	\$116.00	\$117.00	\$118.00	\$119.00	\$120.00	\$1,155.00
Janitorial				\$540.00	\$540.00	\$540.00	\$540.00	\$540.00	\$540.00	\$540.00	\$540.00	\$540.00	\$4,320.00
Electricity	\$152.32	\$152.32	\$810.00	\$1,178.00	\$993.00	\$695.00	\$1,049.00	\$898.00	\$903.00	\$841.00	\$851.00	\$546.00	\$9,068.63
Gas	\$816.80	\$816.80	\$2,744.00	\$1,344.00	\$567.00	\$182.00	\$137.00	\$134.00	\$120.00	\$230.00	\$650.00	\$1,000.00	\$8,741.59
Water	\$62.67	\$62.67	\$206.00	\$268.00	\$275.00	\$246.00	\$201.00	\$234.00	\$321.00	\$247.00	\$271.00	\$306.00	\$2,700.34
Telephone	\$272.88	\$272.88	\$273.00	\$270.00	\$270.00	\$270.00	\$270.00	\$270.00	\$150.00	\$100.00	\$80.00	\$80.00	\$2,578.76
Grounds and Gardens		\$190.00	\$491.00	\$213.00	\$1,500.00	\$10.00	\$27.00	\$10.00	\$10.00	\$10.00	\$10.00	\$1,200.00	\$3,661.00
Wages: estate office	\$2,730.00	\$2,730.00	\$5,051.00	\$5,051.00	\$5,051.00	\$5,051.00	\$5,051.00	\$5,051.00	\$5,051.00	\$5,051.00	\$5,051.00	\$5,051.00	\$55,970.00
Wages: Maintenance		\$50.70	\$710.00	\$790.00	\$890.00	\$830.00	\$1,080.00	\$590.00	\$760.00	\$850.00	\$840.00	\$1,240.00	\$8,580.00
Payroll Taxes		\$50.70	\$685.00	\$767.00	\$641.00	\$622.00	\$948.00	\$549.00	\$633.00	\$636.00	\$567.00	\$937.00	\$7,086.40
Payroll Processing Fees	\$183.20	\$183.20	\$90.00	\$95.00	\$131.00	\$90.00	\$158.00	\$101.00	\$89.00	\$107.00	\$95.00	\$132.00	\$1,454.39
Health Insurance	\$854.39	\$854.39	\$854.39	\$854.39	\$854.39	\$854.39	\$854.39	\$854.39	\$854.39	\$854.39	\$854.39	\$854.39	\$10,252.68
Building and Other Insurance	\$1,775.00				\$6,743.00	\$4,653.00	\$551.00		\$2,291.00				\$16,013.00
Accounting & Legal Fees	\$1,387.50			\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$8,775.00
Office Supplies & postage	\$72.70	\$1,387.50	\$600.00	\$600.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$895.39
Misc Expense	\$265.57	\$265.57	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$2,531.13
<b>Total Operating Expense</b>	<b>\$22,509.17</b>	<b>\$20,534.17</b>	<b>\$14,019.39</b>	<b>\$24,295.39</b>	<b>\$29,266.39</b>	<b>\$17,872.39</b>	<b>\$25,589.39</b>	<b>\$23,939.39</b>	<b>\$13,914.39</b>	<b>\$23,659.39</b>	<b>\$24,153.39</b>	<b>\$14,031.39</b>	<b>\$253,784.23</b>
Term Loan Payment	\$-309.69	\$-309.69	\$-423.00	\$-423.00	\$-423.00	\$-423.00	\$-423.00	\$-423.00	\$-423.00	\$-423.00	\$-423.00	\$-423.00	\$-4,849.37
<b>Net Income: (Expense) Before ST Interest</b>	<b>\$18,981.15</b>	<b>-\$12,143.85</b>	<b>\$9,757.61</b>	<b>\$9,781.61</b>	<b>\$3,410.61</b>	<b>-\$2,295.39</b>	<b>\$8,487.61</b>	<b>-\$17,262.39</b>	<b>\$1,962.61</b>	<b>\$18,617.61</b>	<b>-\$15,076.39</b>	<b>-\$4,954.39</b>	<b>\$19,266.40</b>
LOC & Short Term Loan Interest	\$-105.81	\$-131.11	\$-110.78	\$-90.40	\$-83.29	\$-88.08	\$-70.39	\$-106.36	\$-102.27	\$-63.48	\$-94.89	\$-105.21	\$-1,152.07
<b>Net Income: Expense</b>	<b>\$18,875.34</b>	<b>-\$12,274.96</b>	<b>\$9,646.83</b>	<b>\$9,691.21</b>	<b>\$3,327.32</b>	<b>-\$2,383.47</b>	<b>\$8,417.22</b>	<b>-\$17,368.75</b>	<b>\$1,860.34</b>	<b>\$18,554.13</b>	<b>-\$15,171.28</b>	<b>-\$5,059.60</b>	<b>\$18,114.33</b>
<b>LOC and other short term loans Balance*</b>	<b>\$50,787.36</b>	<b>\$62,931.21</b>	<b>\$53,173.60</b>	<b>\$43,391.99</b>	<b>\$39,981.38</b>	<b>\$42,276.77</b>	<b>\$33,789.16</b>	<b>\$51,051.55</b>	<b>\$49,088.94</b>	<b>\$30,471.33</b>	<b>\$45,547.72</b>	<b>\$50,502.11</b>	

\* From Public, to be offset with negotiated LOC.  
LOC Balance from previous year: \$ 69,768.51