



## **Board of Public Works & Safety and Stormwater Board**

Regular Meeting Agenda

**2:00 p.m., June 26, 2023**

Goshen Police & Court Building, 111 East Jefferson Street, Goshen, Indiana

*To access online streaming of the meeting, go to <https://goshenindiana.org/calendar>*

**Call to Order by Mayor Gina Leichty**

**Approval of Minutes: June 12, 2023**

**Approval of Agenda**

- 1) Open sealed quotes:** City of Goshen 2023 line striping project for the Street Department
- 2) Police Department:** Promotion of Jordan LW Snyder #220 from Probationary Patrol Officer to Patrol Officer, retroactive to June 21, 2023
- 3) Police Department:** Promotion of Ever G. Gutierrez Franco #221 from Probationary Patrol Officer to Patrol Officer, retroactive to June 21, 2023
- 4) Fire Department:** Conditional Offer of Employment to Christopher L. Vaughn, Jr
- 5) Fire Department:** Conditional Offer of Employment to Noah P. Youngman
- 6) Elkhart County 4H Fair request:** Street closures and related City support services for the annual fair parade on July 23, 2023 (Boyd Smith)
- 7) College Farm Neighborhood request:** Closure of the 1800 block of South 13<sup>th</sup> Street and street barricades on Aug. 5, 2023 for the annual block party (Craig Yoder)
- 8) Crystal Valley Comfort request:** Partial closure of Lincoln Avenue for one hour on June 28, 2023 so a crane can lift a split unit on the roof of 123 E. Lincoln Ave. (Bill Rose)
- 9) Bortrager Roofing request:** Use of City parking spaces adjacent to the Goshen First Church Building, 214 S, 5<sup>th</sup> Street, for a month, during replacement of a roof (Derick Yeoman)
- 10) Community Development request:** Approve and authorize Mayor Leichty to sign four amended agreements for homeownership assistance and multi-family rehabilitation projects



- 11) Legal Department:** Approve and execute the amended agreement with Barkes, Kolbus, Rife & Shuler, LLP for 2023 attorney services
- 12) Legal Department:** Agreement with Jeremy P Stutsman for consulting services
- 13) Legal Department:** Resolution 2023-18, Declaring Surplus and Authorizing the Disposal of IT Equipment
- 14) Legal Department:** Agreement with Industrial Inspection & Analysis for aerial ladder testing and certification at a cost of \$4,415 each year for the years 2024, 2025 and 2026
- 15) Legal Department:** Approve and execute the amended agreement with Norfolk Southern Railway Company review of Quiet Zone project designs, plans, and specifications services
- 16) Legal Department:** Approve, and authorize Mayor Leichty to execute, the agreement with Oaklawn Psychiatric Center, Inc. awarding the sum of \$250,000 from the City's American Rescue Plan Fund to support the Elkhart County Behavioral Health Crisis Center
- 17) Water Utility:** Request for road closure at the intersection of S. 10th Street & E. Jefferson St. for manhole replacement, June 27-June 29, 2023
- 18) Water Utility:** Request for road closure at 223 S 6th St., between W. Washington and E. Jefferson streets, to install a new sewer tap, June 28-June 30, 2023
- 19) Engineering Department:** Approve the lane restriction on Dierdorff Road, June 26-June 28, 2023, to allow NIPSCO to install a steel gas distribution emergency valve
- 20) Engineering Department:** Approve the lane restriction on Berkey Avenue just east of Amberwood Drive, on June 29, 2023, to allow NIPSCO to install a steel gas distribution emergency valve
- 21) Engineering Department:** Authorize the Mayor to sign Change Order No. 3 for the Wilden Avenue Reconstruction project for a contract time extension of twenty-six (26) days to Rieth Riley Construction Co. Inc.

## **Privilege of the Floor**



**CITY OF GOSHEN STORMWATER BOARD**

**Regular Meeting Agenda**

**2:00 p.m., June 26, 2023**

**Goshen Police & Court Building, 111 East Jefferson Street, Goshen, Indiana**

**Members:** Mayor Leichty, Mike Landis and Mary Nichols

**22)** Accept the revised post-construction stormwater management plan for Kropf RV Transport Facility as it has been found to meet the requirements of City Ordinance 4329

**Approval of Civil City and Utility Claims**

***Adjournment***



## BOARD OF PUBLIC WORKS & SAFETY & STORMWATER BOARD MINUTES OF THE JUNE 12, 2023 REGULAR MEETING

*Convened at 2 p.m. in the Goshen Police & Court Building, 111 East Jefferson St., Goshen, Indiana*

**Present:** Mayor Jeremy Stutsman, Mike Landis, Mary Nichols, and Barb Swartley

**Absent:** none

**CALL TO ORDER:** Mayor Jeremy Stutsman called the meeting to order at 2:00 p.m.

**REVIEW/APPROVE MINUTES:** Mayor Stutsman presented the minutes of the June 5, 2023 Regular Meeting. Board Member Mike Landis moved to accept the minutes as presented and the motion was seconded by Board Member Barb Swartley. Motion passed 4-0.

**REVIEW/APPROVE AGENDA:** Mayor Stutsman presented the meeting agenda with an added item: *Water & Sewer Office: Request to move \$1,835.27 in uncollected finalized accounts from active to collection, sewer liens and write offs.* Board member Landis moved to approve the agenda as suggested. Board member Swartley seconded the motion. Motion passed 4-0.

### 1) Opening of sealed bids for the 10th Street Reconstruction (Project No. 2022-0037) – Bids due 1:45 p.m., June 12, 2023

The City of Goshen solicited offers for the 10th Street Reconstruction Project and opened the bids received by the deadline at the City Board of Works & Safety meeting. Mayor Stutsman announced the following bids:

- C&E Excavating, Inc. of Elkhart, Indiana: Base bid, \$4,548,255.00; Alternate No. 1, \$232,700.00.
- HRP Construction, Inc. of South Bend, Indiana: Base bid, \$4,621,492.55; Alternate No. 1, \$223,436.50.
- Niblock Excavating of Bristol, Indiana: Base bid, \$4,037,816.95; Alternate No. 1, \$210,987.00; Alternate No. 2, \$410,500.00.
- Rieth-Riley Construction Co., Inc. of South, Indiana: Base bid, \$5,863,328.72; Alternate No. 1, \$242,767.47; Alternate No. 2, \$390,549.70.

Mayor Stutsman/Board member Swartley moved that the four bids received be referred to the City Engineering Department for review. Motion passed 4-0.

### 2) Organization request: Closure of parking lot adjacent to Goshen Brewing Co. for a pickleball tournament, Aug. 25-26, 2023

Tavisak "Tavi" Mounsitiraj of Goshen, the owner and operator of the Goshen Soccer Academy and the Maple City Pickleball Club, requested permission from the Board of Works & Safety to again stage a pickleball tournament on a portion of the City parking lot in August. With the City's approval, he said the 2022 tournament was successful and he is hoping to attract more people to participate in this year's edition of the Cobblestone Pickleball Challenge. In his written request, Mounsitiraj sought Board approval to partially close a portion of the City parking lot on West Washington Street, north of Goshen Brewing Company, on Friday August 25 and Saturday, August 26, 2023. He asked permission to close and use that portion of the parking lot starting at 8 a.m. on Aug 25 and continuing until 8 p.m. on Saturday Aug 26. Mayor Stutsman said he attended a portion of the event last year and said it was fun to see the unpredictable play in the parking lot.



In a memorandum to the Board, **Mounsithiraj** said pickleball is a combination of tennis, badminton and ping pong and it is one of the fastest growing sports in the country. He added that sponsors are hosting this event on the cobblestone parking lot "because we want this to be the toughest pickleball tournament in the country."

**Landis/Swartley moved to allow Goshen Soccer Academy to close the center portion of the West Washington Street parking lot to stage a pickleball academy from 8 a.m. August 25, 2023 through 8 p.m. August 26, 2023. Motion passed 4-0.**

**3) Business Request: Close the alley north of Lincoln Avenue between Main and 5th streets June 24, 2023**

**Ryan Hawkins**, owner of Common Spirits, 111 East Lincoln Ave. in downtown Goshen, asked the Board for permission to temporarily close the alley north of East Lincoln Avenue, between Main and 5th streets, on Saturday, June 24, 2023 between 3 p.m. and 11 p.m. to celebrate the 7th anniversary of the business.

**Landis/Swartley moved to approve closure of the alley north of Lincoln Avenue, between Main and 5th streets, from 3 p.m. to 11 p.m. on June 24, 2023. Motion passed 4-0.**

**4) Business Request: Sandwich Board advertising request from The Wholesome Tortilla**

**Rafael Chavez**, a co-owner of The Wholesome Tortilla, 121 East Lincoln Ave., asked for approval to place two sandwich boards (measuring 5 feet x 2 feet) and a floor decal (3 feet by 3 feet) to attract customers.

In a written request, **Chavez** explained that despite its best efforts, customers have shared their difficulty finding the business because of its location behind Lincoln Avenue, adjacent to the alley. He indicated that alley lights approved by the Board have helped at night, but more is needed during the day to make people aware of the business.

**Mayor Stutsman** said boards are allowed, but cannot block access to handicapped people and pedestrians.

**City Assistant Planning & Zoning Administrator Rossa Deegan** said this request came to his department and he informed the owners that sandwich boards are regulated under the City zoning ordinance and if placed in the City's right-of-way, they require Board approval. He said sandwich boards were requested at two locations, but the ordinance only allows one to be placed at a time. And boards can be no taller than 4 feet. In response to a question from **Board member Landis**, Deegan said the signs could only be placed during business hours but there didn't appear to be limits on the locations.

In response to a question from the **Mayor** about approving boards at two locations, **City Attorney Bodie Stegelmann** said the Board could approve placement at two locations, but only one at a time, and require that the restaurant follow the zoning law. Asked by **Board member Swartley** if the business could place a sandwich board in one location and a floor decal in another, **Deegan** said the zoning ordinance didn't regulate that. **Chavez** said the floor decal would be used in the alley to direct people to the business.

**After clarifying the proposed motion, Landis/Swartley moved to allow The Wholesome Tortilla to place floor decals, pending approval by the Engineering Department, and place one sandwich board at a time in two approved locations on East Lincoln Avenue and East Clinton Street. Motion passed 4-0.**

**5) Business Request: Black Squirrel Golf Course Fireworks for July 2, 2023**

**Grant Sassaman**, owner and operator of the Black Squirrel Golf Course in Goshen, asked the Board to approve a fireworks show at the Black Squirrel Golf Course on July 2, 2023. In response to a question from **Mayor Stutsman**, Sassaman said the show has received a state permit as well as Goshen Fire Department approval.

**In a written request, Sassaman reported that:**

- Fireworks will start at 10 p.m. and end at 10:30 p.m. and parking in various lots will begin at 3 p.m.
- Off-duty Goshen Police officers will be hired to provide traffic control and security.
- The Goshen Fire Department has signed off on the event. The Fire Department is planning to bring one truck to station near where the fireworks will be staged, on the 16th hole of the course.



- Permission has been secured to use parking lots at Goshen Junior High School, Goshen Intermediate School, First Baptist Church, Life Center and two unused portions of land in the housing addition and on the north side of the course on Plymouth Avenue.
- Parking will be allowed on the north side of Plymouth Avenue up against the golf course.
- Volunteers will clean all parking lots and the golf course grounds after the show.

**Sassaman made the following requests of the City:**

- Utilize police officers at various intersections as shown on the event map starting at 6:30 pm until the crowd is dispersed afterward (basically the two main intersections on either end of the golf course on Plymouth Avenue and other various intersecting roads).
- For security, deploy four police officers to roam the golf course starting at 6:30 pm until after the show.
- Provide “no parking” signs to place on one side of the streets of the subdivisions that go through the golf course so that emergency vehicles can still access those roads – Trenton Place, Foxbriar Lane, Amberwood Drive and Bainbridge Place.
- Place “no parking” signs on the south side of Plymouth Avenue, from Greene Road to Indiana Avenue.
- The use of 30 traffic cones and five “Residents Only” parking signs.

**Mayor Stutsman** thanked **Sassaman** for bringing a fireworks show back to the community.

In response to a question from **Board member Landis** about parking in the subdivision adjacent to the golf course, **Sassaman** said parking restrictions were being requested to prevent parking in that neighborhood. He asked if the City could supply “Residents Only Entry” signs.

**Mayor Stutsman** asked if the City could provide those signs and if access could be limited to residents only on public streets. **City Street Commissioner David Gibbs** said his department didn’t have those type of signs; they would need to be made or purchased. Gibbs said the parking restrictions have increased from previous shows and that he couldn’t provide signs along Plymouth Avenue. **City Attorney Bodie Stegelmann** said the City could order the temporary closure of streets. **Sassaman** further described where “Residents Only” signs were needed.

**City Fire Chief Dan Sink** said the department favored limiting street parking to allow access for emergency vehicles. He added that either the State or City would retain the option of canceling the show if the weather was especially dry.

**City Police Chief José Miller** said he understood that the show planned to hire 10 off-duty officers to provide assistance for the show. He said ending the show at 10:30 p.m. would come during a police shift change, so the department could provide traffic control at intersections between 10:30-11:30 p.m., but officers would need to leave if there were calls for service.

**Mayor Stutsman** asked if police or golf course staff would enforce “no parking” areas. **Chief Miller** said he didn’t recall police responding in the past. **City Assistant Police Chief Shawn Turner** said in the past, people would be aware of the police presence and would obey the parking restrictions.

**Board member Landis** and **Sassaman** discussed efforts to limit non-resident parking in the surrounding neighborhood. **Sassaman** said sponsors were hoping their efforts would discourage non-resident parking.

**Sassaman** added that the golf course owners were starting their planning later than in the past, having just acquired the course two months ago. In light of the City’s past sponsorship of the show, he said any help would be welcomed.

In response to a question from **Chief Miller**, **Mayor Stutsman** said it was up to the sponsors to get approval for the parking areas. In response to a question from the Mayor, **Gibbs** said that it would be up to the sponsors to pay for the creation of the “Resident Only” parking signs.

**Landis/Swartley moved to approve the requested residential area parking restrictions, signs that will indicated “Residents Only” parking on July 2 and that the City will provide other parking signs as requested for the Black Squirrel fireworks show. Motion passed 4-0.**

**Mayor Stutsman** thanked **Sassaman** for taking over the golf course and providing another City fireworks show.



**6) Legal Department: Approve contract with Vanderwey and Sons Masons for tuckpoint repair and waterproofing the east wall of Utilities Department Building D at 308 North 5th Street**

**Brandy Toms, a paralegal with the City Legal Department,** presented an agreement with Vander Wey and Sons Masons for tuckpoint and waterproofing the east wall of Utilities Department Building D, 308 N. 5<sup>th</sup> Street, for a total cost not to exceed \$11,000, with all work to be completed on or before Sept. 15, 2023.

**Landis/Swartley moved to approve and authorize Mayor Stutsman to execute the agreement with Vander Wey and Sons Masons for tuckpointing and waterproofing the east wall of Building D located at 308 N. 5th Street at a cost not to exceed \$11,000. Motion passed 4-0.**

**7) Legal Department: Approve contract with Vanderwey and Sons Masons for tuckpoint repair and seal work at the Police and Court Building at 111 Jefferson Street**

**Brandy Toms, a paralegal with the City Legal Department,** presented an agreement with Vander Wey and Sons Masons for tuckpoint and seal work to be done at the Police and Courts Building, 111 E. Jefferson Street for a flat sum of \$2,280, with all work will be completed on or before Sept. 15, 2023.

**Landis/Swartley moved to approve and authorize the Mayor to execute the agreement with Vander Wey and Sons Masons for tuckpointing and seal work at 111 E. Jefferson Street, for \$2,280. Motion passed 4-0.**

**8) Legal Department: Agreement for services with Fire Catt for annual fire hose testing**

**Brandy Toms, a paralegal with the City Legal Department,** presented an agreement with Fire Catt of Troy, Michigan for annual fire hose testing for the years 2023-2025. The company will be paid approximately \$6,820.00 annually for these services. He said a provision was added in case the costs increase.

**Fire Catt's duties under the agreement include:**

- (A) Assign an Identification Number using a barcode label on each coupling for each length of hose
- (B) Record the Identification Number on the hose jacket at each end of the hose using a permanent ink marker.
- (C) Inspect each length of hose, both the outer jacket and inner liner.
- (D) Inspect all couplings and threads.
- (E) Inspect all gaskets and replace defective gaskets at no extra cost.
- (F) Supply and apply hose manufacturer approved lubricant for coupling lubrication.
- (G) Tag and removed from service all defective hose and mark, using permanent marker, the defect location on the hose. The tag shall be distinctive and state the reason for removal from service, date, and hose I.D. number. This information will also be documented within the test report.
- (H) Supply and apply "Never Seize" lubricant for lubricating all apparatus connection points so as to reduce galvanic reaction associated with dissimilar metal contact.
- (I) Accurately record all data that will be documented in the final report which shall include: Department I.D.; Station or Apparatus I.D.; Contractor's hose I.D.; Goshen Fire Department hose I.D.; Manufacturer; Date of Manufacture; Date in Service; Size; Length; Pressure; Pass/Fail; Reason for Failure; and Tread Type.
- (J) Provide City a hard copy of the Test Report within one week of test completion.
- (K) Provide internet web access to an electronic copy of the test record within one week of test completion. Information shall be protect using a unique login and password Access to the test records will be for a minimum of seven years from date of the most recent test.

**Landis/Swartley moved to approve and authorize Mayor Stutsman to execute the agreement with Fire Catt for annual fire hose testing for the years 2023, 2024 and 2025 at a cost of approximately \$6,820 per year. The motion passed 4-0.**



**9) Engineering Department: Abshire Park Parking Lot & Path Survey Agreement (JN: 2023-0028)**

**City Civil Traffic Engineer Josh Corwin** said on May 10, 2023, the City received quotes for an Abshire Park survey, including the existing parking lot, the proposed path location and a portion of the park around the cabin. The following quotes were received.

- A & Z Engineering – \$25,000
- The Abonmarche Group – \$19,500
- Jones Petrie Rafinski Corp. – No bid received

Corwin said the lowest responsive quoter was the Abonmarche Group with a quote of \$19,500.

**Landis/Swartley moved to approve Mayor Jeremy Stutsman signing the agreement with the Abonmarche Group for \$19,500 for the survey of Abshire Park. Motion passed 4-0.**

**10) Engineering Department: Request for Road Closure (West Park Drive)**

**City Civil Traffic Engineer Josh Corwin** said NIPSCO has requested the closure of West Park Drive, between Greene Road and Greenway Drive, on Monday, June 12, 2023 for work on a valve.

**Corwin** said the lane restrictions will follow MUTCD guidance. The proposed detour route was shown on an exhibit attached to the meeting agenda packet.

**Landis/Swartley moved to approve the road closure of West Park Drive on June 12, 2023 for NIPSCO to complete valve work. Motion passed 4-0.**

**11) Engineering Department: Wilson Avenue Asphalt Paving Reconstruction (JN: 2023-0002)**

**City Civil Traffic Engineer Josh Corwin** said Niblock Excavating will be performing work to remove full depth asphalt and install new asphalt pavement on Wilson Avenue and West Lafayette Street.

Corwin said while working in the area, Niblock will overlay the side streets including West Jackson Street., Burdick Street, and Murray Street. The work will require partial lane restrictions along Wilson Avenue and the side streets, with Niblock providing traffic control. Niblock will maintain open access for Janus Motorcycle and the residents in the neighborhood. He said the partial lane restrictions will occur June 19 through July 7, 2023.

**Landis/Swartley moved to approve the Wilson Avenue, W. Jackson Street, Burdick Street, Murray Street, and W. Lafayette Street asphalt paving lane restrictions from June 19 through July 7, 2023. Motion passed 4-0.**

**12) Water & Sewer Office: Move \$1,835.27 in uncollected finaled accounts from active to collection, sewer liens and write-offs**

**Kelly Saenz, Manager of the Goshen City Utilities Office**, said that the original amount of unpaid final Water/Sewer accounts for this period, through March 13, 2023, was \$3,531.94. She said collection letters were sent out and payments of \$1,696.67 were collected. The uncollected amount was \$1,835.27. So, Saenz asked the Board to move the office's uncollected final accounts from active to Collection, Sewer Liens and Write offs.

**Saenz provided a memorandum with her request that was distributed to the Board. (EXHIBIT #1).**

**Landis/Swartley made a motion to move the Goshen Water and Sewer Office's current \$1,835.27 in uncollected finaled accounts from active to collection, sewer liens and write-offs. Motion passed 4-0.**

**Privilege of the Floor (opportunity for public comment for matters not on the agenda): Mayor Stutsman opened Privilege of the Floor at 2:35 p.m. There was no comments from the public.**

**At 2:36 p.m., Mayor Stutsman temporarily closed the Board of Works & Safety meeting and convened the City of Goshen Stormwater Board to consider five Stormwater agenda items.**





**CITY OF GOSHEN STORMWATER BOARD  
MINUTES OF THE JUNE 5, 2023 REGULAR MEETING**

*Convened at 2:36 p.m. in the Goshen Police & Court Building, 111 East Jefferson Street, Goshen, Indiana*  
**Members Present:** Mayor Stutsman, Mike Landis and Mary Nichols  
**Members Absent:** none

**13) Accept the post-construction stormwater management plan for Post-Construction Plan approval for 1773 Ardmore Court New Building (JN: 2018-2074)**

**City Stormwater Coordinator Jason Kauffman** said the developer of the 1773 Ardmore Court new building, affecting one of more acres of land, has submitted a sufficient post-construction plan that is compliant with Ordinance 4329, "Uniform Requirements for Post-Construction Stormwater Management." He said the City Stormwater Department requested the Board's acceptance of the plan. Board members had no questions.

**Landis/Nichols moved to accept the post-construction stormwater management plan for the 1773 Ardmore Court new building as it meets the requirements of City Ordinance 4329. Motion passed 3-0.**

**14-17) Accept the post-construction stormwater management plans for the Bearcat Corporation Site Drainage Amendment #1 (JN: 2021-2047), Viewrail Realty Plant 6 – Metal Components (JN: 2021-2019), Lot #6 – Waterford Commons Business Park North PUD Tract 2 (JN: 2016-2037), and Lot #7 – Waterford Commons Business Park North PUD Tract 2 (JN: 2018-2059)**

**City Stormwater Coordinator Jason Kauffman** requested post-construction plan approval for the following properties, each affecting one or more acres of land, as compliant with City Ordinance 4329:

- Bearcat Corporation Site Drainage Amendment #1 (JN: 2021-2047); 2431 East Kercher Road.
- Viewrail Realty Plant 6 – Metal Components (JN: 2021-2019), 1815 Ardmore Court.
- Lot #6 – Waterford Commons Business Park North PUD Tract 2 (JN: 2016-2037), 1775 Ardmore Court.
- Lot #7 – Waterford Commons Business Park North PUD Tract 2 (JN: 2018-2059), 1725 Ardmore Court.

**Landis/Nichols moved to accept the post-construction stormwater management plans for Bearcat Corporation Site Drainage Amendment #1, Viewrail Realty Plant 6 – Metal Components, Lot #6 – Waterford Commons Business Park North PUD Tract 2 and Lot# 7 – Waterford Commons Business Park North PUD Tract 2 as all have been found to meet the requirements of City Ordinance 4329. Motion passed 3-0.**

**Mayor Stutsman adjourned the City of Goshen Stormwater Board and reconvened the Board of Works & Public Safety meeting at 2:40 p.m.**

**18) Board of Public Works & Safety public hearing: Review of the Order of the City of Goshen Building Commissioner for 425 N. 9th Street (Christopher Jones, occupant)**

At 2:40 p.m. Mayor Stutsman opened a public hearing on the Order of the City of Goshen Building Commissioner for the property at 425 N. 9th Street in Goshen (Chris Jones, occupant). The Board of Public Works and Safety needed to determine whether the house was unsafe and decide whether to affirm, modify, or rescind the Building Commissioner's Demolition Order.

**BACKGROUND:**

On April 13, 2023, through a written order, City Building Commissioner Myron Grise notified Christopher Jones, the occupant of the property at 425 N. 9th Street in Goshen that his property was in violation of the Goshen City Code.



**Grise** reported that the City Building Department inspected the subject real estate on Dec. 28, 2021 and violations of the Accumulation of Materials, Building Code, and Neighborhood Preservation Ordinance code sections were cited. The real estate was re-inspected on Feb. 16, 2022, which showed no significant improvement to the real estate.

**Grise reported that the real estate was “unsafe** within the meaning of Indiana Code § 36-7-9-4 in that one or more buildings or structures on the real estate are in an impaired structural condition that makes it unsafe to a person or property, is vacant, and is not maintained in a manner that would allow human habitation, occupancy, or use under the requirements of Indiana’s Unsafe Building Law (“UBL”) (I.C. §36-7-9-1, et seq.) and the City’s Neighborhood Preservation Ordinance (“NPO”) (Goshen City Code §§6.1.1.1, et seq.)”

**Due in large part because of a previous fire, Grise reported that the following fifteen (15) violations of Title 6 of the Goshen City Code were cited by the City Building Department inspector and have not been satisfactorily repaired or remedied:** Unsafe Structure(s)-Fire Hazard; Unsafe structure (structure has less than 66% of the strength of a newly constructed building); Unsafe Structure(s)-Interior; Unsafe Structure(s)-33% Support/50% Non-Support (more than 33% of the roof and load-bearing walls have been compromised); Plumbing (no running water and no working plumbing system); Privacy, Weather Tight, Good Repair – Interior (no proper ceilings or floors, no doors and no wall coverings); Properly and Safely Installed Electrical Equipment (fire damaged wires and exposed wiring); Heat Supply (the only heat is from space heaters); Roof (deteriorating and roof deck damaged); Windows and Doors (cracked and broken windows and no doors); Clean and Sanitary Dwelling Unit-Exterior (trash, debris and excess materials outside); Furniture/Appliances/ Bulky Items (bulky items, cars parked on grass and storage materials and appliances must be removed); Containers Supplied (solid waste disposal facilities and containers must be provided); Unsafe Structure (due to extensive fire damage, the property is in danger of collapse); and Unsafe Structure-Dilapidated/Deteriorated/ Free Access (the property has become so dilapidated and deteriorated that it is freely accessible to persons).

**Grise concluded that these violations have made the premises at 425 N. 9th St. unsafe and the general condition of the building warrants removal. He ordered Christopher Jones to “demolish and remove the unsafe building to bring it into compliance with Title 6 of the Goshen City Code by May 19, 2023.”**

**Grise further notified Christopher Jones that a hearing would be held before the Board of Public Works and Safety – originally scheduled for May 22 and later moved to June 12 – for the purpose of reviewing the Order of the City of Goshen Building Commissioner.** Jones was advised that he had the right to appear at this hearing with or without counsel, to present evidence, cross-examine opposing witnesses and present arguments.

#### **JUNE 12, 2023 PUBLIC HEARING DISCUSSION AND OUTCOME:**

**Mayor Stutsman convened the hearing on the Order of the City of Goshen Building Commissioner for 425 N. 9th Street in Goshen (Chris Jones, occupant) and invited comment from City Building Inspector Travis Eash. Eash distributed a memorandum to the Board which provided an update on the status of 425 N. 9th Street. (EXHIBIT #1) and said he had advised Jones not to attend the meeting because of a proposed agreement.** Reading from the memo, **Eash** said the Building Department received a structural engineer’s report regarding the property at 425 N. 9th Street which addressed the structural deficiencies present at the house due to fire, dilapidation and poor remodeling practices.

**Eash** said the owner has some of his own resources and also has people volunteering resources and time to help get this project done. He said the acting owner and his representative have agreed to repair the structure to what the engineer’s report is requiring.

**So, Eash said the Building Department and the acting owner and his representative have reached an agreement on the following timeline for repairs to be completed.**

June 26, 2023 – Most if not all framing complete.

July 11, 2023 – Whatever framing was left, plumbing complete and gas service and water turned on.



Aug. 1, 2023 – Electrical wiring complete.

Aug. 15, 2023 – Insulation

Oct. 1, 2023 – Remodel complete and final inspection done.

**Eash** concluded that barring any financial or personal setbacks, this was the time frame that had been agreed upon between the City Building Department and the property owner.

**Mayor Stutsman** thanked Eash and said this was the kind of outcome the City sought in these types of hearings and as the City seeks to have homes repaired. He said some landlords push the City toward court deliberations and the expenditure of more funds, so he appreciated this property owner taking action and working with the City.

The **Mayor** asked **City Attorney Bodie Stegelmann** for advice on how proceed. Stegelmann said that based on the agreement and timetable, the Board should allow **Eash** to follow up and if the conditions are not met, he can request another hearing if necessary. Mayor Stutsman asked about continuing the hearing and allowing Eash to pull the item if the matter is resolved. Stegelmann said that was another option and that the matter could be tabled to October.

**Mayor Stutsman/Landis moved to table the matter to Oct. 23. Motion passed 4-0.**

**At 2:45 p.m., Mayor Stutsman closed the public hearing on the Order of the City of Goshen Building Commissioner for the property at 425 N. 9th Street in Goshen (Chris Jones, occupant).**

**19) Board of Public Works & Safety public hearing: Review of the Order of the City of Goshen Building Commissioner for 907½ South Main Street (Ron Davidhizar, property owner)**

**At 2:45 p.m. Mayor Stutsman opened a public hearing on the Orders of the City of Goshen Building Commissioner and the Board of Works and Safety for the property at 907½ South Main Street (Ron Davidhizar, property owner).**

**The Board of Public Works and Safety needed to determine whether the house was unsafe and decide whether to affirm, modify, or rescind the Building Commissioner's Order. The Board also needed to decide whether to move forward with repairs at the owner's expense.**

#### **BACKGROUND:**

**At a Board of Works and Safety hearing on April 10, 2023, City Building Inspector Ryan Conrad** provided a memo to the Board (also dated April 10, 2023) which included four pages of photographs and the three-page Building Commissioner Order, dated March 8, which outlined the alleged violations brought before the Board .

**Conrad** described building inspection he conducted on July 5, 2022 when he determined that maintenance violations existed on the property. He said he notified **Ron Davidhizar** of the violations in writing to which Davidhizar responded that the tenants were being evicted and requested an extension to fix the problems. Conrad then re-inspected the building on Nov. 7 and Dec. 22, 2022 and Jan. 19, 2023 and did not see any significant improvements to the building. At this time, the City continued to receive complaints from neighbors about the property.

In early April 2023, **Conrad** said he re-inspected the property and determined that these violations still exist:

- Damage to the roof at the rear of the structure
- Damage to exterior wall due to a fire that occurred in February 2022
- Leak in the bathroom
- Exterior light fixtures improperly covered with exposed wiring
- Exterior doors that are not properly secured, neighbors complain of transients regularly utilizing the space
- Multiple broken windows that need to be made weather tight

**Conrad** recommended the City move forward with repairs to the structure and to bill the property owner for the cost of said repairs. Conrad also requested the Board consider any civil penalty allowed under Indiana laws that the Board might consider appropriate for the property owner's willful violation of the order.



**Conrad** advised Board members that they could impose a civil fine up to \$5,000 in addition to the cost of repairs. Discussion between **Mayor Stutsman**, **Board member Landis** and **City Attorney Stegelmann** confirmed that the City has provided repairs for Davidhizar and then the City is reimbursed through liens on the repaired properties, but have not imposed any fines on Davidhizar to this date.

**Mayor Stutsman** noted that Davidhizar was not present in the meeting and **Conrad** confirmed that Davidhizar was notified of the meeting through the proper channels. Mayor Stutsman acknowledged that this is consistent with Davidhizar's behavior and said that the purpose of the meeting was not to condemn the property but to clarify what Davidhizar should fix. Conrad said that the outside of the building is the subject of the hearing but he would want to inspect the interior before the apartment is leased.

**Landis/Nichols** moved to affirm the findings of the Building Department, affirmed the order that the violations listed on the report for 907 ½ South Main Street are repaired by May 8, 2023, and affirmed that the Board would hold a hearing at the May 8, 2023 meeting where they would expect a report on the condition of the property and take further action if the issues were not resolved. Motion passed 4-0.

The scheduled May 8, 2023 meeting was eventually continued until June 12, 2023.

#### **JUNE 12, 2023 PUBLIC HEARING DISCUSSION AND OUTCOME:**

**Mayor Stutsman** convened the hearing on 907½ South Main Street (Ron Davidhizar, property owner, who was not present) and invited comment from **City Building Inspector Travis Eash**.

**Eash** said he understood that **City Building Inspector Ryan Conrad** had pulled this item from the agenda earlier today. **City Attorney Bodie Stegelmann** confirmed Eash's representation and said that Conrad told him this morning that there was work that still needed to be done at the property and that Conrad was in contact with the property owner last week. Stegelmann said the required work was completed over the weekend and based on inspection this morning, the work was completed to his satisfaction.

**Mayor Stutsman** asked Stegelmann if the hearing was completed. **Stegelmann** confirmed that it was. **City Building Commissioner Myron Grise** said the required work was completed. Stegelmann said there was no need to continue the hearing and it could simply be closed without further Board action. The Mayor thanked Davidhizar.

At 2:46 p.m., Mayor Stutsman closed the public hearing on the Order of the City of Goshen Building Commissioner for the property at 907½ South Main Street (Ron Davidhizar, property owner).

#### **Approval of Civil City and Utility Claims**

As all matters before the Board of Public Works & Safety were concluded, Mayor Stutsman/Board member Landis moved to approve Civil City and Utility claims and adjourn the meeting. Motion passed 4-0.

#### **Adjournment**

Mayor Stutsman adjourned the Board of Works meeting at 2:47 p.m. He noted this was his last Board of Works meeting as Mayor (because he is stepping down from office on June 16, 2023).

**EXHIBIT #1: Memorandum to the Goshen Board of Utilities, dated June 12, 2023, from City Water & Sewer Office Manager Kelly Saenz requesting that the Board of Works & Safety move \$1,835.27 in uncollected finalized accounts from active to collections, sewer liens and write-offs. This was added agenda item #12.**



**EXHIBIT #2: Memorandum to the Board of Works & Safety from City Building Inspector Travis Eash on the status of 425 N. 9<sup>th</sup> Street (Christopher Jones, occupant). The memo, provided for agenda item #19, outlined an agreement between the City Building Department and acting owner for the repair of the property.**

**APPROVED:**

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**Mayor Gina Leichty**

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**Mike Landis, Member**

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**Mary Nichols, Member**

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**Barb Swartley, Member**

**ATTEST:**

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**Richard R. Aguirre, City of Goshen Clerk-Treasurer**



**CITY OF GOSHEN LEGAL DEPARTMENT**

City Annex  
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[www.goshenindiana.org](http://www.goshenindiana.org)

June 26, 2023

**To:** Board of Public Works and Safety

**From:** Brandy L. Toms

**Subject:** Opening sealed quotes for City of Goshen 2023 line striping project

On behalf of the Street Department for the City of Goshen, the Board of Public Works and Safety is asked to open any and all sealed quotes submitted to the City for the 2023 line striping project. All sealed quotes were due to be submitted for opening to the Clerk-Treasurer's Office by 1:00 pm today and all quotes will be referred to the Legal Department for review upon being unsealed.

**Suggested Motion:**

Refer the offers to the Legal Department for review.



**Jose' D. Miller**

**Chief of Police**

111 E Jefferson St  
Goshen, Indiana 46528

TO: Goshen Board of Public Works & Safety  
Mayor Gina Leichty  
Member Mary Nichols  
Member Mike Landis  
Member Barb Swartley

Date: June 26<sup>th</sup>, 2023

From: Jose' Miller, Chief of Police

Reference: Promotion of Jordan LW Snyder #220 from Probationary Patrol Officer to Patrol Officer

I am requesting the Goshen Board of Public Works and Safety approve the promotion of Jordan LW Snyder from the rank of Probationary Patrol Officer to the rank of Patrol Officer retroactive to June 21<sup>st</sup>, 2023. Officer Snyder has attended, and successfully completed, the Indiana Law Enforcement Academy basic training program. On June 21<sup>st</sup>, 2023 Officer Snyder completed his twelve (12) month probationary period for Goshen Police Department. Officer Snyder has demonstrated he will be a great addition to the Goshen Police Department and to this community.

Tanner will be present for the Board of Works Meeting.

Respectfully,

Jose' Miller #116

Chief of Police

Goshen City Police Department  
111 E. Jefferson Street  
Goshen, IN. 46528

Telephone: (574) 533-8661

Hearing Impaired: (574) 533-1826

FAX: (574) 533-1826



**Jose' D. Miller**

**Chief of Police**

111 E Jefferson St  
Goshen, Indiana 46528

TO: Goshen Board of Public Works & Safety  
Mayor Gina Leichty Jeremy Stutsman  
Member Mary Nichols  
Member Mike Landis  
Member Barb Swartley

Date: June 26<sup>th</sup>, 2023

From: Jose' Miller, Chief of Police

Reference: Promotion of Ever G Gutierrez Franco #221 from Probationary Patrol Officer to Patrol Officer

I am requesting the Goshen Board of Public Works and Safety approve the promotion of Ever G Gutierrez Franco from the rank of Probationary Patrol Officer to the rank of Patrol Officer retroactive to June 21<sup>st</sup>, 2023. Officer Franco has attended, and successfully completed, the Indiana Law Enforcement Academy basic training program. On June 21<sup>st</sup>, 2023 Officer Franco completed his twelve (12) month probationary period for Goshen Police Department. Officer Franco has demonstrated he will be a great addition to the Goshen Police Department and to this community.

Tanner will be present for the Board of Works Meeting.

Respectfully,

A handwritten signature in black ink, appearing to be "Jose' Miller".

Jose' Miller #116

Chief of Police

Goshen City Police Department  
111 E. Jefferson Street  
Goshen, IN. 46528



**Telephone: (574) 533-8661**

**Hearing Impaired: (574) 533-1826**

**FAX: (574) 533-1826**



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June 26, 2023

To: Goshen Board of Public Works and Safety

From: Shannon Marks, Legal Compliance Administrator

Subject: Goshen Fire Department Conditional Offer of Employment to Christopher L. Vaughn, Jr.

On behalf of the Fire Department, it is recommended that the Board extend a conditional offer of employment to Christopher L. Vaughn, Jr. as well as approve the attached Conditional Offer of Employment Agreement and authorize the Mayor to execute the agreement.

The agreement sets forth the conditions that the prospective employee must meet prior to beginning employment with the Fire Department as a probationary firefighter which includes being approved by the board of trustees of the Indiana Public Retirement System for membership to the 1977 Police Officers' and Firefighters' Pension and Disability Fund. Christopher currently possesses Firefighter I/II certification, and Basic EMT certification. Once employed, Christopher will be required to successfully complete a paramedic training program and obtain an Indiana paramedic license and serve as an active paramedic with the Department a minimum of three years.

The Fire Department will request the Board to confirm the offer of employment when a position opening becomes available in the Department.

### Suggested motions:

- (1) Move to extend a conditional offer of employment to Christopher L. Vaughn, Jr. as a probationary firefighter.
- (2) Move to approve the Conditional Offer of Employment Agreement with Christopher L. Vaughn, Jr., and authorize the Mayor to execute the agreement.

**GOSHEN FIRE DEPARTMENT  
CONDITIONAL OFFER OF EMPLOYMENT AGREEMENT**

THIS AGREEMENT is entered into on \_\_\_\_\_, 2023, which is the date of the last signature set forth below, by and between **Christopher L. Vaughn, Jr.** ("Vaughn") and **City of Goshen, Indiana**, acting through the Goshen Board of Public Works and Safety ("City").

In consideration of the terms, conditions and mutual covenants contained in this agreement, City and Vaughn agree as follows:

**CONDITIONAL OFFER OF AND PREREQUISITES TO BEGINNING EMPLOYMENT**

City conditionally offers Vaughn employment as a probationary firefighter of the Goshen Fire Department. Vaughn accepts City's conditional offer of employment. City does not have a current position available in the Goshen Fire Department. City and Vaughn understand and agree that the offer of employment is contingent upon the following:

- (1) A personnel vacancy in the Goshen Fire Department rank and file must exist. Vaughn understands that currently no vacancy exists in the rank and file of the Fire Department. Although the Goshen Fire Department is initiating the pension physical and psychological testing, Vaughn understands that no permanent employment will be offered until such time that a personnel vacancy is available and/or additional staffing is hired to increase the number of firefighters.
- (2) Vaughn agrees to submit a complete application for membership to the Indiana Public Retirement System (InPRS) and the 1977 Police Officers' and Firefighters' Pension and Disability Fund (1977 Fund). Vaughn understands that the application for membership requires the completion of a comprehensive medical history and the administration and successful passage of the baseline statewide physical examination and baseline statewide mental examination.
- (3) City agrees to pay the initial cost for Vaughn to complete the baseline statewide physical examination and baseline statewide mental examination as required by Indiana Code §§ 36-8-8-7(a) and 36-8-8-19. In the event that InPRS requires any additional reports and/or testing to establish physical and mental fitness beyond the baseline statewide physical examination and baseline statewide mental examination requirements, such costs for the additional reports and/or testing shall be at Vaughn's expense. If additional reports and/or testing are required, Vaughn may elect to terminate this agreement.
- (4) InPRS will determine whether Vaughn has any Class 3 excludable conditions. Vaughn understands that if InPRS finds that Vaughn has any Class 3 excludable conditions, Vaughn will be prevented from receiving certain Class 3 impairment benefits for a certain period of time and will be disqualified from receiving disability benefits from the 1977 Fund throughout Vaughn's employment if the disability is related to the Class 3 excludable

condition. In addition, City will review the InPRS findings to determine whether the City's conditional offer of employment will be withdrawn.

- (5) City and Vaughn understand that the board of trustees of the InPRS must approve the application for membership to the 1977 Fund. City will confirm its offer of employment to Vaughn if the board of trustees of the InPRS approves the application for membership to the 1977 Fund. City's confirmation will occur when a position opening becomes available in the Goshen Fire Department. In the event that approval is not given by the board of trustees of the InPRS, City withdraws this conditional offer of employment, and Vaughn accepts City's withdrawal and this agreement shall be terminated.

**AGREE TO OBTAIN A PARAMEDIC LICENSE  
AND SERVE AS A PARAMEDIC**

- (1) As a condition of employment with City and the Goshen Fire Department, Vaughn is required to successfully complete a paramedic training program, pass the license test, obtain an Indiana paramedic license, and serve as an active paramedic with the Goshen Fire Department a minimum of three (3) years.
- (2) Upon commencing employment, Vaughn agrees to enroll in a paramedic training program when instructed to do so by the Fire Chief, attend and successfully complete the training program, pass the license test, and obtain an Indiana paramedic license. If Vaughn is currently enrolled in and attending a paramedic training program prior to commencing employment, Vaughn agrees to continue to attend and successfully complete the training program, pass the license test, and obtain an Indiana paramedic license.
- (3) Starting on Vaughn's first day of employment, City will pay the cost of the paramedic training program. If Vaughn is currently enrolled in and attending a paramedic training program prior to commencing employment, City will pay a prorated cost of the training program based on the portion of the training program remaining after Vaughn's first day of employment with the Goshen Fire Department. While employed with the Goshen Fire Department, City will pay Vaughn for the time to attend class and required clinical sessions. Vaughn shall schedule all classes and clinical sessions when Vaughn is scheduled to work to the extent possible. City will pay the cost for the paramedic training program, or prorated portion thereof, and for Vaughn's time to attend the paramedic training classes and clinical sessions one (1) time. City will not pay for a refresher course or for Vaughn's time to attend a refresher course unless City does not pay for any of the paramedic training program cost or Vaughn's time to attend the paramedic training program.
- (4) Vaughn shall have twenty-four (24) months from the first day of the paramedic class to successfully complete the paramedic training program. Vaughn agrees to obtain an Indiana paramedic license within one (1) year after completion of the paramedic training program.

- (5) If Vaughn refuses to attend the paramedic training program, fails to successfully complete the paramedic training program within twenty-four (24) months from the first day of the paramedic class, or fails to obtain an Indiana paramedic license within one (1) year after completion of the paramedic training program, Vaughn's employment with City and the Goshen Fire Department will be terminated for cause.
- (6) Except as provided by paragraph (10), if Vaughn leaves employment with City and the Goshen Fire Department before obtaining an Indiana paramedic license, including termination, Vaughn agrees to repay City the City's actual cost for Vaughn to attend the paramedic training program, including the cost of the training program and the time City paid another employee to cover Vaughn's shift due to Vaughn's attendance of the paramedic training classes and clinical sessions. In no event shall the reimbursement amount exceed the sum of Fifteen Thousand Dollars (\$15,000).
- (7) Upon receiving an Indiana paramedic license, Vaughn agrees to serve City and the Goshen Fire Department as an active paramedic in accordance with the requirements set forth in the contract between the City of Goshen and the Goshen Firefighters Association, Local No. 1443, as amended from time to time. Vaughn agrees to maintain Vaughn's paramedic license as long as Vaughn is required to serve City and the Goshen Fire Department as a paramedic.
- (8) Vaughn agrees to serve City and the Goshen Fire Department as an active paramedic for a minimum of three (3) full years. Except as provided by paragraph (10), if Vaughn fails to serve City and the Goshen Fire Department as an active paramedic for three (3) full years, including termination, Vaughn agrees to repay City a prorated portion of Fifteen Thousand Dollars (\$15,000) or City's actual cost for Vaughn to attend the paramedic training program, whichever is less. The reimbursement amount will be credited at the rate of Five Thousand Dollars (\$5,000) or one-third (1/3) of City's actual cost, whichever is less, for each full year Vaughn serves City and the Goshen Fire Department as an active paramedic. (Credit will not be given for partial years of service.) If City's actual cost for the paramedic training is less than Fifteen Thousand Dollars (\$15,000), then City and Vaughn agree to establish in writing City's actual cost for Vaughn to complete the paramedic training program, including the cost of the training program and the time City paid another employee to cover Vaughn's shift due to Vaughn's attendance of the paramedic training classes and clinical sessions.
- (9) Vaughn's repayment to City is due (30) days after withdrawing from service as an active paramedic or within thirty (30) days of Vaughn's last day of employment with City and the Goshen Fire Department. Interest will accrue on the unpaid balance of the repayment at the rate of eight percent (8%) per annum beginning thirty (30) days after withdrawing from service as an active paramedic or within thirty (30) days of Vaughn's last day of employment with City and the Goshen Fire Department.

(10) No repayment will be due City if Vaughn fails to obtain an Indiana paramedic license and/or fails to serve as an active paramedic for three (3) full years because of disability or illness which make it impractical for Vaughn to obtain an Indiana paramedic license and/or to continue to serve as a paramedic in the foreseeable future, or due to death.

**AMENDMENT**

This agreement may be amended only by the mutual written consent of the parties and approval by the Goshen Board of Public Works and Safety.

**SEVERABILITY**

The provisions of this agreement are severable, and if any provision shall be held invalid or unenforceable, in whole or in part, then such invalidity or unenforceability shall affect only such provision, and shall not affect any other provision of this agreement.

**INDIANA LAW**

This agreement shall be governed by and construed in accordance with the laws of the State of Indiana. Proper venue to enforce the terms and conditions of this agreement shall be in Elkhart County, Indiana.

**BINDING EFFECT**

This agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns.

**ENTIRE AGREEMENT**

This agreement constitutes the entire agreement between the parties, and supersedes all prior negotiations, agreements and understandings between the parties concerning, the subject matter hereof.

IN WITNESS WHEREOF, the parties have executed this agreement on the dates as set forth below.

City of Goshen, Indiana

By: \_\_\_\_\_

\_\_\_\_\_

Christopher L. Vaughn, Jr.

Printed: \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



## CITY OF GOSHEN LEGAL DEPARTMENT

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June 26, 2023

To: Goshen Board of Public Works and Safety  
From: Shannon Marks, Legal Compliance Administrator  
Subject: Goshen Fire Department Conditional Offer of Employment to Noah P. Youngman

On behalf of the Fire Department, it is recommended that the Board extend a conditional offer of employment to Noah P. Youngman, as well as approve the attached Conditional Offer of Employment Agreement and authorize the Mayor to execute the agreement.

The agreement sets forth the conditions that the prospective employee must meet prior to beginning employment with the Fire Department as a probationary firefighter which includes being approved by the board of trustees of the Indiana Public Retirement System for membership to the 1977 Police Officers' and Firefighters' Pension and Disability Fund. Noah currently possesses Firefighter I/II certification, and has completed a Basic EMT training program. Once employed, Noah will be required to obtain Basic EMT certification, successfully complete a paramedic training program and obtain an Indiana paramedic license, and serve as an active paramedic with the Department a minimum of three years.

The Fire Department will request the Board to confirm the offer of employment when a position opening becomes available in the Department.

### Suggested motions:

- (1) Move to extend a conditional offer of employment to Noah P. Youngman as a probationary firefighter.
- (2) Move to approve the Conditional Offer of Employment Agreement with Noah P. Youngman, and authorize the Mayor to execute the agreement.

**GOSHEN FIRE DEPARTMENT  
CONDITIONAL OFFER OF EMPLOYMENT AGREEMENT**

THIS AGREEMENT is entered into on \_\_\_\_\_, 2023, which is the date of the last signature set forth below, by and between **Noah P. Youngman** ("Youngman") and **City of Goshen, Indiana**, acting through the Goshen Board of Public Works and Safety ("City").

In consideration of the terms, conditions and mutual covenants contained in this agreement, City and Youngman agree as follows:

**CONDITIONAL OFFER OF AND PREREQUISITES TO BEGINNING EMPLOYMENT**

City conditionally offers Youngman employment as a probationary firefighter of the Goshen Fire Department. Youngman accepts City's conditional offer of employment. City does not have a current position available in the Goshen Fire Department. City and Youngman understand and agree that the offer of employment is contingent upon the following:

- (1) A personnel vacancy in the Goshen Fire Department rank and file must exist. Youngman understands that currently no vacancy exists in the rank and file of the Fire Department. Although the Goshen Fire Department is initiating the pension physical and psychological testing, Youngman understands that no permanent employment will be offered until such time that a personnel vacancy is available and/or additional staffing is hired to increase the number of firefighters.
- (2) Youngman agrees to submit a complete application for membership to the Indiana Public Retirement System (InPRS) and the 1977 Police Officers' and Firefighters' Pension and Disability Fund (1977 Fund). Youngman understands that the application for membership requires the completion of a comprehensive medical history and the administration and successful passage of the baseline statewide physical examination and baseline statewide mental examination.
- (3) City agrees to pay the initial cost for Youngman to complete the baseline statewide physical examination and baseline statewide mental examination as required by Indiana Code §§ 36-8-8-7(a) and 36-8-8-19. In the event that InPRS requires any additional reports and/or testing to establish physical and mental fitness beyond the baseline statewide physical examination and baseline statewide mental examination requirements, such costs for the additional reports and/or testing shall be at Youngman's expense. If additional reports and/or testing are required, Youngman may elect to terminate this agreement.
- (4) InPRS will determine whether Youngman has any Class 3 excludable conditions. Youngman understands that if InPRS finds that Youngman has any Class 3 excludable conditions, Youngman will be prevented from receiving certain Class 3 impairment benefits for a certain period of time and will be disqualified from receiving disability benefits from



the 1977 Fund throughout Youngman's employment if the disability is related to the Class 3 excludable condition. In addition, City will review the InPRS findings to determine whether the City's conditional offer of employment will be withdrawn.

- (5) City and Youngman understand that the board of trustees of the InPRS must approve the application for membership to the 1977 Fund. City will confirm its offer of employment to Youngman if the board of trustees of the InPRS approves the application for membership to the 1977 Fund. City's confirmation will occur when a position opening becomes available in the Goshen Fire Department. In the event that approval is not given by the board of trustees of the InPRS, City withdraws this conditional offer of employment, and Youngman accepts City's withdrawal and this agreement shall be terminated.

#### **AGREE TO OBTAIN BASIC EMT CERTIFICATION**

- (1) As a condition of employment with City and the Goshen Fire Department, Youngman is required to successfully complete a Basic EMT training program, pass the certification test, and obtain Basic EMT certification within eleven (11) months of Youngman's first day of employment with the Goshen Fire Department. If Youngman is unable to successfully complete the Basic EMT training program, pass the certification test, and obtain Basic EMT certification within eleven (11) months of Youngman's first day of employment with the Goshen Fire Department due to program scheduling difficulties, then Youngman will be given eleven (11) months from the first day of the Basic EMT training program to successfully complete the Basic EMT training program, pass the certification test and obtain Basic EMT certification.
- (2) Upon commencing employment, Youngman agrees to enroll in a Basic EMT training program when instructed to do so by the Fire Chief, attend and successfully complete the training program, pass the certification test, and obtain Basic EMT certification. If Youngman is currently enrolled in and attending a Basic EMT training program prior to commencing employment, Youngman agrees to continue to attend and successfully complete the Basic EMT training program, pass the certification test, and obtain Basic EMT certification.
- (3) Starting on Youngman's first day of employment, City will pay the cost of the Basic EMT training program. If Youngman is currently enrolled in and attending a Basic EMT training program prior to commencing employment, City will pay a prorated cost of the training program based on the portion of the training program remaining after Youngman's first day of employment with the Goshen Fire Department. While employed with the Goshen Fire Department, City will pay Youngman for the time to attend the training program. Youngman shall have one (1) opportunity to successfully complete the Basic EMT training program, pass the certification test, and obtain Basic EMT certification. City will pay the cost for the Basic EMT training program, or prorated portion thereof, and for Youngman's time to attend the Basic EMT training program one (1) time.

- (4) If Youngman refuses to attend the Basic EMT training program, fails to successfully complete the Basic EMT training program, or fails to pass the certification test and obtain Basic EMT certification as required under paragraphs (1) and (2), Youngman's employment with City and the Goshen Fire Department will be terminated for cause.

**AGREE TO OBTAIN A PARAMEDIC LICENSE  
AND SERVE AS A PARAMEDIC**

- (1) As a condition of employment with City and the Goshen Fire Department, Youngman is required to successfully complete a paramedic training program, pass the license test, obtain an Indiana paramedic license, and serve as an active paramedic with the Goshen Fire Department a minimum of three (3) years.
- (2) Upon commencing employment, Youngman agrees to enroll in a paramedic training program when instructed to do so by the Fire Chief, attend and successfully complete the training program, pass the license test, and obtain an Indiana paramedic license. If Youngman is currently enrolled in and attending a paramedic training program prior to commencing employment, Youngman agrees to continue to attend and successfully complete the training program, pass the license test, and obtain an Indiana paramedic license.
- (3) Starting on Youngman's first day of employment, City will pay the cost of the paramedic training program. If Youngman is currently enrolled in and attending a paramedic training program prior to commencing employment, City will pay a prorated cost of the training program based on the portion of the training program remaining after Youngman's first day of employment with the Goshen Fire Department. While employed with the Goshen Fire Department, City will pay Youngman for the time to attend class and required clinical sessions. Youngman shall schedule all classes and clinical sessions when Youngman is scheduled to work to the extent possible. City will pay the cost for the paramedic training program, or prorated portion thereof, and for Youngman's time to attend the paramedic training classes and clinical sessions one (1) time. City will not pay for a refresher course or for Youngman's time to attend a refresher course unless City does not pay for any of the paramedic training program cost or Youngman's time to attend the paramedic training program.
- (4) Youngman shall have twenty-four (24) months from the first day of the paramedic class to successfully complete the paramedic training program. Youngman agrees to obtain an Indiana paramedic license within one (1) year after completion of the paramedic training program.
- (5) If Youngman refuses to attend the paramedic training program, fails to successfully complete the paramedic training program within twenty-four (24) months from the first day of the paramedic class, or fails to obtain an Indiana paramedic license within one (1)

year after completion of the paramedic training program, Youngman's employment with City and the Goshen Fire Department will be terminated for cause.

- (6) Except as provided by paragraph (10), if Youngman leaves employment with City and the Goshen Fire Department before obtaining an Indiana paramedic license, including termination, Youngman agrees to repay City the City's actual cost for Youngman to attend the paramedic training program, including the cost of the training program and the time City paid another employee to cover Youngman's shift due to Youngman's attendance of the paramedic training classes and clinical sessions. In no event shall the reimbursement amount exceed the sum of Fifteen Thousand Dollars (\$15,000).
- (7) Upon receiving an Indiana paramedic license, Youngman agrees to serve City and the Goshen Fire Department as an active paramedic in accordance with the requirements set forth in the contract between the City of Goshen and the Goshen Firefighters Association, Local No. 1443, as amended from time to time. Youngman agrees to maintain Youngman's paramedic license as long as Youngman is required to serve City and the Goshen Fire Department as a paramedic.
- (8) Youngman agrees to serve City and the Goshen Fire Department as an active paramedic for a minimum of three (3) full years. Except as provided by paragraph (10), if Youngman fails to serve City and the Goshen Fire Department as an active paramedic for three (3) full years, including termination, Youngman agrees to repay City a prorated portion of Fifteen Thousand Dollars (\$15,000) or City's actual cost for Youngman to attend the paramedic training program, whichever is less. The reimbursement amount will be credited at the rate of Five Thousand Dollars (\$5,000) or one-third (1/3) of City's actual cost, whichever is less, for each full year Youngman serves City and the Goshen Fire Department as an active paramedic. (Credit will not be given for partial years of service.) If City's actual cost for the paramedic training is less than Fifteen Thousand Dollars (\$15,000), then City and Youngman agree to establish in writing City's actual cost for Youngman to complete the paramedic training program, including the cost of the training program and the time City paid another employee to cover Youngman's shift due to Youngman's attendance of the paramedic training classes and clinical sessions.
- (9) Youngman's repayment to City is due (30) days after withdrawing from service as an active paramedic or within thirty (30) days of Youngman's last day of employment with City and the Goshen Fire Department. Interest will accrue on the unpaid balance of the repayment at the rate of eight percent (8%) per annum beginning thirty (30) days after withdrawing from service as an active paramedic or within thirty (30) days of Youngman's last day of employment with City and the Goshen Fire Department.
- (10) No repayment will be due City if Youngman fails to obtain an Indiana paramedic license and/or fails to serve as an active paramedic for three (3) full years because of disability or illness which make it impractical for Youngman to obtain an Indiana paramedic license and/or to continue to serve as a paramedic in the foreseeable future, or due to death.

**AMENDMENT**

This agreement may be amended only by the mutual written consent of the parties and approval by the Goshen Board of Public Works and Safety.

**SEVERABILITY**

The provisions of this agreement are severable, and if any provision shall be held invalid or unenforceable, in whole or in part, then such invalidity or unenforceability shall affect only such provision, and shall not affect any other provision of this agreement.

**INDIANA LAW**

This agreement shall be governed by and construed in accordance with the laws of the State of Indiana. Proper venue to enforce the terms and conditions of this agreement shall be in Elkhart County, Indiana.

**BINDING EFFECT**

This agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns.

**ENTIRE AGREEMENT**

This agreement constitutes the entire agreement between the parties, and supersedes all prior negotiations, agreements and understandings between the parties concerning, the subject matter hereof.

IN WITNESS WHEREOF, the parties have executed this agreement on the dates as set forth below.

City of Goshen, Indiana

By: \_\_\_\_\_

\_\_\_\_\_  
Noah P. Youngman

Printed: \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



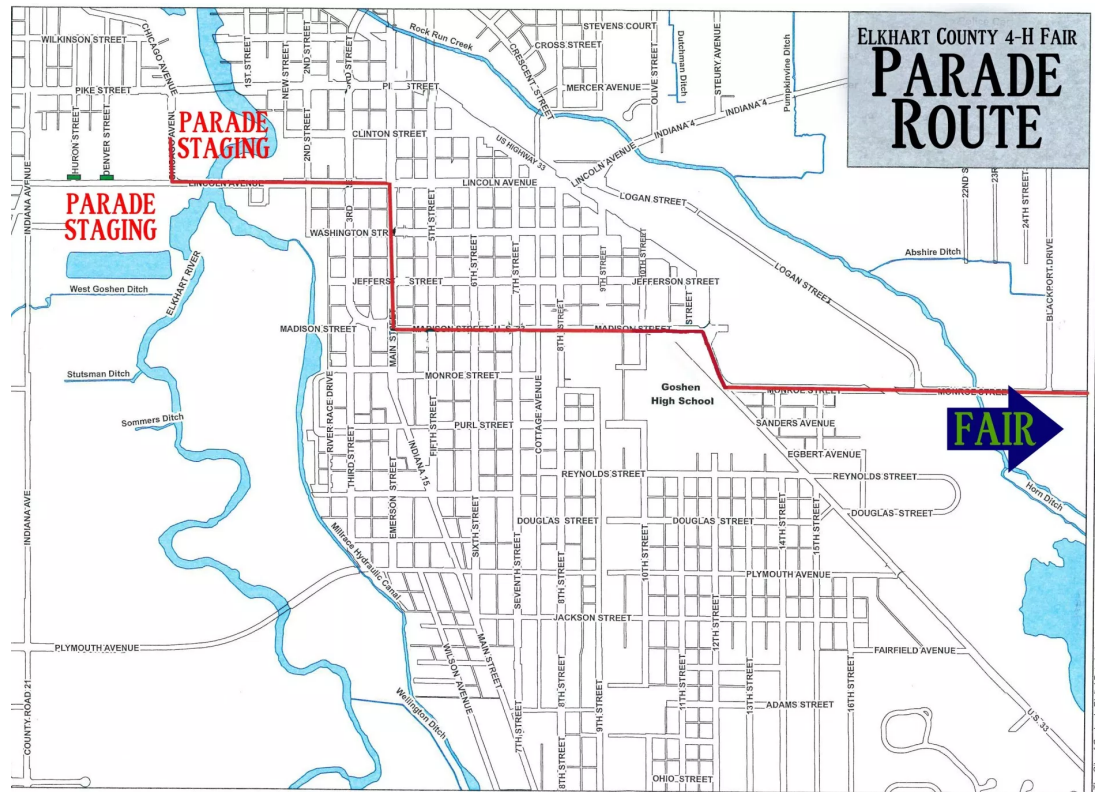
## BOARD OF PUBLIC WORKS AND SAFETY

### REQUEST TO APPROVE THE 2023 ELKHART COUNTY 4-H FAIR PARADE STAGING AND STREET CLOSINGS

On behalf of The Elkhart County 4H Fair Board and Goshen Noon Kiwanis Club, Boyd Smith is requesting Board approval to stage the 2023 Elkhart County 4H Fair Parade, along with traditional support services from the City. The parade is scheduled for July 23rd, 2023 with no changes to the traditional route.

We request the Board to have the Goshen Police Department close streets as they see appropriate for the staging and running of the parade. We also request assistance from the Goshen Street Department with barricades and trash pickup. We're very appreciative that the city has provided these services for over 20 years.

The staging areas will be Linway Plaza, Kroger Plaza and Rogers Park. Parade registration begins at 10:30 AM and the parade will step off promptly at 1:30 PM; some units will arrive as early as 9:00 AM, prior to registration.

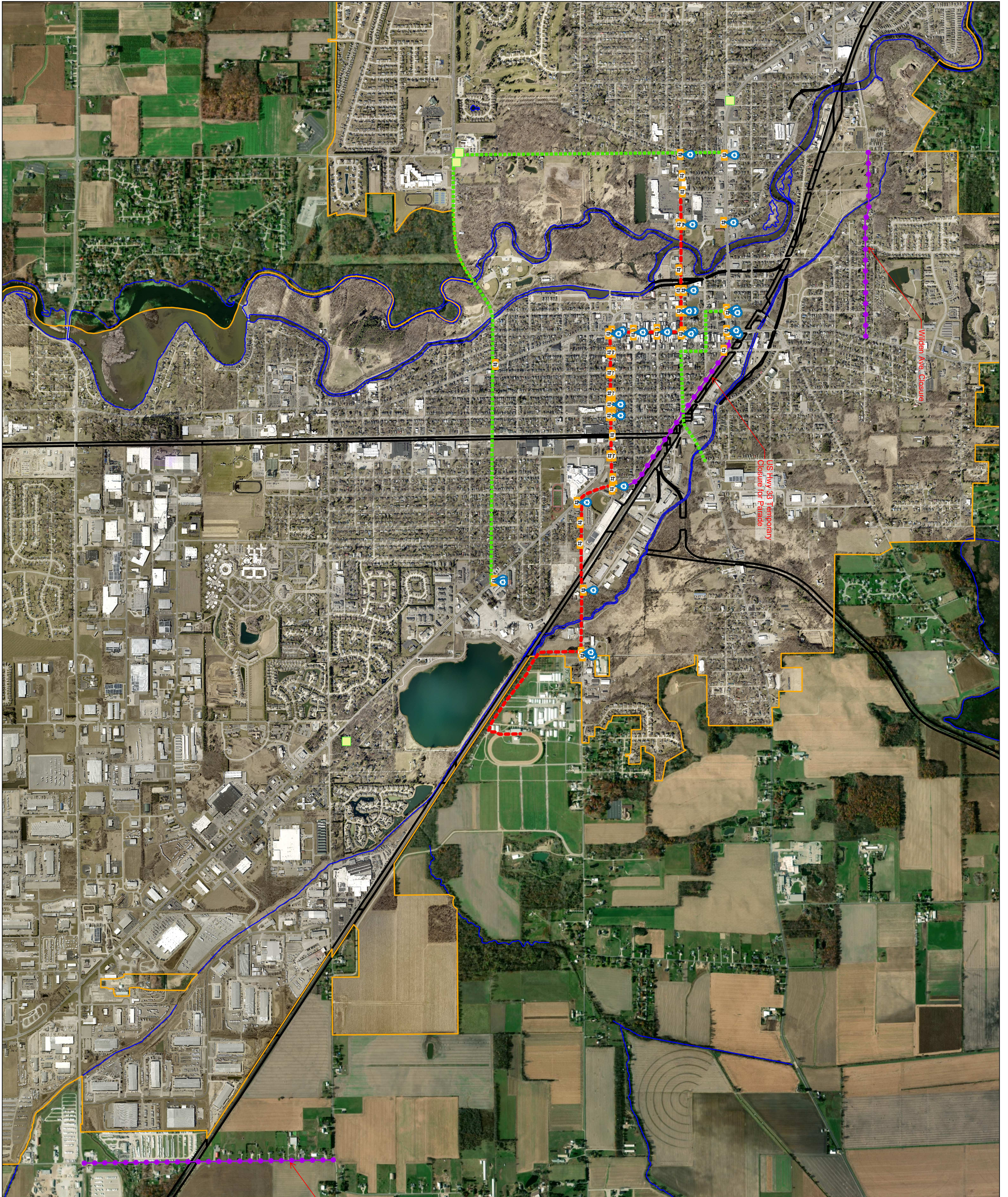


If you have any questions or instructions, please contact the Parade Director, Boyd Smith, at (574) 202-0362 or [bsmith@tkimail.com](mailto:bsmith@tkimail.com)

Additional details can be found at <https://www.4hfair.org/Parade>

Thank you

Boyd Smith, Parade Director



	Flagger
	Officer
	Signage
	MUTCD_Sign1
	Elec_Message_Brd
	Barricade
	Type
	Type-3
	Event_Route
	Route_Type
	Detour
	Parade
	Road_Closure
	<all other values>

CR 31 Closure for Water Main Construction

The City of Goshen's Digital Data is the property of the City of Goshen and Elkhart County, Indiana. All graphic data supplied by the city and county has been derived from public records that are constantly undergoing change and is not warranted for content or accuracy. The city and county do not guarantee the positional or thematic accuracy of the data. The cartographic digital files are not a legal representation of any of the features depicted, and the city and county disclaim any assumption of the legal status they represent. Any implied warranties, including warranties of merchantability or fitness for a particular purpose, shall be expressly excluded. The data represents an actual reproduction of data contained in the city's or county's computer files. This data may be incomplete or inaccurate, and is subject to modifications and changes. City of Goshen and Elkhart County cannot be held liable for errors or omissions in the data. The recipient's use and reliance upon such data is at the recipient's risk. By using this data, the recipient agrees to protect, hold harmless and indemnify the City of Goshen and Elkhart County and its employees and officers. This indemnity covers reasonable attorney fees and all court costs associated with the defense of the city and county arising out of this disclaimer.

<b>X-NO.</b>	<h2 style="margin: 0;">2023 Fair Parade &amp; Detour Route</h2> <p style="margin: 0;">Sign &amp; Officer Posting 2021 Aerial Photography</p>	<p style="margin: 0;"><b>The City of Goshen</b> Department of Public Works &amp; Safety Office of Engineering 204 East Jefferson Street, Goshen, Indiana 46528 Phone: 574-534-2201 Fax: 574-533-8626</p>	 Feet 0 462.5 925 1,850 1 inch equals 1,000 feet
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# College Farm Neighborhood

**June 20, 2023**

**To: Goshen Board of Public Works**

**From: Craig Yoder – College Farm Neighborhood**

**Re: College Farm Neighborhood Block Party**

**Date: August 5, 2023**

The College Farm Neighborhood, consisting of the area South of College Avenue from 12<sup>th</sup> Street to 15<sup>th</sup> Street, is requesting permission to hold a Neighborhood Block Party on the 1800 block of South 13<sup>th</sup> Street between Mervin Avenue and Leroy Street on Saturday August 5, 2023, from 6:30 to 9:00 PM. The College Farm Neighborhood Committee requests this one block be closed during this time.

We would appreciate having the barricades dropped off at 13<sup>th</sup> Street and Leroy Avenue and at 13<sup>th</sup> Street and Mervin Avenue.

If our area police officer would be available to stop by the party, we would like to introduce the officer to the residents.

We are privileged to have our Goshen City Council representative attend the party since Gilberto Perez is a resident of the neighborhood.

These attendees have been helpful to ask questions and/or express thanks for their efforts on behalf of the neighborhood.

Thank you for considering this request.

**Craig Yoder – Committee Member**

**1905 S. 15<sup>th</sup> Street Goshen, IN 46526**

**[cnyoder71@gmail.com](mailto:cnyoder71@gmail.com)**

**Cell Phone # 574-536-9090**

## **Aguirre, Richard**

---

**From:** Aguirre, Richard  
**Sent:** Thursday, June 22, 2023 3:01 PM  
**To:** Aguirre, Richard  
**Subject:** FW: Goshen Engineering - City requests for Aug. 5 neighborhood block party

**From:** Sailor, Dustin <dustinsailor@goshencity.com>  
**Sent:** Thursday, June 22, 2023 7:50 AM  
**To:** Aguirre, Richard <richardaguirre@goshencity.com>; Gibbs, David <davidgibbs@goshencity.com>; Meade, Melissa <melissameade@goshencity.com>; Corwin, Josh <joshcorwin@goshencity.com>; Miller, Jose <josemiller@goshencity.com>; Turner, Shawn <shawnturner@goshencity.com>; Perez, Gilberto <gilbertoperez@goshencity.com>  
**Cc:** KCrouch@NiblockExc.onmicrosoft.com; Bontrager, Matthew <matthewbontrager@goshencity.com>  
**Subject:** Goshen Engineering - City requests for Aug. 5 neighborhood block party

Dear Clerk-Treasurer:

The proposed road segment identified for closure by the neighborhood is under contract to be repaved in July. Based on the contractor's schedule, the work will be completed before the proposed block party.

This information is being provided because there is always a risk for disruption especially since this area is part of an active construction boundary.

At this time, I see no issue with approving the closure, and if a problem develops, Goshen Engineering will reachout.

Regards,

Dustin K. Sailor, P.E.  
Director of Public Works  
City of Goshen  
204 E. Jefferson Street  
Goshen, IN 46528  
Ph: 574.534.2201  
Cell: 574.202.0062

---

**From:** Aguirre, Richard <[richardaguirre@goshencity.com](mailto:richardaguirre@goshencity.com)>  
**Sent:** Wednesday, June 21, 2023 2:37 PM  
**To:** Gibbs, David <[davidgibbs@goshencity.com](mailto:davidgibbs@goshencity.com)>; Meade, Melissa <[melissameade@goshencity.com](mailto:melissameade@goshencity.com)>; Sailor, Dustin <[dustinsailor@goshencity.com](mailto:dustinsailor@goshencity.com)>; Corwin, Josh <[joshcorwin@goshencity.com](mailto:joshcorwin@goshencity.com)>; Miller, Jose <[josemiller@goshencity.com](mailto:josemiller@goshencity.com)>; Turner, Shawn <[shawnturner@goshencity.com](mailto:shawnturner@goshencity.com)>; Perez, Gilberto <[gilbertoperez@goshencity.com](mailto:gilbertoperez@goshencity.com)>  
**Subject:** City requests for Aug. 5 neighborhood block party

### **Colleagues:**

Good afternoon. On June 26, the BOW is scheduled to consider requests of the City from the College Farm Neighborhood related to its neighborhood block party on Aug. 5, 2023. These requests include closure of the 1800 block of South 13<sup>th</sup> Street, the use of street barricades and a visit from a Police Officer.





**Richard Aguirre, City Clerk-Treasurer**  
**CITY OF GOSHEN**

202 South Fifth Street, Suite 2 • Goshen, IN 46528-3714

Phone (574) 533-8625 • Fax (574) 533-9740

[richardaguirre@goshencity.com](mailto:richardaguirre@goshencity.com) • [www.goshenindiana.org](http://www.goshenindiana.org)

**To:** City of Goshen Board of Works & Safety  
**From:** Clerk-Treasurer Richard R. Aguirre  
**Date:** June 26, 2023  
**Subject:** Crystal Valley Comfort request for partial closure of Lincoln Avenue for one hour on June 28, 2023 so a crane can lift a split unit on the roof of 123 E. Lincoln Ave.

*The Clerk-Treasurer received the following request on June 13, 2023:*

**Crane Lift at 123 E. Lincoln Ave Goshen, IN 46526**

Requesting road closure at above address on 28 June 2023 at 0700, approximately one hour. We will be lifting a Mitsubishi split unit to be installed on the roof. Two copper line sets will be run from the outdoor unit to the indoor mini split heads.

These line sets will go through roof flashings on the roof and be sealed. Owner to have electrician run high voltage wire to a disconnect on the roof.

If you have any questions, please let me know. Please advise on the next meeting.

Respectfully,

**William Rose.**

**Crystal Valley Comfort. 574-606-4027.**

*Mr. Rose indicated he would be present for the Board's meeting.*

**Please review the three attachments:** Google map showing the location of the requested partial road closure; City of Goshen Mechanical Permit for work at 123 E. Lincoln Ave., and Crystal Valley Comfort work contract.

**Also attached: City of Goshen Department head responses to the request.**

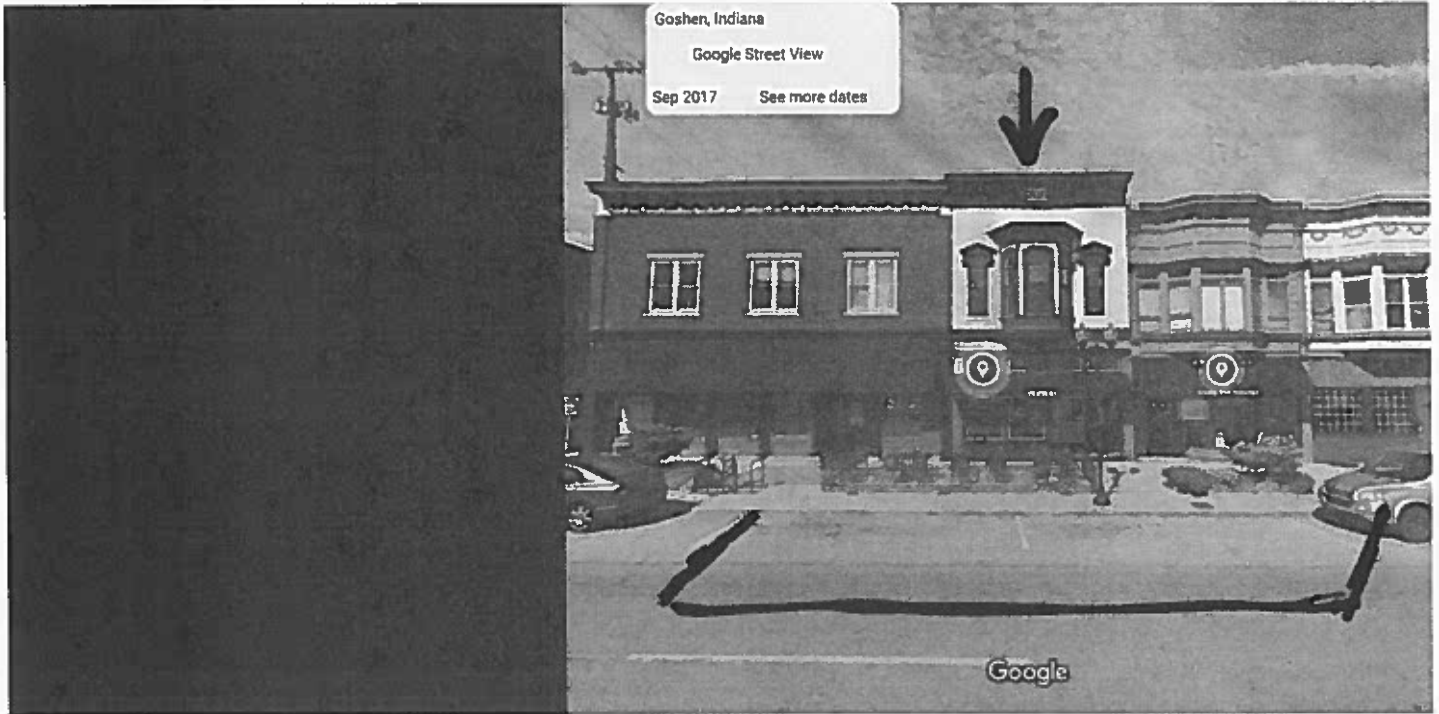


Image capture: Sep 2017 © 2023 Google



"PARTIAL FOOD closure"  
CRANE NEEDS TO GET  
OUTTRIGGERS EXTENDED.

### Venturi

4.6 ★★★★★ (879) · \$\$  
Pizza restaurant

Overview

Reviews

About



Directions



Save



Nearby



Send to  
phone



Share

JOIN WAITLIST

Neapolitan pizza specialist serving cocktails & pies  
made with handmade mozzarella in modern digs.

✓ Dine-in · ✓ Takeout · ✓ Delivery



123 E Lincoln Ave, Goshen, IN 46528



Closed · Opens 11:30 AM Thu



Menu

eatventuri.com



**Building Department  
CITY OF GOSHEN**

204 East Jefferson Street, Suite 5 • Goshen, IN 46528-3405

Phone (574) 534-1811 • Fax (574) 533-8626 • TDD (574) 534-3185  
building@goshencity.com • www.goshenindiana.org

**COPY**

### Mechanical Permit

<b>Applicant:</b>	Crystal Valley Comfort 541 Roske Dr Suite C Elkhart, IN 46516	<b>Parcel Owner:</b>	Chunky Bacon LLC 123 E Lincoln Ave Goshen, IN 46526
<b>Phone:</b>	5748252611		(574) 575-3241
<b>Email:</b>	billr@crystalvalleycomfort.com		
<b>Permit #:</b>	20230907-MEC	<b>Permit Type:</b>	Mechanical
<b>Date Applied:</b>	6/9/2023		
<b>Project Address:</b>	123 E Lincoln Ave [Pizzeria Venturi LLC]	<b>Occupant:</b>	Pizzeria Venturi LLC
<b>Parcel Number:</b>	11-09-405-027-015		
<b>Subdivision:</b>			
<b>Lot #:</b>		<b>Contractor</b>	Crystal Valley Comfort
<b>Use Zone:</b>	B-2	<b>Information:</b>	541 Roske Dr Suite C Elkhart, IN 46516 5748252611 billr@crystalvalleycomfort.com
<b>Township:</b>			
<b>Permit Sq Ft:</b>			
<b>Basement Sq Ft:</b>			
<b># of Stories:</b>			
<b>Valuation:</b>			
<b>Proposed Use:</b>	Commercial		

Notes: New mini split system

Application Accepted by: Betty Wardick  
Date Issued: 6/9/2023

Approved for Issuance: Myron Stice

Fees Due: \$160.00  
Amount Paid: \$160.00  
Payment Type: Credit Card -  
Payment Date: 6/9/2023

\*\*\*\*\* NOTICE \*\*\*\*\*  
PERMIT SHALL EXPIRE (1) YEAR FROM THE DATE OF ISSUANCE  
PLEASE ALLOW 24-48 HOURS NOTICE FOR ALL INSPECTIONS

SBI-5000-D200-1394-5430T

**NO OCCUPANT**

541 ROSKE DR. STE C  
ELKHART, IN 46516

574-825-2611

CRYSTALVALLEYCOMFORT.COM

# CRYSTAL VALLEY

## COMFORT

THREE RIVERS, MI  
269-273-6975

Customer Name Galenciaga LLC MATT ENG Work Order # 5430T  
Address 596 Washington Ave 4-A Job Location 123 1/2 E Lincoln Ave Goshen, IN  
City Brooklyn State NY Zip 11238 Twsp Goshen  
Home Ph. (574) 849-8881 Work Ph. (914) 819-8579 Email kanengy2016@gmail.com

Ultimate  Supreme  Hi-Efficiency  Basic  Other Mini-Split System.

### OUTSIDE

Air Conditioner  Heat Pump  Mini-Split  Other  
Description MXZ-8M36NAMHZ-U1  
 Pad Under Condenser  
 Unit Support  Line Cover  
 Use Existing Disconnect  New Disconnect  
 Relocate  
 New Circuit From Existing Electrical Panel  
 New Line-Set  Flush Line-Set

### OTHER

1 Year Planned Service

### INSIDE

Gas Furnace  GEO  Boiler  Other Mini-Split  
Description 2x (MSZ-GL18NA-U1)  
 Supplemental Electric Heat \_\_\_\_\_ KW  
 Install a Larger Return Drop \_\_\_\_\_  
 New Flue \_\_\_\_\_  Use Existing Flue \_\_\_\_\_  
 New Thermostat \_\_\_\_\_  Wifi  
 Easy Access Air Filter \_\_\_\_\_  
 New Circuit Breaker From Existing Panel \_\_\_\_\_  
 New Wire From Existing Panel \_\_\_\_\_  
 New Evaporator Coil (A/C) \_\_\_\_\_  
 Add Supply Vent To \_\_\_\_\_  
 Add Return Vent To \_\_\_\_\_  
 Complete Duct System \_\_\_\_\_

### INDOOR AIR AND WATER QUALITY

Whole-House Dehumidifier \_\_\_\_\_  Air Purifier \_\_\_\_\_  Humidifier \_\_\_\_\_  
 Filtration MERV \_\_\_\_\_  No-Salt Descaler \_\_\_\_\_  Iron Remover \_\_\_\_\_  Other \_\_\_\_\_

### INSTALLATION INCLUDES

Removal and Proper Disposal of Old Equipment  All Required Permits  Load Calculation and Air Flow Analysis  
 All Tax and Labor  Check Entire System for Safety and Efficiency (Start-Up)

### WARRANTIES

Heat Exchange \_\_\_\_\_  Compressor 7  Parts 5  Labor 1  Unit Replacement \_\_\_\_\_  
Notes \_\_\_\_\_

We hereby propose to complete work as specified above for the sum of \$27,982 \*Finance Option: Monthly Investment \_\_\_\_\_

Payment Terms:  
Financed\*  50% deposit, Balance due upon installation  
Company approved by [Signature] Date 5/25/2023  
Customer approved by \_\_\_\_\_ Date \_\_\_\_\_  
Customer approved by \_\_\_\_\_ Date \_\_\_\_\_

Buyer hereby declares that buyer holds title to property in which merchandise is being installed and has legal authority to order the work outlined above. The seller retains title to all materials and property listed herein until payments have been made in full. Accounts not paid within 30 days of invoice receipt are in default and subject to a late payment charge of 1 1/2% per month or 18% annually. Buyer agrees to any reasonable attorney's and/or collection fees incurred by seller to secure payment of this contract.

\*Subject to approval by finance company. Certain restrictions apply.  
Proposal Valid for \_\_\_\_\_ Days

IN License 0188217

## RESPONSES FROM CITY DEPARTMENT HEADS TO CRYSTAL VALLEY COMFORT'S REQUEST

From: "Sailor, Dustin" <[dustinsailor@goshencity.com](mailto:dustinsailor@goshencity.com)>

Date: 6/22/23 07:39 (GMT-05:00)

To: [brose@crystalvalleycomfort.com](mailto:brose@crystalvalleycomfort.com)

Cc: "Aguirre, Richard" <[richardaguirre@goshencity.com](mailto:richardaguirre@goshencity.com)>, "Gibbs, David" <[davidgibbs@goshencity.com](mailto:davidgibbs@goshencity.com)>, "Meade, Melissa" <[melissameade@goshencity.com](mailto:melissameade@goshencity.com)>, "Corwin, Josh" <[joshcorwin@goshencity.com](mailto:joshcorwin@goshencity.com)>, "Powell, Anthony" <[anthonypowell@goshencity.com](mailto:anthonypowell@goshencity.com)>, "Sink, Danny" <[dannysink@goshencity.com](mailto:dannysink@goshencity.com)>, "Miller, Jose" <[josemiller@goshencity.com](mailto:josemiller@goshencity.com)>, "Turner, Shawn" <[shawnturner@goshencity.com](mailto:shawnturner@goshencity.com)>

Subject: Goshen Engineering - For June 206 BOW meeting: Lincoln Ave street closure request

Goshen Engineering accepts this request if the Board of Works assigns the following conditions:

1. Pedestrian travel along the north side of Lincoln Avenue is to be redirected to the south walk with appropriate barricades and signage or posted staff to redirect pedestrians.
2. One lane of westbound traffic on Lincoln Avenue is to be maintained. The Indiana Manual of Uniform Traffic Control Devices (MUTCD) shall be followed in setting up the required traffic control. Advanced temporary signage showing the lane shift will need to be installed, as well as appropriate tall cones or barrels. If an existing westbound travel lane cannot be maintained, the contractor will need to contract for a westbound lane shift into one of the eastbound traffic lanes. The City normally assists with lane closures by providing barricades, but the material needed to provide this lane closure may be too extensive; therefore, I defer to the Street Commissioner to determine if assistance will be provided.
3. There is a vault in front of 123 E. Lincoln Avenue, as highlighted in red in the image below. No crane outrigging should be placed on the sidewalk.
- 4.



Regards,

**Dustin K. Sailor, P.E.**  
**Director of Public Works**

City of Goshen  
204 E. Jefferson Street  
Goshen, IN 46528  
Ph: 574.534.2201

**From:** Sink, Danny <[dannysink@goshencity.com](mailto:dannysink@goshencity.com)>  
**Sent:** Thursday, June 22, 2023 7:47 AM  
**To:** Sailor, Dustin <[dustinsailor@goshencity.com](mailto:dustinsailor@goshencity.com)>; [brose@crystalvalleycomfort.com](mailto:brose@crystalvalleycomfort.com)  
**Cc:** Aguirre, Richard <[richardaguirre@goshencity.com](mailto:richardaguirre@goshencity.com)>; Gibbs, David <[davidgibbs@goshencity.com](mailto:davidgibbs@goshencity.com)>; Meade, Melissa <[melissameade@goshencity.com](mailto:melissameade@goshencity.com)>; Corwin, Josh <[joshcorwin@goshencity.com](mailto:joshcorwin@goshencity.com)>; Powell, Anthony <[anthonypowell@goshencity.com](mailto:anthonypowell@goshencity.com)>; Miller, Jose <[josemiller@goshencity.com](mailto:josemiller@goshencity.com)>; Turner, Shawn <[shawnturner@goshencity.com](mailto:shawnturner@goshencity.com)>  
**Subject:** RE: Goshen Engineering - For June 206 BOW meeting: Lincoln Ave street closure request

I agree with Dustin's assessment and for #3, I would prefer that, if possible, no crane outrigging be placed in the street at/near the edge of the vault.

**Danny Sink**  
**Fire Chief**  
Goshen, IN

**From:** Gibbs, David <[davidgibbs@goshencity.com](mailto:davidgibbs@goshencity.com)>  
**Sent:** Thursday, June 22, 2023 8:01 AM  
**To:** Sink, Danny <[dannysink@goshencity.com](mailto:dannysink@goshencity.com)>; Sailor, Dustin <[dustinsailor@goshencity.com](mailto:dustinsailor@goshencity.com)>; [brose@crystalvalleycomfort.com](mailto:brose@crystalvalleycomfort.com)  
**Cc:** Aguirre, Richard <[richardaguirre@goshencity.com](mailto:richardaguirre@goshencity.com)>; Meade, Melissa <[melissameade@goshencity.com](mailto:melissameade@goshencity.com)>; Corwin, Josh <[joshcorwin@goshencity.com](mailto:joshcorwin@goshencity.com)>; Powell, Anthony <[anthonypowell@goshencity.com](mailto:anthonypowell@goshencity.com)>; Miller, Jose <[josemiller@goshencity.com](mailto:josemiller@goshencity.com)>; Turner, Shawn <[shawnturner@goshencity.com](mailto:shawnturner@goshencity.com)>  
**Subject:** RE: Goshen Engineering - For June 206 BOW meeting: Lincoln Ave street closure request

Street Dept. can assist with this if requested.

**David A Gibbs**  
**Commissioner**  
**Goshen Street Department**  
475 Steury Avenue  
Goshen, IN 46528  
(574) 534-9711

June 16, 2023

City Of Goshen  
202 South 5<sup>th</sup> St.  
Goshen, IN 46528  
Clerk-Treasures Office  
Attn: Richard Aguirre

Dear Mr. Aguirre,

My name is Derick Yeoman owner of Borntrager, Inc. My company is going to be doing the flat roof area on the Goshen First Church Building at 214 S. 5<sup>th</sup> St. Goshen, IN. This building directly connects to the public packing lot off of S. 5<sup>th</sup> St. I would like to block off four of the parking spots that are in this lot that butt-up to the church building, allowing me to place a dumpster and park two vehicles during this project. I am estimating this project to take approximately one month.

I am also requesting the four parking spots that are side parking in front of the church on S. 5<sup>th</sup> St. to be blocked on 06/19/23 from 7:00 AM. To 11:00 AM. Allowing us to use a crane to load our materials onto the church roof. This would also include us closing off the sidewalk that is front of the parking spots, keeping us from lifting materials over pedestrians using the sidewalk. Our company has barricades/flags/cones to block all of these areas off, we will also remove them as soon as we are finished to get the area opened back up as soon as possible.

Please see attached map of the parking areas we are referencing. I have marked both areas that I would like to be blocked off. Please let us know if you have any questions or if we can supply any more information to make this happen.

Sincerely,



Derick Yeoman, President

Borntrager, Inc.

City Parking Lot D

1 Month  
4 SPOTS

XXXXX

7 AM - 11 PM  
6 PM  
4 SPOTS  
+ SPOTS

214 S 5th St

First United Methodist Church

City Courthouse

E Jefferson St

- Legend**
- 214 S 5th St
  - City Parking Lot D

Google Earth

100 ft





October 28, 2022  
Revised January 12, 2023

First United Methodist Church  
214 S Fifth St.  
Goshen, IN 46528  
Attn: Chuck  
Phone: 574-536-3764  
Email: [terrarider44@gmail.com](mailto:terrarider44@gmail.com)

Project: Flat Roof

**SCOPE OF WORK: COMPLETE REROOF USING DURO-LAST**

Area: 7,641 sqft.

1. Remove and dispose of existing roofing and debris.
2. Inspect existing decking for any water damage. Replacement of any damaged decking will be done at an additional cost of \$7.50 per sqft. upon prior inspection and approval from owner/owner's representative.
3. Install .050 white Duro-Tuff single-ply roofing over 1/8" per foot tapered Isocyanurate insulation board, 1/4" per foot tapered Isocyanurate roof drainage saddles; mechanically fastened to existing deck per manufacturer's specifications and details.
4. Install flashing on all parapet and adjoining walls, terminated at top outer edge and 12" from deck.
5. Install Duro-Last pre-fabricated flashing on all vent stacks, curbs, drains and other penetrations as needed.
6. Tie-in to existing shingled roofing per manufacturer's specifications.
7. Install 4" stone color 24-gauge prefinished Kynar coated metal fascia around exterior perimeter.

8. Install all necessary termination bar and accessories at adjoining walls and as needed.

9. Clean premises of all roofing scraps and debris created by this project.

**WARRANTY:** A fifteen-(15) year non-prorated manufacturer's warranty on all materials and labor will be furnished to owner(s) within thirty-(30) days after completion of project.

**Alt.#1**

Install 1.5" (R-8.6) rigid Isocyanurate insulation board; mechanically fastened to existing deck per manufacturer's specifications and details.



**Theresa Cummings, Community Development Specialist**  
**PLANNING & ZONING DEPT., CITY OF GOSHEN**  
204 East Jefferson Street, Suite 4 • Goshen, IN 46528-3405

Phone (574) 533-9370 • Fax (574) 533-8626 • TDD (574) 534-3185  
theresacummings@goshencity.com • www.goshenindiana.org

TO: Board of Public Works and Safety

FROM: Theresa Cummings, Community Development Specialist

DATE: June 26, 2023

RE: Amended Homeownership Assistance and Multi Family Rehab Agreements for CDBG

---

The Program Year 2022 Homeownership Assistance Agreement for the Community Development Block Grant has been amended and needs approval. The main reason for the amendment is to change our method of payment from paying the title company directly at closing to reimbursing Lacasa for the homeownership assistance costs after closing. This change became evident when we discovered the title company only accepts wire transfers as a method of payment and final closing costs are not set until approximately three days prior to the closing date. Normally we need about a two week notice to secure the funding from HUD and arrange payment from the City. In addition, wire transfers can be set up, however it is not the conventional way that we have typically paid vendors. Lacasa is accustomed to doing wire transfers and can process payments in a shorter amount of lead time. They volunteered to handle closing costs and submit for reimbursement to avoid delaying the closing process.

We also changed the calendar year in which payment can be made to extend an additional year from the end of calendar year 2023 to 2024. The fourth and final home in this activity just finished construction and went on the market mid-June. This extension will give Lacasa adequate time to sell it.

In regards to the Multi Family Rehabilitation agreements. HUD informed grant recipients that if dates were specified for payment of claims in their grant agreements and the projects were still open beyond that date, then agreements needed to be amended to extend the date to accept claims. Upon reviewing our prior year grant agreements, it was determined we need to amend three of them to extend the year specified in Section 6. Terms of the Agreement. We are proposing amendments to the following open activities:

- 2020 MF Rehab Agreement – extend date from “end of calendar year 2022” to “2023”
- 2021 MF Rehab Agreement – extend date from “end of calendar year 2022” to “2024”
- 2022 MF Rehab Agreement – extend date from “end of calendar year 2023” to “2024”

**Suggested motion: To approve and authorize Mayor Leichty to sign the four amended agreements for homeownership assistance and multi family rehabilitation projects.**

Attachment – Homeownership Assistance Agreement and one Multi Family Rehabilitation Agreement

**CITY OF GOSHEN**  
**COMMUNITY DEVELOPMENT BLOCK GRANT**  
**SUBRECIPIENT AMENDED AGREEMENT FOR HOMEOWNERSHIP ASSISTANCE**  
**Program Year 2022: July 1, 2022-June 30, 2023**

This Homeownership Assistance Agreement (the “Agreement”) is entered into by and between the City of Goshen, Indiana (the “City”) and LaCasa, Inc. (the “Sub-Recipient”), an Indiana not-for-profit corporation, as of this 26th day of June 2023.

**WITNESSETH:**

**WHEREAS**, such CDBG Homeownership Assistance grant will be funded through the entitlement city’s Community Development Block Grant (“CDBG”) program established under Title I of the Housing and Community Development Act of 1974, as amended, and the rules, regulations, policy memoranda and other authority thereunder (collectively, the “Act”) and administered by the City of Goshen.

**WHEREAS**, City has requested the assistance of the Sub-Recipient to jointly administer the Homeownership Assistance portion of the CDBG program with the City in order to carry out the proposed program;

**WHEREAS**, the Act contains certain requirements regarding the use of funds to fulfill a “national objective,” as defined in the Act;

**WHEREAS**, the national objective to be fulfilled by the City’s use of its CDBG program is the provision of single unit residential housing by the Sub-Recipient for low and moderate (“Low and Moderate”) income households. Low- and Moderate-income households are defined in the Act, and the income limits will be as established for the HOME Program, as published annually by Indiana Housing & Community Development Authority, with a separate Lien and Restrictive Covenant Agreement required to be executed and recorded for each individual property receiving CDBG assistance;

**WHEREAS**, the Act requires that the Sub-Recipient demonstrate its intent to provide such housing for Low- and Moderate-income families;

**WHEREAS**, the Act prohibits discrimination under any program or activity funded with CDBG moneys on the basis of race, color, national origin, sex, age, or handicap; additionally, the Act prohibits discrimination in housing programs and activities funded with CDBG on the basis of sexual orientation, gender identity or marital status;

**NOW, THEREFORE**, in consideration of the mutual promises contained herein, the City and Sub-Recipient agree as follows:

1. Sub-recipient Designation and Administration of Grant. City hereby designates and Sub-Recipient hereby agrees to serve as a sub-recipient for the Homeownership Assistance portion of the CDBG program and to administer such portion in accordance with this Agreement and the Act.

2. Scope of Services. Sub-Recipient agrees to perform the services under this Agreement as specified in the attached Exhibit A that are hereby incorporated by reference. In performing such services, Sub-Recipient agrees:

(a) To obtain all federal, state, and local government approvals, permits, licenses, and review required by law to be obtained for the performance of the homeownership assistance services under this Agreement.

(b) To comply with all applicable, federal, state, and local laws and regulations pertaining to the performance of the homeownership assistance services under this Agreement.

(c) To submit to the City any and all documents demonstrating compliance with all federal and state rules and regulations. Such demonstrations will be provided at the request of the City. City's failure to request any supporting documentation, however, shall not excuse any failure on the part of Sub-Recipient to have complied with the applicable federal and state rules and regulations.

(d) To file claims on a timely basis with the City for the release of funds from the grant for payment of the direct homeownership assistance costs as outlined in the HUD-1/Closing Disclosure. All claims will be accompanied by verification of all costs incurred. Copies of the following documents must be on file with the City in order to process a claim: homebuyer application, household income verification, HUD-1/Closing Disclosure with itemized claim invoice, and homeownership assistance report with all required attachments.

(e) Claims will be limited to the sum of Forty Thousand Dollars (\$40,000.00) for the homeownership assistance project. The maximum CDBG contribution per household/property shall generally not exceed Ten Thousand Dollars (\$10,000.00). The Sub-Recipient will be reimbursed by the City after closing for the direct homeownership assistance funding only

(f) That all contracts and services shall be carried out in compliance with applicable laws and regulations, including, but not limited to, those listed in Exhibit B.

(g) That all federal fair housing and other requirements stated in the CDBG program shall be met when performing the homeownership assistance services under this Agreement.

(h) That City and Federal officials and representatives will have access to all books, accounts, records, reports, files, and other papers, things or property pertaining to the project in order to make audits, examinations, excerpts, and transcripts.

(i) To assist any or all of the City's personnel or agencies, designated by the City by contract or resolution or other written document, regarding the implementation of this Agreement, and such designated personnel and agencies shall provide information and cooperation to the Sub-Recipient to the extent provided in this Agreement and other contracts, resolutions, or written agreements.

(j) To provide any and all information as requested by the City to fulfill the requirements of the Federal Subaward Reporting System (FSRS). This includes having a UEI (Unique Entity Identifier) and maintaining a current and accurate SAM.gov (System for Award Management) account.

3. Release of Funds. The City agrees to release funds from the CDBG program for direct homeownership assistance costs, to be reimbursed to the Sub-Recipient after closing, in accordance with City claim procedures as outlined in Exhibit C.

4. City Responsibilities. City agrees:

(a) To retain all environmental responsibilities and the responsibility for initiating any applicable inter-governmental review process. However, nothing in this Agreement shall be construed to create environmental responsibilities that do not otherwise exist.

(b) To file required paperwork and documents with the U.S. Department of Housing and Urban Development and any other necessary agencies on a timely basis with respect to the CDBG program and to pay properly submitted and documented claims of the Sub-Recipient on a timely basis.

5. Designation of Project Coordinators. For purposes of this Agreement, the Project Coordinator for the City shall be Rhonda Yoder, CDBG Director, City of Goshen. The Project Coordinator for the Sub-Recipient

shall be Amy Call, Chief Financial Officer, LaCasa, Inc. Communications pertaining to this Agreement shall be through the respective Project Coordinators for the City and Sub-Recipient.

6. Term of Agreement.

(a) The term of this Agreement shall run from and including the 1st day of July 2022 through and including the 30th day of June 2023. All of Sub-Recipient’s claims to release funds from the CDBG program shall be submitted to the City no later than the day specified by the CDBG Director near the end of the contract period, approximately June 8, 2023, so that all claims can be paid within the contract year, except as needed to complete projects, including the associated reporting and paperwork, generally extending the term of the contract no longer than the end of calendar year 2024. The final claim deadline and homeownership activity may be extended based on specific circumstances with a decision by the CDBG Administrator.

(b) When the CDBG Director is notified that CDBG funds are no longer available due to funding changes or lack of funding by the U.S. Department of Housing and Urban Development to support continuation of performance of the Agreement, the Agreement shall be canceled with not less than 30 days' notice to the Sub-Recipient from the City.

7. Audit Compliance. The Sub-recipient shall provide the amount of federal funds expended in the Sub-recipient's fiscal year, as requested by the City. If the Sub-recipient expends \$750,000 or more of federal funds in a fiscal year, an audit following 2 CFR 200.514 must be conducted and a copy of the audit submitted to the City for review, within 30 days after receipt of the auditor's report(s) or nine months after the end of the audit period, whichever is earlier. Any findings related to CDBG must be cleared by the City.

8. CDBG Assets. Upon the expiration or termination of this Agreement, all CDBG-funded assets shall revert to the City to be disposed of in accordance with applicable federal rules, laws, and regulations governing the disposition of property, assets, and equipment purchased with federal funds.

9. Program Income. Sub-Recipient agrees that any Program Income as defined by the Act generated pursuant to this Agreement in the administration of the CDBG program shall be administered and handled as required by the Act and may be expended only upon the prior approval of the City.

10. Uniform Administrative Requirements. Sub-Recipient agrees to comply with applicable uniform administrative requirements, as described in 2 CFR Part 200.

11. Notice. All notices required or permitted under this Agreement shall be submitted in writing to the other party to this Agreement, and delivered personally or sent by regular first-class mail:

City of Goshen, Indiana  
Attn: Rhonda Yoder, CDBG  
204 E. Jefferson Street, Suite 4  
Goshen, Indiana 46528

LaCasa, Inc.  
Attn: Amy Call  
202 N. Cottage Avenue  
Goshen, Indiana 46528

Or at such other place as the parties may designate in writing from time to time.

12. Conflict of Interest. The Sub-Recipient represents that none of its employees, officers, or directors presently have any interest, either direct or indirect, which would conflict in any manner with Sub-Recipient’s performance or procurement under this Agreement, and that no person having such interest shall be appointed or employed by Sub-Recipient; except that which is disclosed in writing by the Sub-Recipient to the City.

13. Tax Exempt Status. Attached hereto as Exhibit D by this reference made a part hereof is a copy of correspondence from the Internal Revenue Service dated the 28th day of January 2003 confirming the 501(c)(3)

tax exempt status of the Sub-Recipient.

14. Default.

(a) Upon Sub-Recipient’s failure to comply with any of the terms and conditions contained within this Agreement or its failure to comply with the appropriate federal rules, laws, and regulations governing the administration of the CDBG funds, all rights inuring to the benefit of Sub-Recipient pursuant to this Agreement shall be suspended and this Agreement, shall be terminated upon delivery of written notice by the City. Furthermore, Sub-Recipient shall not be entitled to reimbursement from the City for any project in which Sub-Recipient is in default of its obligations imposed upon it pursuant to this Agreement, or is in violation of any federal rules, laws, or regulations governing the administration of CDBG funds. Upon City’s default under this Agreement, all rights inuring to the benefit of City pursuant to this Agreement shall be suspended and this Agreement shall be terminated upon delivery of written notice by Sub-Recipient.

(b) Upon default by a party to this Agreement, the non-defaulting party shall be entitled to recover its damages, penalties incurred, costs and expenses sustained, and reasonable attorney fees from the defaulting party in addition to the remedies provided in subparagraph (a) above. A party shall be in default under this Agreement in the event it violates or fails to comply with any of the terms and conditions contained within this Agreement or the applicable state and federal laws, rules, and regulations.

15. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns; provided, however that no assignment shall be effective to relieve a party of any liability under this Agreement unless the other party has consented in writing to the assignment and agreed to the release of such liability. The City and Sub-Recipient hereby acknowledge receipt of a duly executed copy of this Agreement complete with all exhibits attached hereto.

**IN WITNESS WHEREOF**, the Sub-Recipient and the City have caused this Agreement to be executed by a duly authorized individual as of the date first above written.

SUB-RECIPIENT:

LACASA, INC.

By: \_\_\_\_\_  
Amy Call,  
Chief Financial Officer

ATTESTED:

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

CITY:

CITY OF GOSHEN, INDIANA BY  
AND THROUGH THE MAYOR  
OF THE CITY OF GOSHEN, INDIANA

By: \_\_\_\_\_  
Gina Leichty, Mayor

**Exhibit A**  
**HOMEOWNERSHIP ASSISTANCE PROGRAM**  
**CITY OF GOSHEN, INDIANA**

**SCOPE OF SERVICES**

- a) To prepare and secure execution of agreements between LaCasa and the homebuyer household specifying the responsibilities of each party with regard to the project including the work to be performed and commitments made by LaCasa under this Agreement.
- b) To provide all required documents to the City, including homebuyer application, income verification, homeownership assistance report form, HUD-1/Closing Disclosure with itemized invoice, housing education/counseling verification, and recorded deed and recorded affordability liens after closing, including all supporting documentation for each.
- c) To maintain records adequate to identify and account for all costs pertaining to this Agreement; to establish the eligibility of the homebuyer household assisted under the program and such other records as may be required by statute, rule or regulations. These records shall be maintained for a period of four (4) years after project completion and shall be available to the City and authorized federal agencies. CDBG project completion occurs when the CDBG lien is released.
- d) Prepare homeownership assistance reports on the form provided by the City, detailing the property location, legal description of property, determination of household income, number of household members, the race and ethnicity of household members, and other required information.
- e) Provide proof of complying with all rules and regulations involving Lead Based Paint requirements.
- f) The maximum CDBG grant per household/property will typically be Ten Thousand (\$10,000.00). A Lien and Restrictive Covenant Agreement will be required to be executed and recorded for each individual property receiving CDBG assistance. All proceeds from lien repayment are considered program income and shall be returned to the City's CDBG program.



## **Exhibit B**

### **I. Administrative Requirements**

#### **A. Financial Management**

##### **1. Accounting Standards**

The Sub-recipient agrees to comply with 2 CFR Part 200 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

##### **2. Cost Principles**

The Sub-recipient shall administer its program in conformance with 2 CFR Part 200 as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

#### **B. Documentation and Record Keeping**

##### **1. Records to be Maintained**

The Sub-recipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506 that are pertinent to the activities funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets the National Objective of the CDBG program of benefiting low/moderate income persons;
- c. Records required to determine the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR 570.502, and 2 CFR Part 200; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR 570.

##### **2. Retention**

The Sub-recipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of four (4) years. The retention period begins on the date of submission of the City's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the four-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

##### **3. Client Data**

The Sub-recipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to the City or their designees for review upon request.

##### **4. Disclosure**

The Sub-recipient understands that client information collected under this contract is private, and the use or disclosure of such information, when not directly connected with the administration of the City's or Sub-recipient's responsibilities with respect to services provided under this contract, is prohibited unless written consent is obtained from such person receiving service, and, in the case of a minor, that of a responsible parent/guardian, unless otherwise required by law.

##### **5. Close-Outs**

The Sub-recipient's obligation to the City shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the City), final close-out reports and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Sub-recipient has control over CDBG funds, including program income.

6. Audits and Inspections

All Sub-recipient records with respect to any matters covered by this Agreement shall be made available to the City, grantor agency, their designees or the Federal Government, at any time during normal business hours, as often as the City or grantor agency deems necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Sub-recipient within 30 days after receipt by the Sub-recipient. Failure of the Sub-recipient to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The Sub-recipient hereby agrees to have an annual agency audit conducted in accordance with current City policy concerning Sub-recipient audits and, as applicable, 2 CFR Part 200.

C. Reporting and Payment Procedures

1. Program Income

The Sub-recipient shall report on a monthly basis all program income as defined at 24 CFR 570.500(a) generated by activities carried out with CDBG funds made available under this contract. The use of program income by the Sub-recipient shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Sub-recipient may use such income during the contract period for activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unused program income shall be returned to the City at the end of the contract period. Any interest earned on cash advances from the US Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the City.

2. Indirect Costs

If indirect costs are charged, the Sub-recipient will develop an indirect cost allocation plan for determining the appropriate Sub-recipient's share of administrative costs and shall submit such plan to the City for approval, in a form specified by the City.

3. Payment Procedures

The City will pay to the Sub-recipient funds available under this contract, based upon information submitted by the Sub-recipient and consistent with any approved budget and City policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the Sub-recipient, and not to exceed actual cash requirements. Payments will be adjusted by the City in accordance with advance fund and program income balances available in Sub-recipient accounts. In addition, the City reserves the right to liquidate funds available under this contract for costs incurred by the City on behalf of the Sub-recipient.

D. Procurement

1. Compliance

The Sub-recipient shall comply with current City policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provide herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the City upon termination of this Agreement.

2. OMB Standards

Unless specified otherwise within this Agreement, the Sub-recipient shall procure all materials, property, or services in accordance with the requirements of 2 CFR Part 200.

3. Travel

The Sub-recipient shall obtain written approval from the City for any travel outside the metropolitan area with funds provided under this Agreement.

**II. Personnel and Participant Conditions**

A. Civil Rights

1. Compliance

The Sub-recipient agrees to comply with all local and State of Indiana civil rights ordinances and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act (HCDA) of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

2. Nondiscrimination

The Sub-recipient agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.

3. Land Covenants

This contract is subject to the requirements of Title VI of the Civil Rights Act of 1964 (PL 88-352) and 24 CFR 570.601 and 570.602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this contract, the Sub-recipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the City and the United States are beneficiaries of and entitled to enforce such covenants. The Sub-recipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. Section 504

The Sub-recipient agrees to comply with all Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 USC 794), which prohibits discrimination against the individuals with disabilities or handicaps in any Federally assisted program. The City shall provide the Sub-recipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Equal Opportunity

1. Women- and Minority-Owned Businesses (W/MBE)

The Sub-recipient will use its best efforts to afford minority- and women-owned business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the term “minority and female business enterprise” means a business at least fifty-one percent (51%) owned and controlled by minority group members or women. For the purpose of this definition, “minority group members” are Afro-Americans, Spanish-speaking, Spanish-surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Sub-recipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

2. Access to Records

The Sub-recipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the City, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

3. Notifications

The Sub-recipient will send to each labor union or representative of workers with which it has a collective bargaining Agreement or other contract or understanding, a notice, to be provided by the agency contracting office, advising the labor union or worker’s representative of the Sub-recipient’s commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

4. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The Sub-recipient will, in all solicitations or advertisements for employees placed by or on behalf of the Sub-recipient, state that it is an Equal Opportunity or Affirmative Action employer.

5. Subcontract Provisions

The Sub-recipient will include the provisions of Paragraphs II.A., Civil Rights, and B., Equal Opportunity, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own subrecipients or contractors.

C. Employment Restrictions

1. Prohibited Activity

The Sub-recipient is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

2. Labor Standards

The Sub-recipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act (40 USC 327 *et seq.*), and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Sub-recipient agrees to comply with the Copeland Anti-Kickback Act (18 USC 874 *et seq.*) and its implementing regulations of the US Department of Labor at 29 CFR Part 5. The Sub-recipient shall maintain documentation which demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the City for review upon request.

The Sub-recipient agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this contract, shall comply with Federal requirements adopted by the City pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided, that if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Sub-recipient of its obligation, if any, to require payment of the higher wage. The Sub-recipient shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

3. "Section 3" Clause

a) Compliance

Compliance with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 75, and all applicable rules and orders issued hereunder prior to the execution of this contract, shall be a condition of the Federal financial assistance provided under this contract and binding upon the City, the Sub-recipient and any of the Sub-recipient's subrecipients and subcontractors. Failure to fulfill these requirements shall subject the City, the Sub-recipient and any of the Sub-recipient's subrecipients and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The Sub-recipient certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

The Sub-recipient further agrees to comply with these "Section 3" requirements and to include the following language in all subcontracts executed under this Agreement:

"The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 USC 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located."

The Sub-recipient further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

The Sub-recipient certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

b) Notifications

The Sub-recipient agrees to send to each labor organization or representative of workers with which it has a collective bargaining Agreement, or other contract or understanding, if any, a notice advising said labor organization or worker's representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

c) Subcontracts

The Sub-recipient will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. The Sub-recipient will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 75 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct

1. Assignability

The Sub-recipient shall not assign or transfer any interest in this contract without the prior written consent of the City thereto; provided, however, that claims for money due or to become due to the Sub-recipient from the City under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the City.

2. Subcontracts

a) Approvals

The Sub-recipient shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of the City prior to the execution of such Agreement.

b) Monitoring

The Sub-recipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c) Content

The Sub-recipient shall cause all of the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

d) Selection Process

The Sub-recipient shall undertake to ensure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis. Executed copies of all subcontracts shall be forwarded to the City along with documentation concerning the selection process.

3. Hatch Act

The Sub-recipient agrees that no funds provided, nor personnel employed under this contract, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the USC.

4. Conflict of Interest

The Sub-recipient agrees to abide by the provisions of 2 CFR Part 200 and 570.611, which include (but are not limited to) the following:

- a) The Sub-recipient shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.
- b) No employee, officer or agent of the Sub-recipient shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.
- c) No covered person who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or Agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a “covered person” includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the Sub-recipient, the City, or any designated public agency.

5. Lobbying

The Sub-recipient hereby certifies that:

- a) No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative Agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative Agreement;
- b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative Agreement, it will complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions; and
- c) It will require that the language of paragraph (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative Agreements) and that all subrecipients shall certify and disclose accordingly:
- d) Lobbying Certification:  
This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, USC. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

6. Copyright

If this contract results in any copyrightable material or inventions, the City and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

7. Religious Activities

The Sub-recipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

### III. Environmental Conditions

A. Air and Water

The Sub-recipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- Clean Air Act, 42 USC, 7401 *et seq.*
- Federal Water Pollution Control Act, as amended, 33 USC, 1251, *et seq.*, as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.
- Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 USC 4001), the Sub-recipient shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

The Sub-recipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

D. Historic Preservation

The Sub-recipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 USC 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

#### IV. General Conditions

A. Responsibilities

The Grantee will carry out its activities in compliance with the requirements of Subpart K of 24 CFR 570, except, however, that the Grantee does not assume the City's environmental responsibilities or the responsibility for initiating the environmental review process under 24 CFR part 52.

## Exhibit C

### City of Goshen Weekly Payment Procedures for CDBG Claims Effective December 8, 2014

Thursday NOON	Deadline to submit claims to CDBG Administrator for processing the following week
Friday	CDBG Administrator Review of Claim: Incomplete claims will be held until all required information is received
Monday (Week 1)	CDBG Administrator Reporting in HUD's online system for each claim (required before a claim may be processed)
Tuesday AM Tuesday PM	First drawdown authorization by CDBG Administrator Voucher submitted by CDBG Administrator to Clerk Treasurer's Office
Wednesday Wednesday, 5pm	Second drawdown authorization by Clerk Treasurer's Office Deadline for claim to be processed by Clerk Treasurer's Office for Board of Works
Monday (Week 2)	Claim approved and signed by Board of Works – all CDBG vouchers must be hand-signed by BOW members
Tuesday	Check written by Clerk Treasurer's Office



**Exhibit D  
Tax Exempt Status**

Internal Revenue Service  
Director, Exempt Organizations  
Rulings and Agreements

Department of the Treasury  
P.O. Box 2508  
Cincinnati, Ohio 45201

Date: **JAN 28 2003**

LaCasa of Goshen, Inc.  
202 North Cottage Avenue  
Goshen, IN 46256-3346

Person to Contact:  
Thomas Kallman, ID# 31-07250  
Contact Telephone Numbers:  
877-829-5500 Phone Toll-Free  
513-263-3756 FAX  
Federal Identification Number:  
35-1554538

Dear Sir or Madam:

This modifies our letter dated November 18, 1970. In that letter we determined that your organization is exempt under section 501(a) of the Internal Revenue Code, as an organization described in section 501(c)(3). We determined that you were not a private foundation within the meaning of section 509(a) of the Code because you were an organization described in sections 509(a)(1) and 170(b)(1)(A)(i) of the Code.

In your letter dated November 11, 2002, you requested classification as an organization described in sections 509(a)(1) and 170(b)(1)(A)(vi) of the Code. Based on the information you provided, we have determined that you meet the requirements for the requested foundation classification. Accordingly, we have granted your request and modified your foundation status to reflect an organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

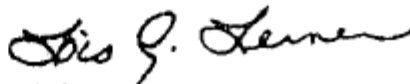
Your exempt status under section 501(a) of the Internal Revenue Code, as an organization described in section 501(c)(3) remains in effect.

Grantors and contributors may rely on this determination until the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of such status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section 509(a)(1) organization.

Because this letter could help resolve any questions about your exempt status and/or foundation status, you should keep it with your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely,



Lois G. Lerner  
Director, Exempt Organizations  
Rulings and Agreements

cc: Randall M. Jacobs

**CITY OF GOSHEN**  
**COMMUNITY DEVELOPMENT BLOCK GRANT**  
**COMMUNITY BASED DEVELOPMENT ORGANIZATION (CBDO) AMENDED AGREEMENT**  
**MULTI UNIT HOUSING REHABILITATION**  
**Program Years 2020-2021: July 1, 2020-June 30, 2023**

This Housing Rehabilitation Agreement (the “Agreement”) is entered into by and between the City of Goshen, Indiana (the “City”) and Lacasa, Inc. (the “CBDO”), an Indiana not-for-profit corporation, as of this 26th day of June 2023.

**WITNESSETH:**

**WHEREAS**, such Housing Rehabilitation grant will be funded through the entitlement city’s Community Development Block Grant program (“CDBG Program”) established under Title I of the Housing and Community Development Act of 1974, as amended, and the rules, regulations, policy memoranda and other authority thereunder (collectively, the “Act”) and administered by the City.

**WHEREAS**, the City has requested the assistance of the CBDO to administer the Multi-unit Housing Rehabilitation portion (the “Project”) of the CDBG Program;

**WHEREAS**, the Act contains certain requirements regarding the use of funds to fulfill a “national objective,” as defined in the Act;

**WHEREAS**, the national objective to be fulfilled by the City’s use of its CDBG Program is the rehabilitation of multi-unit, renter-occupied housing by the CBDO for low and moderate (“Low and Moderate”) income families. Low- and Moderate-income families are defined in the Act, and the income ranges and rent limits will be as established for the HOME Program, as published annually by Indiana Housing & Community Development Authority, with a separate Lien and Restrictive Covenant Agreement required to be executed and recorded for each individual multi-unit property receiving CDBG assistance;

**WHEREAS**, the Act requires that the CBDO demonstrate its intent to rehabilitate such housing for Low- and Moderate-income families;

**WHEREAS**, the Act prohibits discrimination under any program or activity funded with CDBG moneys on the basis of race, color, national origin, sex, age, or handicap; additionally, the Act prohibits discrimination in housing programs and activities funded with CDBG on the basis of sexual orientation, gender identity or marital status;

**NOW, THEREFORE**, in consideration of the mutual promises contained herein, the City and CBDO agree as follows:

1. CBDO Designation and Administration of Grant. City hereby designates and CBDO hereby agrees to serve as a CBDO for the Multi-unit Housing Rehabilitation portion (the “Project”) of the CDBG Program and to administer the Project in accordance with this Agreement and the Act.
2. Scope of Services. CBDO agrees to perform the services under this Agreement as follows:
  - (a) To submit a final scope of work for the identified project, including estimated budget and project timeline, to be approved by the CDBG program before work proceeds.
  - (b) To implement the project per the approved scope of work referenced above.
  - (c) To obtain all federal, state, and local government approvals, permits, licenses, and review required by law to be obtained for the performance of the rehabilitation work under this Agreement.
  - (d) To comply with all applicable, federal, state, and local laws and regulations pertaining to the performance of the rehabilitation work under this Agreement.

- (e) To conduct Tier II Environmental Review for each multi-unit property selected for rehabilitation, including preparing any necessary maps, preparing photo documentation for each property, contacting the local and county historians for review and comment, and preparing all narrative and documentation for DHPA Section 106 review.
  - (f) To submit to the City any and all documents demonstrating compliance with all federal and state rules and regulations. Such demonstrations will be provided at the request of the City. City's failure to request any supporting documentation, however, shall not excuse any failure on the part of CBDO to have complied with the applicable federal and state rules and regulations.
  - (g) To file claims on a timely basis with the City for the release of funds from the CDBG Program for reimbursement of the direct costs and program delivery costs incurred under the Project. All claims will be accompanied by verification of all costs incurred. Copies of the following documents must be on file with the City in order to process a claim: cost estimate with construction details and costs; claim for payment; invoices supporting claim amount.
  - (h) Claims will be limited to the sum of One Hundred Twenty-two Thousand Dollars (\$122,000.00) for the Project. Program delivery costs are limited to a maximum of twenty five percent (25%) of direct costs, and shall not exceed Fifty Thousand Dollars (\$50,000.00).
  - (i) That all contracts and services and other procurement of materials, services, or construction shall be carried out in compliance with applicable laws and regulations, including but not limited to, those listed in Exhibit A.
  - (j) Provide proof of complying with all rules and regulations involving the rehabilitation work and Lead Based Paint requirements.
  - (k) That all federal fair housing and other requirements stated in the CDBG Program shall be met when performing the rehabilitation work under this Agreement.
  - (l) To maintain records adequate to identify and account for all costs pertaining to this agreement; to establish the eligibility of the household assisted under the program and such other records as may be required by statute, rule or regulations. These records shall be maintained for a period of four (4) years after project completion and shall be available to the City and authorized federal agencies.
  - (m) That City and Federal officials and representatives will have access to all books, accounts, records, reports, files, and other papers, things or property pertaining to the project in order to make audits, examinations, excerpts, and transcripts.
  - (n) To assist any or all of the City's personnel or agencies, designated by the City by contract or resolution or other written document, regarding the implementation of this Agreement, and such designated personnel and agencies shall provide information and cooperation to the CBDO to the extent provided in this Agreement and other contracts, resolutions, or written agreements.
  - (o) To provide any and all information as requested by the City to fulfill the requirements of the Federal Subaward Reporting System (FSRS). This includes having a DUNS # and maintaining a current and accurate Central Contractor Registration (CCR) account.
3. Release of Funds. The City agrees to release funds from the CDBG Program for direct costs and program delivery costs incurred by the CBDO as funds are requested by CBDO in accordance with City claim procedures as outlined in Exhibit B.
4. City Responsibilities. City agrees:
- (a) To retain all Tier I environmental responsibilities and the responsibility for initiating any applicable inter-

governmental review process. However, nothing in this Agreement shall be construed to create environmental responsibilities that do not otherwise exist.

- (b) To file required paperwork and documents with the U.S. Department of Housing and Urban Development and any other necessary agencies on a timely basis with respect to the CDBG Program and to pay properly submitted and documented claims of the CBDO on a timely basis.
- 5. Designation of Project Coordinators. For purposes of this Agreement, the Project Coordinator for the City shall be Rhonda Yoder, CDBG Administrator, City of Goshen. The Project Coordinator for the CBDO shall be Amy Call, Chief Financial Officer, Lacasa, Inc. Communications pertaining to this Agreement shall be through the respective Project Coordinators for the City and CBDO.
- 6. Term of Agreement.
  - (a) As funds for this activity were made available in Program Year 2020, but implementation was unable to begin until Program Year 2021, the term of this Agreement shall run from and including the 1st day of July 2020 through and including the 30th day of June 2023. All of CBDO's claims to release funds from the CDBG Program shall be submitted to the City no later than the day specified by the CDBG Administrator near the end of the contract period, approximately June 8, 2023, so that all claims can be paid within the contract year, except as needed to complete projects, including the associated reporting and paperwork, extending the term of the contract no longer than the end of calendar year 2023.
  - (b) When the CDBG Administrator is notified that CDBG funds are no longer available due to funding changes or lack of funding by the U.S. Department of Housing and Urban Development to support continuation of performance of the Agreement, the Agreement shall be canceled with not less than 30 days' notice to the CBDO from the City.
- 7. Audit Compliance. The CBDO shall provide the amount of federal funds expended in the CBDO's fiscal year, as requested by the City. If the CBDO expends \$750,000 or more of federal funds in a fiscal year, an audit following 2 CFR 200.514 must be conducted and a copy of the audit submitted to the City for review, within 30 days after receipt of the auditor's report(s) or nine months after the end of the audit period, whichever is earlier. Any findings related to CDBG must be cleared by the City.
- 8. Uniform Administrative Requirements. CBDO agrees to comply with applicable uniform administrative requirements, as described in 2 CFR Part 200.
- 9. Notice. All notices required or permitted under this Agreement shall be submitted in writing to the other party to this Agreement, and delivered personally or sent by regular first-class mail:

City of Goshen, Indiana  
Attn: Rhonda Yoder, CDBG  
204 E. Jefferson Street, Suite 4  
Goshen, Indiana 46528

Lacasa, Inc.  
Attn: Amy Call  
202 N. Cottage Avenue  
Goshen, Indiana 46528

Or at such other place as the parties may designate in writing from time to time.

- 10. Conflict of Interest. The CBDO represents that none of its employees, officers, or directors presently have any interest, either direct or indirect, which would conflict in any manner with CBDO's performance or procurement under this Agreement, and that no person having such interest shall be appointed or employed by CBDO; except that which is disclosed in writing by the CBDO to the City.
- 11. CBDO Status: Attached hereto as Exhibit C by this reference made a part hereof are copies of correspondence from the City dated the 13th day of April 2020 and the 24th day of May 2021 designating Lacasa, Inc., as a CBDO.
- 12. Tax Exempt Status. Attached hereto as Exhibit D by this reference made a part hereof is a copy of correspondence

from the Internal Revenue Service dated the 28th day of January 2003 confirming the 501(c)(3) tax exempt status of the CBDO.

13. Default.

(a) Upon CBDO's failure to comply with any of the terms and conditions contained within this Agreement or its failure to comply with the appropriate federal rules, laws, and regulations governing the administration of the CDBG funds, all rights inuring to the benefit of CBDO pursuant to this Agreement shall be suspended and this Agreement, shall be terminated upon delivery of written notice by the City. Furthermore, CBDO shall not be entitled to reimbursement from the City for any project in which CBDO is in default of its obligations imposed upon it pursuant to this Agreement, or is in violation of any federal rules, laws, or regulations governing the administration of CDBG funds. Upon City's default under this Agreement, all rights inuring to the benefit of City pursuant to this Agreement shall be suspended and this Agreement shall be terminated upon delivery of written notice by CBDO.

(b) Upon default by a party to this Agreement, the non-defaulting party shall be entitled to recover its damages, penalties incurred, costs and expenses sustained, and reasonable attorney fees from the defaulting party in addition to the remedies provided in subparagraph (a) above. A party shall be in default under this Agreement in the event it violates or fails to comply with any of the terms and conditions contained within this Agreement or the applicable state and federal laws, rules, and regulations.

14. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns; provided, however that no assignment shall be effective to relieve a party of any liability under this Agreement unless the other party has consented in writing to the assignment and agreed to the release of such liability. The City and CBDO hereby acknowledge receipt of a duly executed copy of this Agreement complete with all exhibits attached hereto.

**IN WITNESS WHEREOF**, the CBDO and the City have caused this Agreement to be executed by a duly authorized individual as of the date first above written.

CBDO: LACASA, INC.

By: \_\_\_\_\_  
Amy Call  
Chief Financial Officer

ATTESTED:

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

CITY:

CITY OF GOSHEN, INDIANA BY  
AND THROUGH THE MAYOR  
OF THE CITY OF GOSHEN, INDIANA

By: \_\_\_\_\_  
Gina Leichty, Mayor

1. Describe how the project will meet the objective of providing decent affordable housing.

Lacasa is requesting **\$122,000** in CDBG Multi-Unit Rehab funds for rehabilitation work at 410 E Jefferson Street. It is a long-term vacant building that has long been 4 apartment units. While this CDBG application deals solely with the Rehab at 410 E Jefferson Street, it is part of Lacasa's larger project in the East Lincoln Crossroads neighborhood that has already seen the complete rehabilitation of 16 quality, affordable rental units. The rehab of 410 E Jefferson will also fit in with the historic character of the neighborhood and will provide 4 new, 1-bedroom, affordable rental units.

The rehab work at 410 E Jefferson St will involve a complete exterior restoration and/or rebuild. We wish to maintain the historic proportions and massing of the building while utilizing modern materials and techniques to correct past issues and ensure the building's long-term viability. The building will receive all new mechanical systems, bringing the HVAC, electric and plumbing up to current code. The interior finishes will be restored to the historic standard or to a modern, complementary standard everywhere else. The kitchens and bathrooms will be completely new with modern fixtures and finishes.

The 4 units at 410 E Jefferson will be occupied by tenants who income qualify as low-to-moderate income – all four units will be 60% AMI and below. These are part of the HOME affordable housing program and require income qualification prior to tenancy and then annually thereafter. Assuring that the CDBG funds are benefiting the designated targeted recipients is built into the housing program and is monitored closely by LaCasa and by IHCDA.

## **Exhibit A**

### **I. Administrative Requirements**

#### **A. Financial Management**

##### **1. Accounting Standards**

The CBDO agrees to comply with 2 CFR Part 200 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

##### **2. Cost Principles**

The CBDO shall administer its program in conformance with 2 CFR Part 200 as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

#### **B. Documentation and Record Keeping**

##### **1. Records to be Maintained**

The CBDO shall maintain all records required by the Federal regulations specified in 24 CFR 570.506 that are pertinent to the activities funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets the National Objective of the CDBG program of benefiting low/moderate income persons;
- c. Records required to determine the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR 570.502, and 2 CFR Part 200; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR 570.

##### **2. Retention**

The CBDO shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of four (4) years. The retention period begins on the date of submission of the City's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the four-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

##### **3. Client Data**

The CBDO shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to the City or their designees for review upon request.

##### **4. Disclosure**

The CBDO understands that client information collected under this contract is private, and the use or disclosure of such information, when not directly connected with the administration of the City's or CBDO's responsibilities with respect to services provided under this contract, is prohibited unless written consent is obtained from such person receiving service, and, in the case of a minor, that of a responsible parent/guardian, unless otherwise required by law.

##### **5. Close-Outs**

The CBDO's obligation to the City shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, final close-out reports and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the CBDO has control over CDBG funds.

## 6. Audits and Inspections

All CBDO records with respect to any matters covered by this Agreement shall be made available to the City, grantor agency, their designees or the Federal Government, at any time during normal business hours, as often as the City or grantor agency deems necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the CBDO within 30 days after receipt by the CBDO. Failure of the CBDO to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The CBDO hereby agrees to have an annual agency audit conducted in accordance with current City policy concerning CBDO audits and, as applicable, 2 CFR Part 200.

## C. Reporting and Payment Procedures

### 1. Indirect Costs

If indirect costs are charged, the CBDO will develop an indirect cost allocation plan for determining the appropriate CBDO's share of administrative costs and shall submit such plan to the City for approval, in a form specified by the City.

### 2. Payment Procedures

The City will pay to the CBDO funds available under this contract, based upon information submitted by the CBDO and consistent with any approved budget and City policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the CBDO, and not to exceed actual cash requirements. Payments will be adjusted by the City in accordance with advance fund balances available in CBDO accounts. In addition, the City reserves the right to liquidate funds available under this contract for costs incurred by the City on behalf of the CBDO.

## D. Procurement

### 1. OMB Standards

Unless specified otherwise within this Agreement, the CBDO shall procure all materials, property, or services in accordance with the requirements of 2 CFR Part 200.

### 2. Travel

The CBDO shall obtain written approval from the City for any travel outside the metropolitan area with funds provided under this Agreement.

## II. Personnel and Participant Conditions

### A. Civil Rights

#### 1. Compliance

The CBDO agrees to comply with all local and State of Indiana civil rights ordinances and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act (HCDA) of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

#### 2. Nondiscrimination

The CBDO agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.

#### 3. Land Covenants

This contract is subject to the requirements of Title VI of the Civil Rights Act of 1964 (PL 88-352) and 24 CFR 570.601 and 570.602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this contract, the CBDO shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the City and the United States are beneficiaries of and entitled to enforce such covenants. The



CBDO, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. Section 504

The CBDO agrees to comply with all Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 USC 794), which prohibits discrimination against the individuals with disabilities or handicaps in any Federally assisted program. The City shall provide the CBDO with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Equal Opportunity

1. Women- and Minority-Owned Businesses (W/MBE)

The CBDO will use its best efforts to afford minority- and women-owned business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the term “minority and female business enterprise” means a business at least fifty-one percent (51%) owned and controlled by minority group members or women. For the purpose of this definition, “minority group members” are Afro-Americans, Spanish-speaking, Spanish-surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The CBDO may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

2. Access to Records

The CBDO shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the City, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

3. Notifications

The CBDO will send to each labor union or representative of workers with which it has a collective bargaining Agreement or other contract or understanding, a notice, to be provided by the agency contracting office, advising the labor union or worker’s representative of the CBDO’s commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

4. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The CBDO will, in all solicitations or advertisements for employees placed by or on behalf of the CBDO, state that it is an Equal Opportunity or Affirmative Action employer.

5. Subcontract Provisions

The CBDO will include the provisions of Paragraphs II.A., Civil Rights, and B., Equal Opportunity, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own subrecipients or contractors.

C. Employment Restrictions

1. Prohibited Activity

The CBDO is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

2. Labor Standards

The CBDO agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act (40 USC 327 *et seq.*), and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The CBDO agrees to comply with the Copeland Anti-Kickback Act (18 USC 874 *et seq.*) and its implementing regulations of the US Department of Labor at 29 CFR Part 5. The CBDO shall maintain documentation which demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the City for review upon request.

The CBDO agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000.00 for

construction, renovation or repair work financed in whole or in part with assistance provided under this contract, shall comply with Federal requirements adopted by the City pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided, that if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the CBDO of its obligation, if any, to require payment of the higher wage. The CBDO shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

3. "Section 3" Clause

a) Compliance

Compliance with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 75, and all applicable rules and orders issued hereunder prior to the execution of this contract, shall be a condition of the Federal financial assistance provided under this contract and binding upon the City, the CBDO and any of the CBDO's subrecipients and subcontractors. Failure to fulfill these requirements shall subject the City, the CBDO and any of the CBDO's subrecipients and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The CBDO certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

The CBDO further agrees to comply with these "Section 3" requirements and to include the following language in all subcontracts executed under this Agreement:

"The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 USC 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located."

The CBDO further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

The CBDO certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

b) Notifications

The CBDO agrees to send to each labor organization or representative of workers with which it has a collective bargaining Agreement, or other contract or understanding, if any, a notice advising said labor organization or worker's representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

- c) Subcontracts  
The CBDO will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. The CBDO will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 75 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct

1. Assignability

The CBDO shall not assign or transfer any interest in this contract without the prior written consent of the City thereto; provided, however, that claims for money due or to become due to the CBDO from the City under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the City.

2. Subcontracts

a) Approvals

The CBDO shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of the City prior to the execution of such Agreement.

b) Monitoring

The CBDO will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c) Content

The CBDO shall cause all of the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

d) Selection Process

The CBDO shall undertake to ensure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis. Executed copies of all subcontracts shall be forwarded to the City along with documentation concerning the selection process.

3. Hatch Act

The CBDO agrees that no funds provided, nor personnel employed under this contract, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the USC.

4. Conflict of Interest

The CBDO agrees to abide by the provisions of 2 CFR Part 200 and 570.611, which include (but are not limited to) the following:

a) The CBDO shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.

b) No employee, officer or agent of the CBDO shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.

c) No covered person who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or Agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the CBDO, the City, or any designated public agency.

5. Lobbying

The CBDO hereby certifies that:

a) No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an

officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative Agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative Agreement;

- b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative Agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
- c) It will require that the language of paragraph (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative Agreements) and that all subrecipients shall certify and disclose accordingly:
- d) Lobbying Certification:

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, USC. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

6. Copyright

If this contract results in any copyrightable material or inventions, the City and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

7. Religious Activities

The CBDO agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

### III. Environmental Conditions

A. Air and Water

The CBDO agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- Clean Air Act, 42 USC, 7401 *et seq.*
- Federal Water Pollution Control Act, as amended, 33 USC, 1251, *et seq.*, as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.
- Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 USC 4001), the CBDO shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

The CBDO agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

D. Historic Preservation

The CBDO agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 USC 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

#### **IV. General Conditions**

##### **A. Responsibilities**

The Grantee will carry out its activities in compliance with the requirements of Subpart K of 24 CFR 570, except, however, that the Grantee does not assume the City's environmental responsibilities or the responsibility for initiating the environmental review process under 24 CFR part 52.

## Exhibit B

### City of Goshen Weekly Payment Procedures for CDBG Claims Effective December 8, 2014

Thursday NOON	Deadline to submit claims to CDBG Administrator for processing the following week
Friday	CDBG Administrator Review of Claim: Incomplete claims will be held until all required information is received
Monday (Week 1)	CDBG Administrator Reporting in HUD's online system for each claim (required before a claim may be processed)
Tuesday AM Tuesday PM	First drawdown authorization by CDBG Administrator Voucher submitted by CDBG Administrator to Clerk Treasurer's Office
Wednesday Wednesday, 3pm	Second drawdown authorization by Clerk Treasurer's Office Deadline for claim to be processed by Clerk Treasurer's Office for Board of Works
Monday (Week 2)	Claim approved and signed by Board of Works – all CDBG vouchers must be hand-signed by BOW members
Tuesday	Check written by Clerk Treasurer's Office



**Exhibit C  
CBDO Designation**

**Rhonda L. Yoder, AICP  
CDBG Program, CITY OF GOSHEN**

204 East Jefferson Street, Suite 4 • Goshen, IN 46528-3405

Phone (574) 537-3815 • Fax (574) 533-8626 • TDD (574) 534-3185  
rhodayoder@goshencity.com • www.goshenindiana.org

VIA ELECTRONIC MAIL

April 13, 2020

Lacasa  
Chris Kingsley, President/CEO  
202 N. Cottage Avenue  
Goshen, IN 46528

RE: Community Based Development Organization (CBDO) Designation

Dear Chris:

The City of Goshen CDBG Program is pleased to inform you that the City of Goshen CDBG Program has designated Lacasa as a Community Based Development Organization (CBDO) for CDBG Program Year 2020 (July 1, 2020 – June 30, 2021).

As a result of this designation, Lacasa is eligible to receive CDBG funding to carry out special CBDO activities which may include the following types of projects: Neighborhood Revitalization, Community Economic Development, and Energy Conservation.

For Program Year 2020, the following activities have received tentative approval for CDBG funding:

- Multi-unit Housing Rehabilitation, 410 E Jefferson Street, up to \$122,000
- Energy Conservation, Multi-unit Housing, 215 W Madison Street, up to \$250,000

CDBG funding for CBDO activities will be a secondary funding source, used with HOME and/or LIHTC. Rents will follow the rents required by the primary funding source, typically HOME and/or LIHTC, as set by IHCD. CDBG will require a concurrent five-year affordability period for all CBDO housing projects.

Please let me know if there are questions.

Sincerely,

A handwritten signature in black ink that reads "Rhonda Yoder".

Rhonda Yoder  
CDBG Administrator

**Exhibit D**  
**Tax Exempt Status**

Internal Revenue Service  
Director, Exempt Organizations  
Rulings and Agreements

Department of the Treasury  
P.O. Box 2508  
Cincinnati, Ohio 45201

Date: **JAN 28 2003**

LaCasa of Goshen, Inc.  
202 North Cottage Avenue  
Goshen, IN 46256-3346

**Person to Contact:**  
Thomas Kallman, ID# 31-07250  
**Contact Telephone Numbers:**  
877-829-5500 Phone Toll-Free  
513-263-3756 FAX  
**Federal Identification Number:**  
35-1554538

Dear Sir or Madam:

This modifies our letter dated November 18, 1970. In that letter we determined that your organization is exempt under section 501(a) of the Internal Revenue Code, as an organization described in section 501(c)(3). We determined that you were not a private foundation within the meaning of section 509(a) of the Code because you were an organization described in sections 509(a)(1) and 170(b)(1)(A)(i) of the Code.

In your letter dated November 11, 2002, you requested classification as an organization described in sections 509(a)(1) and 170(b)(1)(A)(vi) of the Code. Based on the information you provided, we have determined that you meet the requirements for the requested foundation classification. Accordingly, we have granted your request and modified your foundation status to reflect an organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

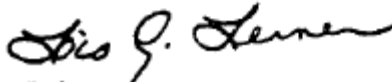
Your exempt status under section 501(a) of the Internal Revenue Code, as an organization described in section 501(c)(3) remains in effect.

Grantors and contributors may rely on this determination until the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of such status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section 509(a)(1) organization.

Because this letter could help resolve any questions about your exempt status and/or foundation status, you should keep it with your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely,



cc: Randall M. Jacobs

Lois G. Lerner  
Director, Exempt Organizations  
Rulings and Agreements





## **CITY OF GOSHEN LEGAL DEPARTMENT**

City Annex  
204 East Jefferson Street, Suite 2  
Goshen, Indiana 46528-3405

Phone (574) 537-3820 • Fax (574) 537-3817 • TDD (574) 534-3185  
[www.goshenindiana.org](http://www.goshenindiana.org)

To: Board of Public Works and Safety  
From: Bodie J. Stegelmann  
Subject: Amended Agreement with Barkes, Kolbus, Rife & Shuler, LLP  
Date: June 26, 2023

Attached for the Board's approval and execution is an amended agreement with Barkes, Kolbus, Rife & Shuler, LLP for attorney services for the calendar year 2023. In June 2023, the City's Assistant City Attorney separated employment with the City. The City posted the position as open; however, the City discussed the opening with Don Shuler, an attorney with Barkes, Kolbus, Rife & Shuler, LLP. Mr. Shuler has agreed to provide serviced to the City that the Assistant City Attorney previous was hired to provide. City staff seek to add this work to the current agreement with Barkes, Kolbus, Rife & Shuler, LLP. The City will pay Fifty Dollars (\$50.00) per hour for approximately Twenty (20) hours of work per week that Mr. Shuler will provide. If approved, the City would not hire an Assistant City Attorney to replace the departed attorney.

### **Suggested Motion:**

**Approve and execute the amended agreement with Barkes, Kolbus, Rife & Shuler, LLP for 2023 attorney services.**

**AMENDED AGREEMENT**  
**With Barkes, Kolbus, Rife & Shuler, LLP**  
**For Provision of Legal Services**

THIS AMENDED AGREEMENT is made and entered into on June \_\_\_\_\_, 2023, between the City of Goshen, hereinafter referred to as "City", and the law firm of Barkes, Kolbus, Rife & Shuler, LLP, hereinafter referred to as "BKRS".

**Section 1. EMPLOYMENT**

City agrees to employ and BKRS agrees to accept employment upon the terms and conditions of this agreement.

**Section 2. TERM**

The term of this agreement shall begin on January 1, 2023, and shall terminate on December 31, 2023. The agreement shall be automatically renewed for an additional one (1) year period under the same terms and conditions unless written notice of the intent to terminate the contractual relationship is delivered by either party to the other sixty (60) days before anniversary date. In the event the agreement automatically renews for a subsequent calendar year, the bi-weekly salary paid to James W. Kolbus and the hourly rates paid to BKRS set forth herein shall increase the same percentage as the increase in wages paid to full-time City of Goshen employees in the subsequent calendar year.

**Section 3. COMPENSATION**

City will pay a bi-weekly salary to James W. Kolbus, a partner in the law firm of BKRS to act as Planning and Zoning Attorney. The bi-weekly salary shall be the amount as set forth in the annual ordinance adopted establishing the compensation for civil city and utilities employees. As additional compensation for James W. Kolbus, City will provide James W. Kolbus with medical insurance on the same terms and conditions as medical insurance is provided to full-time employees of the City of Goshen and agrees to pay for James W. Kolbus's membership in the Indiana Municipal Lawyers Association.

BKRS will be paid at the rate of Fifty Dollars (\$50.00) per hour for all services rendered by Donald R. Shuler under Section 4, Paragraph B of this Agreement. Shuler will typically work twenty (20) hours per week in the Legal Department portion of the City Annex Building, on average, and provide the services described in Section 4, Paragraph B during such time.

BKRS will be paid at the rate of Two Hundred Four Dollars (\$204) per hour for all services rendered on behalf of the City or its departments, provided such services are not covered by the salary paid to James W. Kolbus pursuant to Section 4, Paragraph A, nor covered by the hourly rate paid to Donald R. Shuler pursuant to Section 4, Paragraph B of this Agreement.

BKRS will be paid at the rate of Two Hundred Fifty-four Dollars (\$254) per hour for projects where City's legal fees are paid from a non-City funding source.

BKRS will be reimbursed for all expenses incurred in rendering services to the City, including, but not limited to filing fees, long distance telephone calls, deposition costs, and other costs which are reasonably incidental to the rendering of legal services on behalf of the City.

BKRS will be reimbursed for expenses to attend any seminar or training session, including the costs of the seminar, meals, lodging and transportation if attendance is approved by the Board of Public Works and Safety or Mayor.

**Section 4. DUTIES**

- A. In exchange for the salary paid to James W. Kolbus, he or another full-time attorney of BKRS will on his behalf render the following services:
  - 1. Attend meetings of the City Plan Commission.
  - 2. Attend meetings of the Board of Zoning Appeals ("BZA").
  - 3. Give general legal advice to the members of the City Planning Commission and members of the BZA on matters before the Plan Commission or BZA.
  - 4. Attend two (2) days of seminars or training sessions if requested or approved by the Mayor or Board of Public Works and Safety.
  
- B. Donald R. Shuler will provide the following legal services in exchange for payment at the rate of Fifty Dollars (\$50.00) per hour beginning June 20, 2023, and continuing for the term of this Agreement:
  - 1. Provide legal representation and services to the Redevelopment Commission and Redevelopment Department.
  - 2. Provide legal services for Civil City, Utilities, and other departments as assigned by the City Attorney.
  - 3. The expectation is that these services will require twenty (20) hours a week on average.
  - 4. These services do not include any services described in Section 5 of this Agreement.

**Section 5. HOURLY BILLED SERVICES**

In addition to the duties covered in Section 4, BKRS may be assigned the following duties for which additional compensation will be paid on an hourly basis in accordance with this agreement, provided that such services are not covered under Section 4 of this Agreement.

- A. Prosecution of violations of city ordinances.
- B. Examine title searches, and abstracts, prepare documents, negotiate and draft real estate contracts and leases and attend real estate closings to the extent that such are required in any public work, including opening, closing or changing any street, alley or public place.
- C. Prepare ordinances requested or authorized by Mayor or a board of the City.
- D. Review newly enacted state legislation and update any affected ordinance.
- E. Represent the City in litigation, threatened or filed, on behalf or against the City or a board of the City.
- F. Any legal work rendered on behalf of a board of the City other than attendance at regular meetings, including, but not limited to attendance and work related to administrative hearings of the board.
- G. Participate in the negotiation of the employment or union contracts of City employment if requested to do so by Mayor.
- H. The collection of monies owed to the City.
- I. Trips made outside the city on the City's behalf and at the request of the Mayor or a board of the City.
- J. Services performed in litigation and administration of City water and sewage utilities, including rate change requests.
- K. Legal services rendered in connection to the issue or sale of general obligation bonds or revenue bonds for City utilities or other entities.
- L. Services rendered to the Board of Zoning Appeals or Planning Commission other than attending regular meetings, including rendering general legal opinions and preparation and/or review of ordinances affecting planning and zoning.
- M. Draft contracts for execution by City or its various departments.
- N. Attend meetings of the Aviation Board when the matters to be considered by the Board require the attention of legal counsel and render any legal services requested by the Board.
- O. Attend meetings of the Cemetery Board when the matters to be considered by the Board require the attention of legal counsel and render any legal services requested by the Board.
- P. Attend meetings of the Park Board when the matters to be considered by the Board require the attention of legal counsel and render any legal services requested by the Board.

Q. A matter assigned or authorized by a Board of the City, the Mayor, or the City Attorney.

**Section 6. COMMUNICATIONS**

During the term of this Agreement, all attorneys at BKRS who provide legal services to the City must maintain and use in a prompt fashion an email account and daytime phone number at which the City can readily communicate with the attorney providing services to the City.

**Section 7. NOTICES**

Any notice required or desired to be given under this agreement shall be deemed sufficient if it is made in writing and sent by regular United States mail to City at City of Goshen, 202 South Fifth Street, Goshen, Indiana 46528, and Barkes, Kolbus, Rife & Shuler, LLP at Barkes, Kolbus, Rife & Shuler, LLP, 118 North Main Street, Goshen, Indiana 46526, or such other place as the parties may designate from time to time in writing.

**Section 8. WAIVER OF BREACH**

No waiver of a breach under this agreement shall operate to be considered a waiver of any subsequent breach. No waiver shall be valid unless it is in writing.

**Section 9. CONFLICTS**

BKRS agrees not to accept any other employment if that employment would put BKRS in a position to be in conflict with the interests of the City without the written consent of City. When such conflict first becomes apparent, BKRS agrees to advise the City of the conflict immediately upon discovery.

**Section 10. ASSIGNMENT**

Neither party can assign or delegate its duties or obligations under this agreement without the written consent of the other party.

**Section 11. MODIFICATIONS**

The terms of this agreement may not be altered except in writing signed by the party against whom enforcement of the waiver, modification or extension is sought.

**Section 12. EMPLOYEE ELIGIBILITY VERIFICATION**

BKRS shall enroll in and verify the work eligibility status of all newly hired employees through the E-Verify program as defined in IC 22-5-1.7-3. BKRS shall not knowingly employ or contract with an unauthorized alien. BKRS shall not retain an employee or continue to contract with a person that BKRS subsequently learns is an unauthorized alien. BKRS shall require any subcontractor, who performs work under this contract to certify to BKRS that the subcontractor does not knowingly employ or contract with an unauthorized alien and that the subcontractor has enrolled and is participating in the E-Verify program. BKRS agrees to maintain this

certification throughout the duration of the term of a contract with any subcontractor. BKRS affirms under the penalties of perjury that it does not knowingly employ an unauthorized alien.

**Section 13. TERMINATION OF AGREEMENT**

The City may terminate the contract if BKRS fails to cure a breach of this agreement no later than thirty (30) days after being notified by the City of a breach of the agreement.

**Section 14. AMENDMENT**

This Amended Agreement is made and entered pursuant to Section 11 of an Agreement entered into between the parties on or about December 7, 2022, which Agreement will no longer be in force and effect once this Amended Agreement takes effect.

IN WITNESS WHEREOF, the parties have set their hands to this agreement as set forth below.

Barkes, Kolbus, Rife & Shuler, LLP

City of Goshen, Indiana  
Board of Public Works and Safety

\_\_\_\_\_  
James W. Kolbus, Partner

\_\_\_\_\_  
Gina M. Leichthy, Mayor

\_\_\_\_\_  
Donald R. Shuler, Partner

\_\_\_\_\_  
Mary Nichols, Member

Date: June \_\_\_\_, 2023

\_\_\_\_\_  
Michael A. Landis, Member

\_\_\_\_\_  
Barb Swartley, Member

Date: June \_\_\_\_, 2023



**CITY OF GOSHEN LEGAL DEPARTMENT**

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June 26, 2023

To: Goshen Board of Public Works and Safety  
From: Shannon Marks  
Subject: Agreement with Jeremy P. Stutsman for Provision of Consulting Services

Attached for the Board's approval and execution is an agreement with Jeremy P. Stutsman to consult with Mayor Leichty relative to the City's 2023 and 2024 budgets and the City's collective bargaining agreements, as well as any other critical matters of which the former mayor has personal knowledge. Jeremy will be paid the rate of \$50 per hour for services rendered to the City.

**Suggested Motion:**

**Approve and execute the Agreement with Jeremy P. Stutsman for Provision of Consulting Services.**

# AGREEMENT

## With Jeremy P. Stutsman For Provision of Consulting Services

THIS AMENDED AGREEMENT is made and entered into on June \_\_\_\_\_, 2023, between the City of Goshen, hereinafter referred to as "City," and Jeremy P. Stutsman, hereinafter referred to as "Stutsman."

### **Section 1. EMPLOYMENT**

City agrees to engage Stutsman to perform certain services, and Stutsman agrees to perform such services, upon the terms and conditions of this agreement.

### **Section 2. TERM**

The term of this agreement shall begin on June 26, 2023, and shall terminate on December 31, 2023. The agreement may be renewed for an additional one (1) year period under the same terms and conditions upon written notice of the intent to extend the contractual relationship delivered by City Sixty (60) days before the termination of this agreement.

### **Section 3. COMPENSATION**

Stutsman will be paid at the rate of Fifty Dollars (\$50.00) per hour for all services rendered under this Agreement.

### **Section 4. DUTIES**

In exchange for the compensation paid to Stutsman, he will render the following services:

- A. Consultation with Mayor Gina M. Leichty relative to the City's 2023 Budget and the formulation and approval of the City's 2024 Budget.
- B. Consultation with Mayor Gina M. Leichty and involvement in negotiations relative to the City's collective bargaining agreements.
- C. Consultation with Mayor Gina M. Leichty on any other critical matters involving the City of which Stutsman has personal knowledge.

Stutsman is explicitly forbidden from discussing with any agent of the City matters related to, or that might relate to, programs funded by the Department of Housing and Urban Development. This does not preclude Stutsman, in his role with LaCasa of Goshen, Inc., from discussing with any agent of the City matters related to a new housing project involving LaCasa of Goshen, Inc.

### **Section 5. COMMUNICATIONS**

During the term of this Agreement, Stutsman must maintain an email account and daytime phone number at which the City can readily communicate with Stutsman.



**Section 6. NOTICES**

Any notice required or desired to be given under this agreement shall be deemed sufficient if it is made in writing and sent by regular United States mail to City at City of Goshen, 202 South Fifth Street, Goshen, Indiana 46528, and to Stutsman at 212 W. Jackson Street, Goshen, Indiana 46526, or such other place as the parties may designate from time to time in writing.

**Section 7. WAIVER OF BREACH**

No waiver of a breach under this agreement shall operate to be considered a waiver of any subsequent breach. No waiver shall be valid unless it is in writing.

**Section 8. ASSIGNMENT**

Neither party can assign or delegate its duties or obligations under this agreement without the written consent of the other party.

**Section 9. MODIFICATIONS**

The terms of this agreement may not be altered except in writing signed by the party against whom enforcement of the waiver, modification or extension is sought.

**Section 10. STATE LAW PROVISIONS**

- A. Non-Discrimination - Pursuant to Indiana Code § 22-9-1-10, Contractor and its subcontractors, if any, shall not discriminate against any employee or applicant for employment to be employed in the performance of the Agreement with respect to hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of race, religion, color, sex, disability, national origin, ancestry, or veteran status. Breach of this covenant may be regarded as a material breach of the Agreement.
- B. Anti-Nepotism - Contractor is aware of the provisions under Indiana Code § 36-1-21 with respect to anti-nepotism in contractual relationships with governmental entities, and shall comply with such statute.
- C. Investment Activity - Pursuant to Indiana Code § 5-22-16.5, Contractor certifies that Contractor is not engaged in investment activities in Iran.
- D. E-Verify Program - Pursuant to Indiana Code § 22-5-1.7-11, Contractor agrees to and shall enroll in and verify the work eligibility status of all newly hired employees of Contractor after the date of the Agreement through the E-Verify Program as defined in Indiana Code § 22-5-1.7-3; provided, however, Contractor is not required to verify the work eligibility status of all newly hired employees after the date of the Agreement through the E-Verify Program if the E-Verify Program no longer exists. Contractor further represents and certifies subject to

the pains and penalties of perjury that it does not knowingly employ an unauthorized alien.

- E. General Requirements - Contractor further agrees to comply with the applicable requirements of Indiana state law with respect to contracting with local governmental entities.

**Section 11. NO WAIVER OF GOVERNMENTAL IMMUNITY**

Nothing in the Agreement waives or is intended to waive any protections that may be applicable to City or any of its elected or appointed officials, employees, agents, or representatives under any applicable statutes, rules, or regulations providing governmental immunity, or any other rights, protections, immunities, defenses, or limitations on liability that City or such related parties are provided by law.

**Section 12. TERMINATION OF AGREEMENT**

The City may terminate the contract if Stutsman fails to cure a breach of this agreement no later than thirty (30) days after being notified by the City of a breach of the agreement.

IN WITNESS WHEREOF, the parties have set their hands to this agreement as set forth below.

City of Goshen, Indiana  
Board of Public Works and Safety

\_\_\_\_\_  
Jeremy P. Stutsman

\_\_\_\_\_  
Gina M. Leichty, Mayor

Date: June \_\_\_\_, 2023

\_\_\_\_\_  
Mary Nichols, Member

\_\_\_\_\_  
Michael A. Landis, Member

\_\_\_\_\_  
Barb Swartley, Member

Date: June \_\_\_\_, 2023



**CITY OF GOSHEN LEGAL DEPARTMENT**

City Annex  
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Goshen, Indiana 46528-3405

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[www.goshenindiana.org](http://www.goshenindiana.org)

June 26, 2023

To: Goshen Board of Public Works and Safety

From: Shannon Marks

Subject: Resolution 2023-18 - Declaring Surplus and Authorizing the Disposal of IT Equipment

The Information Technology Department wishes to dispose of 16 laptops that are no longer needed or are unfit for the purpose for which they were intended. These laptops were previously used by the Police Department. The hard drives have been removed and components will be reused or recycled where possible. Resolution 2023-18 is to declare the property as surplus and authorize its disposal in accordance with the provisions of Indiana Code § 5-22-22-8 by demolishing or junking property that is worthless or of no market value.

**Suggested Motion:**

**Move to pass Resolution 2023-18 - Declaring Surplus and Authorizing the Disposal of IT Equipment.**

**Goshen Board of Public Works and Safety  
Resolution 2023-18**

**Declaring Surplus and Authorizing the Disposal of IT Equipment**

WHEREAS the Information Technology Department has personal property that is no longer needed or is unfit for the purpose for which it was intended and wishes to dispose of the personal property.

NOW, THEREFORE, BE IT RESOLVED by the Goshen Board of Public Works and Safety that:

1. The following laptops are declared as surplus property, hereinafter collectively referred to as “Surplus Property”:

Samsung R540 – CZSU93TB3021558  
HP ProBook 4510s – CNU9475JVN  
HP EliteBook 8460p – CNU2210RGW  
HP EliteBook 8460p – CNU2112KWY  
HP EliteBook 8460p – CNU2210QGC  
HP EliteBook 8460p – CNU1380MYV  
HP EliteBook 8460p – CNU22900WQ  
HP EliteBook 8460p – CNU20637CN  
HP EliteBook 8460p – CNU2030Q2F  
HP ProBook 6360b – 2CE2440GG5  
HP ProBook 6360b – 2CE2440GBM  
HP ProBook 6360b – 2CE2072WNC  
HP ProBook 6360b – 2CE2440G6L  
HP ProBook 6360b – 2CE2072WN4  
HP ProBook 6360b – 2CE2440GFH  
HP ProBook 6360b – 2CE2440FHK

2. Authorization is given to dispose of the Surplus Property in accordance with the provisions of Indiana Code § 5-22-22-8 by demolishing or junking Surplus Property that is worthless or of no market value. Further, the Information Technology Department shall reuse or recycle components where possible.

PASSED by the Goshen Board of Public Works and Safety on \_\_\_\_\_, 2023.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Member

\_\_\_\_\_  
Member

\_\_\_\_\_  
Member

\_\_\_\_\_  
Member



**CITY OF GOSHEN LEGAL DEPARTMENT**

City Annex  
204 East Jefferson Street, Suite 2  
Goshen, Indiana 46528-3405

Phone (574) 537-3820 • Fax (574) 537-3817 • TDD (574) 534-3185  
[www.goshenindiana.org](http://www.goshenindiana.org)

June 26, 2023

**To:** Board of Public Works and Safety

**From:** Brandy L. Toms

**Subject:** Agreement with Industrial Inspection & Analysis for Aerial ladder Testing and Certification

Attached for the Board's approval to authorize Mayor Leichthy to execute is an agreement Industrial Inspection & Analysis for Aerial ladder Testing and Certification. Industrial Inspection & Analysis will be paid \$4,415 each year for these services for 2024, 2025, and 2026.

**Suggested Motion:**

Approve and authorize Mayor Leichthy to execute the agreement with Industrial Inspection & Analysis for Aerial ladder Testing and Certification at a cost of \$4,415 each year for the years 2024, 2025 and 2026.

**AGREEMENT WITH  
INDUSTRIAL INSPECTION & ANALYSIS FOR  
AERIAL LADDER TESTING AND CERTIFICATION**

THIS AGREEMENT is entered into on \_\_\_\_\_, 2023, which is the last signature date set forth below, by and between **Industrial Inspection & Analysis** (“Vendor”), whose mailing address is 16140 N. Arrowhead Fountains Center Drive, Peoria, AZ 85382, and **City of Goshen, Indiana**, a municipal corporation and political subdivision of the State of Indiana acting through the Goshen Board of Public Works and Safety (“City”).

In consideration of the terms, conditions and mutual covenants contained in this agreement, the parties agree as follows:

**Section 1. Contractor Duties**

Vendor shall provide City the following services which shall include the provision of all labor, supplies, materials, tools, equipment, supervision, insurance and all other items necessary to complete annual aerial ladder testing and certification of Goshen Fire Department’s ground and aerial ladder apparatuses (hereinafter referred to as “Duties”). Vendor’s Duties under this agreement include:

- (A) Contractor’s testing and inspection program shall follow the guidelines as set forth by the current National Fire Protection Association (NFPA) standards: NFPA 1911 for aerial ladder testing and NFPA 1932 for ground ladder testing. This work shall be performed by Contractor’s experienced SNT-TC-IA Level II technicians at the City’s Fire Department, 209 North 3<sup>rd</sup> Street, Goshen.
- (B) Contractor’s aerial ladder inspection shall consist of the visual and operational inspection including:
  - 1. timing, load, and drift tests;
  - 2. bolt torque and hydraulic oil spectrochemical analysis; and
  - 3. water testing on the truck piping that takes water to the boom;
  - 4. five (5) year Non-Destructive Testing documentation.
- (C) Contractor’s ground ladder inspection shall consist:
  - 1. visual inspection;
  - 2. horizontal bending;
  - 3. hardware and roof hook tests; and
  - 4. inspect heat sensors and replace defective heat sensors as needed.
  - 5. Contractor shall provide the City with an inspection report.

**Section 2. Effective Date; Term**

- (A) The agreement shall become effective on the day of execution and approval by both parties.
- (B) This agreement shall be effective for a period of three (3) years including the years 2024, 2025, and 2026.
- (C) Vendor shall complete each year’s annual inspection and certification by December 31 of each calendar year 2024, 2025, and 2026.

**Section 3. Compensation**

(D) City agrees to compensate Vendor as follows for performing all Duties:

<b>Equipment Type</b>	<b>Qty.</b>	<b>Per Unit</b>	<b>Line Item Total</b>
Ground Ladders	686	\$2.50	\$1,715.00
Fire Apparatus 5-year NDT	3	\$900.00	\$2700.00
Total per Year			\$4,415.00

**Section 4. Payment**

- (A) City shall pay Vendor for Duties satisfactorily completed under this agreement.
- (B) Payment shall be upon City’s receipt of a detailed invoice from Vendor. The invoice shall be sent to the following address, or at such other address as City may designate in writing.

City of Goshen  
c/o Goshen Fire Department  
Central Station  
209 N. 3<sup>rd</sup> Street  
Goshen, IN 46528

- (C) Payment will be made within forty-five (45) days following City’s receipt of the invoice. If any dispute arises, the undisputed amount will be paid. Payment is deemed to be made on the date of mailing the check.
- (D) Vendor is required to have a current W-9 form on file with the Goshen Clerk-Treasurer’s Office before City will issue payment.

**Section 5. Licensing/Certification Standards**

Contractor certifies that Contractor possesses and agrees to maintain any and all licenses, certifications, or accreditations as required for the services provided by Contractor pursuant to this agreement.

**Section 6. Independent Contractor**

- (A) Contractor shall operate as a separate entity and independent contractor of the City of Goshen. Any employees, agents or subcontractors of Contractor shall be under the sole and exclusive direction and control of Contractor and shall not be considered employees, agents or subcontractors of City. City shall not be responsible for injury, including death, to any persons or damages to any property arising out of the acts or omissions of Contractor and/or Contractor’s employees, agents or subcontractors.
- (B) Contractor understands that City will not carry worker’s compensation or any other insurance on Contractor and/or Contractor’s employees or subcontractors.

- (C) Contractor is solely responsible for compliance with all federal, state and local laws regarding reporting of compensation earned and payment of taxes. City will not withhold federal, state or local income taxes or any other payroll taxes.

### **Section 7. Non-Discrimination**

Contractor agrees to comply with all federal and Indiana civil rights laws, including, but not limited to Indiana Code 22-9-1-10. Contractor or any subcontractors, or any other person acting on behalf of Contractor or a subcontractor, shall not discriminate against any employee or applicant for employment to be employed in the performance of this agreement, with respect to the employee's hire, tenure, terms, conditions, or privileges of employment or any other matter directly or indirectly related to employment, because of the employee's or applicant's race, religion, color, sex, disability, national origin, or ancestry. Breach of this covenant may be regarded as a material breach of contract.

### **Section 8. Employment Eligibility Verification**

- (A) Contractor shall enroll in and verify the work eligibility status of all Contractor's newly hired employees through the E-Verify program as defined in Indiana Code § 22-5-1.7-3. Contractor is not required to participate in the E-Verify program should the program cease to exist. Contractor is not required to participate in the E-Verify program if Contractor is self-employed and does not employ any employees.
- (B) Contractor shall not knowingly employ or contract with an unauthorized alien, and contractor shall not retain an employee or continue to contract with a person that the Contractor subsequently learns is an unauthorized alien.
- (C) Contractor shall require their subcontractors, who perform work under this contract, to certify to the Contractor that the subcontractor does not knowingly employ or contract with an unauthorized alien and that the subcontractor has enrolled and is participating in the E-Verify program. Contractor agrees to maintain this certification throughout the duration of the term of a contract with a subcontractor.
- (D) City may terminate the contract if Contractor fails to cure a breach of this provision no later than thirty (30) days after being notified by City of a breach.

### **Section 9. Contracting with Relatives**

Pursuant to Indiana Code § 36-1-21, if the Contractor is a relative of a City of Goshen elected official or a business entity that is wholly or partially owned by a relative of a City of Goshen elected official, the Contractor certifies that Contractor has notified both the City of Goshen elected official and the City of Goshen Legal Department of the relationship prior to entering into this agreement.

### **Section 10. No Investment Activities in Iran**

In accordance with Indiana Code § 5-22-16.5, Contractor certifies that Contractor does not engage in investment activities in Iran as defined by Indiana Code § 5-22-16.5-8.

### **Section 11. Indemnification**



Contractor shall indemnify and hold harmless the City of Goshen and City's agents, officers, and employees from and against any and all liability, obligations, claims, actions, causes of action, judgments, liens, damages, penalties or injuries arising out of any intentional, reckless or negligent act or omission by Contractor or any of Contractor's agents, officers and employees during the performance of services under this agreement. Such indemnity shall include reasonable attorney's fees and all reasonable litigation costs and other expenses incurred by City only if Contractor is determined liable to the City for any intentional, reckless or negligent act or omission in a judicial proceeding, and shall not be limited by the amount of insurance coverage required under this agreement.

## **Section 12. Insurance**

- (A) Prior to commencing work, the Contractor shall furnish City a certificate of insurance in accordance with the following minimum requirements, shall maintain the insurance in full force and effect, and shall keep on deposit at all times during the term of the contract with City the certificates of proof issued by the insurance carrier that such insurance is in full force and effect. Contractor shall specifically include coverage for the City of Goshen as an additional insured for Employer's Liability, General Liability and Automobile Liability.
- (B) Each certificate shall require that written notice be given to the City at least thirty (30) days prior to the cancellation or a material change in the policy.
- (C) Contractor shall at least include the following types of insurance with the following minimum limits of liability:
  - (1) Workers Compensation and Employer's Liability - Statutory Limits
  - (2) General Liability - Combined Bodily Injury and Property Damage, \$1,000,000 each occurrence and aggregate
  - (3) Automobile Liability - Combined Bodily Injury and Property Damage, \$1,000,000 each occurrence and aggregate
  - (4) Professional Liability - Combined Bodily Injury and Property Damage, \$1,000,000 each occurrence and aggregate
  - (5) Excess Umbrella Coverage - \$1,000,000 each occurrence

## **Section 13. Force Majeure**

- (A) Except for payment of sums due, neither party shall be liable to the other or deemed in default under this contract if and to the extent that such party's performance under this contract is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the party and could not have been avoided by exercising reasonable diligence. Examples of force majeure are natural disasters or decrees of governmental bodies not the fault of the affected party.
- (B) If either party is delayed by force majeure, the party affected shall provide written notice to the other party immediately. The notice shall provide evidence of the force majeure event to the satisfaction of the other party. The party shall do everything possible to resume performance. If the period of non-performance exceeds thirty (30) calendar days, the party whose ability to perform has not been affected may, by giving written notice, terminate the contract and the other party shall have no recourse.

## **Section 14. Default**

- (A) If Contractor fails to perform the services or comply with the provisions of this agreement, then Contractor may be considered in default.
- (B) It shall be mutually agreed that if Contractor fails to perform the services or comply with the provisions of this contract, City may issue a written notice of default and provide a period of time that shall not be less than fifteen (15) days in which Contractor shall have the opportunity to cure. If the default is not cured within the time period allowed, the contract may be terminated by the City. In the event of default and failure to satisfactorily remedy the default after receipt of written notice, the City may otherwise secure similar services in any manner deemed proper by the City, and Contractor shall be liable to the City for any excess costs incurred
- (C) Contractor may also be considered in default by the City if any of the following occur:
  - (1) There is a substantive breach by Contractor of any obligation or duty owed under the provisions of this contract.
  - (2) Contractor is adjudged bankrupt or makes an assignment for the benefit of creditors.
  - (3) Contractor becomes insolvent or in an unsound financial condition so as to endanger performance under the contract.
  - (4) Contractor becomes the subject of any proceeding under law relating to bankruptcy, insolvency or reorganization, or relief from creditors and/or debtors.
  - (5) A receiver, trustee, or similar official is appointed for Contractor or any of Contractor's property.
  - (6) Contractor is determined to be in violation of federal, state, or local laws or regulations and that such determination renders Contractor unable to perform the services described under these Specification Documents.
  - (7) The contract or any right, monies or claims are assigned by Contractor without the consent of the City.

## **Section 15. Termination**

- (A) The agreement may be terminated in whole or in part, at any time, by mutual written consent of both parties. Contractor shall be paid for all services performed and expenses reasonably incurred prior to notice of termination.
- (B) City may terminate this agreement, in whole or in part, in the event of default by Contractor.
- (C) The rights and remedies of the parties under this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this agreement.

## **Section 16. Notice**

Any notice required or desired to be given under this agreement shall be deemed sufficient if it is made in writing and delivered personally or sent by regular first-class mail to the parties at the following addresses,

or at such other place as either party may designate in writing from time to time. Notice will be considered given three (3) days after the notice is deposited in the US mail or when received at the appropriate address.

City: City of Goshen, Indiana  
Attention: Goshen Legal Department  
204 East Jefferson St., Suite 2  
Goshen, IN 46528

Contractor: Industrial Inspection & Analysis  
Attn: Alex Bumgarner  
16140 N. Arrowhead Fountains Center Drive  
Peoria, AZ 85382

### **Section 17. Subcontracting or Assignment**

Contractor shall not subcontract or assign any right or interest under the agreement, including the right to payment, without having prior written approval from City. Any attempt by Contractor to subcontract or assign any portion of the agreement shall not be construed to relieve Contractor from any responsibility to fulfill all contractual obligations.

### **Section 18. Amendments**

Any modification or amendment to the terms and conditions of the agreement shall not be binding unless made in writing and signed by both parties. Any verbal representations or modifications concerning the agreement shall be of no force and effect.

### **Section 19. Waiver of Rights**

No right conferred on either party under this agreement shall be deemed waived and no breach of this agreement excused unless such waiver or excuse shall be in writing and signed by the party claimed to have waived such right.

### **Section 20. Applicable Laws**

- (A) Contractor agrees to comply with all applicable federal, state, and local laws, rules, regulations, or ordinances. All contractual provisions legally required to be included are incorporated by reference.
- (B) Contractor agrees to obtain and maintain all required permits, licenses, registrations, and approvals, and shall comply with all health, safety, and environmental rules or regulations in the performance of the services. Failure to do so may be deemed a material breach of agreement.

### **Section 21. Miscellaneous**

- (A) Any provision of this agreement or incorporated documents shall be interpreted in such a way that they are consistent with all provisions required by law to be inserted into the agreement. In the event of a conflict between these documents and applicable laws, rules, regulations or ordinances, the most stringent or legally binding requirement shall govern.

- (B) This agreement shall be construed in accordance with and governed by the laws of the State of Indiana and any suit must be brought in a court of competent jurisdiction in Elkhart County, Indiana.
- (C) In the event legal action is brought to enforce or interpret the terms and conditions of this agreement, the prevailing party of such action shall be entitled to recover all costs of that action, including reasonable attorneys' fees.

**Section 22. Severability**

In the event that any provision of the agreement is found to be invalid or unenforceable, then such provision shall be reformed in accordance with applicable law. The invalidity or unenforceability of any provision of the agreement shall not affect the validity or enforceability of any other provision of the agreement.

**Section 23. Binding Effect**

All provisions, covenants, terms and conditions of this agreement apply to and bind the parties and their legal heirs, representatives, successors and assigns.

**Section 24. Entire Agreement**

This agreement constitutes the entire agreement between the parties and supersedes all other agreements or understandings between City and Vendor.

**Section 25. Authority to Execute**

The undersigned affirm that all steps have been taken to authorize execution of this agreement, and upon the undersigned's execution, bind their respective organizations to the terms of the agreement.

IN WITNESS WHEREOF, the parties have executed this agreement on the dates as set forth below.

**City of Goshen, Indiana**  
Goshen Board of Public Works and Safety

**Industrial Inspection & Analysis**

\_\_\_\_\_  
Gina M. Leichty, Mayor

\_\_\_\_\_  
Printed: \_\_\_\_\_

Date Signed: \_\_\_\_\_

Title: \_\_\_\_\_

Date Signed: \_\_\_\_\_

## Quotation Aerial Ladder Testing/Certification

Customer	
Name:	Danny Sink
Company Name:	Goshen Fire Department IN
E-Mail:	<a href="mailto:dannysink@goshencity.com">dannysink@goshencity.com</a>

Prepared by:	
Name:	Alex Bumgarner
E-Mail:	<a href="mailto:alex.bumgarner@industrial-ia.com">alex.bumgarner@industrial-ia.com</a>
Cell:	(360) 846-5575

As an ISO/IEC 17020 accredited corporation, Diversified meets all requirements of the latest NFPA 1911 standard and has been providing such inspection services for municipalities and military organizations for over 40 years. Our testing and inspection program follows the guidelines as set forth by the current NFPA 1911 and 1932 standards. These inspections are conducted on your premises and at your convenience by experienced SNT-TC-1A Level II technicians.

<input checked="" type="checkbox"/>	Visual/Operational	<input checked="" type="checkbox"/>	Flow Meter Test
<input checked="" type="checkbox"/>	Timing	<input checked="" type="checkbox"/>	Magnetic Particle Testing of Critical Welds (5-Year NDT)
<input checked="" type="checkbox"/>	Load Test	<input checked="" type="checkbox"/>	Ultrasonic Testing of Accessible Pins (5-Year NDT)
<input checked="" type="checkbox"/>	Drift Test	<input checked="" type="checkbox"/>	Ground Ladders: Visual/Operational
<input checked="" type="checkbox"/>	Bolt Torque of Accessible Bolts	<input checked="" type="checkbox"/>	Ground Ladders: Horizontal Bending Test
<input checked="" type="checkbox"/>	Hydraulic Oil Analysis	<input checked="" type="checkbox"/>	Ground Ladders: Hardware and Roof Hook Tests
<input checked="" type="checkbox"/>	Waterway Pressure Test		

The following per unit price includes all labor, per diem and associated travel expenses.

Equipment Description	Qty	Price	Total
Ground Ladders	686	\$2.50	\$1,715.00
Heat Sensor Labels - As Needed	0	\$3.00	\$0.00
Danger/Angle Placards - As Needed	0	\$3.50	\$0.00
Fuel Surcharge 5.26% of Invoice			
Fire Appartus 5 Year NDT	3	\$900.00	\$2,700.00
Waterway Pressure - If Needed	0	\$100.00	\$0.00
Flow Meter Testing - If Needed	0	\$100.00	\$0.00
Per Year			
		<b>Total</b>	<b>\$4,415.00</b>

All invoices are subjeect to a 5.3% fuel surcharge based on DOE guidelines

We appreciate the opportunity to provide this quote, please contact us if you have questions or wish to schedule these inspections

**THANK YOU FOR YOUR BUSINESS!**



**CITY OF GOSHEN LEGAL DEPARTMENT**

City Annex  
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Goshen, Indiana 46528-3405

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To: Board of Public Works and Safety  
From: Bodie J. Stegelmann  
Subject: Agreement with Norfolk Southern Railway Company  
Date: June 26, 2023

Attached for the Board's approval and execution is an agreement with Norfolk Southern Railway Company for review of the City's Quiet Zone project designs, plans, and specifications. The City will pay Norfolk Southern a not-to-exceed amount of Thirty Thousand Dollars (\$30,000.00).

**Suggested Motion:**

Approve and execute the amended agreement with Norfolk Southern Railway Company review of Quiet Zone project designs, plans, and specifications services.



THIS AGREEMENT, made this \_\_\_\_\_ day of \_\_\_\_\_, 2023, by and between Norfolk Southern Railway Company, hereinafter called "Railway", and the **City of Goshen, IN**, hereinafter called "Public Authority".

WITNESSETH:

WHEREAS, Railway agrees to collaborate with the Public Authority on the progression of the Project in accordance with the terms and conditions of this Agreement and any Federal Regulations, for a Quiet Zone in accordance with FRA 49 CFR Part 222 (Horn Rule) where the Public Authority's road intersects with the right of way and tracks of the Railway at the location(s) in **Exhibit A** attached hereto (the "**Quiet Zone Project**"); hereinafter "Quiet Zone Project" involving the Railway's S&E Engineering Department and/or representative; and

WHEREAS, in the interest of expediency, the parties hereto agreed to commence the quiet zone administrative work described in **Exhibit B** attached hereto (the "QZ Administrative Work") on the Quiet Zone Project by signature of the Norfolk Southern Project Initiation Form (NSPIF).

NOW, THEREFORE, in consideration of the premises and the covenants hereinafter contained, Railway and Public Authority hereby agree that Railway will continue the QZ administrative work for the Quiet Zone Project aforesaid upon execution and delivery of this agreement, subject to the following terms and conditions:

1. WHEREAS, Public Authority is proposing a Quiet Zone where roads within Public Authorities jurisdiction intersect with the right of way and tracks of the Railway identified as listed in Exhibit B. Railway, and/or its representatives, at Public Authority's sole costs and expense, agrees to perform (or shall cause a third-party consultant to perform on the Railway's behalf) the quiet zone engineering services work described on Exhibit B. Public Authority acknowledges and agrees that: (a) Railroad's review of any Project designs, plans and/or specifications, as part of the QZ work, is limited exclusively to potential impacts on existing and future Railroad facilities and operations; (b) Railroad makes no representations or warranties as to the validity, accuracy, legal compliance or completeness of the QZ Work; and (c) Public Authority's reliance on the QZ Work is at Public Authority's own risk.

2. Notwithstanding the Estimate, Public Authority agrees to reimburse Railway and / or Railroad's third party consultant, as applicable, for one hundred percent (100%) of all actual costs and expenses incurred for the QZ administrative work identified in Exhibit B. **The Total Not-To-Exceed Cost for the Quiet Zone Administrative Work to be \$30,000.** The allowable costs shall include, but not be limited to, normal contingency additives, travel expenses, consultants' and contractor's fees and other costs necessary to implement the QZ administrative work.

2.1 Upon execution and delivery of this Agreement by the Public Authority, Public Authority will deposit with Railway a sum equal to the not-to-exceed cost noted above within forty-five (45) days following delivery of such invoice.

2.2 Following completion of all QZ administrative work, Railway shall reconcile the Total Cost incurred by Railway against the total payment received from Public Authority. Railway will provide a refund of any unused deposits if the deposit exceeds the Total Cost for the Project.

2.3 Public Authority's obligation hereunder to reimburse Railway (and/or its third party consultant, as applicable) for the QZ administrative work shall apply regardless if Public Authority declines to proceed with the Project or Railway elects not to approve the Project.

3. Public Authority acknowledges that while the approval of a Quiet Zone is determined by the Federal Railway Administration's determination on the Quiet Zone Projects adherence to the Horn Rule, the Railway may withhold implementation or raise objections to the Project due to noncompliance with federal regulations or impacts to Railway's safety, facilities or operations.

4. The records of Railway associated with the bill for the QZ administrative work, if billing is rendered pursuant to Article 2 hereof, shall be available for audit and inspection by authorized personnel of Public Authority during regular business hours and at a location specified by Railway for one (1) year after the date of the bill.

5. If Public Authority elects to move forward with the Quiet Zone Project and the plans include Railway work, the Railway shall prepare and provide the Public Authority a separate preliminary engineering agreement which involves the review and design of the proposed modifications to the crossing as well as a separate construction engineering agreement which involves the actual cost of installation of any railroad crossing signal or crossing surface related modifications needed to implement the QZ and will be borne at the Public Authorities cost.

THE AGREEMENT herein will remain in effect for the duration of the work described in Exhibit B.  
IN WITNESS WHEREOF, the parties have executed this agreement, as of the day and year first above written.

:

By: \_\_\_\_\_  
(for Railway)

Name: \_\_\_\_\_

Title: \_\_\_\_\_

WITNESS:

By: \_\_\_\_\_

Name: Jeremy Stutsman

Title: Mayor

\_\_\_\_\_  
*As to Public Authority*

Bill To:

\_\_\_\_\_  
Address

\_\_\_\_\_  
Address

\_\_\_\_\_  
Phone



## Exhibit A

### Project Description and Location

**Project Description**

Municipality of: City of Goshen

State of: Indiana, USA

Proposed Quiet Zone at the crossings referred to below:

**Subdivision:** Marion

<b>At-grade crossing locations, if known. DOT #</b>	<b>Crossing Type</b>	<b>Milepost</b>	<b>Street Name</b>
510038E	Public	1.530	Jefferson Street
510039L	Public	1.630	Madison Street
510040F	Public	1.860	Purl Street
510041M	Public	1.950	Reynolds Street
510043B	Public	2.140	Plymouth Avenue
510044H	Public	2.230	Jackson Street
510045P	Public	2.360	Burdick Street
510046W	Public	2.450	New York Street
510048K	Public	2.770	College Avenue
510050L	Private	2.860	College Crossing
510108S	Pedestrian	2.920	College Walkway
510109Y	Pedestrian	2.970	College Walkway

923473D	Pedestrian	3.050	College Walkway
960782P	Private	3.720	Railroad Access
533510B	Public	3.800	Kercher Road
923474K	Private	4.200	School Crossing
533515K	Public	5.330	CR 42

## **Exhibit B**

QZ Administrative Work for Quiet Zone Projects include but are not limited to the following:

- Project coordination meetings
- Diagnostic Team Meetings in the field
- Meeting minute review and comments
- Plan review
- Notice of Intent (NOI) review and comments
- Public Authority Application (PAA) review and comments
- Notice of Establishment (NOE) review and comments
- Implementation efforts
- Grade crossing inventory updates
- Travel expenses



**Legal Department  
CITY OF GOSHEN**

204 East Jefferson Street, Suite 2 • Goshen, IN  
46528-3405

Phone (574) 537-3820 • Fax (574) 537-3817 • TDD  
(574) 534-3185  
[www.goshenindiana.org](http://www.goshenindiana.org)

June 26, 2023

**To:** Board of Public Works and Safety  
**From:** Legal Department  
**Subject:** American Rescue Plan Act (ARP) Grants

On March 11, 2021, President Joseph R. Biden signed into law the American Rescue Plan Act of 2021, (“ARPA” or the “Act”), establishing the Coronavirus State and Local Fiscal Recovery Funds program (hereafter the “ARP Funding”). The City has received a total allocation of ARP Funding, in the amount of \$6,692,508 and intends to allocate a portion of its ARP Funding to assist non-profit organizations within the City, and nearby communities, that have suffered negative economic impacts as a result of the COVID-19 pandemic in accordance with all federal, state, and local guidelines regarding the usage of ARP Funding.

Oaklawn Psychiatric Center, Inc is one such non-profit organization that has applied for, and meets all requirements, to be a recipient of funds from this ARP Fund. Oaklawn will receive \$250,000 in funding to support the Elkhart County Behavioral Health Crisis Center and an agreement has been prepared for the Board’s for approval, and authorize Mayor Leichty to execute.

**Suggested Motion: I move that the Board approve, and authorize Mayor Leichty to execute, the agreement with Oaklawn Psychiatric Center, Inc. awarding the sum of \$250,000 from the City’s American Rescue Plan Fund to support the Elkhart County Behavioral Health Crisis Center.**

**CITY OF GOSHEN, INDIANA**  
**ARP SUB-RECIPIENT AGREEMENT**

**With Oaklawn Psychiatric Center, Inc.**

**To Support the Elkhart County Behavioral Health Crisis Center**

This ARP Sub-Recipient Agreement (“Agreement”), entered into by and between the City of Goshen, Indiana (“the City”) and Oaklawn Psychiatric Center, Inc. (“Recipient”), is executed pursuant to the terms and conditions set forth herein.

WHEREAS, on March 11, 2021, President Joseph R. Biden signed into law the American Rescue Plan Act of 2021 (“ARPA” or the “Act”), and established the Coronavirus State Fiscal Recovery Fund and Coronavirus Local Fiscal Recovery Fund, which together make up the Coronavirus State and Local Fiscal Recovery Funds program (hereafter the “ARP Funding”); and

WHEREAS, on May 10, 2021, the United States Department of the Treasury (“U.S. Treasury”) published guidance regarding the allowable usage of the ARP Funding to be disseminated to local governments in accordance with the Act; and

WHEREAS, the City has received a total allocation of ARP Funding, as published by the U.S. Treasury, in the amount of \$6,692,508; and

WHEREAS, the City received the first fifty percent (50%) of its ARP Funding allocation (\$3,346,254.00) on May 19, 2021; and

WHEREAS, the City received the second fifty percent (50%) of its ARP Funding allocation (\$3,346,254.00) on June 6, 2022; and

WHEREAS, on June, 10, 2022, Treasury released the updated Compliance and Reporting Guidance for the Funding Program. The guidance provides additional detail and clarification for each recipient’s compliance and reporting responsibilities, and should be read in concert with the Award Terms and Conditions, the authorizing statute, the final rule, and other regulatory and statutory requirements; and

WHEREAS, in an effort to provide additional guidance regarding the eligible uses of ARP Funding, the U.S. Treasury published a document containing answers to Frequently Asked Questions regarding Coronavirus State and Local Fiscal Recovery Funds as of July 19, 2021 (hereinafter “FAQ”); and

WHEREAS, pursuant to §602(c) of the Act, ARP Funding may be used for projects or programs within the following categories, to the extent authorized by law:

1. To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
2. To respond to workers performing essential work during the COVID–19 public health emergency by providing premium pay to eligible workers;

3. For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
4. To make necessary investments in water, sewer, or broadband infrastructure.

WHEREAS, the City allocated a portion of its ARP Funding to assist non-profit organizations within the City that have suffered negative economic impacts as a result of the COVID-19 pandemic in accordance with all federal, state, and local guidelines regarding the usage of ARP Funding; and

WHEREAS, the Recipient, a non-profit entity, submitted a written request to the City for Two Hundred Fifty Thousand Dollars (\$250,000) in ARP Funding; and

WHEREAS, the City and Recipient desire to enter into this Agreement.

NOW, THEREFORE, in consideration of those mutual undertakings and covenants, the parties agree as follows:

1. OVERVIEW

- A. DEFINITIONS. The definitions in 2 CFR §200.1 are hereby incorporated into this Agreement.
- B. ROLES. For the purposes this Agreement, the City serves as the pass-through entity for a Federal award and the Recipient serves as the subrecipient of a sub award. 2 C.F.R. §200.1.
- C. AUTHORITY. This Agreement is entered under section 602(c)(3) of the Act and subject to the provisions of the federal Uniform Grant Guidance, 2 CFR Part 200.
- D. NOTICES. Whenever any notice, statement or other communication is required under this Agreement, it shall be sent by first class mail or via an established courier/delivery service to the following addresses, unless otherwise specifically advised.

Notices to the City shall be sent to:  
City of Goshen  
Attn: Legal Department  
204 E. Jefferson Street, Ste 2  
Goshen, IN 46526  
bodiestegelmann@goshencity.com

Notices to the Recipient shall be sent to:  
Oaklawn Psychiatric Center, Inc  
Attn: Laurie N. Nafziger, President & CEO  
PO Box 809  
Goshen, IN 46527-0809  
Laurie.nafziger@oaklawn.org

2. ARP FUNDING AWARDED TO RECIPIENT (the “Funding” or “Grant”).

The purpose of this Agreement is to enable the City to award ARP Funding, in the amount of Two Hundred Fifty Thousand Dollars (\$250,000), to the Recipient for eligible costs of the proposed project described in Recipient’s ARP Nonprofit Fund Grant Application for Program

Year 2022 dated March 31, 2022 (hereafter the “Grant Application”), a copy of which is attached hereto attached as EXHIBIT “A” and incorporated by reference herein (the “Project”).

3. EFFECTIVE DATE & PERIOD OF PERFORMANCE

- A. EFFECTIVE DATE. This Agreement shall commence when last executed by all parties and remain in effect no later than December 31, 2024, unless terminated by the City in writing (the “Effective Date”).
- B. PERIOD OF PERFORMANCE. The period of performance for this award begins on the date hereof and ends consistent with the project/program timeline set forth in ¶5 of the Recipient’s Grant Application.

4. SCOPE OF FUNDED ACTIVITIES (the “Project”).

The Recipient shall ensure that all expenditures utilizing ARP Funding received in accordance with this Agreement may only be used in compliance with section 602(c) of the Act. Recipient must use ARP Funding for the Project described in Recipient’s Grant Application to the City.

5. SYSTEM FOR AWARD MANAGEMENT PROFILE (“SAM.gov”).

Recipient shall register and maintain an updated profile on the U.S. Government’s official website and System for Award Management (SAM.gov).

6. FUNDING DISBURSEMENT, PAYMENT OF COSTS & CANCELLATION

- A. DISBURSEMENT OF FUNDING. The disbursement of ARP Funding awarded to the Recipient shall not be made until forty-five (45) days after this Agreement has been fully approved by the City and executed by the parties. If advance or lump payment of all or a portion of the funds is not prohibited by statute or regulation, and the City agrees to provide such advance payment, advance payment shall be made only upon submission of a proper claim setting out the intended purposes of those funds. Otherwise, all payments shall be made forty-five (45) days in arrears in conformance with applicable fiscal policies and procedures.
- B. SEPARATE FUND REQUIRED. ARP Funding must be received into its own separate fund and not comingled with funding from any other source. Recipient is required to have sufficient internal controls over all transactions in place by establishing separate funds and maintaining records with detailed comments that provide audit trails, appropriate approvals, etc.
- C. PRE-AWARD & ADMINISTRATIVE COSTS. Pre-award costs, as defined in 2 C.F.R. § 200.458, may not be paid with funding from this Grant. Recipient may use the Funding to cover both direct and indirect costs.
- D. FUNDING CANCELLATION. When a written determination is made that funds are not appropriated or otherwise available to support continuation of performance of this Agreement, it shall be canceled.

- E. LOSS OR REDUCTION OF FUNDING. The City, at its sole discretion upon written notice to the Recipient, may terminate or reduce the scope of this Agreement if any funding sources are eliminated or reduced for any reason or the Project is not eligible for ARP Funding.

7. PROJECT MONITORING & REPORTING

- A. PROJECT MONITORING BY THE CITY. The City may conduct on-site or off-site monitoring reviews of the Project during the term of this Agreement and for up to ninety (90) days after it expires or is otherwise terminated. The Recipient shall extend its full cooperation and give full access to the Project site and to relevant documentation to the City or its authorized designees for the purpose of determining, among other things:
  - 1. whether Project activities are consistent with those set forth in the Recipient's Grant Application;
  - 2. the actual expenditure of funds to date on the Project is in conformity with the amounts for each budget line item as contained in Recipient's Grant Application and that unpaid costs have been properly accrued; and
  - 3. that Recipient is making timely progress with the Project, and that its project management, financial management and control systems, procurement systems and methods, and overall performance are in conformance with the requirements set forth in this Agreement and are fully and accurately reflected in Project reports submitted to the City.
- B. REPORTING REQUIREMENTS. Recipient agrees to cooperate with the City and comply with any reporting obligations established by Treasury as they relate to this award. Recipient also agrees to comply with any reporting requirements established by the State of Indiana.

8. MAINTENANCE OF AND ACCESS TO RECORDS

- A. MAINTENANCE OF RECORDS. The Recipient shall maintain records, books, documents, and other materials relevant to its performance under this Agreement. Recipient shall maintain records and financial documents sufficient to evidence compliance with section 602(c), Treasury's regulations implementing that section, and guidance issued by Treasury regarding the foregoing. Records shall be maintained by Recipient for a period of five (5) years after all funds have been expended or returned to Treasury, whichever is later.
- B. AUDITS AND ACCESS TO RECORDS. Records maintained pursuant to this Agreement shall be subject to inspection, review, and audit by the City or its designees, and the US Treasury for five (5) years following termination of this Agreement. Recipient may be required to submit to an audit of funds paid pursuant to this Agreement, and shall make all books, accounting records, and other documents available at all reasonable times during the term of this Agreement and



for a period of five (5) years after final payment for inspection by the City or its authorized designee. Copies shall be furnished to the City at no cost.

- C. REIMBURSEMENT OF UNALLOWABLE COSTS. If it is determined during the course of the audit that the Recipient was reimbursed for unallowable costs under this Agreement or any, the Recipient agrees to promptly reimburse the City for such payments upon request.

9. BREACH, DEFAULT & TERMINATION

- A. TERMINATION FOR CAUSE. The City may terminate this Agreement for cause, including misuse of funds, fraud, lack of compliance with applicable rules, laws and regulations, failure to perform on time, or failure to comply with any of the requirements of this Agreement. Failure to complete the Project and expend funds in accordance with this Agreement may be considered a material breach, and shall entitle the City to suspend payments under this Agreement until such time as all material breaches are cured to the City's satisfaction.
- B. TERMINATION FOR CONVENIENCE. Unless prohibited by a statute or regulation relating to the Grant under this Agreement, this Agreement may be terminated, in whole or in part, by the City whenever, for any reason, the City determines that such termination is in the best interest of the City. Termination shall be affected by delivery to the Recipient of a Termination Notice, specifying effective date of termination and extent of termination. The Recipient shall be compensated for completion of the Project properly done prior to the effective date of termination. The City will not be liable for work on the Project performed after the effective date of termination.

10. COMPLIANCE WITH APPLICABLE LAWS & REGULATIONS

- A. EVOLUTION OF ARP GUIDANCE FROM THE U.S. TREASURY. The City may request additional information from the Recipient, as needed, to meet any additional guidelines regarding the use of ARP Funding that may be established by the U.S. Treasury during the scope of this Agreement.
- B. COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS. The Recipient shall comply with all federal, state, and local laws and all requirements and published guidance set forth regarding the usage of any and all monies appropriated under the ARPA. Specifically, but not limited to, Recipient shall with the requirements of section 602 of the Act, regulations adopted by Treasury pursuant to section 602(f) of the Act, and guidance issued by Treasury regarding the foregoing. Recipient also agrees to comply with all other applicable state and federal statutes, regulations, and executive orders, and Recipient shall provide for such compliance by other parties in any agreements it enters into with other parties relating to this Grant.
  - 1. The Recipient warrants that the Recipient and any contractors performing work in connection with the Project shall obtain and maintain all required

permits, licenses, registrations, and approvals, and shall comply with all health, safety, and environmental statutes, rules, or regulations in the performance of any work activities. Failure to do so may be deemed a material breach of this Agreement and grounds for immediate termination and denial of further opportunities with the City under this program.

2. The Recipient affirms that, if it is an entity described in Indiana Code Title 23, it is properly registered, and owes no outstanding reports to the Indiana Secretary of State.
3. As required by Ind. Code §5-22-3-7, the Recipient and any principals of the Recipient certify that:
  - a. the Recipient, except for *de minimis* and nonsystematic violations, has not violated the terms of:
    - i. Ind. Code §24-4.7 [Telephone Solicitation of Consumers];
    - ii. Ind. Code §24-5-12 [Telephone Solicitations]; or
    - iii. Ind. Code §24-5-14 [Regulation of Automatic Dialing Machines];in the previous three hundred sixty-five (365) days, even if Ind. Code §24-4.7 is preempted by federal law; and
  - b. the Recipient will not violate the terms of Ind. Code §24-4.7 for the duration of this Agreement, even if Ind. Code §24-4.7 is preempted by federal law.
  - c. The Recipient and any principals of the Recipient certify that an affiliate or principal of the Recipient and any agent acting on behalf of the Recipient or on behalf of an affiliate or principal of the Recipient, except for *de minimis* and nonsystematic violations,
    - i. has not violated the terms of Ind. Code §24-4.7 in the previous three hundred sixty-five (365) days, even if Ind. Code §24-4.7 is preempted by federal law; and
    - ii. will not violate the terms of Ind. Code §24-4.7 for the duration of this Agreement even if Ind. Code §24-4.7 is preempted by federal law.

C. EMPLOYMENT ELIGIBILITY VERIFICATION. As required by Ind. Code §22-5-1.7, Recipient hereby swears or affirms under the penalties of perjury that:

1. The Recipient has enrolled and is participating in the E-Verify program;
2. The Recipient has provided documentation to the City that it has enrolled and is participating in the E-Verify program;

3. The Recipient does not knowingly employ an unauthorized alien;
4. The Recipient shall require its contractors who perform work under this Agreement to certify to Recipient that the contractor does not knowingly employ or contract with an unauthorized alien and that the contractor has enrolled and is participating in the E-Verify program. The Recipient shall maintain this certification throughout the duration of the term of a contract with a contractor.

The City may terminate for default if the Recipient fails to cure a breach of this provision no later than thirty (30) days after being notified by the City.

- D. **NONDISCRIMINATION.** Pursuant to the Indiana Civil Rights Law, specifically including Ind. Code §22-9-1-10, and in keeping with the purposes of the federal Civil Rights Act of 1964, the Age Discrimination in Employment Act, and the Americans with Disabilities Act, the Recipient covenants that it shall not discriminate against any employee or applicant for employment relating to this Agreement with respect to the hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of the employee or applicant's: race, color, national origin, religion, sex, sexual orientation or identity, age, disability, ancestry, status as a veteran, or any other characteristic protected by federal, state, or local law ("Protected Characteristics"). Furthermore, Recipient certifies compliance with applicable federal laws, regulations, and executive orders prohibiting discrimination based on the Protected Characteristics in the provision of services.

## 11. DEFENSE & INDEMNIFICATION

- A. **DUTY TO DEFEND.** The Recipient, at its sole cost and expense, shall defend the City of Goshen, its officials, employees, and agents (collectively, Indemnitees) from and against all claims/demands, allegations, lawsuits, or any other action (Claim or Claims) arising or allegedly arising from the Recipient's or its contractor's, subcontractor's: (1) use of Grant funds; (2) negligence; (3) wrongful act or omission; (4) breach/default of this Agreement; and/or (5) any other failure to follow the terms and conditions of this Agreement.
- B. **DUTY TO INDEMNIFY.** The Recipient shall indemnify the Indemnitees against losses, liabilities, damages, judgments, settlements, penalties, fines, attorney/expert fees, expenses, interest, or fees, including the reasonable cost of investigation, defense, settlement, accounting, reporting and any advance of an expense or fee arising from the Claims.
- C. **NOTICE OF CLAIM.** The City shall give the Recipient prompt notice of any Claim, and at Recipient's expense, the City shall cooperate in the defense of the matter. The Recipient acknowledges that the Goshen City Attorney may participate in an action involving the City of Goshen.

- D. SURVIVAL. The duties to defend and indemnify survive termination or expiration of this Agreement.

12. REPRESENTATIONS AND WARRANTIES

- A. ELIGIBILITY. The Recipient expressly represents and warrants to the City that it is statutorily eligible to receive these funds and that the information set forth in its Grant Application to the City is true, complete, and accurate.
- B. REPAYMENT. The Recipient expressly agrees to promptly repay all funds paid to it under this Agreement should it be determined either that it was ineligible to receive the funds, or it made any material misrepresentation on its application to the City.
- C. DEBARMENT. By entering into this Agreement, Recipient certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from entering into this Agreement by any federal or state department or agency. The term “principal” for purposes of this Agreement is defined as an officer, director, owner, partner, key employee, other person with primary management or supervisory responsibilities, or a person who has a critical influence on or substantive control over the operations of the Recipient.
- D. AUTHORIZATION. Recipient signing below warrants to the City that they have the full power and authority to execute this Agreement on behalf of the Recipient for whom they sign.

13. GENERAL CONDITIONS

- A. CONFLICTS OF INTEREST. Recipient understands and agrees it must maintain a conflict-of-interest policy consistent with 2 C.F.R. § 200.318(c) and that such conflict-of-interest policy is applicable to each activity funded under this award. Recipient and subrecipients must disclose in writing to Treasury or the pass-through entity, as appropriate, any potential conflict of interest affecting the awarded funds in accordance with 2 C.F.R. § 200.112.
- B. HATCH ACT. Recipient agrees to comply, as applicable, with requirements of the Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328), which limit certain political activities of State or local government employees whose principal employment is in connection with an activity financed in whole or in part by this federal assistance.
- C. FALSE STATEMENTS. Recipient understands that making false statements or claims in connection with this award is a violation of federal law and may result in criminal, civil, or administrative sanctions, including fines, imprisonment, civil damages and penalties, debarment from participating in federal awards or Agreements, and/or any other remedy available by law.
- D. GOVERNING LAW. This Agreement shall be governed, construed, and enforced in accordance with the laws of the State of Indiana, without regard to its conflict of laws rules. Suit, if any, must be brought in Elkhart City, State of Indiana.

- E. **CONTRACTING WITH RELATIVES.** Pursuant to Ind. Code §36-1-21, if Recipient is wholly or partially owned by a relative of an elected official of the City Recipient certifies that Recipient has notified in writing both the elected official of the City and the City’s legal department prior to entering into this contract that an elected official of the City is a relative of an owner of Recipient.
- F. **ORDER OF PRECEDENCE.** Any inconsistency or ambiguity in this Agreement shall be resolved by giving precedence in the following order: (1) requirements imposed by applicable federal or State law; (2) this Agreement; (3) the Recipient’s application to the City.
- G. **NON-COLLUSION, ACCEPTANCE.** The undersigned individual signing on behalf of the Recipient attests, subject to the penalties for perjury, that the undersigned is the Recipient or a properly authorized representative, agent, member, or officer of the Recipient. To the undersigned’s knowledge, neither the undersigned nor any other member, employee, representative, agent, or officer of the Recipient, directly or indirectly, has entered into or been offered any sum of money or other consideration for the execution of this Agreement other than that which appears upon the face hereof.
- H. **FORCE MAJEURE.** Neither party will be liable for any failure or delay in performing its duties in this agreement due to Force Majeure Events. “Force Majeure Event” means an event or circumstance beyond a party’s reasonable control, such as natural catastrophes and acts of terrorism or war, and the consequences of that event or circumstance. Force Majeure Events do not include labor unrest, price increases, or changes in general economic conditions. If a Force Majeure Event continues for 30 days, the other party may terminate this agreement or suspend payments while the event continues.
- I. **SEVERABILITY.** If any portion of this Grant Agreement is held invalid, the remainder hereof shall not be affected thereby if such remainder would then continue to conform to the terms and requirements of the applicable law.
- J. **NO WAIVER OF BREACH.** No failure on the part of the City to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by the City of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedy available to the City at law or in equity.
- K. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement between the City and the Recipient for the use of funds received under this Agreement and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the parties with respect to this Agreement.
- L. **AMENDMENTS.** No amendment or modification to the Agreement shall be effective without prior written consent of the authorized representatives of the parties.

M. NO ASSIGNMENT, TRANSFER, OR SUBCONTRACTING. The Recipient shall not assign or transfer any of its interests in or delegate any of its obligations under this Agreement without the prior written consent of the City.

IN WITNESS WHEREOF, Recipient and the City have, through their duly authorized representatives, entered into this Agreement. The parties, having read and understood the foregoing terms of this Agreement, do by their respective signatures dated below agree to the terms thereof.

CITY OF GOSHEN  
(the "City")

Oaklawn Psychiatric Center, Inc.  
("Recipient")

By: \_\_\_\_\_

By: \_\_\_\_\_

Gina M. Leichty  
Mayor, City of Goshen, Indiana

Laurie N. Nafziger,  
President & CEO

Date: \_\_\_\_\_

Date: \_\_\_\_\_

EXHIBITS:

EXHIBIT "A" - Application & Corresponding Documents



## Materials Supporting the Investment in the Elkhart County Behavioral Health Crisis Center through Oaklawn Psychiatric Center

American Rescue Plan (ARP): Nonprofit Fund Grant Application (2022) - page 2-6

Community Catalyst Grant - page 7-38

Oaklawn's Annual Report and Audit -page 39-86

Oaklawn's Current Fiscal Year Budget - page 87

Oaklawn's Current Board of Directors - page 88

Drawing of Proposed Crisis Center at Oaklawn - page 89



**American Rescue Plan (ARP): Nonprofit Fund  
Grant Application for Program Year 2022**

(Attach additional sheets if space provided is not adequate.)

Applications available: Tuesday, February 15, 2022      **Applications due: Thursday, March 15, 2022**  
Please submit application by email or hard copy one signed original, with attachments to:

Gregory Imbur, 202 S. Fifth, Goshen, IN 46528 [gregoryimbur@goshencity.com](mailto:gregoryimbur@goshencity.com) Call 537-3828 with questions.

**American Rescue Plan: Nonprofit Fund Grant Priorities**

Each investment proposal of \$25,000 or less must meet one of the following priorities:

1. Relates to ARP public health services, negative economic impacts, services to disproportionately impacted communities, and possibly other expenditure categories identified by the U.S. Treasury.
2. Meets an urgent community need, especially food insecurity, homelessness, or health-related needs.
3. Addresses public health services, negative economic impacts, or some other urgent community need.

If a grant is awarded, ARP funds for nonprofits may be dispersed after July 1, 2022. If a grant is awarded, claims will be paid only after a signed grant agreements has been formally approved by the Board of Public Works. Money must be spent by 12/31/2024, and annual grant reporting is required as well.

**Organization:** Oaklawn Psychiatric Center, Inc.

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**Organization Address:** 330 Lakeview Drive

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**Mailing Address:** P O Bo 809, Goshen, IN 46527-0809

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**Contact Person:** Laurie N. Nafziger, President & CEO

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**Phone Number:** 574-533-1234, ext. 2281

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**Email address:** [laurie.nafziger@oaklawn.org](mailto:laurie.nafziger@oaklawn.org)

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**Project Title:** Elkhart County Behavioral Health Crisis Hub

**ARP Fund, grant amount requested:** \$250,000

**Expected number of individuals to benefit from this project:** 1100/year

1. **Briefly describe the proposed project.** Include the need or problem to be addressed, the population (or area) to be served, a description of the work, including who will carry it out, and the proposed schedule of work, including the proposed timing of requests for ARP Nonprofit Fund awards.

We propose to develop a Behavioral Health Crisis Center to operate 10 am to 10 pm 7 days/week, located on Oaklawn's Goshen campus. The Center is available to any adult experiencing a behavioral health or substance use disorder crisis as defined and experienced by the individual. The Center will accept walk-ins, drop-offs from police and self-referrals, regardless of ability to pay. Services are voluntary. The Center will be staffed with mental health professionals and recovery coaches able to provide risk assessments, allow space and time to de-escalate the situation, involve family members as appropriate, recommend a treatment plan, make connections for services and attempt to engage clients in services. The overarching goal is to be responsive to crises as they occur and to minimize the use of unnecessary intensive services including jail, emergency departments and inpatient psychiatric units.

See also Community Catalyst Grant Proposal

- Pages 15-16 Need for Services
- Page 16 Staffing
- Page 17 Location
- Pages 18-19 Program Model
- Page 29 Timeframe: key activities

2. **Complete the line item budget** for the proposed project and provide details on how reimbursed costs will be calculated.

Item Description	Total Amount	ARP Nonprofit Funds Sought	Other Funding Sought or Secured
a. Renovation of space at Oaklawn's Goshen facility (see page 89)		\$250,000	
b. Staffing (see page 26 for details)	\$477,648		DMHA Grant*
c. Supplies (see page 27 for details)	\$51,956		DMHA Grant*
d. Training and Indirect Costs	\$86,078		DMHA Grant*
<b>TOTALS</b>	\$615,682	\$250,000	
*DMHA= Division of Mental Health and Addiction (Indiana)			

3. **List the source and amount of other sources of funding**, including matching funds and in-kind contributions, expected to be used to support this project. For in-kind contributions, such as volunteer labor, please include the number of hours and dollar value of the volunteer hours.

See above #2.

See also Community Catalyst Grant

- Page 31 Funding
- Page 33 Sustainability

4. **Describe how project relates to ARP public health services, negative economic impacts, services to disproportionately impacted communities, or meets an urgent community development need.**

See Community Catalyst Grant

- Page 23 Priority Populations

5. **What are the measurable goals and timeline for this project or program?** How will you define and measure success?

See Community Catalyst Grant

- Page 31 Key Performance Indicators

6. **Please describe the population** who will benefit from this project or program. Include demographic information in this description (age, income, ethnicity, race, etc.)

See Community Catalyst Grant

- Page 20      Number Served
- Page 22-23      Target Population

**Organizational Characteristics**

IRS nonprofit status – 501©(3)

Years in operation – Since 1963 – 59 years

Number of full-time paid staff – 543

Number of part-time paid staff – 260

Number of volunteer staff – 56

Number of Board Members – 15

**Briefly describe the organization’s structure, mission statement and services provided.**

Oaklawn is the Community Mental Health Center for Elkhart and St Joseph Counties. We provide a wide range of behavioral health and substance use disorder services to people of all ages, regardless of funding source and ability to pay.

**Mission Statement:** With uncommon experience in mental health and addiction services, the people of Oaklawn join individuals, families and our community on the journey toward health and wholeness.

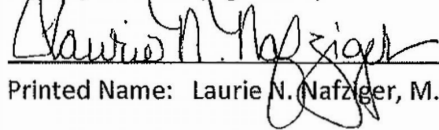
**Please attach copies of the following documents** to the original application. If any of the requested documents are not available, please attach an explanation. If you have previously submitted the requested documents, and there have been no changes, new copies are not required, but please indicate which documents have been previously submitted.

- a. Most recent Annual Report and Audit - page 39-86
- b. Current fiscal year budget - page 87
- c. Current list of Board of Directors - page 88

**Certification Of Authorization To Submit This Application**

I (We) certify to the City of Goshen that the Board of Directors of the organization identified on page 1 of this application authorized the submission of this application.

Agency Director (Signature)



Date: 3-21-22

Printed Name: Laurie N. Nafziger, M.S.W., ACSW

Chairperson, Board of Directors (Signature)

Jay Caponigro

Printed Name: Jay Caponigro, Board Chair

Date: 3/18/22

# Community Catalyst Grant Proposal

## Technical Proposal

### i. APPLICANT INFORMATION

#### Community Catalyst Grant Proposals

---

- 1) Elkhart County Behavioral Health Crisis Center
- 2) Recovery Coaches for St Joseph County Crisis Hub

#### a. Applicant Information

Applicant Type: Non-Profit

County:

Elkhart County: Behavioral Health Crisis Center

St Joseph County: Recovery Coaches for St Joseph County Crisis Hub

Applicant Name: Oaklawn Psychiatric Center Inc. (Oaklawn), a Community Mental Health Center

#### b. Title of Application

Completing the Continuum: Behavioral Health Crisis Centers

#### c. Single Point of Contact for all Communication

Emily Neufeld

Compliance Manager

574/533-1234 ext 4270

[Emily.neufeld@oaklawn.org](mailto:Emily.neufeld@oaklawn.org)

PO Box 809, Goshen IN 46527

#### d. Authorized Representative

See page 3

#### e. Grant match and community partners

This project would not be possible without the City of Goshen's commitment of \$250,000 for construction. These funds are coming from the American Rescue Plan and so do not qualify as a "match" for this grant.

#### Community partners:

- *City of Goshen*

*Role:* fund construction of Oaklawn's Behavioral Health Crisis Center

- *Goshen Police and Elkhart County Sheriff's Department*

*Role:* link clients to the Crisis Center.

Oaklawn benefits because the police will provide an immediate on-site response to the crisis situation, address immediate safety issues (weapons, drugs, etc.), and provide transportation and hand-off to the Hub.

Law enforcement will benefit by having an alternative to criminal justice intervention, and significantly reducing police time and resources in addressing behavioral health issues. Currently, officers spend time managing behavioral health situation, and accompanying individuals to the jail or an ER. Officers who file for a 24-hour psychiatric hold must stay with the client for the duration of their ER visit, which can take many hours.

- *Goshen Health*

*Role:* both Oaklawn and Goshen Health will make referrals and hand-offs to each other.

Oaklawn benefits because the ER will screen-out emergent medical issues. The ER benefits because fewer clients will present there with psychiatric crisis when they can go to the Crisis Center instead.

Toward Health and Wholeness

Jay Chaudhary  
Director, Indiana Division of Mental Health and Addiction  
Indiana Family and Social Services Administration  
402 West Washington Street, Room W353  
Indianapolis, In 46204

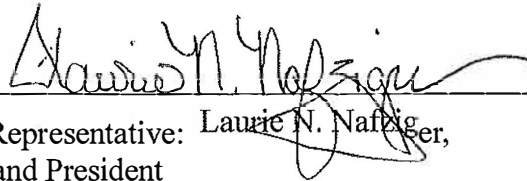
March 1, 2022

Dear Mr. Chaudhary,

Please accept Oaklawn's application for the Community Catalyst Grant. We hope you will share our enthusiasm for the two projects we propose.

I certify that the information contained in this application is correct to the best of my knowledge, and that Oaklawn Psychiatric Center Inc. agrees to the terms and conditions of the FSSA Sample Grant Contract (Attachment C).

Signature:



Designated Representative: Laurie N. Naffziger,

Title: CEO and President

Date: March 1, 2022

## ii. COMMUNITY NEED AND HISTORY

The St. Joseph County Police responded to 335 Mental Health calls and 8,683 others that were potentially behavioral health-related in 2020. Specific data for Elkhart County is not available. In the four weeks from January 25-February 21, 2021, Oaklawn's after-hours on-call staff referred 29 callers to the Emergency Room and initiated one police welfare check. This does not include the ER referrals and police calls Oaklawn staff make during business hours.

The *Executive Order Safe Policing for Safe Communities: Addressing Mental Health, Homelessness, and Addiction Report* clearly depicts how law enforcement has been left to pick up the slack for community behavioral health needs:

Our healthcare and criminal justice systems are facing increasing challenges from the growing numbers of individuals experiencing behavioral health (mental health and/or substance use disorder (SUD)) crises. Unfortunately, there are few options available for a person experiencing a true behavioral health crisis. In most of the nation, when 911 receives a call about someone experiencing a behavioral health crisis, it is law enforcement (LE) that responds. LE, emergency departments (EDs) and jails have become the safety nets for behavioral health crises.

Behavioral health disorders should logically solicit a public health response, but due to the lack of adequate and organized crisis services, the responsibility has defaulted to a response from LE. Over 2 million people with serious mental illness (SMI) are booked into jail each year, often for non-violent “nuisance” or “quality of life” crimes such as loitering or vagrancy. Not surprisingly, the prevalence of mental illness and substance use disorders (SUDs) in jails and prisons are three to four times that of the general population. Once in jail, people with mental illness are incarcerated twice as long, and few receive needed treatment. Upon release, with Medicaid benefits interrupted and a criminal record, they are likely to be unemployed, homeless and arrested. Thus, the cycle continues.<sup>1</sup>

Some scenarios include:

1. An elderly parent calls Oaklawn describing their adult child's increasingly dangerous behaviors. The client has withdrawn socially and appears highly paranoid. They have missed two appointments for long-acting injectable psychotropic medication.
  - a. Oaklawn might be able to schedule the client for a same-day outpatient appointment and injection if the client can get to Oaklawn, navigate the clinic, and manage their symptoms sufficiently to get care. Still, this care will be brief and staff will not be able to monitor the client for several hours to assess their safety to return home, or negotiate an alternative plan for care and safety.
  - b. The parent or Oaklawn staff can call 911 and ask for a welfare check. A uniformed police officer will arrive in a squad car and attempt to interview the client. The

<sup>1</sup> <https://www.samhsa.gov/sites/default/files/safe-policing-safe-communities-report.pdf>



- officer will attempt to assess the client despite no clinical training. The officer can take the client to the ER but will be required to stay with them until they are admitted, transferred or discharged. This will take the officer off patrol for hours. If the client becomes agitated or is triggered by the presence of police, the officer may arrest them and transport them to jail.
- c. The parent can take the client to the Emergency Room, where they will wait for hours, often supervised by a security officer. If the client becomes agitated they may be physically restrained. The client may undergo medical clearance and then be transported by ambulance to a psychiatric hospital for admission. Despite staff's best efforts, if the client does not meet the threshold for "danger to self or others," they may be discharged with no intervention.
2. Police are called to a homeless center because of an individual who has been asked to leave due to agitation and noncompliance with rules. The person appears intoxicated and has a known history of psychiatric illness.
    - a. The responding officer can attempt to persuade the client to leave the shelter without providing any behavioral health intervention. The client will likely cause a disturbance at another agency or business and the police will be called again.
    - b. The officer can arrest the client for being "drunk and disorderly," and they will be processed through the criminal justice system. The client may receive psychotropic medication but will not be offered SUD treatment or recovery supports. After a short stay in jail, they will be back on the streets and relapsed.
    - c. Police can escort the client to the Emergency Room. The client will be allowed to sleep on a gurney while they sober up, and will then be discharged with no behavioral health intervention.

When a Behavioral Health Crisis Center is available in the community, the majority of ER/ police referrals will be directed to there, taking a significant burden off law enforcement and hospital ERs. The Behavioral Health Crisis Center offers two benefits:

First, it eliminates law enforcement involvement in some situations by providing a community resource that individuals, families, community agencies and healthcare providers can refer to instead of requesting police assistance. Removing law enforcement from a crisis situation can be particularly beneficial to members of the BIPOC, LGBTQ+ and homeless communities, who may be more likely to associate police with trauma.

Secondly, the Crisis Center also expands the options available to law enforcement officers who respond to behavioral health situations. Instead of walking away, taking someone to the Emergency Room or arresting them, police can now bring people in crisis to the Crisis Center.

This strength of this model is highlighted in the same Executive Order report:

These centers allow individuals experiencing a behavioral health crisis, including involvement with substance use, to be greeted by peers and trained professionals who can

effectively respond to the crisis and provide the person with the appropriate level of care without involving law enforcement or the emergency department.

Bringing Crisis Centers to Oaklawn and Beacon-Memorial, combined with Oaklawn's newly-enhanced 24/7 crisis call line, will bring Elkhart and St. Joseph Counties closer to alignment with SAMHSA's National Guidelines for Behavioral Health Crisis Care.<sup>2</sup>

The most recent available rate of suicide per 100,000 deaths is 10.5 for Elkhart County and 13.0 for St. Joseph County.<sup>3</sup>

<sup>2</sup> <https://www.samhsa.gov/sites/default/files/national-guidelines-for-behavioral-health-crisis-care-02242020.pdf>

<sup>3</sup> [https://www.in.gov/health/files/Suicide\\_Report\\_2017\\_final\\_revised7.10.17.pdf](https://www.in.gov/health/files/Suicide_Report_2017_final_revised7.10.17.pdf)

### iii. COMMUNITY ENGAGEMENT

Oaklawn Psychiatric Center Inc. opened its doors in 1963 to provide community based mental health services as a faith-based alternative to the highly restrictive and repressive care which was standard in the era. Groundbreaking from the start, it offers an array of therapeutic interventions in two counties. Accredited through the Joint Commission, it is also certified by the Indiana Division of Mental Health and Addiction to receive Medicaid reimbursement.

With a budget of over \$55 million and a team of nearly 900, Oaklawn serves as the community's safety net for those with the highest need for behavioral health and substance use services. In addition to the youth and adults who received a range of clinical services in 2020, an additional 2,700 were served through FQHC partnerships; 140 through the Recovery Café; 400 through homeless outreach services; and 3,100 people accessed addiction treatment or other clinical services through Oaklawn's jail partnerships, preparing them to better re-enter society. Several examples follow.

#### *Medication-Assisted Treatment*

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Oaklawn is a champion of Medication-Assisted Treatment, with innovative programs and partnerships that expand care and increase access. We serve clients on all three FDA-approved medications to treat opioid addiction, both through psychiatrists authorized to prescribe medications and a team of more than 40 therapists, case managers and recovery coaches who provide behavioral health services. Our clinical staff help clients understand their options and access their desired services, whether at Oaklawn or through another community provider. Some of these efforts were recently highlighted in *Alcoholism Treatment Quarterly*: "A Perspective from the Field: Five Interventions to Combat the Opioid Epidemic and Ending the Dichotomy of Harm-reduction versus Abstinence-Based Programs."<sup>4</sup>

Oaklawn partners with Victory Clinical Services, which operates a methadone maintenance program, as well as federally qualified health centers and primary care physicians and emergency department physicians throughout both counties who also treat addiction. One notable Oaklawn program provides Vivitrol to inmates with an opioid use disorder before being discharged from St. Joseph County Jail. Before leaving, each person is scheduled for an appointment with a therapist and a physician to continue their treatment upon re-entry and improve outcomes.

A new program targeting opioid use sends certified recovery specialists to Memorial Hospital's emergency room 24 hours a day to meet with anyone interested in treatment following an overdose. Recovery coaches engage patients in MAT, with their first appointment with a therapist scheduled within 24 hours. The program has been remarkably successful at engaging clients, with 84 percent entering meaningful treatment.

#### *The Recovery Café*

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The Recovery Café, a peer-led center in South Bend, is a joint effort between Oaklawn, the Upper Room Recovery Community (an affiliate of First United Methodist Church), and the St. Joseph County Health Improvement Alliance. Two Recovery Coaches engage visitors, provide recovery coaching services and link visitors/clients to other services or treatment providers, thereby expanding access to treatment. The Recovery Café is a safe place to ask questions and

<sup>4</sup> <https://www.tandfonline.com/doi/abs/10.1080/07347324.2019.1571877?journalCode=watq20>

get information, especially for those who would not engage treatment in a more formal setting. In addition to peer coaching services, the Café provides a positive, safe and sober community to connect with, both to those in the initial phase of recovery or those in long-term recovery. Within the next six months, Oaklawn will open a second Recovery Café in Elkhart County.

#### *Grant awards*

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Oaklawn has a reputation as a reliable and respected community partner and provider of quality services to improve the lives of all it serves. Oaklawn has been the recipient of multiple SAMHSA-funded projects as well as numerous other grants:

- A SAMHSA CMHC grant project started in 2021 brings additional Recovery Coaches, addresses staff wellbeing, supports DEI growth, and establishes a solid technology base for ongoing telemed services.
- Another 2021 SAMHSA grant provided over \$3 million for Oaklawn to transform itself into a Certified Community Behavioral Health Center (CCBHC).
- Oaklawn has served as a sub-awardee on a SAMHSA Children's Mental Health Initiative grant with Elkhart County for the expansion of its system of care (SOC) for children with SED since 2016. In three years, the project exceeded its four-year goal of youth served by 25% and surpassed every other GPRA measure.
- In 2013 Oaklawn joined with Porter-Starke Services CMHC in a SAMHSA Primary and Behavioral Health Care Integration (PBHCI) grant which created a collaboration of three Community Mental Health Centers and two Federally Qualified Health Centers to provide a single access point for medical and behavioral health care.

#### *Behavioral Health Crisis Center*

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The Behavioral Health Crisis Center will strengthen a number of existing partnerships, including primary care providers, service organizations like homeless shelters, hospital Emergency Rooms, and local police departments. All will benefit from the new Center, which will provide a level-of-care that is not currently available in either St. Joseph or Elkhart Counties. As a result, managing these crises falls to law enforcement, jails, and ERs. Through the Crisis Centers, Oaklawn and Beacon-Memorial will shift this responsibility back to the behavioral health system, which is where it belongs. This will free up tremendous resources that law enforcement and Hospital ERs have had to divert to behavioral health crisis management.

#### iv. PROGRAM PLAN

##### a. Proposal

###### *Need for services*

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The Behavioral Health Crisis Center will fill an existing gap in mental health and substance use disorder services in Elkhart County. Intervening in behavioral health crises in our communities currently lands largely with police, jails and emergency rooms. These entities are not designed to manage these situations, which cause them to divert resources away from their critical missions. At the same time, people in crisis are not met with trained mental health professionals but with police officers whose only options are to transport them to jail or an Emergency Room.

Additionally, there is a segment of the community that lives with serious mental illness, substance use disorder or co-occurring disorders but does not engage in ongoing treatment. These individuals periodically receive crisis stabilization in an inpatient psychiatric setting but do not retain stability after discharge.

The Crisis Center is the missing piece in Oaklawn's continuum of care, as illustrated in **Figure 1**. Too often, Oaklawn staff and others in the community direct clients and their loved ones to call 911 or go to a hospital Emergency Room for urgent behavioral health needs. Each of the following scenarios currently has no good solution, but all of these clients would be appropriate to be brought to the Behavioral Health Crisis Center:

- An Oaklawn Case Manager meets with a client whose mood is highly escalated, has stopped taking their medications, and is practicing poor self-care.
- Police respond to a behavioral health call to find an individual who is intoxicated, paranoid and defensive.
- A citizen reports that their loved one has been without SUD treatment since leaving jail. The client is at severe risk of relapse without medication-assisted treatment.
- A primary care physician evaluates a patient who has recently relocated to the area. They have a number of health issues along with severe depression and are not engaged in behavioral health treatment.
- Adult Protective Services investigators encounter a military veteran who lives with both housing and food insecurity. They are not receiving veterans' benefits and are only inconsistently engaged with psychiatric treatment. They are making self-harm statements.

This is the perfect time for Oaklawn to address these community needs, as we are already immersed in the process of reinventing ourselves from a traditional behavioral health center to a Certified Community Behavioral Health Center. The CCBHC model is more responsive to individual and community needs. This transformation includes the development of mobile crisis teams, just-in-time scheduling, open access, expanded outreach and engagement efforts, and more responsive after-hour crisis response. It is funded by a 2-year SAMHSA grant that began in February 2021; see Figure 1.

A similar project has been started by Beacon-Memorial Hospital in South Bend with funding from St. Joseph County. Oaklawn's role in this Crisis Center is to provide Recovery Coaches to provide behavioral health support and interventions for individuals in crisis, in partnership with Beacon-Memorial medical staff.

The letters of support, including the City of Goshen's commitment of \$250,000 for capital needs (see **Appendix B**) demonstrate our community's support for the Behavioral Health Crisis Center.

#### *Inclusion criteria*

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The Crisis Center will be available to any adult seeking help, regardless of diagnosis, residence or insurance status. These individuals must be appropriate to an ambulatory setting, so anyone presenting with acute intoxication, detox that requires medical supervision, or unsafe behaviors that require physical or medical intervention will still be redirected to an Emergency Room.

#### *Staffing*

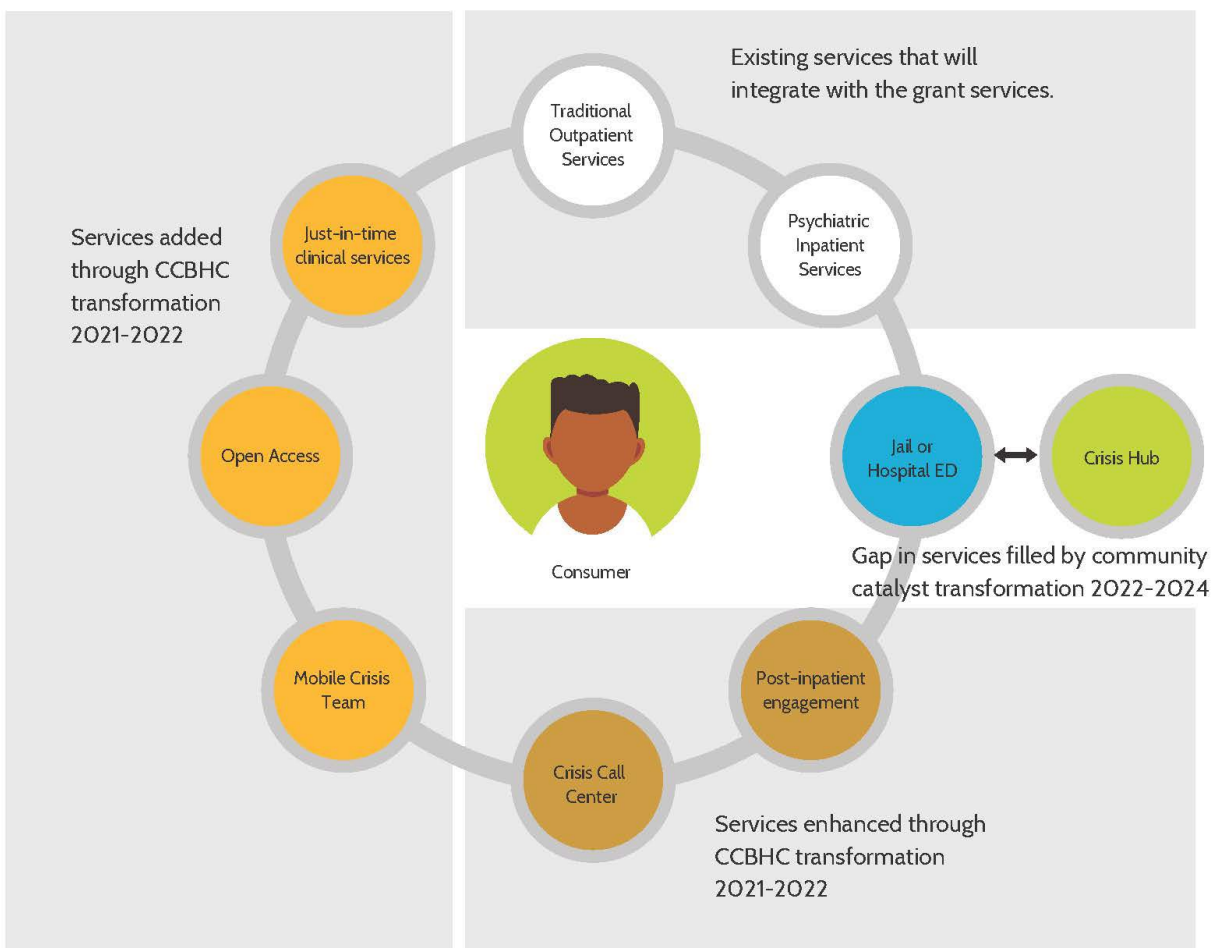
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The Crisis Center will operate from 10 am to 10 pm every day of the year. It will be overseen by a Center Manager and Assistant Center Manager, and staffed with Social Workers, Recovery Coaches and a Case Manager (see Job Descriptions, section e). Nursing staff and Prescribers will provide assessment and treatment. Together, the team will engage with the client to find a plan of care and safety.

Contracted phlebotomists will collect samples from clients as needed. Pharmacists from our partner Genoa Pharmacy, which is located on-site at the Oaklawn Goshen location, will fill prescriptions, provide prescription counseling, administer COVID-19 and flu vaccinations, and provide tobacco cessation materials.

Recovery Coaches will provide follow-up support in the community post-crisis. The Case Manager will track clients post-crisis and link with the care team and the client's support system

Figure 1: Continuum of Care



### *Location*

The Center will be located at Oaklawn’s existing Goshen facility, 330 Lakeview Drive, Goshen Indiana. This is Oaklawn’s primary business site and includes an on-site pharmacy (operated by Genoa) and a full range of services – including outpatient, SUD, adult inpatient, access center, medical services, outreach, etc. This facility (approximately 100,000 square feet) is fully equipped with all of the necessary support services like housekeeping, food services, parking, medical records, facilities, translation, switchboard, information technology, etc.

The Center will be built in a 2,000 square-foot section of the existing gym, which is largely unused. It will include a staff station, staff work room-kitchenette, two staff offices, two consultation rooms, a common area and six client stations. Each client station will include a client recliner chair, guest chair and side table. Clients will be offered locker space to store their belongings. Up to three meals per day plus snacks will be provided by the facility’s kitchen. A new elevator will provide accessibility for all. Enlarged bathrooms will include showers, and staff will have a washer/ dryer for client clothing when needed.

## *Model*

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The new Center is similar to the “Arizona Model,”<sup>5</sup> which is identified as a Best Practice by SAMHSA.<sup>6</sup>

RI International’s Crisis Response Center (CRC) in Peoria, Arizona includes a crisis receiving and stabilization facility that provides an alternative option to ED drop-offs and pre-booking jail diversion by LE [Law Enforcement] and others. The program receives more than 80 percent of its clients, including persons experiencing homelessness, through LE drop-offs. This model incorporates technology, crisis centers, and suicide prevention interventions to effectively manage persons in distress by creating a methodology that de-emphasizes routing individuals to emergency or police departments. This model involves quick police drop offs (approximately 10 minutes) of persons in crisis at the crisis receiving and stabilization facility.

Individuals in need of Center services will come in by themselves, be brought by family or friends, or be transported by the police. Access will be available to all adults, regardless of diagnosis, insurance or active client status at Oaklawn. Services will be conducted in keeping with Oaklawn’s Mission: *With uncommon expertise in mental health and addiction services, Oaklawn joins with individuals, families and our community on the journey toward health and wholeness.*

Individuals coming to the Center will meet with clinic staff who are skilled in verbal de-escalation and will address any immediate issues like hunger and cold. Staff will conduct a risk assessment, basic medical and evidence-based mental health screenings, and additional measures as needed (e.g., urine drug screening). Staff will review each person’s current and historical mental health treatment, along with the presenting problem. Services will be conducted in the client’s primary language by bilingual staff whenever possible. Translators or the language line will be used as needed.

Nursing staff will conduct physical assessments. Physicians or advance practice nurses will evaluate clients and order medications, laboratory tests and other interventions as needed. After-hours medical/clinical services may be provided through telemedicine by off-site Oaklawn providers. Currently, individuals who are going to be admitted to inpatient psychiatric services must first go to a hospital Emergency Room for medical clearance. With current wait times at local Emergency Rooms, this can delay psychiatric admission for hours. Under the new model, this clearance will take place in the Crisis Center.

The on-site Genoa pharmacists can fill prescriptions and provide prescription counseling to clients in the Center. They can also administer vaccines, including COVID-19 and influenza, and tobacco cessation resources.

The Center team will consult with the client’s support system and other treatment providers. It will work with the client to determine an appropriate plan for care and safety. This could include

<sup>5</sup> <https://www.azcentral.com/story/news/local/arizona-health/2020/02/21/other-states-copy-arizona-model-behavioral-health-crisis-care/4794168002/>

<sup>6</sup> <https://www.samhsa.gov/sites/default/files/safe-policing-safe-communities-report.pdf>



- Returning home with Recovery Coach support and follow-along;
- Outpatient intake with just-in-time access to therapy, psychiatry and MAT services;
- Admission to psychiatric inpatient at Oaklawn or elsewhere;
- Transfer to a hospital Emergency Room for medical stabilization.

The Center Case Manager will coordinate with the client's other medical and behavioral health providers for follow-up treatment. The Case Manager will follow the client for three months to monitor and support continued treatment adherence. All services will be documented in the Oaklawn Electronic Medical Record, CareLogic.

### *Recovery Coaching*<sup>7</sup>

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Recovery Coaches will serve as the front-line staff for Oaklawn's Behavioral health Crisis Center. They are individuals with personal or family experience with mental health or substance use disorder conditions. These peer specialists increase treatment retention and reduce hospitalization and re-hospitalization rates. In addition to improving quality of life, they also reduce costs to the mental health system (see Appendix A).

In multiple studies, Recovery Coaches have proven time and again to yield significant cost savings through reduced re-hospitalizations, reduced involvement in the criminal justice system and decreased use of emergency services. One study in Georgia determined peer recovery specialists saved the state \$5,500 per person engaged.<sup>8</sup> Additionally, clients engaged in peer recovery services report higher rates of satisfaction with their treatment providers, improved social supports, greater housing stability, reduced substance use and reduced relapse rates, all providing indirect cost-savings to the state.

Recovery coaching isn't a new idea – but it is a growing one, especially as providers across the country grapple with how to address the opioid epidemic. These peer staff have a “been-there-done-that” credibility that other staff don't.

Oaklawn employed its first Recovery Coaches in 2015, and now has a cohort of over 25 of these peer specialists who work in a variety of settings. They serve clients in Oaklawn's addiction programs, inpatient services, Supervised Group Living, PATH program for housing, and others. Oaklawn Recovery Coaches are also embedded in local drug courts, jails, emergency rooms, the St. Joseph County Motels4Now housing project, and other innovative partnerships. Recovery Coaches in Oaklawn's Mobile Crisis Unit respond to calls for help by phone or in person in the community. Those in Oaklawn's Opioid Crisis Unit are on the road to meet with individuals who are experiencing overdose or seeking a lifeline for recovery. Coaches engage in the moment when the client is receptive to help.

### *Number served*

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<sup>7</sup> Substance Abuse and Mental Health Services Administration. Peers Supporting Recovery from Substance Use Disorders. (2017). Retrieved from [https://www.samhsa.gov/sites/default/files/programs\\_campaigns/brss\\_tacs/peers-supporting-recovery-substance-use-disorders-2017.pdf](https://www.samhsa.gov/sites/default/files/programs_campaigns/brss_tacs/peers-supporting-recovery-substance-use-disorders-2017.pdf)

<sup>8</sup> Bergeson, S. (2016, January). Cost Effectiveness of Using Peers as Providers. Retrieved July 3, 2019, from [http://www.fredla.org/wp-content/uploads/2016/01/Cost\\_Effectiveness\\_of\\_Using\\_Peers\\_as\\_Providers.pdf](http://www.fredla.org/wp-content/uploads/2016/01/Cost_Effectiveness_of_Using_Peers_as_Providers.pdf)

Oaklawn’s Behavioral Health Crisis Center is designed to serve up to 6 clients and their accompanying friends or family members. The Beacon-Memorial Hub is designed with a capacity for 12.

Estimated clients served in the Oaklawn Behavioral Health Crisis Center		
Time Frame	Average clients per day	Total clients served
Oct-Dec 2022	1.5	45
Jan-Mar 2023	2.0	60
Apr-Sep 2023	2.5	150
Oct 2023-Dec 2024	3.0	1,170
<b>Total</b>		<b>1,425</b>

Estimated clients served by Oaklawn’s Recovery Coaches in the Beacon-Memorial Behavioral Health Crisis Hub		
Time Frame	Average clients per day	Total clients served
Oct-Dec 2022	3.0	90
Jan-Mar 2023	4.0	120
Apr-Sep 2023	5.0	300
Oct 2023-Sep 2024	6.0	2,160
<b>Total</b>		<b>2,670</b>

### *DMHA’s Objectives and Mission*

#### *High quality*

The Behavioral Health Crisis Center will be staffed by a team of Recovery Coaches and clinical staff. Like all Oaklawn staff, they will be trained on hire and annually thereafter in both trauma-informed care and cultural competency with an emphasis on LGBTQ+, BIPOC and homeless populations. The goal of the Crisis Center staff will be to partner with the client and their support system to find a plan for care and safety appropriate for that individual. They will engage in collaborative person- and family-centered treatment where the client is encouraged to take ownership of their own goals and planned services.

SAMHSA champions person- and family-centered treatment planning, which is “strength-based and focuses on individual capacities, preferences, and goals. Individuals and families are core participants in the development of the plans and goals of treatment.”<sup>9</sup> Person- and family-centered care are fundamental to recovery-oriented services.

The Behavioral Health Crisis Center will use evidence-based interventions for client screening, assessment and care planning. These are listed in **section d**. One of these interventions is *myStrength*, a free digital resource that provides individualized support for behavioral health challenges. *MyStrength* is available 24/7 and provides support a wide array of issues including

<sup>9</sup> <https://www.samhsa.gov/section-223/care-coordination/person-family-centered>

anxiety, depression, stress, chronic pain, substance use and parenting. Tools and resources are customized to the individual and appropriate for teens and adults.

Shifting crisis management away from Law Enforcement is a win-win strategy for communities. This is emphasized in the SAMHSA Executive Order *Safe Policing for Safe Communities: Addressing Mental Health, Homelessness, and Addiction* Report and was addressed in **section 2** of this application.

### *Seamless integration*

The Behavioral Health Crisis Center is not intended to be a standalone operation. It will be integrated into the Oaklawn system of services that includes inpatient, outpatient, medical services, residential, addictions, case management and ancillary services.

- From the point of first contact, each client at Oaklawn has a primary staff member who is responsible for managing their care and serves as their lead staff. In addition to overseeing the client's evaluation and care planning, they also participate in internal and external care coordination, monitor the client's progress, and respond to client needs. For individuals who are already established Oaklawn clients, the Crisis Center Case Manager will coordinate care with this primary staff person to ensure continuity of care. Clients needing Oaklawn's inpatient services will experience a smooth hand-off. Individuals who will be linked with outpatient services can see their new providers within a week through Oaklawn's Just-In-Time Scheduling.
- All Oaklawn services are documented in CareLogic, our Electronic Medical Record. CareLogic is an ONC-certified, web-based electronic health record system designed specifically for behavioral health and human services organizations. It offers ePrescribing, internal and external messaging, clinical decision-making support, safety planning, embedded assessment tools like the CANS/ANSA, National Outcome Measures Assessments, risk assessments, and 22 measures such as the AIMS, GAD-7, PHQ-9, AUDIT and others. CareLogic reports measure individual progress over time and can be used to track individual and population outcomes. Using CareLogic, Crisis Center staff will be able to quickly review each client's treatment history, connect with their care team, connect with the existing plan of care, reinforce the client's previous Safety Plan, and print the Psychiatric Advance Directive. They can share messages, alerts and documents with the client's outpatient care team (or inpatient, if the client needs hospitalization) during the Center visit so that all care providers have current information. The next level of care will pick up the individual's care where the Center team left off.
- Two of Oaklawn campuses have primary care clinics in their facilities. Indiana Health Centers operates a medical clinic at Oaklawn's South Bend location, and Oaklawn Health Advocates work with clients to keep appointments, adhere to treatment recommendations, and coordinate care between the Primary Care Provider, Psychiatric Prescriber and other medical providers. The Mosaic Health and Healing Arts is a primary care practice that specializes in LGBTQ+-competent services, and offers its clients support groups, yoga, and gender-exploring counseling. These clinics are not just tenants but active participants in providing a holistic approach to wellness.

### *Expedient and Accessible*

Services are available every day of the year and appointments are not necessary. Individuals will come in or be brought in at the time of the crisis. Oaklawn's facility is ADA accessible and the Crisis Center will be welcoming for all.

At least initially, the Crisis Center is designed to operate 12 hours per day. These hours align with the St. Joseph County Police's highest intensity of behavioral health calls. During the hours that the Crisis Center is not open, clients can get support from Oaklawn's crisis phone line. Through the crisis counselors, they can be coached to seek support from family and/or friends, along with the *myStrength* app until the Crisis Center opens. When needed, clients can go to a hospital Emergency Room pending transfer to the Crisis Center.

The Crisis Center staffing and physical layout are designed to respond to clients when they arrive instead of placing them in waiting rooms.

### *St. Joseph County Crisis Hub*

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In addition to the new Behavioral Health Crisis Hub in Elkhart County, Oaklawn intends to partner with Beacon Memorial Hospital in South Bend on a Crisis Hub for St. Joseph County<sup>10</sup>. This Hub, located in the same facility as Beacon Memorial's inpatient hospital – and across the street from Oaklawn's South Bend site – will be staffed by a combination of Beacon medical staff and Oaklawn Recovery Coaches. The Recovery Coaches will engage with clients and their family/friends, provide recovery coaching services, and link clients to other services or treatment providers. They will also provide post-crisis support. The projected start-date for the St. Joseph County Hub is October 1, 2022.

The St. Joseph County Hub is a natural extension of the current partnership between Oaklawn and Beacon-Memorial Hospital. Beacon-Memorial operates the psychiatric hospital in St. Joseph County and the two organizations have established the relationships and protocols to easily hand-off clients between inpatient and outpatient care.

### **b. New or enhanced/ expanded programming**

Oaklawn's Behavioral Health Crisis Center is an investment in new, innovative program that will replace a missing level of care at Oaklawn. It will integrate seamlessly into the Oaklawn continuum of Care (see Figure 1) and clients can easily move from inpatient to outpatient to the Center as needed.

The St. Joseph County project is an expansion of Oaklawn's growing Recovery Coach program and an extension of Oaklawn's current partnership with Beacon-Memorial Hospital.

### **c. Target Population and Priority Points**

#### *Target population*

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<sup>10</sup> <https://www.southbendtribune.com/story/news/local/2021/12/08/st-joseph-county-council-approves-money-behavioral-crisis-center/6428072001/>

The Behavioral Health Crisis Center will serve individuals experiencing behavioral health crisis, including both mental health and substance use disorders. Clients may seek services for themselves or be referred by Oaklawn’s on-call phone counselors. Others will be brought in by friends or family. And it is expected that the majority of people seeking services at the Crisis Center will be identified and transported by police officers.

The Crisis Center is designed for individuals with serious mental illness, substance use disorder and/or co-occurring disorders. Similar to Oaklawn’s overall client profile, this population has a higher likelihood of being impoverished, homeless, LGBTQ+, and BIPOC.

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*Priority Point 1: Budget match*

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The City of Goshen has pledged \$250,000 to cover the cost of renovating part of the gym space at Oaklawn into the Crisis Center. We did not include these construction funds as a Match on the proposed budget because they are coming from the American Rescue Plan, as is the DMHA Community Catalyst grant. Nonetheless, it demonstrates the shared vision between the City and Oaklawn and makes it possible to plan a larger project than the DMHA grant alone would have funded.

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*Priority Point 2: State Focus Area*

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Both the Oaklawn Crisis Center, and the Oaklawn Recovery Coach staff embedded in the South Bend Crisis Hub align with the State Focus Area of **Crisis Response**. The Behavioral Health Crisis Centers are designed for individuals in crisis who need de-escalation, intervention, support, monitoring and linkage. Currently these people are mostly managed by law enforcement officers and placed in jails or hospital emergency rooms. The Behavioral Health Crisis Center project aims to move crisis intervention for these individuals into the Community Mental Health Center continuum of care.

Oaklawn staff will draw on the agency’s values of Compassion, Integrity, Human Dignity, Professional Expertise and Community Partnerships in addressing each individual client’s crisis needs.

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*Priority Point 3: Priority populations*

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The Behavioral Health Crisis Center will be designed to provide a deliberate and deep focus on culturally competent care for the **BIPOC** community and the **LGBTQ+** community.

	Elkhart County <sup>11</sup>	St. Joseph County <sup>12</sup>
Race other than white	10.5%	20.3%
Hispanic/Latinx	16.8%	9.1%
Poverty	9.8%	12.7%

LGBTQ+ status is known to have a high correlation to homelessness, poverty and addiction.<sup>13</sup>

Oaklawn’s Diversity, Equity and Inclusion Committee will design training plans for Crisis Center staff with the goal of developing cultural competence. The DEI Committee is partnering with

<sup>11</sup> <https://www.census.gov/quickfacts/elkhartcountyindiana>

<sup>12</sup> <https://www.census.gov/quickfacts/fact/table/stjosephcountyindiana/PST045221>

<sup>13</sup> <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6695950/>

Oaklawn's Performance Improvement Committee to monitor Oaklawn's access, service delivery and outcomes for disparities associated with race, ethnicity, or LGBTQ+ status.

#### **d. Community need, improved outcomes, evidence-based practices**

##### *Community need*

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The letters of support that accompany this grant (see Appendix B) demonstrate the unified desire of community leaders to stop using law enforcement and Emergency Rooms to manage behavioral health crises. The current situation is costly, diverts police, jails and ERs from their primary missions, fails the clients and families in need of help, and frustrates all involved. Figure 1 illustrates the missing link in the Oaklawn continuum that will be filled by the Behavioral Health Crisis Center.

In the previous six months, Oaklawn's inpatient unit has had an average of 7 clients with stays less than 3 days. There are times when these short stays are clinically appropriate, but short stays can indicate an avoidable admission. The Behavioral Health Crisis Center will be able to prevent hospitalization for some of these individuals by providing a de-escalation and thorough assessment of clients, and then to engage them in creating a credible plan for care and safety.

##### *Improved outcomes*

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Reducing exposure to the criminal justice system will result in improved health and wellbeing for the individuals served in the Crisis Center. Criminal justice involvement is one more social determinant of poor health that is experienced by people living with serious mental illness, substance use disorder and co-occurring disorders. Incarceration contributes to obesity, social disconnection including family estrangement, exacerbation of poor health, infectious disease, trauma exposure and stress-induced health effects.<sup>14</sup>

Responding to crisis in a Behavioral Health Crisis Center is also preferable to an emergency medical facility because the client is met with behavioral health specialists who have access to the full continuum of behavioral health services. Existing Oaklawn clients can experience crisis management in the context of their ongoing care plans, with follow up by trusted and known staff. Individuals who are new to Oaklawn can be quickly linked to services and staff that will follow them to reduce the chance of additional crises.

The simple step of conducting phlebotomy on-site in the Crisis Center will improve outcomes for individuals in crisis. Currently, individuals who are going to be admitted to inpatient psychiatric services must first go to a hospital Emergency Room for medical clearance. With current wait times at local Emergency Rooms, this can delay psychiatric admission for hours. Some clients decline needed crisis care because of the hours and effort involved in this additional step.

##### *Evidence-Based Practices*

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- *FDA-approved psychotropic medication* is prescribed by licensed physicians and Advance Practice Nurses following examination of the patient. Medications are designed to treat the

<sup>14</sup> <https://www.healthypeople.gov/2020/topics-objectives/topic/social-determinants-health/interventions-resources/incarceration>

symptoms of mental illness.

- Screenings used to determine acuity, including: *Columbia Suicide Severity Rating Scale*, *PHQ-9 (Patient Health Questionnaire)*, *GAD-7 (Generalized Anxiety Disorder assessment)*, *SBIRT (Screening, Brief Intervention and Referral to Treatment)*, *SASSI Substance Use Measures*, *Cross-cutting measures of the DSM 5 Online Assessment Measures*, *NIDA CTN Common Data Elements*.
- *Motivational Interviewing (MI)*: a practical, empathetic, short-term counseling approach to help clients resolve ambivalent feelings and insecurities. It builds internal motivation promote behavioral change and adhere to treatment recommendations. It utilizes directive, consumer-centered interactions to explore and resolve ambivalence. MI would be used to engage presenting individuals in recommended services and transition them from crisis to treatment.
- *Crisis Intervention Team (CIT)*: a police-mental health collaborative program that includes training for law enforcement to help guide interactions with individuals with SMI/SUD, COD and SED. This is a key partnership for positively intervening in urgent and emergent community events. CIT is embraced by the National Alliance on Mental Illness as a program that improves police officer attitude and knowledge about mental illness, reduces officer time spent responding to mental health calls, and keeps people out of jail.<sup>15</sup>
- *Recovery Coaching*: Oaklawn staff who have been successful in the recovery process who help others experiencing similar situations. Through shared understanding, respect, and mutual empowerment, these “peer” staff help clients engage and stay engaged in the recovery process and reduce the likelihood of relapse. These services effectively extend the reach of treatment beyond the clinical setting into the everyday environment of those seeking a sustained recovery process. Recovery coaching has been proven to improve treatment adherence, improve access to community supports, reduce relapse rates, reduce criminal justice involvement, and reduce emergency service utilization.<sup>16</sup>
- *Medication Assisted Treatment*: the use of medications in combination with behavioral therapies to treat substance use disorders. Medications are FDA-approved and prescribed by licensed providers according to each individual’s needs. They are targeted decrease withdrawal symptoms and cravings to make the recovery process more tolerable. Research shows that medication combined with therapy can successfully treat substance use disorders, sustain recovery, and prevent or reduce opioid overdose.<sup>17</sup>
- *myStrength*: a mobile/web app that actively works with more than 20 CCBHCs assisting them to meet the mental health and substance use needs of the safety-net population, while accelerating adoption of evidence-based practices and data-driven care. *myStrength*’s tools and resources are created from evidence-based practices like Cognitive Behavioral Therapy, Motivational Interviewing and mindfulness. The content is created and reviewed by

<sup>15</sup> [https://www.nami.org/Advocacy/Crisis-Intervention/Crisis-Intervention-Team-\(CIT\)-Programs](https://www.nami.org/Advocacy/Crisis-Intervention/Crisis-Intervention-Team-(CIT)-Programs)

<sup>16</sup> [https://www.in.gov/health/files/Suicide\\_Report\\_2017\\_final\\_revised7.10.17.pdf2Fdefault%2Ffiles%2Fprograms\\_campaigns%2Fbrss\\_tacs%2Fpeers-supporting-recovery-substance-use-disorders-2017.pdf&cLen=1178672&chunk=true](https://www.in.gov/health/files/Suicide_Report_2017_final_revised7.10.17.pdf2Fdefault%2Ffiles%2Fprograms_campaigns%2Fbrss_tacs%2Fpeers-supporting-recovery-substance-use-disorders-2017.pdf&cLen=1178672&chunk=true)

<sup>17</sup> <https://www.samhsa.gov/medication-assisted-treatment>

clinicians who are experienced in bringing these real-world models to a digital platform that's programmed to adapt to each person's own journey.

## e. Budget

### *Staffing*

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1. Project Manager: Manages the daily operations of the project; ensures fidelity to grant requirements and engagement with the target population; directs media, social media and marketing efforts; develops sustainable funding through grants, managed care negotiations, and community partnerships; ensures culturally competent practices. Master's level or other advanced degree; at least 3 years' experience with the delivery or administration of services to individuals with significant or complex mental health challenges. 1.0 FTE. Hire date: 7/1/22.
2. Assistant Project Manager: Provides backup for the Project Manager, supervises Center staff. Master's level or other advanced degree; experience preferred. 1.0 FTE. Hire date: 8/1/22.
3. Peer Specialist/Recovery Coach: Provides recovery-oriented interventions for individuals with significant mental health and/or substance use disorder issues and their families; effectively partners with the Oaklawn care team and community resources. Personal or direct-family lived experience with SMI/SUD/COD, and training as Certified Peer Specialist or Recovery Coach required, some college preferred; 5.0 FTE. Hire date: 8/1/22.
4. Social Worker/Therapist: Provides comprehensive assessment including risk and trauma; develops strengths-based individualized plans of care and safety; collaborates with the family/support system, referral sources and community partners to provide holistic care. Master's in social work or related field required, license preferred; 1.0 FTE. Hire date: 8/1/22.
5. Nurse: conducts health screenings, provides client education, and supports prescribers. Indiana nursing license; psychiatric experience preferred, 0.5 FTE. Hire date: 8/1/22.
6. Prescriber: Licensed physician or advance practice nurse who provides comprehensive assessment (including medications, medical history, and conditions associated with diagnosis or prescribed medications); collaborates with the treatment team, family and primary care provider to integrate services and manage crisis situations; establishes medical policies for the clinic. Indiana medical or psychiatric nurse practitioner license; Buprenorphine Waived. 0.1 FTE. Hire date: 9/1/22.
7. Case Manager: coordinates partnership meetings and projects; manages paperwork, consents, referrals, insurance verification, and scheduling; engages with community partners for successful client hand-offs; gathers information from referral sources and external providers; tracks and monitors clients post-crisis. Bachelor's degree in psychology, social work or related field; experience preferred. 1.0 FTE. Hire date: 8/1/22.
8. Campus Safety Coordinator: maintains safety for staff and clients. Monitors the interior and exterior environment. Ensures safe access for staff and clients. Responds to client escalation events with trauma-informed interventions. Provides on-the-spot housekeeping, snow removal and other tasks as needed. Certified in CPR and the Crisis



Prevention Institute's verbal and physical de-escalation skills. 0.5 FTE. Hire date: 10/1/22.

### *Materials*

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1. Office equipment: to equip staff to serve clients. Laptops for clinic staff (excluding nurse and prescriber), desk phones (1 for staff, 1 for clients), telemedicine cart (moveable computer and monitor for prescriber evaluations after-hours), security system (cameras, monitors and a panic button), printer/fax/copier/scanner. Purchase by 9/1/22.
2. Office furniture: to equip staff to provide quality services. 1 staff station with 4 staff chairs, 2 conference tables with chairs for the common area, 1 conference table with chairs for each of 2 consult rooms, 1 desk with desk chair and 2 guest chairs for each of 2 offices, 2 file cabinets, staff lockers, supply cabinet, locked cabinet to store sample medications. Purchase by 9/1/22.
3. Client furniture: to provide a welcoming, safe and sanitary environment of care. Medical-grade recliner chairs (5 regular, 1 oversized), 6 guest chairs, 6 side tables, 2 televisions, set of 6 lockers for client belongings. Purchase by 9/1/22.
4. Office supplies: to support the work of staff. Paper, pens, binders, forms, coffee, detergent, batteries, janitorial, etc. Purchase monthly through the grant period.
5. Cell phones: to communicate with clients, their families and friends, other healthcare providers, community resources, etc. 11 cell phones (5 Recovery Coaches, Manager, Asst. Manager, Case Manager, 2 social workers, APN). Purchase service monthly through the grant period.
6. Medical equipment: to assess and manage client medical needs for a holistic approach to care. 1 standard wheelchair, 1 oversize wheelchair, blood pressure cuffs, thermometer, glucometer, stethoscope, CPR equipment, scale. Purchase by 9/1/22.
7. Medical supplies: to address client health conditions. First aid supplies, Narcan, PPE, urine drug kits, breathalyzers, rapid COVID tests, injection supplies, epi pen, etc. Purchase monthly through the grant period.
8. Bedbug supplies: to maintain a hygienic environment for staff and clients. Car kits for each Recovery Coach, 1 clinic kit, 1 eradication container. Purchase by 9/1/22.
9. Marketing and educational materials: to educate Oaklawn staff, the community and clients about the Crisis Center, and provide clients and their family members with basic information about mental health conditions and treatment. Informational brochures about the crisis center, crisis services, mental illness. Purchase monthly through the grant period.
10. Bus/Uber/taxi vouchers: to assist clients. Vouchers will be provided for transportation for clients and their support people to return home after crisis stabilization. Purchase monthly through the grant period.
11. Client care supplies: to provide a safe, hygienic environment for clients, staff and visitors. Sheets to cover recliners, scrubs for clients who need clothes washed or don't have adequate clothes, blankets for client comfort. Purchase monthly through the grant period.
12. Client meals: to address the holistic needs of clients. Average of 3 meals per day for the average 3 clients present at any time, prepared by Oaklawn Food and Nutrition dept., including diabetic and other special meals. Purchase through the grant period.
13. Staff room supplies: to equip staff to serve clients. Kitchenette, refrigerator for client drinks and snacks, paper products, washer/dryer. Purchase by 9/1/22.

## *Other*

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1. Staff training: ICAADA, a subsidiary of Mental Health America of Indiana, provides credentialing and certification for behavioral health professionals. The Certified Addiction Peer Recovery Coach training involves 5 days of Recovery Coach Academy and 2 days of Peer Recovery Ethics Training. All Oaklawn Recovery Coach staff must have this certification. Complete by 12/31/22.
2. IARCP consulting: Oaklawn will contract with the International Association of Recovery Coach Professionals for assistance with recruiting and retaining Recovery Coaches. Complete by 12/31/22
3. Transportation: Reimburse staff for personal vehicle miles spent transporting clients to clinical appointments, pharmacies, community agencies, etc.
4. Rent: Covers overhead and upkeep of the space used for the Hub.
5. Phlebotomy: Oaklawn will expand its existing contract with LabCorp to provide phlebotomy services for the Crisis Center.

### **f. Equitable provision of care and culturally competent care**

One strategy Oaklawn has taken to improving cultural competence among staff is to recruit and hire staff of diverse backgrounds. 29.6% of Oaklawn's current Recovery Coaches are BIPOC. Oaklawn's DEI Committee oversees the cultural competency training of all staff. In 2022 the committee has \$20,000 from a SAMHSA grant to design an intense training plan that will elevate the cultural competence of Oaklawn's staff. This targets all levels of staff, from custodians to care providers to administrators. The DEI Committee, together with Oaklawn's Performance Improvement Committee, is implementing disparity monitors in several clinical areas to measure for variance in admission, treatment adherence and treatment outcomes.

### **g. Data Leverage and Outcomes Data Use**

The Program Manager and Oaklawn's Performance Improvement Manager will gather and analyze data to ensure that the KPIs and other quality measures are met or exceeded. The PI metrics will be monetized to demonstrate the program's value to stakeholders, managed care providers, and potential funding sources. Oaklawn will pursue long-term sustainability from the beginning of the project.

### **h. Community knowledge**

The Project Manager, in partnership with Oaklawn's Marketing team, will provide marketing materials, presentations, and case follow-up for law enforcement, healthcare professionals, community organizations/agencies and consumer advocacy groups like NAMI. They will prioritize those that reach underserved individuals, such as minority churches, FQHC and charity clinics, LGBTQ+ service providers and homeless services.

### **i. Partnerships**

In both Elkhart and St. Joseph Counties, Oaklawn will enhance existing partnerships to improve holistic, integrated behavioral health treatment to those in need. The primary partnerships are with law enforcement and emergency medical providers.

#### j. Barriers

Like most American employers, Oaklawn has seen unprecedented turnover and extended vacancies during the COVID-19 pandemic and “Great Resignation.” So far in Fiscal Year 2022, annualized turnover is 31.7% and retention is 83.5%. This is despite supercharged efforts to recruit and retain staff. To address this issue directly related to Recovery Coaches, Oaklawn will contract with the International Association of Recovery Coach Professionals for consulting services on staff recruitment and retention.

#### k. Timeline

<b>Table 1. Key Activities</b>	<b>Timeframe</b>
Participate in Grantee Meetings as scheduled	ongoing
Facilitate regular Community Partner meetings	ongoing
Site visit to Peoria, AZ	by 5/1/22
Finalize design for physical space.	by 6/1/22
Complete construction.	7/1/22-9/30/22
Develop marketing/educational materials	by 7/1/22
Purchase furniture, equipment and supplies.	7/1/22-9/30/22
Hire Project Manager and other staff to meet grant objectives; complete orientation, training, certification.	6/1/22-9/1/22
Create a standardized Center pathway and protocols.	7/1/22-9/30/22
Integrate Center services into Oaklawn crisis continuum	7/1/22-9/30/22
Develop and implement grant documentation methodologies	7/1/22-9/30/22
Design data collection tools, including client information, outcomes, satisfaction, successful diversion, partner satisfaction	7/1/22-9/30/22
Establish processes for data review/analysis, and resulting action planning	7/1/22-9/30/22
Design clinical documentation	7/1/22-9/30/22
<b>Service delivery</b>	<b>10/1/22-12/31/24</b>
Meet with partner organizations	7/1/22-12/31/24
Develop and disseminate marketing materials	7/1/22-12/31/24
Pursue sustainability <ul style="list-style-type: none"> <li>• identify potential grant opportunities, complete applications</li> <li>• negotiate reimbursement with managed care entities, and government entities</li> <li>• seek cost-sharing commitments by demonstrating financial savings to hospitals, law enforcement agencies and local government</li> </ul>	7/1/22-12/31/24
Data collection: KPIs, outcome measures, disparity measures	10/1/22-12/31/24
Project review/analysis with leadership, governance, community partners, Consumer Advisory Board. Incorporate recommendations into	10/1/22-12/31/24

<b>Table 1. Key Activities</b>	<b>Timeframe</b>
programming.	

<b>Table 2. Key Performance Indicators</b>		
<b>Goal</b>	<b>Measure</b>	<b>Timeframe</b>
<b>Oaklawn Crisis Hub</b>		
Provide a realistic solution to behavioral health crises for law enforcement.	# of law enforcement hand-offs per month	10 per month by 3/31/23 15 per month by 12/31/24
Prevent diversion of individuals in crisis from jail	# of law enforcement hand-offs that would have gone to jail	3 per month by 3/31/23 6 per month by 12/31/24
Prevent diversion of individuals in crisis from ERs	# of law enforcement hand-offs that would have gone to an ER	3 per month by 3/31/23 6 per month by 12/31/24
Support clients with treatment adherence post-crisis	% of clients served in the Crisis Center who are still actively engaged in behavioral health services after 3 mos.	20% by 3/31/23 40% by 12/31/24
<b>Beacon-Memorial Crisis Hub</b>		
Support clients with treatment adherence post-crisis	% of clients served in the Crisis Center who are still actively engaged in behavioral services after 3 mos.	20% by 3/31/23 40% by 12/31/24

## v. GRANT FUNDING/MATCH/KPIS

### *Funding*

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Services provided in the Crisis Centers will be coded to show their connection with the DMHA grant. Costs will be linked to the Crisis Center budget by Oaklawn's Finance department to ensure that there is a clear separation between the Center and other Oaklawn programs. This will be managed by Oaklawn's CFO under the direction of the Board of Directors' Finance Committee, and subject to annual independent financial audit. Monthly reports will show all grant income and expenses broken down by category for a clear snapshot of how grant funding is spent.

The \$250,000 pledged by the City of Goshen will be solely for construction costs to convert part of the current gym into the Crisis Center, and no grant funds will be used for construction. The space is designed as an open area with two offices, two consultation rooms, a staff work room, laundry space, and expanded bathrooms with showers. Mayor Stutsman has provided a signed letter of commitment as guarantee of the funds.

### *Key Performance Indicators*

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The KPIs relate directly to these project goals:

1. Individuals in crisis receive comprehensive services through the behavioral health system, instead of being diverted to hospital ERs and jails.
2. LGBTQ+ and BIPOC individuals are equitably served.

#### **KPIs – Oaklawn Crisis Center**

1. **Number of law enforcement referrals.** Measured by: number of hand-off documents completed by police.
2. **Number of individuals diverted from jail.** Measured by: number of police hand-off documents that show the individual would have been taken to jail.
3. **Number of individuals diverted from the ER.** Measured by:
  - a. number of police hand-off documents that show the individual would have been taken to the ER
  - b. number of client documents showing that they would have gone to the ER
  - c. number of clients who completed pre-admission screening in the Crisis Center instead of being transported to an ER before being admitted to an inpatient psychiatric program
4. **Number of individuals who engaged with behavioral health treatment for 3-months post-crisis.** Measured by: client tracking post-crisis.

#### **KPI – Beacon-Memorial Crisis Hub**

1. **Number of individuals who engaged with behavioral health treatment for 3-months post-crisis.** Measured by: client tracking post-crisis.

### *Data collection*

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Data collection will be supervised by Oaklawn's Performance Improvement Manager and compiled to demonstrate the impact of the grant project.

- Law enforcement officers will complete a brief hand-off document when bringing clients to the Crisis Hub. This will include a description of their prior activity with that client, and how the crisis would have been managed if the Behavioral Health Crisis Hub was not available.
- Self-referred clients will also be asked to complete a document showing their referral source and what resources they would have used if they could not come to the Hub.
- The Oaklawn Crisis Hub Case Manager will track
  - Demographics of clients served.
  - Whether clients remain engaged with behavioral health treatment for 3 months post-crisis.
  - The number of clients who received pre-admission screening in the Crisis Hub and did not need an ER visit prior to admission to an inpatient psychiatric unit.
  
- The Beacon-Memorial Recovery Coaches will track whether clients remain engaged with behavioral health treatment for 3 months post-crisis.

## vi. SUSTAINABILITY PLAN

Oaklawn has a three-fold strategy to sustain the Crisis Center project after the grant period. Longevity is a key job role for the Program Manager.

### *1. Community cost-sharing*

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The enthusiastic letters of support we have received and the City of Goshen's pledged financial investment in the Behavioral Health Crisis Center indicate the high level of buy-in that already exists in our community, and this will only increase as Oaklawn provides data that demonstrates how dollars invested in the Center will translate into dollars saved in their budgets for Elkhart County, the Cities of Goshen and Elkhart, local police agencies and local med/surg hospitals.

By tracking the number of individuals diverted from ERs and jail, we will be able to demonstrate the direct financial savings realized because of the Crisis Center. Oaklawn will encourage these agencies to reinvest a portion of their savings into sustaining the Center.

### *2. Grant funding*

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Oaklawn has a track record of successful grant applications and will seek out and apply for funding that can extend and even expand the Community Catalyst project.

### *3. Government and/or insurance reimbursement*

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Oaklawn will work with the Indiana Council of Community Mental Health Centers and the National Council for Mental Wellbeing to demonstrate the value of the Crisis Center, along with the CCBHC model to managed care organizations, government entities and policy makers. The National Council is already aggressively pursuing Medicaid prospective payment funding for CCBHCs. Both the Crisis Center and CCBHC contribute to reduced costs and improved clinical outcomes.

## B2. Grant Budget Narrative

### *Overview*

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The problem Oaklawn seeks to address with this grant project is the lack of outpatient crisis services for individuals with behavioral health conditions. Some of the problems associated with this are:

1. Law enforcement officers are trained to manage public order and enforce the law. They do not have the training or resources to manage behavioral health crises.
2. When a person needs to be removed from a situation for safety reasons, the options available to the police are to take them to jail or to a Hospital Emergency Room, neither of which is an urgent behavioral health care provider.
3. Incarceration does not contribute to health, and emergency room care often results in ambulance and hospital bills that the person can't afford to pay.
4. Hospital Emergency Rooms are designed to evaluate and stabilize seriously ill and injured patients. Their facilities, staff and resources are expensive and not designed to support a person in behavioral health crisis.
5. BIPOC, LGBTQ+, homeless, and other individuals often feel mistrustful of police officers, making it difficult to work with them to address a crisis situation.
6. If a person's behavioral health crisis can't be managed with current outpatient services, the only CMHC alternative is inpatient treatment. There is no intermediary level of care to provide intensive intervention to stabilize a person without a hospital admission. Individuals who aren't engaged in outpatient services can only access urgent care through hospitalization.

Oaklawn's proposed solution is the Behavioral Health Crisis Center. The Center is staffed by mental health professionals and Recovery Coaches who are trained in crisis de-escalation and trauma-informed care. The client remains in control of their circumstances and the care team supports them with designing a plan for care and safety. Clinical and medical services are available on-site. Clients can receive medications, including MAT prescriptions. Individuals who need emergent medical or psychiatric care can still be transferred to a Hospital ER or inpatient psychiatric setting.

### *Crisis Center Team*

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The Crisis Center is staffed by a team led by a Project Manager. The Manager is a master's level professional who is responsible for the successful completion of the grant project. This individual will ensure fidelity to grant requirements, ensure programming is trauma-responsive and culturally aware. They will work on internal and external marketing efforts, and engage with community partners. They will gather and utilize data to demonstrate the value of the project to stakeholders and pursue potential funding sources. The Assistant Project Manager, also a master's level professional, will oversee the Center outside of traditional business hours.



They will support the Manager and team, supervise staff, ensure appropriate disposition and follow-up for each client, and support adherence to Oaklawn's Mission, Vision and Values.

A social worker and team of Recovery Coaches will be primarily responsible for engaging with the client and any support people who accompany them. They will use recovery-oriented and clinical interventions to stabilize the client, monitor them and participate in designing a plan for safety and care. These interventions will be evidence-based when possible. The Case Manager will manage administrative tasks, communicate with the police officer or referral source, connect with the client's family or support network, provide linkage to emergency housing and other resources, and manage information exchange with the client's primary care provider and other community providers. They will liaise with the hospital Emergency Room or inpatient psychiatric center for clients who are transferred there. After the client's discharge from the Crisis Center, the Case Manager will monitor their engagement with community services.

The nurse will assess the client's overall health and provide health education. They will not be based in the Center, but will come when needed, approximately 4 hours per day (28 hours/week). The nurse will communicate with the prescriber and coordinate lab work and other pre-admission tasks for individuals being transferred to inpatient services. This will enable the client to go directly to the inpatient unit without having to go through a hospital Emergency Room. The nurse will support the prescriber. The prescriber, a physician or advance practice nurse, will conduct rounds in the Center. They will evaluate clients, provide guidance and direction to Center staff, prescribe medications to "bridge" clients until they can be seen in Outpatient services, collaborate with the client and Center team in designing care and safety plans, and establish medical policies for the Center.

Prescriptions will be filled by Genoa Pharmacy or through medication samples. The pharmacist will also assist with medication counseling, assemble one-dose medication packs for improved medication compliance, and offer COVID-19/flu vaccines and tobacco cessation interventions. These pharmacy services are already provided by Genoa at Oaklawn's Goshen facility and come at no-cost to Oaklawn. Oaklawn will contract with a LabCorp to provide onsite phlebotomy as-needed, principally to facilitate admission to psychiatric inpatient. Currently, clients must go through a hospital ER for medical clearance before being admitted to inpatient psychiatric services. In addition to making the client manage an additional transfer, it can also delay psychiatric admission for hours. With the grant project, this clearance will take place in the Crisis Center.

The Campus Safety Coordinator supports staff safety efforts. At Oaklawn, all staff are capable and responsible for providing a safe environment for clients and staff. The Coordinator assists by monitoring the interior and exterior environment, ensuring safe access for staff and clients, and responding to client escalation events with trauma-informed interventions. Additionally, they provide on-the-spot housekeeping and janitorial services, snow removal, and other tasks as needed.

### *Materials*

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The materials in the grant budget were selected to provide a safe, sanitary environment that is accessible to all and supports trauma-informed programming. Clients may sit at tables or in

recliner chairs, with space for their visitors to sit with them. Wheelchairs are available for clients as needed. Consultation rooms can be quickly repurposed as client rooms for those needing extra privacy or a low-stimulation space. Clients will be offered private locker space for any valuables they bring. They will be offered blankets, food and drinks for their physical comfort. Several televisions will be available for relaxation. A phone will be designated for clients and visitors to use.

As needed, clients may shower and change into scrubs while their clothes are washed. Scrubs, towels, shower shoes and hygiene supplies will be provided. Staff will use a Hotbox bedbug treatment on client belongings when needed. Car bedbug kits will also be provided to Recovery Coach staff, who transport clients.

Staff will share a centralized “station” that is visible to all clients and visitors. They will use laptop computers so they can move between the offices, conference tables, and the client’s chairside. A movable telemedicine cart will facilitate high-quality audio-video conferencing with prescribers when they are off-site. A locked cabinet will be installed in the locked staff room to provide appropriate double-lock security for sample medications.

Staff will be trained in First Aid, CPR and overdose response, and provided with Narcan and appropriate tools. Medical tests will be used to evaluate clients and to rule out medical issues that may be affecting the client’s psychiatric condition. Nursing staff will use medical equipment to conduct nursing assessments.

Each staff will be given a cell phone, and a single desk phone will allow staff to quickly reach other Oaklawn staff/departments, as well as to use Oaklawn’s Emergency Page system in the event of a Code Medical, Code Narcan or Code Assist. A video security system and 911-linked panic button will enhance security for staff and clients. Staff will use the office supplies and printer/fax/scanner/copier to conduct office work.

The staff room will be equipped with a kitchenette and storage lockers for staff. It will also include a refrigerator and freezer for client food/drinks. Meals, snacks and drinks will be brought to the Center by kitchen staff following the process that is already used to transport meals to Oaklawn’s inpatient unit. The kitchen is licensed by the State and a Registered Dietitian is responsible for healthy menus and special dietary needs.

The Center Manager will use marketing and educational materials to educate staff, community members, clients and referral sources about Center services. Additional educational materials will be offered to clients at the Center. Local transportation vouchers will assist clients with returning home or to a shelter after crisis stabilization.

### *Other*

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Oaklawn will host ICAADA, a subsidiary of Mental Health America of Indiana, in providing on-site Certified Addiction Peer Recovery Coach training. This involves 5 days of Recovery Coach Academy and 2 days of Peer Recovery Ethics Training, which are required for new Recovery Coach staff. It is in addition to the extensive training Oaklawn provides all staff, including HIPAA/confidentiality, safety/emergency management, crisis de-escalation, corporate

compliance/ethics, infection control, trauma-informed care, bedbug management, medical record documentation, and others. The Crisis Center Program Manager and their supervisor will get additional training by visiting RI International's Crisis Response Center (CRC) in Peoria, Arizona prior to opening the Oaklawn Crisis Center.

Oaklawn has been under the same hiring and retention pressures that are seen across the country in the past year. To give us an edge, we will contract with the International Association of Recovery Coach Professionals to provide consultation services designed to improve recruitment and retention of Recovery Coaches

Recovery Coaches will use their personal vehicles to make follow-up visits with clients, and well as to transport them to clinical appointments, pharmacies, community agencies, etc. They will be reimbursed per mile.

Rent covers overhead and upkeep of the space used for the Center. Locating the Center in Oaklawn's Goshen facility means that it comes already equipped with parking, maintenance, housekeeping, IT, etc.

#### St. Joseph County Hub

Oaklawn will provide four Recovery Coaches to the Beacon Memorial Hub, which is anticipated to open about October 1, 2022. These staff will provide recovery-oriented support and interventions to stabilize the client, monitor them, and engage them in designing a plan for safety and care. These interventions will be evidence-based when possible. Staff will be provided with laptops and cell phones, as well as safety, hygiene and bedbug supplies. They will be reimbursed for use of their personal vehicles. Furniture and other supplies will be provided by Beacon-Memorial.





**OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES**

**CONSOLIDATED FINANCIAL STATEMENTS**

**AND**

**SUPPLEMENTARY INFORMATION**

**JUNE 30, 2021 AND 2020**

*CPAs / ADVISORS*



**OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES**

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JUNE 30, 2021 AND 2020

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## REPORT OF INDEPENDENT AUDITORS

Board of Directors  
Oaklawn Psychiatric Center, Inc. and Affiliates  
Goshen, Indiana

We have audited the accompanying consolidated financial statements of Oaklawn Psychiatric Center, Inc. and Affiliates (OPC and Affiliates) which comprise the consolidated statements of financial position as of June 30, 2021 and 2020, and the related consolidated statements of operations and changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We did not audit the financial statements of Oaklawn Apartments, Inc., Simadon Corporation and Madison Residential Services, Inc., wholly-owned affiliates, whose statements reflect total assets of approximately \$1,849,000 and \$1,860,000 as of June 30, 2021 and 2020, respectively, and total revenues of approximately \$518,000 and \$511,000, respectively, for the years ended. Those statements were audited by other auditors, whose reports have been furnished to us, and in our opinion, insofar as it relates to the amounts included for Oaklawn Apartments, Inc., Simadon Corporation and Madison Residential Services, Inc., is based solely on the reports of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and *Uniform Compliance Guidelines for Examination of Entities Receiving Financial Assistance from Governmental Sources*, issued by the Indiana State Board of Accounts. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. The financial statements of Oaklawn Apartments, Inc., Simadon Corporation and Madison Residential Services, Inc. were not audited in accordance with *Uniform Compliance Guidelines for Examination of Entities Receiving Financial Assistance from Governmental Sources*, issued by the Indiana State Board of Accounts.

Board of Directors  
Oaklawn Psychiatric Center, Inc. and Affiliates  
Goshen, Indiana

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to OPC and Affiliates' preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of OPC and Affiliates' internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, based on our audits and the reports of the other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of OPC and Affiliates as of June 30, 2021 and 2020 and the results of its operations, changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating financial information on pages 33 through 36 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and changes in net assets of the individual entities, and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, which insofar as it relates to Oaklawn Apartments, Inc., Simadon Corporation and Madison Residential Services, Inc., is based on the reports of other auditors, the supplementary information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



Board of Directors  
Oaklawn Psychiatric Center, Inc. and Affiliates  
Goshen, Indiana

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 11, 2021, on our consideration of OPC and Affiliates' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering OPC and Affiliates' internal control over financial reporting and compliance.

**Blue & Co., LLC**

Indianapolis, Indiana  
October 11, 2021

## OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES

 CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
 JUNE 30, 2021 AND 2020

<b>ASSETS</b>		
	2021	2020
<b>Current assets</b>		
Cash	\$ 18,926,200	\$ 10,708,910
Patient receivables	2,698,785	2,816,983
Other receivables	6,010,519	4,788,520
Prepaid expenses and other current assets	663,599	915,062
Total current assets	<u>28,299,103</u>	<u>19,229,475</u>
<b>Property and equipment, net</b>	<u>11,015,126</u>	<u>12,990,206</u>
<b>Property and equipment held for sale</b>	<u>300,000</u>	
<b>Investments</b>		
Undesignated	11,637,867	14,946,275
Designated	1,526,674	1,208,032
Donor restricted	2,386,542	2,037,335
Beneficial interest - funds held by community foundations	<u>574,727</u>	<u>433,563</u>
Total investments	<u>16,125,810</u>	<u>18,625,205</u>
Total assets	<u>\$ 55,740,039</u>	<u>\$ 50,844,886</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current liabilities</b>		
Current portion of long-term debt	\$ 651,738	\$ 625,459
Accounts payable and accrued expenses	2,302,429	1,674,570
Estimated third-party settlements	1,480,496	1,390,519
Accrued wages and related liabilities	<u>3,274,045</u>	<u>3,033,991</u>
Total current liabilities	7,708,708	6,724,539
<b>Long-term debt, net of current portion</b>	7,335,302	7,979,379
<b>Deferred revenue</b>	824,848	854,040
<b>Derivative liability</b>	<u>524,454</u>	<u>826,624</u>
Total liabilities	<u>16,393,312</u>	<u>16,384,582</u>
<b>Net assets</b>		
Without donor restrictions		
Undesignated	34,705,657	30,835,495
Designated	<u>1,526,674</u>	<u>1,208,032</u>
Total without donor restrictions	36,232,331	32,043,527
With donor restrictions	<u>3,114,396</u>	<u>2,416,777</u>
Total net assets	<u>39,346,727</u>	<u>34,460,304</u>
Total liabilities and net assets	<u>\$ 55,740,039</u>	<u>\$ 50,844,886</u>

See accompanying notes to consolidated financial statements.

**OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES**

CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS  
YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
<b>Revenues</b>		
Patient service revenue	\$ 42,059,838	\$ 39,218,513
Public support	17,491,087	17,465,308
Other operating revenue	1,272,580	1,448,159
Total revenues	60,823,505	58,131,980
<b>Expenses</b>		
Salaries and wages	35,981,180	36,201,173
Employee benefits	7,111,640	8,648,697
Occupancy	3,293,475	3,252,374
Supplies and other	3,568,984	3,782,348
Purchased services	3,931,541	3,896,443
Depreciation	1,019,014	1,103,949
HAF and HIP programs	1,278,191	1,250,745
Interest	308,401	301,295
Total expenses	56,492,426	58,437,024
Operating income (loss)	4,331,079	(305,044)
<b>Nonoperating revenues (expenses)</b>		
Gain on disposal of property and equipment	43,819	3,748
Contributions	353,067	262,194
Investment return, net	413,995	683,554
Change in beneficial interest -		
funds held by community foundations	48,972	(6,763)
Unrealized gain (loss) on derivative	302,170	(388,361)
Impairment loss	(1,559,742)	
Other nonoperating expenses, net	(128,538)	(103,498)
Total nonoperating revenues (expenses)	(526,257)	450,874
Excess of revenues over expenses	3,804,822	145,830
<b>Other changes in net assets without donor restrictions</b>		
Net assets released from restriction	383,982	515,733
Change in net assets without donor restrictions	4,188,804	661,563
<b>Changes in net assets with donor restrictions</b>		
Net assets released from restriction	(383,982)	(515,733)
Investment return, net	424,613	27,119
Contributions	564,796	497,219
Change in beneficial interest -		
funds held by community foundations	92,192	(21,600)
Change in net assets with donor restrictions	697,619	(12,995)
Change in net assets	4,886,423	648,568
<b>Net assets</b>		
Beginning of year	34,460,304	33,811,736
End of year	\$ 39,346,727	\$ 34,460,304

See accompanying notes to consolidated financial statements.

## OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES

CONSOLIDATED STATEMENTS OF CASH FLOWS  
YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
<b>Operating activities</b>		
Change in net assets	\$ 4,886,423	\$ 648,568
Adjustments to reconcile changes in net assets to net cash flows from operating activities		
Depreciation	1,019,014	1,103,949
Amortization of debt issuance costs	7,335	7,335
Realized and unrealized gain on investments	(426,567)	(138,445)
Change in beneficial interest - funds held by community foundations	(141,164)	28,363
Unrealized (gain) loss on derivative	(302,170)	388,361
Gain on disposal of property and equipment	(43,819)	(3,748)
Impairment loss	1,559,742	
Restricted contributions, gifts and bequests	(564,796)	(497,219)
Changes in operating assets and liabilities		
Patient receivables	118,198	304,022
Other receivables	(1,221,999)	544,546
Prepaid expenses and other current assets	251,463	(312,119)
Accounts payable and accrued expenses	627,859	(405,364)
Estimated third-party settlements	89,977	(140,849)
Accrued wages and related liabilities	240,054	464,601
Contract liabilities	(29,192)	(29,190)
Net cash flows from operating activities	<u>6,070,358</u>	<u>1,962,811</u>
<b>Investing activities</b>		
Purchase of property and equipment	(908,979)	(397,455)
Proceeds from disposal of property and equipment	49,122	4,020
Purchase of investments	(4,056,723)	(4,199,561)
Proceeds from sale of investments	7,123,849	5,522,744
Net cash flows from investing activities	<u>2,207,269</u>	<u>929,748</u>
<b>Financing activities</b>		
Restricted contributions, gifts and bequests	564,796	497,219
Payments on long-term debt	(625,133)	(1,364,855)
Net cash flows from financing activities	<u>(60,337)</u>	<u>(867,636)</u>
Net change in cash	8,217,290	2,024,923
<b>Cash</b>		
Beginning of year	10,708,910	8,683,987
End of year	<u>\$ 18,926,200</u>	<u>\$ 10,708,910</u>
<b>Supplemental disclosures of cash flows information</b>		
Cash paid for interest	\$ 302,877	\$ 299,527

See accompanying notes to consolidated financial statements.

**OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Organization

Oaklawn Psychiatric Center, Inc. (OPC), an Indiana not-for-profit entity founded in 1962, is a community mental health center and psychiatric hospital that serves the residents of Elkhart, St. Joseph and surrounding counties in the State of Indiana. OPC carries the distinction of being the only faith-based community mental health center in the State. OPC provides mental health and substance abuse services through a continuum of care including inpatient, child and adolescent residential, adult group homes, case management, skills training, crisis interventions, outpatient counseling, substance abuse programs and consultative services. OPC carries out its mission on four campuses located in Elkhart and St Joseph counties, through school, home and community-based care and in partnership with a variety of other community providers. OPC is committed to enhancing the quality of life for its clients by creating systems of care for those in need and adopts a philosophy of recovery as we work with people "on the journey toward health and wholeness." OPC served approximately 24,200 individuals in 2021 through inpatient and outpatient programs, as well as community partnerships. Furthermore, OPC trained 6,000 community members and professionals to extend care throughout its' service area in 2021.

Principles of Consolidation

The consolidated financial statements include the accounts of OPC, Oaklawn Community Mental Health Center (OCMHC), Oaklawn Foundation for Mental Health, Inc. (the Foundation), as well as five Housing and Urban Development (HUD) projects. The following HUD projects were created through HUD Capital Advance Programs for purposes of providing housing for low-income eligible mental health clients:

- Oaklawn Apartments, Inc.
- Simadon Corporation
- Madison Residential Services, Inc.
- Oakland Estates Apartments, Inc.
- Riverside Corporation

OCMHC is an affiliated entity as the officers and directors of OPC serve in the same capacity for OCMHC and all operations are conducted by OPC. However, OCMHC is a dormant organization and has no continuing business activities. The Foundation and the HUD projects are wholly owned affiliates of OPC. Therefore, the financial results of the Foundation and HUD projects are included within OPC's consolidated financial statements. All material intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Areas where significant estimates that are sensitive to change in the near term are used in the accompanying consolidated financial statements include allowance for uncollectible accounts, estimated third-party settlements and contractual adjustments, self-funded medical claims incurred but unpaid, and derivative liability. Actual results could differ from those estimates.

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**OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020

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Cash

OPC and Affiliates maintain cash in bank deposits accounts, which, at times may exceed federally insured limits. OPC and Affiliates have not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Patient Receivables

Patient receivables are recorded at net realizable value based on certain assumptions determined by each payor. For third-party payors including Medicare, Medicaid, commercial and managed care, the net realizable value is based on the estimated contractual reimbursement percentage, which is based on current contract prices or historical paid claims data by payor. For self-pay accounts receivable, which includes patients who are uninsured and the patient responsibility portion for patients with insurance, the net realizable value is determined using estimates of historical collection experience without regard to aging category. These estimates are adjusted for estimated conversions of patient responsibility portions, expected recoveries and any anticipated changes in trends.

Patient receivables can be impacted by the effectiveness of OPC's collection efforts. Additionally, significant changes in payor mix, business office operations, economic conditions or trends in federal and state governmental healthcare coverage could affect the net realizable value of patient receivables. OPC also continually reviews the net realizable value of patient receivables by monitoring historical cash collections as a percentage of trailing net patient service revenue, as well as by analyzing current period net patient service revenue and admissions by payor classification, aged patient receivables by payor, days revenue outstanding, the composition of self-pay receivables between pure self-pay patients and the patient responsibility portion of third-party insured receivables.

Final settlements for some payors and programs are subject to adjustment based on administrative review and audit by third parties. As a result of these final settlements, OPC has recorded amounts due for estimated third-party settlements on the consolidated statements of financial positions.

Patient Service Revenue

Patient service revenue is reported at the amount that reflects the consideration to which OPC expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including health insurers and government payors), and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, OPC bills the patients and third-party payors several days after the services are performed or the patient is discharged from the facility. Revenue is recognized as the performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by OPC. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. OPC believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to patients receiving inpatient care services or patients receiving services in outpatient centers or other locations.

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**OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020

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OPC measures the performance obligation from admission into OPC, or the commencement of an outpatient service, to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge or completion of the outpatient services. The method of reimbursement for OPC is fee for service. The timing of revenue and recognition for healthcare services is transferred over time.

Because all of its performance obligations relate to contracts with a duration of less than one year, OPC has elected to apply the optional exemption provided in the Financial Accounting Standards Board's (the FASB) Accounting Standards Codification (ASC) 606-10-50-14a and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The unsatisfied or partially unsatisfied performance obligations referred to previously are primarily related to inpatient care services at the end of the reporting period. The performance obligations for these contracts are generally completed when the patients are discharged, which generally occurs within days or weeks of the end of the reporting period.

OPC determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients in accordance with OPC's policy, or implicit price concessions provided to uninsured patients. OPC determines its estimates of contractual adjustments and discounts based on contractual agreements, its discount policies, and historical experience. OPC determines its estimate of implicit price concessions based on its historical collection experience with this class of patients.

Agreements with third-party payors provide for payments at amounts less than established charges. A summary of the payment arrangements with major third-party payors follows:

- Medicare - Certain inpatient care services are paid at prospectively determined rates per discharge based on clinical, diagnostic, and other factors. Certain services are paid based on cost reimbursement methodologies subject to certain limits. Outpatient services are paid using prospectively determined rates.
- Medicaid and Medicaid Rehabilitation Option (MRO) - Reimbursements for Medicaid services are generally paid at prospectively determined rates per discharge, per occasion of service, or per covered member.
- Other - Payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations provide for payment using prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

*Medicaid and Hospital Assessment Fee (HAF) and Healthy Indiana Plan (HIP) Programs*

OPC participates in the State of Indiana's Hospital Assessment Fee (HAF) Program. The purpose of the HAF Program is to fund the State share of enhanced Medicaid payments and Medicaid Disproportionate Share payments for Indiana hospitals as reflected in the HAF Program expense reported in the consolidated statements of operations and changes in net assets. Previously, the State share was funded by governmental entities through intergovernmental transfers. The Medicaid enhanced payments relate to both fee for service and managed care claims. The Medicaid enhanced payments are designed to follow the patients and result in increased Medicaid rates. Hospitals also fund the Healthy Indiana Plan (HIP) Program, the State's Medicaid expansion program. The payments related to the HIP Program mirror the Medicaid payments under the HAF Program, but the funding includes physician, state administration, and certain non-hospital expenditures.

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**OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020

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During 2021 and 2020, OPC recognized HAF and HIP program expense of approximately \$1,278,000 and \$1,251,000, respectively, which resulted in Medicaid rate increases. The HAF and HIP program expense is included in operating expenses in the consolidated statements of operations and changes in net assets. The Medicaid rate increases under the HAF and HIP programs are included in patient service revenue in the consolidated statements of operations and changes in net assets.

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result of investigations by governmental agencies, various health care entities have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in providers entering into significant settlement agreements. Compliance with such laws and regulations may also be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties, and potential exclusion from the related programs. There can be no assurance that regulatory authorities will not challenge OPC's compliance with these laws and regulations, and it is not possible to determine the impact (if any) such claims or penalties would have upon OPC. In addition, the contracts OPC has with commercial payors also provide for retroactive audit and review of claims.

Settlements with third-party payors for retroactive revenue adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor and OPC's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known (that is, new information becomes available), or as years are settled or are no longer subject to such audits, reviews, and investigations.

Consistent with OPC's mission, care is provided to patients regardless of their ability to pay. Therefore, OPC has determined it has provided implicit price concessions to uninsured patients and other uninsured balances (for example, copays and deductibles). The implicit price concessions included in estimating the transaction price represents the difference between amounts billed to patients and the amounts OPC expects to collect based on its collection history with those patients. Patients who meet OPC's criteria for charity care are provided care without charge or at amounts less than established rates. Such amounts determined to qualify as charity care are not reported as revenue.

Generally, patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. OPC also provides services to uninsured patients and offers those uninsured patients a discount, either by policy or law, from standard charges. OPC estimates the transaction price for patients with deductibles and coinsurance and from those who are uninsured based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts, and implicit price concessions based on historical collection experience. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to patient service revenue in the period of the change. Subsequent changes that are determined to be the result of an adverse change in the patient's ability to pay are recorded as bad debt expense.

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**OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020

OPC has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are affected by the following factors:

- Payors (for example, Medicare, Medicaid, managed care or other insurance, patient) have different reimbursement and payment methodologies
- Length of patient's service or episode of care
- Geography of the service location
- Method of reimbursement (fee for service or capitation)
- OPC's line of business that provided the service (for example, inpatient, residential, case management, crisis intervention, outpatient counseling, substance abuse programs, consultative services, and so on)

For 2021 and 2020, OPC recognized revenue of approximately \$42,060,000 and \$39,219,000 respectively, from goods and services that transfer to the patient over time and none from goods and services that transfer to the patient at a point in time.

A summary of patient service revenue for 2021 and 2020 follows:

	2021	2020
Patient service revenue		
Inpatient	\$ 5,702,411	\$ 6,555,610
Outpatient	32,425,492	30,014,300
Residential	15,567,440	15,462,244
	<u>53,695,343</u>	<u>52,032,154</u>
Less		
Charity care	(2,442,312)	(2,828,381)
Contractual adjustments	(8,540,236)	(8,995,180)
Implied price concessions	(652,957)	(990,080)
Patient service revenue	<u>\$ 42,059,838</u>	<u>\$ 39,218,513</u>

A summary of patient service revenue by payor type for 2021 and 2020 follows:

	2021	2020
Payor type		
Medicaid	\$ 23,553,509	\$ 21,177,997
Self pay	841,197	784,370
Medicare	2,523,590	2,745,296
Department of Child Services	13,038,550	12,157,739
Third party contracts and other	2,102,992	2,353,111
	<u>\$ 42,059,838</u>	<u>\$ 39,218,513</u>

**OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020

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A summary of patient service revenue by service line for 2021 and 2020 follows

Service line	2021	2020
Inpatient	\$ 2,896,955	\$ 3,234,723
Outpatient	24,318,977	21,313,907
Residential	14,843,906	14,669,883
	\$ 42,059,838	\$ 39,218,513

Charity Care

OPC provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. The charity care amounts are not reported as net patient service revenue as OPC does not pursue collection. Amounts for foregone charges related to charity care for 2021 and 2020 totaled approximately \$2,442,000 and \$2,828,000, respectively. Medicaid expansion in the State of Indiana combined with other health care reform initiatives, increased insurance coverage for patients who were previously uninsured. During 2021 and 2020, OPC did not change its policies and procedures related to patient services for bad debt and charity care.

Of OPC's total operating expenses reported, an estimated \$2,522,000 and \$3,036,000 arose from providing services to charity patients during 2021 and 2020, respectively. The estimated costs of providing charity services are based on a calculation which applies a ratio of costs to charges to the gross uncompensated charges associated with providing care to charity patients. The ratio of cost to charges is calculated based on OPC's total expenses to gross patient service revenue.

Other Receivables

Other receivables relate to services rendered mainly to government entities for which payment was not received by year end. The balance consists primarily of amounts due from the State of Indiana Division of Mental Health and Addiction (DMHA) for community health services, Mental Health Funds Recovery Program and from Elkhart and St. Joseph Counties for county tax receipts to support community health services. See the "Public Support" section of this Note for further information. The other receivables are classified as current as they are expected to be collected during the next fiscal year.

Property, Equipment and Depreciation

Expenditures for property and equipment and items which substantially increase the useful lives of existing assets are capitalized at cost. OPC and Affiliates provides for depreciation on the straight-line method at rates designed to depreciate the costs of assets over estimated useful lives as follows:

	Years
Buildings	18-30
Building and land improvements	5-20
Furnishings and equipment	3-10
Leasehold improvements	10

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Gifts of long-lived assets such as land, buildings, or equipment are reported as support without donor restrictions, and are excluded from the performance indicator, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

OPC and Affiliates are subject to the provisions of the Impairment or Disposal of Long-Lived Assets topic of the FASB's ASC 360-10 *Impairment or Disposal of Long-Lived Assets* which has no retroactive impact on OPC and Affiliates' consolidated financial statements. The standard requires impairment losses to be recorded on long-lived assets when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets (excluding interest) are less than the carrying amount of the assets. In such cases, the carrying value of assets to be held and used are adjusted to their estimated fair value and assets held for sale are adjusted to their estimated fair value less selling expenses. During 2021, OPC and Affiliates recognized an impairment loss of approximately \$1,560,000. There was no impairment loss in 2020.

Investments and Investment Income

Investments consist primarily of funds that are undesignated, designated for reserve requirements and donor restricted. The funds consist mainly of cash and marketable equity and debt securities. Investments in marketable equity and debt securities are measured at fair value in the consolidated statement of financial position. Fair values are based on quoted market prices, if available, or estimated using quoted market prices for similar securities. Investment income or loss, net of any investment expenses (including net realized and unrealized gains and losses on investments, interest and dividends) is included in investment return, net as a component of the performance indicator unless the income is restricted by donor or law.

Deferred Financing Costs

Deferred financing costs represent costs incurred in connection with the issuance of long-term debt. Such costs are amortized over the term of the respective debt. The costs incurred in issuing the debt are classified with long-term debt, as a deduction, and are amortized using the effective-interest method over the respective term of the debt issues.

Estimated Third-Party Settlements

Estimated third party settlements for certain governmental programs reflect the difference between interim reimbursement and reimbursement determined by contractual agreements and third-party audits. Based upon payments received from certain governmental programs, OPC has estimated and recorded a liability of approximately \$1,480,000 and \$1,391,000 as of June 30, 2021 and 2020, respectively. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

Deferred Revenue

Deferred revenue consists primarily of prepaid rental income and is recognized when earned over the period of the agreements.

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Net Asset Classifications

Net assets are classified into one of two classes of net assets based on the absence or existence of donor-imposed restrictions. A description of each class follows:

- Net assets without donor restrictions – Net assets without donor restrictions are resources available to support operations. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of OPC and Affiliates, the environment in which they operate, the purposes specified in corporate documents and applications for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the normal course of operations. These net assets are identified as undesignated or designated for specified purposes. Designated amounts relate to funds internally designated by OPC and Affiliates for debt service, operational reserve requirements and other designations.
- Net assets with donor restrictions - Net assets subject to donor-imposed restrictions that may or will be met either by action of OPC and Affiliates and/or the passage of time and net assets subject to donor-imposed restrictions that neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of OPC and Affiliates. Included in this classification are endowment funds, which are subject to the restrictions of gift instruments requiring that the principal be maintained in perpetuity, and invested for the purpose of producing present and future income. In addition, earnings on donor restricted endowment funds are considered to be restricted and are classified as net assets with donor restrictions until those amounts are appropriated for expenditure. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of operations and changes in net assets as net assets released from restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized.

Public Support

OPC receives revenue from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Receipt of these funds is subject to the fulfillment of certain obligations by OPC as prescribed by these programs and funds may be subject to repayment upon a determination of noncompliance made by a funding agency. Furthermore, OPC has a contract with DMHA to provide community mental health services. The State of Indiana has a performance-based reimbursement system. Under this program, OPC is paid a fixed quarterly amount for outcome measures and a performance based quarterly amount for process measures with a possible bonus at year-end. Amounts received are recognized as revenue when OPC has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the consolidated statements of financial position. OPC did not have refundable advances as of June 30, 2021 or 2020. OPC did recognize receivables from these programs of approximately \$308,300 and \$333,000 as of June 30, 2021 and 2020, respectively, which is included in other receivables on the consolidated statements of financial position.

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Indiana state law stipulates that the counties served by comprehensive mental health centers provide the centers a minimum designated amount per the county assessed value growth quotient determined by Department of Local Government Finance. Tax receipts are designated to be remitted to the centers typically twice each year. OPC recognizes the county tax receipts as income in the period the funds are due from the counties. Accordingly, amounts are recorded as other receivables or refundable advances based upon the timing of the actual receipts.

OPC participates in the Mental Health Funds Recovery Program (MHFRP). Funding for MHFRP is available through the Medicaid Program for certain administrative activities. Funding under MHFRP is available only to those providers who are certified as Managed Care Providers or Community Mental Health Centers by DMHA. Recognition of revenue under MHFRP is conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses.

OPC derives a significant portion of its revenue from third-party payors and Federal and state funding programs. The receipt of future revenues by OPC is subject to among other factors, Federal and state policies affecting the health care industry, economic conditions that may include an inability to control expenses in periods of inflation, increased competition, market pressures on premium rates and other conditions, which are impossible to predict.

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. OPC and Affiliates recognize all contributions as income in the period received. All contributions are considered to be without donor restrictions unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of operations and changes in net assets as net assets released from restrictions. Contributions that are received and whose restrictions are satisfied within the same reporting period are reported as net assets without donor restrictions. OPC and Affiliates also evaluate whether a contribution is unconditional or conditional based on the absence or presence of barriers and any right of return provisions.

Income Taxes

OPC and Affiliates are not-for-profit corporations as described in Section 501(c)(3) of the Internal Revenue Code. As such, OPC and Affiliates are generally exempt from income taxes. However, OPC and Affiliates are required to file Federal Form 990 – Return of Organization Exempt from Income Tax, which is an informational return only. Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by OPC and Affiliates and recognize a tax liability if OPC and Affiliates have taken an uncertain position that more likely than not would not be sustained upon examination by various Federal and state taxing authorities. Management has analyzed the tax positions taken by OPC and Affiliates, and has concluded that as of June 30, 2021 and 2020, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying consolidated financial statements. OPC and Affiliates are subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

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OPC and Affiliates have filed their Federal and state income tax returns for periods through June 30, 2020. These income tax returns are generally open to examination by the relevant taxing authorities for a period of three years from the later of the date the return was filed or its due date (including approved extensions).

Operating and Performance Indicators

The consolidated statements of operations and changes in net assets include an operating indicator, operating income (loss), and a performance indicator, excess of revenues over expenses. The operating indicator excludes nonoperating activities and other changes in net assets without donor restrictions. The performance indicator excludes changes in net assets without donor restrictions such as equity transfers from affiliated parties, net assets released from restriction, contributions to supported entities, liquidating distributions, and contributions of long-lived assets.

Contingencies

OPC and Affiliates are involved in various legal proceedings and litigation arising in the ordinary course of business. Although the eventual outcome of these matters is not presently determinable, in the opinion of OPC and Affiliates' management, the resolution of such proceedings and litigation will not have a material adverse effect on OPC and Affiliates' future financial position, results of operations or cash flows.

Going Concern Evaluation

Management evaluated whether there were conditions or events that raise substantial doubt about OPC and Affiliates' ability to continue as a going concern for a period of one year from the date the consolidated financial statements were available to be issued. Management determined there were no conditions or events that would raise substantial doubt about OPC and Affiliates' ability to continue as a going concern for a period of one year from the date the consolidated financial statements were available to be issued.

Subsequent Events

OPC and Affiliates evaluated events or transactions occurring subsequent to the consolidated statement of financial position date for recognition and disclosure in the accompanying consolidated financial statements through the date the consolidated financial statements were available to be issued which is October 11, 2021.

Upcoming Accounting Standards Updates

In February 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*. OPC is not required to adopt this ASU until its fiscal year ending June 30, 2023. The ASU is intended to improve financial reporting about leasing transactions by requiring entities that lease assets to recognize on their statement of financial position the assets and liabilities for the rights and obligations created by those leases, and to provide additional disclosures regarding the leases. Leases with terms (as defined in the ASU) of twelve months or less are not required to be reflected on an entity's statement of financial position.

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In September 2020, the FASB issued ASU No. 2020-07 *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This standard is intended to increase transparency around contributed nonfinancial assets (also known as "gifts-in-kind") received by not-for-profit (NFP) organizations, including information on how those assets are used and how they are valued. This standard requires that an NFP present contributed nonfinancial assets as a separate line item in the consolidated statement of operations and changes in net assets, apart from contributions of cash or other financial assets. In addition, there are expanded disclosure requirements. OPC will be required to adopt this new standard in its year ending June 30, 2022.

OPC is presently evaluating the effects that these ASUs will have on its future consolidated financial statements, including related disclosures.

**2. LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES**

As of June 30, 2021, OPC and Affiliates has approximately \$27,636,000 of financial assets available within one year of the consolidated statement of financial position date to meet cash needs for general expenditure consisting of cash of \$18,926,000, patient receivables of \$2,699,000, and other receivables of \$6,011,000. Patient receivables and other receivables are subject to implied time restrictions, but are expected to be collected within one year. As part of OPC and Affiliates' liquidity management, it has a policy to structure financial assets to be available as its general expenditures, liabilities, and other obligations come due. As of June 30, 2020, OPC and Affiliates has approximately \$18,315,000 of financial assets available within one year of the consolidated statement of financial position date to meet cash needs for general expenditure consisting of cash of approximately \$10,709,000, patient receivables of \$2,817,000, and other receivables of \$4,789,000.

As of June 30, 2021 and 2020, OPC and Affiliates had approximately \$11,638,000 and \$14,946,000, respectively, in long-term investments which were without donor restriction and undesignated. While there is no intent to liquidate these investments, they are available to OPC and Affiliates if needed. Furthermore, OPC and Affiliates had \$5,000,000 and \$3,000,000 available on its line of credit available to meet cash flow needs as June 30, 2021 and 2020, respectively.

**3. FUNCTIONAL EXPENSES**

The costs of providing various programs and other activities have been summarized on a functional basis in the tables below. Accordingly, certain costs have been allocated among the mental health care services, general and administrative, and fundraising functional categories based on actual direct expenditures incurred by departments, locations, and cost centers, and cost allocations based on time spent by OPC's personnel, which primarily include salaries and wages and employee benefits. Other costs require allocations based on a reasonable basis that is consistently applied. The costs that are allocated include occupancy, supplies and other, purchased services, depreciation, and interest, which are allocated based on the ratio of direct costs charged to the category to total direct costs. Although the methods used were appropriate, alternative methods may provide different results.

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Functional expenses for 2021 and 2020 are as follows:

	June 30, 2021			
	Mental Health Care Services	General and Administrative	Fundraising	Total Expenses
Salaries and wages	\$ 32,363,001	\$ 3,626,641	\$ 90,654	\$ 36,080,296
Employee benefits	6,393,048	720,063	18,118	7,131,229
Occupancy	1,755,643	1,535,635	2,197	3,293,475
Supplies and other	2,726,536	832,353	19,928	3,578,817
Purchased services	1,872,617	2,058,924		3,931,541
Depreciation	893,511	124,902	601	1,019,014
HAF and HIP programs	1,278,191			1,278,191
Interest	276,627	30,999	775	308,401
Total expenses by function	47,559,174	8,929,517	132,273	56,620,964
Expenses included in nonoperating revenues (expenses)				
Other nonoperating expenses, net			(128,538)	(128,538)
	<u>\$ 47,559,174</u>	<u>\$ 8,929,517</u>	<u>\$ 3,735</u>	<u>\$ 56,492,426</u>
	June 30, 2020			
	Mental Health Care Services	General and Administrative	Fundraising	Total Expenses
Salaries and wages	\$ 32,499,714	\$ 3,696,589	\$ 81,913	\$ 36,278,216
Employee benefits	7,774,764	873,385	18,954	8,667,103
Occupancy	1,701,716	1,548,798	1,860	3,252,374
Supplies and other	2,808,080	958,303	24,014	3,790,397
Purchased services	2,117,963	1,778,480		3,896,443
Depreciation	984,593	118,883	473	1,103,949
HAF and HIP programs	1,250,745			1,250,745
Interest	273,285	27,297	713	301,295
Total expenses by function	49,410,860	9,001,735	127,927	58,540,522
Expenses included in nonoperating revenues (expenses)				
Other nonoperating expenses, net			(103,498)	(103,498)
	<u>\$ 49,410,860</u>	<u>\$ 9,001,735</u>	<u>\$ 24,429</u>	<u>\$ 58,437,024</u>



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**4. PROPERTY AND EQUIPMENT**

Property and equipment as of June 30, 2021 and 2020 is summarized below:

	2021	2020
Land and improvements	\$ 2,521,812	\$ 2,645,378
Buildings and improvements	20,315,311	22,446,804
Furnishings and equipment	11,467,246	12,296,706
Construction in progress	461,655	48,795
	<u>34,766,024</u>	<u>37,437,683</u>
Accumulated depreciation	<u>(23,750,898)</u>	<u>(24,447,477)</u>
	<u>\$ 11,015,126</u>	<u>\$ 12,990,206</u>

There were no significant outstanding commitments related to property and equipment as of June 30, 2021 and 2020.

Rest Haven

In 2001, OPC entered into a lease agreement with Rest Haven, Inc. (Rest Haven), a not-for-profit organization. Rest Haven provides a separate treatment facility for individuals of the Amish faith. Rest Haven solicited \$250,000 in donations from Amish individuals, churches and districts. Additionally, Rest Haven coordinated the construction of the Rest Haven facility by obtaining donated services, machine hire, planning and labor having an agreed-upon value of \$150,000. The terms of the lease agreement include options to renew for an additional thirty-four years, at five year intervals. Rest Haven is currently leasing this facility from OPC for a five year term expiring in December 2022.

In consideration of the \$250,000 of cash contributions and the \$150,000 of in-kind contributions, no specific amount of rent is required under the lease agreement. The lease agreement provides that in the event Rest Haven chooses not to renew the lease, OPC would be obligated to pay Rest Haven the unamortized balance, as defined by the lease agreement, of \$250,000. If OPC chooses to terminate the lease, OPC would be obligated to pay Rest Haven for the unamortized balance, as defined, of \$400,000. OPC is accounting for the \$400,000 as deferred revenue to be amortized over the thirty-nine year period (initial lease term and all renewal periods). Deferred revenue, related specifically to this lease agreement as of June 30, 2021 and 2020 was approximately \$200,000 and \$210,000, respectively.

The cost of the property as of June 30, 2021 and 2020 was approximately \$426,000. The accumulated depreciation on the property as of June 30, 2021 and 2020 was \$208,000 and \$197,000, respectively.

Horizons of Hope

In 2015, OPC entered into a lease agreement with Horizons of Hope, Inc. (Horizons), a not-for-profit organization. Horizons provides a separate treatment facility for women of the Amish faith. The terms of the lease agreement include options to renew for an additional thirty-four years, at five year intervals. Horizons is currently leasing this facility from OPC for a five year term expiring in May 2025.

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The lease agreement provides that in the event Horizons chooses not to renew the lease, OPC would be obligated to pay Horizons the unamortized balance, as defined, of \$739,000. If OPC chooses to terminate the lease, OPC would be obligated to pay Horizons for the unamortized balance, as defined by the lease agreement, of \$739,000. OPC is accounting for the \$739,000 as deferred revenue to be amortized over the thirty-nine year period (initial lease term and all renewal periods). Deferred revenue, related specifically to this lease agreement as of June 30, 2021 and 2020 was approximately \$625,000 and \$644,000, respectively.

The cost of the property as of June 30, 2021 and 2020 was approximately \$749,000. The accumulated depreciation on the property as of June 30, 2021 and 2020 was \$132,000 and \$110,000, respectively.

**5. INVESTMENTS**

Investments consist of the following as of June 30, 2021 and 2020:

	2021	2020
Cash	\$ 1,061,586	\$ 1,056,926
Money market funds	42,840	555,264
Mutual funds	3,512,966	2,589,422
Fixed income obligations	10,933,691	13,990,030
Beneficial interest - funds held by community foundations	574,727	433,563
	<u>\$ 16,125,810</u>	<u>\$ 18,625,205</u>

The Foundation records a beneficial interest – funds held by community foundations which include funds held by Elkhart County Community Foundation and the Community Foundation of St. Joseph County. Approximately \$152,000 of the beneficial interest was without donor restrictions, \$81,000 was with donor restrictions for specified purposes and the remaining \$342,000 was with donor restrictions maintained in perpetuity as of June 30, 2021. Approximately \$104,000 of the beneficial interest was without donor restrictions and the remaining \$330,000 was with donor restrictions maintained in perpetuity as of June 30, 2020.

Additionally, the Foundation benefits from the investment income earned related to approximately \$303,000 and \$221,000 of funds as of June 30, 2021 and 2020, respectively, held at the Elkhart County Community Foundation and the Community Foundation of St. Joseph County. These funds are not recorded on the consolidated financial statements since these two community foundations have variance power.

**OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES**

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Investment return, net included in nonoperating revenues (expenses) and changes in net assets with donor restrictions on the consolidated statements of operations and changes in net assets is comprised of the following for 2021 and 2020:

	2021	2020
Interest and dividends	\$ 442,287	\$ 602,474
Investment fees	(30,246)	(30,246)
Realized gain on investments	58,405	51,457
Unrealized gain on investments	368,162	86,988
	\$ 838,608	\$ 710,673

## 6. FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that OPC and Affiliates have the ability to access.
- Level 2: Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used as of June 30, 2021 and 2020:

- *Mutual funds*: Valued at the daily closing price as reported by the fund. Mutual funds held by OPC and Affiliates are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their net asset value (NAV) and to transact at that price. The mutual funds held by OPC and Affiliates are deemed to be actively traded.
- *Fixed income obligations*: Valued using pricing models maximizing the use of observable inputs for similar securities.

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- *Beneficial interest - funds held by community foundations*: Valued at the fair value as reported by the community foundations, which represents OPC and Affiliates' pro rata interest in the community foundations' pooled investment funds, substantially all of which are valued on a mark-to-market basis.
- *Derivative (Interest rate swap agreement)*: Valued using pricing models that are derived principally from observable market data based on discounted cash flows and interest rate yield curves at quoted intervals for the full term of the swap. See the note disclosure "Derivatives Financial Instruments – Interest Rate Swaps" for additional information related to derivatives.

The following tables set forth by level, within the hierarchy, OPC and Affiliates' assets and liabilities measured at fair value on a recurring and non-recurring basis as of June 30, 2021 and 2020 as follows:

	June 30, 2021			
	Total	Level 1	Level 2	Level 3
Recurring fair value measurements				
Assets				
Investments				
Mutual funds				
Large cap core	\$ 982,153	\$ 982,153	\$ -	\$ -
Fixed income	914,337	914,337		
International	584,971	584,971		
Other	1,031,505	1,031,505		
Total mutual funds	3,512,966	3,512,966		
Fixed income obligations				
Financial	6,210,058		6,210,058	
Consumer goods	2,609,861		2,609,861	
Other	2,113,772		2,113,772	
Total fixed income obligations	10,933,691		10,933,691	
Beneficial interest - funds held by community foundations	574,727			574,727
	15,021,384	\$ 3,512,966	\$ 10,933,691	\$ 574,727
Cash and money market funds	1,104,426			
	\$ 16,125,810			
Liabilities				
Derivative liability	\$ 524,454	\$ -	\$ 524,454	\$ -
Nonrecurring fair value measurements				
Assets				
Property and equipment held for sale	\$ 300,000	\$ -	\$ -	\$ 300,000

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	June 30, 2020			
	Total	Level 1	Level 2	Level 3
Recurring fair value measurements				
Assets				
Investments				
Mutual funds				
Large cap core	\$ 590,214	\$ 590,214	\$ -	\$ -
Fixed income	771,424	771,424		
International	439,533	439,533		
Other	788,251	788,251		
Total mutual funds	<u>2,589,422</u>	<u>2,589,422</u>		
Fixed income obligations				
Financial	6,981,610		6,981,610	
Consumer goods	4,295,263		4,295,263	
Other	2,713,157		2,713,157	
Total fixed income obligations	<u>13,990,030</u>		<u>13,990,030</u>	
Beneficial interest - funds held by community foundations	<u>433,563</u>			<u>433,563</u>
	17,013,015	<u>\$ 2,589,422</u>	<u>\$ 13,990,030</u>	<u>\$ 433,563</u>
Cash and money market funds	<u>1,612,190</u>			
	<u>\$ 18,625,205</u>			
Liabilities				
Derivative liability	<u>\$ 826,624</u>	<u>\$ -</u>	<u>\$ 826,624</u>	<u>\$ -</u>

The following is a reconciliation of activity for assets measured on a recurring basis at fair value based upon significant unobservable (Level 3):

	2021	2020
Funds held by community foundations		
Beginning of year	\$ 433,563	\$ 461,926
Additions	34,063	1,050
Distributions and fees	(35,293)	(34,340)
Unrealized gain related to instruments held at reporting date	<u>142,394</u>	<u>4,927</u>
End of year	<u>\$ 574,727</u>	<u>\$ 433,563</u>

Property and equipment held for sale of \$300,000 was measured at fair value on a nonrecurring basis as of June 30, 2021 and reported in level 3 valued at the expected cash flow generated and estimated proceeds net of selling expenses from eventual disposition. The carrying value of the property and equipment was approximately \$1,860,000 and is anticipated to be sold, based on letter of intent and appraisal, for \$300,000 before selling expenses resulting in an impairment loss of approximately \$1,560,000 for 2021. There were no assets measured on a nonrecurring basis as of June 30, 2020.

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Realized gains and losses are reported in the consolidated statements of operations and changes in net assets as a component of investment return. Realized gains recorded during 2021 and 2020 approximated \$58,000 and \$51,000, respectively. Differences between market value and cost of investments are classified as unrealized gains or losses. Unrealized gains or losses are included in earnings for the period attributable to the change in unrealized gains relating to assets held as of June 30, 2021 and 2020 and are reported in the consolidated statements of operations and changes in net assets in investment return.

OPC and Affiliates hold investments which are exposed to various risks such as interest rate, market, and credit. Due to the level of risk associated with these securities and the level of uncertainty related to changes in the value, it is at least reasonably possible that changes in the various risk factors will occur in the near term that could materially affect the amounts reported in the accompanying consolidated financial statements.

**7. LONG-TERM DEBT**

Long-term debt as of June 30, 2021 and 2020 is summarized as follows:

	<u>2021</u>	<u>2020</u>
Adjustable Rate Demand Revenue Refunding Bonds		
Series 2018 dated August 31, 2018 due October 1, 2030. Quarterly principal payments ranging from \$132,500 to \$216,250, interest due monthly at 79% multiplied by the sum of one month LIBOR plus 1.72% (1.43% as of June 30, 2021) with a balloon payment due August 2028. Secured by assets with a net book value of approximately \$8,016,000 and \$9,883,000 as of June 30, 2020, and 2020, respectively.	\$ 6,937,500	\$ 7,525,000
HUD Supportive Housing Program Loan	100,000	100,000
HOME Neighborhood Participation Program Loan	105,000	105,000
Mortgage payable to Indiana Housing & Community Development Authority, fixed interest at 2%, due 2032, principal and interest payments of \$1,319 are due each month, collateralized by property with a net book value of approximately \$658,000 and \$691,000 as of June 30, 2021 and 2020, respectively.	160,085	171,448
Mortgage payable to Federal Housing Administration, monthly installments of principal and interest of \$4,250, maturity date of April 1, 2042, fixed interest at 3.48%, collateralized by property and equipment with a net book value of approximately \$238,000 and \$213,000 as of June 30, 2021 and 2020, respectively.	<u>755,052</u>	<u>779,322</u>
	8,057,637	8,680,770
Unamortized debt issuance costs	(70,597)	(75,932)
Current portion	<u>(651,738)</u>	<u>(625,459)</u>
	<u>\$ 7,335,302</u>	<u>\$ 7,979,379</u>

**OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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During August 2018, the Hospital Authority of Elkhart County (Hospital Authority) issued Adjustable Rate Demand Revenue Refunding Bonds, Series 2018 in the amount of \$8,495,000 to refinance the Series 2013 Bonds. OPC, the Hospital Authority and Fifth Third Bank (Fifth Third) entered into a Bond Purchase Agreement (Series 2018 Agreement) whereby Fifth Third purchased from the Hospital Authority all of the Series 2018 Bonds in a private placement. The Series 2018 Agreement provides that Fifth Third will hold the Series 2018 Bonds through August 2028. At the expiration of the Series 2018 Agreement in 2028, OPC would be subject to payment of the remaining principal balance of approximately \$1,886,000 if a new bond purchase agreement is not executed with Fifth Third or another qualifying institution, or the Series 2018 Bonds cannot be remarketed.

The HUD Supportive Housing Program Loan and the HOME Neighborhood Participation Program Loan are both related to the same property with a net book value of approximately \$173,000 and \$180,000 as of June 30, 2021 and 2020, respectively. Both loans are to set to mature on June 30, 2026. These loans bear no interest and repayment is not required as long as the housing projects remain available for the purpose stated in the loan/grant documents. If a default occurs under the terms of these agreements, at the option of the holder, the entire principal and accrued interest (interest accrues at approximately 5% annually) would become due and payable without notice. As of the date of these consolidated financial statements, management believes they have met the criteria required and no interest or principal payments are anticipated.

The following residential properties were awarded grants under HUD section 811 Capital Advance Program:

- Oakland Estates Apartments, Inc.
- Riverside Corporation
- Simadon Corporation
- Madison Residential Services, Inc.

According to the regulatory agreements, the capital advances will bear no interest and are not required to be repaid so long as the residential units remain available for low-income eligible mental health clients for a period of forty years. It is management's intention to comply with the requirements of this program. Management considers the contingent repayment of these grant proceeds to be remote. The capital advances approximated \$3,500,000 as of June 30, 2021 and 2020. The individual amounts range from \$275,000 to \$1,357,000, expire from 2035 through 2047 and are included in net assets without donor restrictions on the consolidated statements of financial position.

Included in investments on the consolidated statements of financial position are designated HUD reserves of approximately \$500,000 and \$489,000 as of June 30, 2021 and 2020, respectively. The reserves include repair and replacement costs and other escrows which are subject to HUD approval prior to expending.

**OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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Aggregate future maturities for long-term debt obligations for the years succeeding June 30, 2021 are as follows:

Year Ending June 30,	
2021	\$ 651,738
2022	676,594
2023	702,778
2024	731,501
2025	762,735
Thereafter	<u>4,532,291</u>
	<u>\$ 8,057,637</u>

OPC has a \$5,000,000 line of credit with Fifth Third. The line of credit bears interest at a variable rate (one month LIBOR plus 1.50%) and is secured by property and accounts receivable with a net book value of \$5,000,000 as of June 30, 2021 and 2020. The line of credit expires in January 2022. There were no outstanding borrowings on the line of credit as of June 30, 2021 and 2020.

## **8. DERIVATIVE FINANCIAL INSTRUMENT – INTEREST RATE SWAP**

### Objectives and Strategies for Using Derivatives

OPC makes limited use of derivative financial instruments for the purpose of managing interest rate risk. In particular, forward interest rate swaps are used to manage the risk associated with interest rates on variable-rate borrowings and to lower its overall borrowing costs.

During 2019, OPC entered into a new interest rate swap transaction for the Series 2018 Bonds. As of June 30, 2020, the interest rate swap agreement with Fifth Third had a total notional amount of approximately \$7,500,000. The interest rate swap agreement effectively changed OPC's interest rate exposure on a portion of its series 2018 Bonds to a fixed 2.34%. Fifth Third paid the variable rate, 2.83%, as of June 20, 2020. As of June 30, 2021, the interest rate swap agreement with Fifth Third had a total notional amount of approximately \$6,900,000. The interest rate swap agreement effectively changed OPC's interest rate exposure on a portion of its series 2018 Bonds to a fixed 2.34%. Fifth Third paid the variable rate, 1.43%, as of June 20, 2020.

The interest rate swap agreement matures in August 2028. OPC is exposed to credit loss in the event of nonperformance by the other parties to the interest rate swap agreements. However, OPC does not anticipate nonperformance by the counterparties.

These derivatives are not designated as hedging instruments, and are marked-to-market on the consolidated statements of financial position at fair value at the end of each period. The related gains and losses are included in excess of revenues over expenses, the performance indicator, for the reporting period. Cash flows from interest rate swap contracts are classified as an operating activity on the consolidated statements of cash flows.



**OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES**

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The following derivative liability, as of June 30, 2021 and 2020, and unrealized loss on derivatives, for 2021 and 2020, were reported in the consolidated statements of financial position and consolidated statements of operations and changes in net assets:

	<u>2021</u>	<u>2020</u>
Derivative liability	\$ 524,454	\$ 826,624
Unrealized gain (loss) on derivative	\$ 302,170	\$ (388,361)

Additional information regarding fair value measurements of the interest rate swap agreements is disclosed in the Fair Value Measurements note.

**9. NET ASSETS WITH DONOR RESTRICTIONS AND ENDOWMENTS**

Net assets with donor restrictions consist of the following as of June 30, 2021 and 2020:

	<u>2021</u>		<u>2020</u>	
	With Donor Restrictions For Specified Purposes	With Donor Restrictions Maintained in Perpetuity	With Donor Restrictions For Specified Purposes	With Donor Restrictions Maintained in Perpetuity
Sailor and Children and Families	\$ 767,339	\$ 1,166,851	\$ 403,372	\$ 1,166,251
Community Foundations	81,233	341,436		330,477
Partnership for Children	461,519		250,674	
2020 Campaign	151,757		170,607	
Other	144,261		95,396	
	<u>\$ 1,606,109</u>	<u>\$ 1,508,287</u>	<u>\$ 920,049</u>	<u>\$ 1,496,728</u>

Net assets released from restrictions for 2021 and 2020 were as follows:

	<u>2021</u>	<u>2020</u>
Sailor and Children and Families	\$ 60,646	\$ 59,851
2020 Campaign		76,781
Partnership for Children	202,062	149,326
Other	121,274	229,775
	<u>\$ 383,982</u>	<u>\$ 515,733</u>

The Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds Topic of the FASB ASC affirms that in the absence of explicit donor stipulations, an organization should continue to classify all or a portion of a donor-restricted endowment fund as net assets with donor restrictions maintained in perpetuity based on the governing board's determination of the amount of the fund that must be retained permanently under the relevant law.

**OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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The Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions maintained in perpetuity (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund, if any, that is not classified in net assets with donor restrictions maintained in perpetuity is classified as net assets with donor restrictions for specified purposes until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Foundation
- (7) The investment policies of the Foundation.

The Foundation's endowment consists of individual funds established for a variety of purposes. Its endowment includes only donor-restricted endowment funds to function as endowments. Net assets associated with endowment funds, including funds designated by the Foundation to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that UPMIFA requires the Foundation to retain as a fund of perpetual duration. In accordance with accounting principles generally accepted in the United States of America, deficiencies of this nature shall reduce net assets with donor restrictions for specified purposes to the extent that donor-imposed restrictions for specified purposes on investment income of the fund have not been met before the deficiencies occur. Any remaining deficiencies shall reduce net assets without donor restrictions. The Foundation believes there were no such deficiencies as of June 30, 2021 and 2020.

The Foundation adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period(s). Under this policy, as approved by the Foundation, the endowment assets are invested in a manner that is intended to minimize the risk of large losses by diversification. The objective is to meet or exceed the market index, or blended market index, selected and agreed upon by the Foundation or provide an acceptable return with lower volatility or credit risk.

**OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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In order to meet its needs, the investment strategy of the Foundation is to emphasize total return; that is, the aggregate return from capital appreciation and dividend and interest income. Specifically, the primary objective in the investment management for endowment fund assets shall be long-term growth of capital and to emphasize long-term growth of principal while avoiding excessive risk. Short-term volatility will be tolerated in as much as it is consistent with the volatility of a comparable market index.

The following provides a description of restrictions placed on the net assets represented in the Foundation's endowment:

- (1) The portion of donor-restricted perpetual endowment funds that is deemed to be restricted in perpetuity either by explicit donor stipulation or by law.
- (2) The portion of the donor-restricted term endowment funds that is deemed to be restricted over the donor-specified period of the endowment either by explicit donor stipulation or by law.

The net asset composition of the donor-restricted endowment is as follows:

	2021	2020
Restricted for specified purposes	\$ 848,572	\$ 403,372
To be maintained in perpetuity	1,508,287	1,496,728
	<u>\$ 2,356,859</u>	<u>\$ 1,900,100</u>

The changes in the donor-restricted endowment are as follows:

	June 30, 2021		
	With Donor Restrictions For Specified Purposes	With Donor Restrictions Maintained in Perpetuity	Total
Balance, beginning of year	\$ 403,372	\$ 1,496,728	\$ 1,900,100
Net investment gain	424,613		424,613
Contributions		600	600
Change in beneficial interest - funds held by community foundations	81,233	10,959	92,192
Approved for expenditure	<u>(60,646)</u>		<u>(60,646)</u>
Balance, end of year	<u>\$ 848,572</u>	<u>\$ 1,508,287</u>	<u>\$ 2,356,859</u>

## OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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	June 30, 2020		
	With Donor Restrictions For Specified Purposes	With Donor Restrictions Maintained in Perpetuity	Total
Balance, beginning of year	\$ 451,629	\$ 1,500,803	\$ 1,952,432
Net investment gain	27,119		27,119
Contributions		2,000	2,000
Change in beneficial interest - funds held by community foundations	(15,525)	(6,075)	(21,600)
Approved for expenditure	(59,851)		(59,851)
Balance, end of year	<u>\$ 403,372</u>	<u>\$ 1,496,728</u>	<u>\$ 1,900,100</u>

**10. OPERATING LEASES**

OPC leases certain land and facilities under operating lease agreements, which expire at various dates through 2025. Total rental expense for all operating leases during 2021 and 2020 was approximately \$366,000 and \$332,000, respectively. Future aggregate minimum lease payments under noncancelable operating leases as of June 30, 2021 are as follows:

Year Ending June 30,	
2022	\$ 279,557
2023	275,092
2024	153,638
2025	37,895
2026	15,031
	<u>\$ 761,213</u>

**11. CONCENTRATIONS OF CREDIT RISK**

OPC serves the residents of Elkhart, St. Joseph and surrounding counties in the State of Indiana. OPC grants credit without collateral to its patients, most of who are uninsured or insured under third-party payor agreements. The mix of patient receivables and patient revenues on a gross basis from patients and third-party payors as of and for year ended June 30 was as follows:

	Receivables		Revenues	
	2021	2020	2021	2020
Medicaid	35%	37%	56%	54%
Self pay			2%	2%
Medicare	3%	5%	6%	7%
Department of Child Services	56%	51%	31%	31%
Third party contracts and other	6%	7%	5%	6%
	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

**OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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**12. MALPRACTICE COVERAGE**

OPC purchases professional and general liability insurance to cover malpractice claims. There are known claims and incidents that may result in the assertion of additional claims, as well as claims from unknown incidents that may be asserted arising from services provided to patients. The Indiana Medical Malpractice Act, IC 34-18 (the Act) provides a maximum recovery of \$1,800,000 for an occurrence of malpractice and provided a maximum recovery of \$1,650,000 prior to July 1, 2019. The Act requires OPC to maintain medical malpractice liability insurance in the amount of at least \$500,000 per occurrence (\$10,000,000 in the annual aggregate). Prior to July 1, 2019, the Act required OPC to maintain medical malpractice liability insurance in the amount of at least \$400,000 per occurrence (\$8,000,000 in the annual aggregate). The Act also requires OPC to pay a surcharge to the State Patient's Compensation Fund (the Fund). The Fund is used to pay medical malpractice claims in excess of per occurrence and the annual aggregate amounts as noted above, under certain terms and conditions. No accrual for possible losses attributable to incidents that may have occurred but that have not been identified has been made because the amount, if any, is not reasonably estimable. The Fund is on a claims-made basis and as long as this coverage is continuous or replaced with equivalent insurance, claims based on occurrences during its term but reported subsequently will be insured.

Accounting principles generally accepted in the United States of America require a health care provider to accrue the expense of its share of malpractice claim costs, if any, for any reported and unreported incidents of potential improper professional service occurring during the year by estimating the probable ultimate costs of the incidents. Based upon OPC's claim experience, no such accrual has been made. It is reasonably possible that this estimate could change materially in the near term.

**13. STATE AND LOCAL FUNDING**

During 2021 and 2020, OPC received the following state, local and county funding:

Grantor	2021	2020
State		
Indiana Division of Mental Health and Addiction	\$ 5,858,808	\$ 6,664,759
Mental Health Funds Recovery Program	2,288,747	2,766,459
Other	227,749	312,666
Total state awards	8,375,304	9,743,884
Local		
Elkhart County	1,615,652	1,620,335
St. Joseph County	2,213,253	2,126,308
Total local awards	3,828,905	3,746,643
Total state and local awards	\$ 12,204,209	\$ 13,490,527

**OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020

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**14. PENSION PLAN**

OPC maintains a retirement plan (the Plan), which covers substantially all employees meeting the necessary eligibility requirements. The Plan is qualified under section 403(b) of the Internal Revenue Code. OPC's discretionary contributions to the Plan are based on the eligible participant's defined compensation. OPC's expense related to the Plan was approximately \$465,000 and \$464,000 during 2021 and 2020, respectively.

**15. SELF-INSURED HEALTH PLAN**

OPC is a member of a pooled self-insurance plan (the Plan). Pursuant to the Plan agreement, each member is required to make monthly contributions to the Plan's administrator that are available to satisfy the insurance claims of each members' participating employees. The Plan calls for all claims to be paid out of the pool, but once any individual's aggregated claims exceed \$275,000, the Plan's stop-loss amount, for June 30, 2021 and 2020, respectively, all remaining claims for that individual are covered under the Plan's insurance. Each member is directly responsible for claims up to a maximum dollar amount. The level set for such exposure impacts the contributions paid by the members. As of June 30, 2021, OPC has elected to be directly responsible for claims up to \$250,000 per individual. Any claims in excess of \$250,000, but less than \$275,000, are paid out of the members' pooled funds. As of June 30, 2020, OPC elected to be directly responsible for claims up to \$215,000 per individual. Any claims in excess of \$215,000, but less than \$275,000, were paid out of the members' pooled funds.

**16. COVID-19**

In March 2020, the World Health Organization declared Coronavirus (COVID-19) a pandemic. The continued spread of COVID-19, or any similar outbreaks in the future, may continue to adversely impact the local, regional, national and global economies. The extent to which COVID-19 continues to impact OPC and Affiliates' operating results is dependent on the breadth and duration of the pandemic and could be affected by other factors management is not currently able to predict. Impacts include, but are not limited to, additional costs for responding to COVID-19, potential shortages of healthcare personnel, potential shortages of clinical supplies, loss of, or reduction to, revenue, and investment portfolio declines. Management believes OPC and Affiliates is taking appropriate actions to respond to the pandemic. However, the full impact is unknown and cannot be reasonably estimated at the date the consolidated financial statements were available to be issued.

During 2021 and 2020, Provider Relief Fund (PRF) grants authorized under the Coronavirus Aids, Relief, and Economic Security (CARES) Act were distributed to healthcare providers impacted by the outbreak of the COVID-19 pandemic. OPC received approximately \$367,000 and \$815,000 of these funds from the CARES Act during 2021 and 2020, respectively. PRF amounts are recognized to the extent OPC meets the terms and conditions of the grant. OPC recognized PRF of approximately \$367,000 and \$815,000 as public support within revenues in the consolidated statements of operations and changes in net assets during 2021 and 2020, respectively. No PRF amounts were deferred as refundable advances as of June 30, 2021 and 2020. Compliance with the terms and conditions as set forth related to qualifying COVID-19 expenses and lost revenues may also be subject to future government review and interpretation as they are emerging and uncertain at the time the consolidated financial statements were available to be issued. There can be no assurance that regulatory authorities will not challenge OPC's compliance with the terms and conditions as set forth related to qualifying COVID-19 expenses and lost revenues, and it is not possible to determine the impact (if any) such claims would have upon OPC's financial position.

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**SUPPLEMENTARY INFORMATION**

## OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2021

ASSETS	OPC	Foundation	HUD Projects	Eliminations	Total
<b>Current assets</b>					
Cash	\$ 18,683,318	\$ 175,363	\$ 67,519	\$ -	\$ 18,926,200
Patient receivables	2,698,785				2,698,785
Other receivables	5,789,243	315,957	5,771	(100,452)	6,010,519
Prepaid expenses and other current assets	654,282		9,317		663,599
Total current assets	27,825,628	491,320	82,607	(100,452)	28,299,103
<b>Property and equipment, net</b>	8,847,282		2,167,844		11,015,126
<b>Property and equipment held for sale</b>	300,000				300,000
<b>Investments</b>					
Undesignated	10,956,286	681,581			11,637,867
Designated	109,126	917,440	500,108		1,526,674
Donor restricted		2,386,542			2,386,542
Beneficial interest - funds held by community foundations		574,727			574,727
Total investments	11,065,412	4,560,290	500,108		16,125,810
Total assets	\$ 48,038,322	\$ 5,051,610	\$ 2,750,559	\$ (100,452)	\$ 55,740,039
<b>LIABILITIES AND NET ASSETS</b>					
<b>Current liabilities</b>					
Current portion of long-term debt	\$ 626,611	\$ -	\$ 25,127	\$ -	\$ 651,738
Accounts payable and accrued expenses	2,153,418	100,452	149,011	(100,452)	2,302,429
Estimated third-party settlements	1,480,496				1,480,496
Accrued wages and related liabilities	3,267,795	6,250			3,274,045
Total current liabilities	7,528,320	106,702	174,138	(100,452)	7,708,708
<b>Long-term debt, net of current portion</b>	6,643,720		691,582		7,335,302
<b>Deferred revenue</b>	824,848				824,848
<b>Derivative liability</b>	524,454				524,454
Total liabilities	15,521,342	106,702	865,720	(100,452)	16,393,312
<b>Net assets</b>					
Without donor restrictions					
Undesignated	32,407,854	913,072	1,384,731		34,705,657
Designated	109,126	917,440	500,108		1,526,674
Total without donor restrictions	32,516,980	1,830,512	1,884,839		36,232,331
With donor restrictions		3,114,396			3,114,396
Total net assets	32,516,980	4,944,908	1,884,839		39,346,727
Total liabilities and net assets	\$ 48,038,322	\$ 5,051,610	\$ 2,750,559	\$ (100,452)	\$ 55,740,039

See report of independent auditors on pages 1 through 3.



## OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES

CONSOLIDATING STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS  
YEAR ENDED JUNE 30, 2021

<b>Revenues</b>	OPC	Foundation	HUD Projects	Eliminations	Total
Patient service revenue	\$ 42,059,838	\$ -	\$ -	\$ -	\$ 42,059,838
Public support	17,768,107			(277,020)	17,491,087
Other	633,130		639,450		1,272,580
Total revenues	<u>60,461,075</u>		<u>639,450</u>	<u>(277,020)</u>	<u>60,823,505</u>
<b>Expenses</b>					
Salaries and wages	35,869,938		111,242		35,981,180
Employee benefits	7,092,582		19,058		7,111,640
Occupancy	3,084,574		208,901		3,293,475
Supplies and other	3,538,067		30,917		3,568,984
Purchased services	3,805,935		125,606		3,931,541
Depreciation	912,405		106,609		1,019,014
HAF and HIP programs	1,278,191				1,278,191
Interest	279,718		28,683		308,401
Total expenses	<u>55,861,410</u>		<u>631,016</u>		<u>56,492,426</u>
Operating income (loss)	<u>4,599,665</u>		<u>8,434</u>	<u>(277,020)</u>	<u>4,331,079</u>
<b>Nonoperating revenues (expenses)</b>					
Gain on disposal of property and equipment	43,819				43,819
Contributions	127,134	353,067		(127,134)	353,067
Grants to OPC		(404,154)		404,154	
Investment return, net	60,597	353,398			413,995
Change in beneficial interest - funds held by community foundations		48,972			48,972
Unrealized gain on derivative	302,170				302,170
Impairment loss	(1,559,742)				(1,559,742)
Other nonoperating expenses, net		(128,538)			(128,538)
Total nonoperating revenues (expenses)	<u>(1,026,022)</u>	<u>222,745</u>		<u>277,020</u>	<u>(526,257)</u>
Excess of revenues over (under) expenses	3,573,643	222,745	8,434		3,804,822
<b>Other changes in net assets without donor restrictions</b>					
Net assets released from restriction		383,982			383,982
Change in net assets without donor restrictions	<u>3,573,643</u>	<u>606,727</u>	<u>8,434</u>		<u>4,188,804</u>
<b>Changes in net assets with donor restrictions</b>					
Net assets released from restriction		(383,982)			(383,982)
Investment return, net		424,613			424,613
Contributions		564,796			564,796
Change in beneficial interest - funds held by community foundations		92,192			92,192
Change in net assets with donor restrictions		<u>697,619</u>			<u>697,619</u>
Change in net assets	3,573,643	1,304,346	8,434		4,886,423
<b>Net assets</b>					
Beginning of year	28,943,337	3,640,562	1,876,405		34,460,304
End of year	<u>\$ 32,516,980</u>	<u>\$ 4,944,908</u>	<u>\$ 1,884,839</u>	<u>\$ -</u>	<u>\$ 39,346,727</u>

See report of independent auditors on pages 1 through 3.

## OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2020

ASSETS	OPC	Foundation	HUD Projects	Eliminations	Total
<b>Current assets</b>					
Cash	\$ 10,560,306	\$ 81,385	\$ 67,219	\$ -	\$ 10,708,910
Patient receivables	2,816,983				2,816,983
Other receivables	4,721,389	74,742	5,892	(13,503)	4,788,520
Prepaid expenses and other current assets	905,097	2,500	7,465		915,062
Total current assets	<u>19,003,775</u>	<u>158,627</u>	<u>80,576</u>	<u>(13,503)</u>	<u>19,229,475</u>
<b>Property and equipment, net</b>	<u>10,787,837</u>		<u>2,202,369</u>		<u>12,990,206</u>
<b>Investments</b>					
Undesignated	14,532,053	414,222			14,946,275
Designated	98,974	620,318	488,740		1,208,032
Donor restricted		2,037,335			2,037,335
Beneficial interest - funds held by community foundations		433,563			433,563
Total investments	<u>14,631,027</u>	<u>3,505,438</u>	<u>488,740</u>		<u>18,625,205</u>
Total assets	<u>\$ 44,422,639</u>	<u>\$ 3,664,065</u>	<u>\$ 2,771,685</u>	<u>\$ (13,503)</u>	<u>\$ 50,844,886</u>
<b>LIABILITIES AND NET ASSETS</b>					
<b>Current liabilities</b>					
Current portion of long-term debt	\$ 601,190	\$ -	\$ 24,269	\$ -	\$ 625,459
Accounts payable and accrued expenses	1,518,421	13,503	156,149	(13,503)	1,674,570
Estimated third-party settlements	1,390,519				1,390,519
Accrued wages and related liabilities	3,023,991	10,000			3,033,991
Total current liabilities	<u>6,534,121</u>	<u>23,503</u>	<u>180,418</u>	<u>(13,503)</u>	<u>6,724,539</u>
<b>Long-term debt, net of current portion</b>	<u>7,264,517</u>		<u>714,862</u>		<u>7,979,379</u>
<b>Deferred revenue</b>	<u>854,040</u>				<u>854,040</u>
<b>Derivative liability</b>	<u>826,624</u>				<u>826,624</u>
Total liabilities	<u>15,479,302</u>	<u>23,503</u>	<u>895,280</u>	<u>(13,503)</u>	<u>16,384,582</u>
<b>Net assets</b>					
Without donor restrictions					
Undesignated	28,844,363	603,467	1,387,665		30,835,495
Designated	98,974	620,318	488,740		1,208,032
Total without donor restrictions	<u>28,943,337</u>	<u>1,223,785</u>	<u>1,876,405</u>		<u>32,043,527</u>
With donor restrictions		<u>2,416,777</u>			<u>2,416,777</u>
Total net assets	<u>28,943,337</u>	<u>3,640,562</u>	<u>1,876,405</u>		<u>34,460,304</u>
Total liabilities and net assets	<u>\$ 44,422,639</u>	<u>\$ 3,664,065</u>	<u>\$ 2,771,685</u>	<u>\$ (13,503)</u>	<u>\$ 50,844,886</u>

See report of independent auditors on pages 1 through 3.

## OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES

CONSOLIDATING STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS  
YEAR ENDED JUNE 30, 2020

Revenues	OPC	Foundation	HUD Projects	Eliminations	Total
Patient service revenue	\$ 39,218,513	\$ -	\$ -	\$ -	\$ 39,218,513
Public support	17,636,502			(171,194)	17,465,308
Other	816,548		631,611		1,448,159
Total revenues	<u>57,671,563</u>		<u>631,611</u>	<u>(171,194)</u>	<u>58,131,980</u>
<b>Expenses</b>					
Salaries and wages	36,105,175		95,998		36,201,173
Employee benefits	8,569,958		78,739		8,648,697
Occupancy	3,054,985		197,389		3,252,374
Supplies and other	3,766,009		16,339		3,782,348
Purchased services	3,755,343		141,100		3,896,443
Depreciation	1,000,294		103,655		1,103,949
HAF and HIP programs	1,250,745				1,250,745
Interest	271,951		29,344		301,295
Total expenses	<u>57,774,460</u>		<u>662,564</u>		<u>58,437,024</u>
Operating loss	<u>(102,897)</u>		<u>(30,953)</u>	<u>(171,194)</u>	<u>(305,044)</u>
<b>Nonoperating revenues (expenses)</b>					
Gain on disposal of property and equipment	3,748				3,748
Contributions	402,162	262,194		(402,162)	262,194
Grants to OPC		(573,356)		573,356	
Investment return, net	632,495	51,059			683,554
Change in beneficial interest - funds held by community foundations		(6,763)			(6,763)
Unrealized loss on derivative	(388,361)				(388,361)
Other nonoperating expenses, net		(103,498)			(103,498)
Total nonoperating revenues (expenses)	<u>650,044</u>	<u>(370,364)</u>		<u>171,194</u>	<u>450,874</u>
Excess of revenues over (under) expenses	547,147	(370,364)	(30,953)		145,830
<b>Other changes in net assets without donor restrictions</b>					
Net assets released from restriction		515,733			515,733
Change in net assets without donor restrictions	<u>547,147</u>	<u>145,369</u>	<u>(30,953)</u>		<u>661,563</u>
<b>Changes in net assets with donor restrictions</b>					
Net assets released from restriction		(515,733)			(515,733)
Investment return, net		27,119			27,119
Contributions		497,219			497,219
Change in beneficial interest - funds held by community foundations		(21,600)			(21,600)
Change in net assets with donor restrictions		<u>(12,995)</u>			<u>(12,995)</u>
Change in net assets	547,147	132,374	(30,953)		648,568
<b>Net assets</b>					
Beginning of year	28,396,190	3,508,188	1,907,358		33,811,736
End of year	<u>\$ 28,943,337</u>	<u>\$ 3,640,562</u>	<u>\$ 1,876,405</u>	<u>\$ -</u>	<u>\$ 34,460,304</u>

See report of independent auditors on pages 1 through 3.



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**REPORT OF INDEPENDENT AUDITORS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND  
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors  
Oaklawn Psychiatric Center, Inc. and Affiliates  
Goshen, Indiana

Report on the Consolidated Financial Statements

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated financial statements of Oaklawn Psychiatric Center, Inc. and Affiliates (OPC and Affiliates), which comprise the consolidated statement of financial position as of June 30, 2021, and the related consolidated statements of operations and changes in net assets, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated October 11, 2021. Our report includes a reference to other auditors who audited the financial statements of Oaklawn Apartments, Inc., Simadon Corporation and Madison Residential Services, Inc., as described in our report on OPC and Affiliates' consolidated financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered OPC and Affiliates' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of OPC and Affiliates' internal control. Accordingly, we do not express an opinion on the effectiveness of OPC and Affiliates' internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of OPC and Affiliates' consolidated financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Board of Directors  
Oaklawn Psychiatric Center, Inc. and Affiliates  
Goshen, Indiana

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether OPC and Affiliates' consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

#### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering OPC and Affiliates' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**Blue & Co., LLC**

Indianapolis, Indiana  
October 11, 2021



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**REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND  
ON INTERNAL CONTROL OVER COMPLIANCE AND SCHEDULE OF EXPENDITURES OF FEDERAL  
AWARDS REQUIRED BY THE *UNIFORM GUIDANCE***

Board of Directors  
Oaklawn Psychiatric Center, Inc. and Affiliates  
Goshen, Indiana

Report on Compliance for Each Major Federal Program

We have audited Oaklawn Psychiatric Center, Inc. and Affiliates' (OPC and Affiliates) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of OPC and Affiliates' major federal programs for the year ended June 30, 2021. OPC and Affiliates' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

OPC and Affiliates' basic consolidated financial statements include the operations of Oaklawn Apartments, Inc., Simadon Corporation and Madison Residential Services, Inc. (collectively referred to as HUD Affiliates), which received approximately \$3,286,000 in federal awards and has not been included in the accompanying schedule of expenditures of federal awards during the year ended June 30, 2021. Our audit, described below, did not include the operations of the above-mentioned HUD Affiliates because the HUD Affiliates were independently audited by other auditors in accordance with Title 2 U.S. *Code of Federal Regulations (CFR) Part 200*.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of OPC and Affiliates' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Those standards and the *Uniform Guidance* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about OPC and Affiliates' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

Board of Directors  
Oaklawn Psychiatric Center, Inc. and Affiliates  
Goshen, Indiana

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of OPC and Affiliates' compliance.

#### Opinion on Each Major Federal Program

In our opinion, OPC and Affiliates complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

#### Report on Internal Control Over Compliance

Management of OPC and Affiliates is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered OPC and Affiliates' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the *Uniform Guidance*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of OPC and Affiliates' internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *Uniform Guidance*. Accordingly, this report is not suitable for any other purpose.

Board of Directors  
Oaklawn Psychiatric Center, Inc. and Affiliates  
Goshen, Indiana

Report on Schedule of Expenditures of Federal Awards Required by the *Uniform Guidance*

We have audited the consolidated financial statements of OPC and Affiliates as of and for the year ended June 30, 2021, and have issued our report thereon dated October 11, 2021, which contained an unmodified opinion on those consolidated financial statements. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by the *Uniform Guidance*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*Blue & Co., LLC*

Indianapolis, Indiana  
October 11, 2021



## OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2021

Federal Grantor/Program Title/Pass-Through Grantor	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
<b>Major Programs</b>			
United States Department of Health and Human Services (DHHS) - Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances - County of Elkhart	93.104	H79SM082981	\$ 674,409
DHHS - COVID-19, CARES Act Provider Relief Funds	93.498	Not available	815,073
Total major programs			1,489,482
<b>Non-Major Programs</b>			
United States Department of Agriculture (USDA) - National School Breakfast Program - Indiana Department of Education Division of School and Community Nutrition (IDOE) - Child Nutrition Cluster	10.553	20-K061	70,393
USDA - National School Lunch Program - IDOE - Child Nutrition Cluster	10.555	20-K061	91,469
Total Child Nutrition Cluster			161,862
United States Department of Housing and Urban Development (DHUD) - Continuum of Care Program - IHCD	14.267	IN0012L5H021912	755,009
DHUD - Emergency Solutions Grant	14.231	20-EV-30	237,796
DHUD - HOME Investment Partnerships Program - Indiana Housing and Community Development Authority (IHCD)	14.239	20-JH-70	87,832
Department of the Treasury - CARES Act, Coronavirus Relief Fund	21.019	Not available	168,682
DHHS - Projects for Assistance in Transition from Homelessness Indiana Division of Mental Health and Addictions (DMHA)	93.150	48033	83,348
DHHS - Overdose Data to Action - St. Joseph County Health Department	93.196	40343	25,216
DHHS - Substance Abuse and Mental Health Services Projects of Regional and National Significance - DMHA	93.243	43635	10,000
DHHS - Community Services Block Grant - IHCD	93.569	CS20-003CSBG	795
DHHS - Social Services Block Grant - DMHA	93.667	54268	224,112
DHHS - Opioid STR Domestic Ebola Supplemental to the Epidemiology and Laboratory Capacity for Infectious Disease - DMHA	93.788	1H79TI083279	635,359
DHHS - Section 223 Demonstration Programs to Improve Community Mental Health Services	93.829	H79SM083314	136,845
DHHS - National Bioterrorism Hospital Preparedness Program - Indiana Hospital Association	93.889	Not available	102,608
DHHS - Community Mental Health Services Block Grant - DMHA	93.958	54268	441,704
DHHS - Substance Abuse Prevention and Treatment Block Grant - DMHA	93.959	54268	726,228
Total non-major programs			3,797,396
Total federal expenditures			\$ 5,286,878

See report on schedule of expenditures of federal awards as required by the *Uniform Guidance* on page 41.  
See notes to schedule of expenditures of federal awards.

## OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES

### NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS JUNE 30, 2021

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#### 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (SEFA) for the year ended June 30, 2021 includes the federal grant activity of Oaklawn Psychiatric Center, Inc. (OPC) only and not the consolidated affiliates and is presented on the accrual basis of accounting. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. OPC's consolidated affiliates, Oaklawn Apartments, Inc., Simadon Corporation and Madison Residential Services, Inc. (collectively referred to as HUD Affiliates) received approximately \$3,304,000 in federal awards which are not included in OPC's accompanying SEFA for 2021. These HUD Affiliates were independently audited by other auditors in accordance with Title 2 U.S. *Code of Federal Regulations (CFR) Part 200*. The basic consolidated financial statement classifications may include other financial activity for reporting purposes. Therefore, some of the amounts presented in the SEFA may differ from amounts presented in, or used in the preparation of, the basic consolidated financial statements.

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the SEFA are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the *Uniform Guidance*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. OPC has elected not to use the 10% de minimis indirect cost rate as allowed under the *Uniform Guidance*.

#### 3. HUD SUPPORTED HOUSING AND HOME INVESTMENT PARTNERSHIPS PROGRAMS

OPC had the following balances outstanding as of June 30, 2021 from HUD Supported Housing and HOME Investment Partnerships Programs through HUD for the construction and renovation of a group home facility.

Federal Grantor/Program Title/Pass-Through Grantor	Federal CFDA Number	Pass-Through Grantor's Number	Amount Outstanding
DHUD - Supportive Housing Program	14.182	IN36B300001	\$ 100,000
DHUD - HOME Investment Partnerships Program - IHCDCA	14.239	12-JH-70	105,000
			<u>\$ 205,000</u>

#### 4. SUB-RECIPIENT PASS THROUGH

OPC did not pass through federal awards to sub-recipients during 2021.

**OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
JUNE 30, 2021

---

**5. PROVIDER RELIEF FUNDS**

Under terms and conditions of the Provider Relief Funds (PRF) under the Coronavirus Aids, Relief, and Economic Security (CARES) Act, OPC is required to report COVID-19 related expenses and lost revenue to the U.S. Department of Health and Human Services (HHS). Guidance from HHS has required the reporting of the COVID-19 related expenses and lost revenue in certain reporting periods based on when the funds were received.

The 2021 SEFA includes PRF of approximately \$815,000 which was received by OPC prior to June 30, 2020. OPC recognized \$815,000 as revenue in its 2020 consolidated statement of operations and changes in net assets as the terms and conditions of the PRF grant were satisfied by OPC during 2020. HHS required these PRF amounts be reported on the 2021 SEFA rather than the 2020 SEFA.

During 2021, OPC received PRF of approximately \$367,000 and recognized this amount as revenue in its 2021 consolidated statement of operations and changes in net assets as the terms and conditions of the PRF grant were satisfied by OPC during 2021. HHS requires these PRF amounts be reported on the 2022 SEFA rather than the 2021 SEFA.

**6. FAIR MARKET VALUE OF DONATED PERSONAL PROTECTIVE EQUIPMENT (UNAUDITED)**

During 2021, OPC did not receive donated personal protective equipment from federal sources

**OAKLAWN PSYCHIATRIC CENTER, INC. AND AFFILIATES**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2021

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**Section I – Summary of Audit Results:**

***Consolidated Financial Statements***

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?  yes  none reported

Significant deficiency(s) identified that are not considered to be material weakness(es) noted?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

***Federal Awards***

Internal controls over major programs:

Material weakness(es) identified?  yes  none reported

Significant deficiency(s) identified that are not considered to be material weakness(es) noted?  yes  none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?  yes  no

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
93.104	Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances
93.498	Provider Relief Funds

Dollar threshold used to distinguish between type A and B programs: \$750,000

Auditee qualified as low-risk auditee?  yes  no

**Section II - Findings Related to Financial Statements Reported in Accordance With Government Auditing Standards:**

No matters reported

**Section III - Findings and Questioned Costs Relating to Federal Awards:**

No matters reported

**Section IV - Summary Schedule of Prior Audit Findings:**

No matters reported

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Oaklawn Psychiatric Center, Inc.  
 FY22 Operating Budget  
 For the twelve months ending June 30, 2022

Description	FY 2022 BUDGET
Revenue:	
Net patient service revenue	\$64,711,323
Other operating revenue	<u>996,980</u>
 Total operating revenue	 <u>65,708,303</u>
 Operating expenses:	
Wages and salaries	39,251,825
Benefits	9,757,583
Occupancy	4,337,921
Supplies and other	3,324,905
Contract expenses	3,060,577
Purchased services	3,165,273
HAF expenses	1,485,250
Interest expense, net	<u>324,900</u>
 Total operating expenses	 <u>64,708,234</u>
 Operating gain	 <u><u>1,000,069</u></u>

**2022 Board of Directors  
for  
Oaklawn Psychiatric Center, Inc.**

<b>Name</b>	<b>Affiliation</b>	<b>Address</b>
Bontreger, Adriana Garcia	Assistant VP Branch Manager Centier Bank	1716 Elkhart Rd. Goshen, IN 46526
Caponigro, Jay	Senior Director of Community Engagement University of Notre Dame	University of Notre Dame 503 Grace Hall Notre Dame, IN 46556
Daub, Janilyn Brouwer	Attorney and Partner Barnes & Thornburg LLP	2210 Cambridge Dr. Goshen, IN 46528
Fulce, Marion	District Manager Teachers Credit Union	21579 Hollyberry Ct. South Bend, IN 46628
Fultz, Esleen E.	CEO Heart City Health Center	Heart City Health Center 236 Simpson Ave. Elkhart, IN 46516
Hankila, Trish	Finance	2220 E. Jackson Blvd Elkhart, IN 46516
Hochstetler, Ken	President and CEO Everence	Everence 1110 N. Main St. Box 483 Goshen, IN 46527
Karam, Chris	President Saint Joseph Health System	St. Joe Regional Med Center 5215 Holy Cross Pkwy Mishawaka, IN 46545
Paturalski, Sarah	VP of Nursing & Clinical Services Memorial Hospital and Beacon Health Systems	Memorial Hospital 615 N. Michigan South Bend, IN 46601
Reeves, Kimberly Green	Director, Community Impact Beacon Health System	50555 Galaxy Dr. Granger, IN 46350
Riegsecker, Darryl	Real Estate Broker Re/Max Results	PO Box 525 Goshen, IN 46527
Brad Rogers	Elkhart County Commissioner Elkhart County Government	213 N Constitution Ave Goshen, IN 46526
Shreiner, Bob	Certified Public Accountant DWC CPAs, South Bend	11066 Archer Avenue Mishawaka, IN 46540
Siegel, Jeff	Sheriff Elkhart County	26861 CR 26 Elkhart, IN 46517
Yoder, Mike	Town Manager City of Bristol	59520 CR 31 Middlebury, IN 46540





**Kent Holdren, Superintendent**  
**WATER UTILITY, CITY OF GOSHEN**

308 North Fifth Street • Goshen, IN 46528-2802

Phone (574) 534-5306 • Fax (574) 534-4281 • TDD (574) 534-3185  
kentholdren@goshencity.com • www.goshenindiana.org

6/26/2023

### **Request for Road Closure at the intersection of S 10<sup>th</sup> & E. Jefferson**

To the Board of Public Works, Safety and Storm Water;

The City of Goshen Water and Sewer Department will be replacing a manhole at the intersection of S 10<sup>th</sup> & E. Jefferson St.

The work will require excavation of the road, with a trench that will be approximately 12' feet in depth.

For the safety of the work crews and the public, the City is requesting permission to close the intersection of S 10<sup>th</sup> & E. Jefferson starting at 8:00 am Tuesday June 27 and reopening for traffic on Thursday evening June 29.

We will notify Goshen Schools, EMS and insure that the garbage is moved to the appropriate location for pick up.

Regards;

**Kent Holdren**  
**Superintendent of Goshen Water Department**





**Kent Holdren, Superintendent**  
**WATER UTILITY, CITY OF GOSHEN**

308 North Fifth Street • Goshen, IN 46528-2802

Phone (574) 534-5306 • Fax (574) 534-4281 • TDD (574) 534-3185  
kentholdren@goshencity.com • www.goshenindiana.org

6/26/2023

**Request for Road Closure at 223 S 6<sup>th</sup> St. between W. Washington and E Jefferson St.**

To the Board of Public Works, Safety and Storm Water;

The City of Goshen Water and Sewer Department will be installing a new sewer tap at 223 S 6<sup>th</sup>.

The work will require excavation of the road, with a trench that will be approximately 12' feet in depth.

For the safety of the work crews and the public, the City is requesting permission to close S 6<sup>th</sup> between W Washington & E Jefferson to thru traffic, starting 8:00 am Wednesday, June 28<sup>th</sup> and reopening for traffic on Friday evening June 30<sup>th</sup>.

We will notify Goshen Schools, EMS and insure that the garbage is moved to the appropriate location for pick up.

Regards;

**Kent Holdren**  
**Superintendent of Goshen Water Department**



**Engineering Department  
CITY OF GOSHEN**

204 East Jefferson Street, Suite 1 • Goshen, IN 46528-3405

Phone (574) 534-2201 • Fax (574) 533-8626 • TDD (574) 534-3185  
engineering@goshencity.com • www.goshenindiana.org

## MEMORANDUM

TO: Goshen Board of Public Works & Safety

FROM: Goshen Engineering

RE: **NIPSCO LANE RESTRICTION ON DIERDORFF ROAD AT KARISA DRIVE**

DATE: June 26, 2023

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NIPSCO has requested a lane restriction on Dierdorff Road at Karisa Drive from Monday, June 26 through Wednesday, June 28 to install a steel gas distribution emergency valve. Flaggers will be used to allow traffic in both directions. The traffic plan is attached.

**Requested Motion: Approve the lane restriction on Dierdorff Road to allow NIPSCO to install a steel gas distribution emergency valve.**

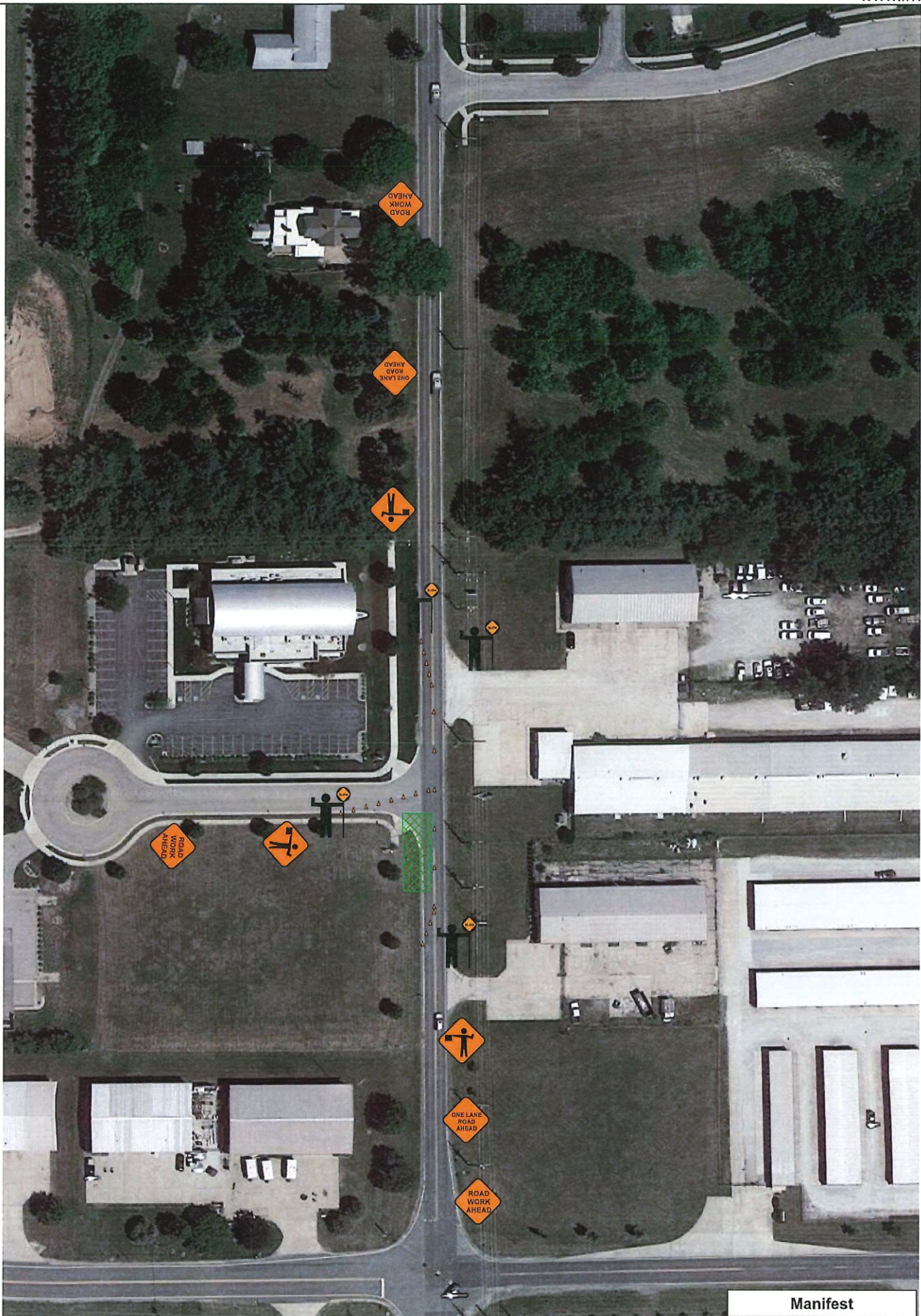
**APPROVED:  
BOARD OF PUBLIC WORKS & SAFETY  
CITY OF GOSHEN, INDIANA**

\_\_\_\_\_  
Gina Leichty, Mayor

\_\_\_\_\_  
Barb Swartley, Member

\_\_\_\_\_  
Mary Nichols, Member

\_\_\_\_\_  
Michael Landis, Member



**Date:** 6/7/2023 **Author:** Scott Fischer (Indiana Sign and Barricade) **Project:** Dierdorff Rd & Karisa Dr, Goshen, IN  
**Comments:**  
 Plans provided to meet MUTCD standards. Plans are non signed, sealed or stamped and are for illustration to governing agency for approval. Plans are not to scale.

Manifest
23 x Cone
4 x Flagger
3 x W20-1 road work ahead
3 x W20-7a flagger
2 x W20-4 one lane road ahead

Permit # 20230490

6-26 + 6-28



**Engineering Department  
CITY OF GOSHEN**

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Phone (574) 534-2201 • Fax (574) 533-8626 • TDD (574) 534-3185  
engineering@goshencity.com • www.goshenindiana.org

## MEMORANDUM

TO: Goshen Board of Public Works & Safety

FROM: Goshen Engineering

RE: **NIPSCO LANE RESTRICTION IN FRONT OF 1828 BERKEY AVENUE**

DATE: June 26, 2023

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NIPSCO has requested a lane restriction on Berkey Avenue just east of Amberwood Drive for Thursday, June 29 to install a steel gas distribution emergency valve. Flaggers will be used to allow traffic in both directions. The traffic plan is attached.

**Requested Motion: Approve the lane restriction on Berkey Avenue just east of Amberwood Drive to allow NIPSCO to install a steel gas distribution emergency valve.**

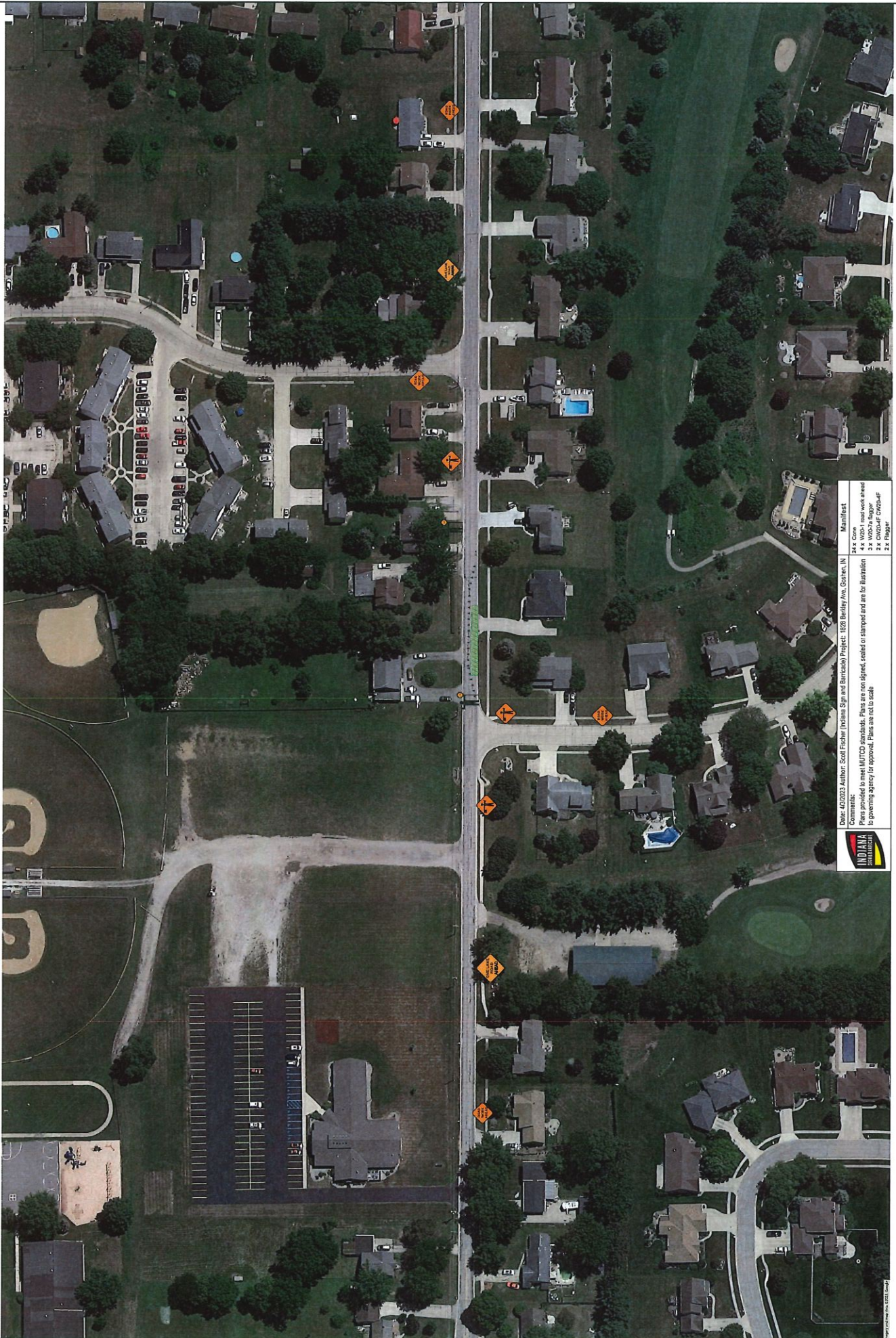
**APPROVED:  
BOARD OF PUBLIC WORKS & SAFETY  
CITY OF GOSHEN, INDIANA**

\_\_\_\_\_  
Gina Leichty, Mayor

\_\_\_\_\_  
Barb Swartley, Member

\_\_\_\_\_  
Mary Nichols, Member

\_\_\_\_\_  
Michael Landis, Member



**INDIANA**  
 STATE DEPARTMENT OF TRANSPORTATION

Date: 01/20/2023 Author: Scott Fischer (Indiana Sign and Barricade) Project: 1828 Berkeley Ave, Cochen, IN

Comments:  
 Plans provided to meet MUTCD standards. Plans are non signed, sealed or stamped and are for illustration to governing agency for approval. Plans are not to scale.

Manifest

- 24 x Cone
- 4 x Web-A
- 4 x Web-B
- 24 x CWD-4F
- 24 x CWD-4F
- 2 x Flagger

Permit # 20230494

All day 6/29



**Engineering Department  
CITY OF GOSHEN**

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Phone (574) 534-2201 • Fax (574) 533-8626 • TDD (574) 534-3185  
engineering@goshencity.com • www.goshenindiana.org

## MEMORANDUM

TO: Board of Works and Safety and Stormwater Board

FROM: Dustin Sailor, P.E., Director of Public Works

RE: **WILDEN AVENUE RECONSTRUCTION – CHANGE ORDER NO. 3 FOR  
CONTRACT PHASE 3 AND 4  
(JN: 2014-0035)**

DATE: June 23, 2023

---

Goshen Engineering is presenting Change Order No. 3 for the Wilden Avenue project for the Board's consideration. The change order provides the contractor, Rieth Riley Construction, with twenty-six (26) additional contract days on their contract, Phase 3 and 4, now complete. The time extension request was negotiated down from the original request by the City's onsite consultant DLZ, and is considered reasonable based on the additional work the contractor was requested to perform or due to conflicts outside the contractor's control. A summary explanation justifying the time extension is provided in the change order.

Goshen Engineering is requesting the Board of Public Works and Safety authorize the Mayor to sign Change Order No. 3 for a twenty-six (26) day time extension that does not include a contract cost increase.

***Requested Motion: Move to authorize the Mayor to sign Change Order No. 3 for the Wilden Avenue Reconstruction project for a contract time extension of twenty-six (26) days.***

**City of Goshen**  
**Board of Works & Safety**

\_\_\_\_\_  
Gina Leichy, Mayor

\_\_\_\_\_  
Mike Landis, Board Member

\_\_\_\_\_  
Mary Nichols, Board Member

\_\_\_\_\_  
Barb Swartley, Board Member

\_\_\_\_\_  
Vacant, Board Member

**INDIANA Department of Transportation  
Construction Change Order and Time Extension Summary**

**Contract Information**

District:FT. WAYNE DISTRICT

Contract No.: R -37647

AE:Koch, Michael

Letting Date:05/05/2022

PE/S:Wakeman, John

Status:Draft

**Change Order Information**

Date Generated: 00/00/0000

Change Order No.: 003

Date Approved: 00/00/0000

EWA: N or Force Acct: N

Reason Code: STANDARDS/SPECS CHANGE, Time Related

Description: Time Extension

Original Contract Amount

\$ 6,965,019.56

Current Change Order Amount

\$ 0.00

Percent: 0.000 %

Total Previous Approved Changes

\$ 178,489.27

Percent: 2.563 %

Total Change To-Date

\$ 178,489.27

Percent: 2.563 %

Modified Contract Amount

\$ 7,143,508.83

**Time Extension Information**

Date Initiated 00/00/0000

Date Completed 00/00/0000

Original Contract Time

SS Completion Date 00/00/0000 or SS Calendar/Work Days 0

SP Date 08/21/2022 or SP Days

(SS = Standard Specification, SP = Special Provision)

Time Element Description:

Current Time Extension

SS Days 0 SP Days 26

SP Days Value \$ 0.00

Previous Time Approved

SS Days by AE: \_\_\_\_\_ DCE: \_\_\_\_\_ SCE: \_\_\_\_\_ DDCM: \_\_\_\_\_

SS Days \_\_\_\_\_

SP Days Value \$ \_\_\_\_\_

Revised Contract Time

SS Completion Date 00/00/0000 or SS Calendar/Work Days 0

SS Date 00/00/0000

or SP Days 0

**INDIANA Department of Transportation  
Construction Change Order and Time Extension Summary**

**Review and Approval Information**

Required Approval Authority AE: \_\_\_\_\_ DCE: \_\_\_\_\_ SCE: \_\_\_\_\_ \* DDCM: \_\_\_\_\_\*  
(\$ per Change Order) (- LE \$ 250K-) (- LE \$ 750K - ) ( -- LE \$ 2 M -- ) ( -- GT \$ 2 M -- )  
(Days per Contract) ( 50 SS days ) ( 100 SS days ) ( 200 SS Days ) ( GT 200 SS days)

Verbal Approval Required? Y / N If Y, by \_\_\_\_\_ Date Issued \_\_\_\_\_

Total Change To-Date>5%? Y / N If Y , Copy to Program Budget Manager \_\_\_\_\_

Scope/Design Recommendation Y / N If Y, Referred to Project Manager(PM) \_\_\_\_\_  
Required?

Date to PM \_\_\_\_\_ Date Returned \_\_\_\_\_

Approval Authority Concurs with PM? Y / N If Y, Concurrence by \_\_\_\_\_ Date \_\_\_\_\_

If N,Resolution: Approved \_\_\_\_\_ Disapproved \_\_\_\_\_

Resolved by \_\_\_\_\_ Date \_\_\_\_\_

LPA Signatures Required? Y / N If Y, Date to LPA \_\_\_\_\_ Date Returned \_\_\_\_\_

FHWA Signatures Required? Y / N If Y, Date to FHWA \_\_\_\_\_ Date Returned \_\_\_\_\_

\* Field Engineer Recommendation (Required for SCE or DDCM Approval)

Field Engineer \_\_\_\_\_ Date \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



Contract No: R -37647  
Change Order No: 003

INDIANA  
Department of Transportation

Date: 06/13/2023  
Page: 3

Contract: R -37647  
Project: State: 140071500LC2  
Change Order Nbr: 003  
Change Order Description: Time Extension  
Reason Code: STANDARDS/SPECS CHANGE, Time Related

CLN	PCN	PLN	Item Code	Unit	Unit Price	CO Qty	Comment	Amount Change
Total Value for Change Order 003 = \$ 0.00								

**Milestone Time Adjustment**

MileStone Nbr: 01  
Milestone Description: INTERMEDIATE COMPLETION DATE PHASE 3 AND 4  
Original Completion dt: 10/28/2022 Adj compl dt 11/25/2022 Adj No. of Days 26  
Explanation: Time extension for design changes and delay in response from city.

Whereas, the Standard Specifications for this contract provides for such work to be performed, the following change is recommended.

General or Standard Change Order Explanation

A contract time adjustment is required for this change and has been addressed herein.

General or Standard Change Order Explanation

A total of 26 calendar days were requested by Rieth-Riley due to delays incurred during Phases 3 and 4 of the project in the fall of 2022. The attached letters from Rieth-Riley detail each individual request for time, which has been compared with inspection records and reports. Rieth-Riley's initial submittal was reviewed and additional information was requested. Following meetings and a revised submittal, the number of days were agreed upon (total number of days matched, but individual instances were modified based on new information). Several requests were for assisting City crews with work necessary to advance the project but were not part of the contractor's responsibilities (City water main break, City manhole repair), and for delays to critical path activities while awaiting direction/decisions for design related issues. Two days were also added for a delay in the shipping/receiving of the new signal poles. The intersection of Wilden/SR 15 could not be opened last fall/winter without an operational signal. Existing signal poles on new foundations were temporarily used, while awaiting delivery of new signal poles, in order to construct the remainder of the intersection pavement, curb, sidewalk, etc. Rieth-Riley requested 2 additional days for work related to the installation and removal of the temporary signal condition. In addition to the letter requests from Rieth-Riley, attached is a summary sheet detailing the days granted for each circumstance. The INDOT PM and AE, as well as the City of Goshen ERC, are aware of the requests and this change order.

**Change Order Explanation for Specific Line Item**

It is the intent of the parties that this change order is full and complete compensation for the work describe above.

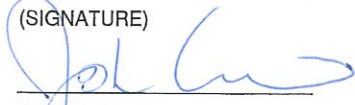
Notification and consent to this change order is hereby acknowledged.

Contractor: Rieth Riley Construction  
Date: 6/21/23

Signed By: 

NOTE: Other required State and FHWA signatures will be obtained electronically through the SiteManager system.

\*\*\*\*\*  
APPROVED FOR LOCAL PUBLIC AGENCY

(SIGNATURE)  


(TITLE)  
CITY ENGINEER


(DATE)  
6/23/23

(SIGNATURE)

(TITLE)

(DATE)

\*\*\*\*\*  
SUBMITTED FOR CONSIDERATION

PE/S 

\*\*\*\*\*  
APPROVED FOR INDIANA DEPARTMENT OF TRANSPORTATION

Approval Level	Name of Approver	Date	Status
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STORMWATER DEPARTMENT  
CITY OF GOSHEN  
204 East Jefferson Street, Suite 1 • Goshen, IN 46528-3405  
Phone (574) 534-2201 • Fax (574) 533-8626  
stormwater@goshencity.com • www.goshenindiana.org

## MEMORANDUM

**TO: City of Goshen Stormwater Board**

**FROM: Stormwater Department**

**RE: POST-CONSTRUCTION PLAN APPROVAL  
KROPF RV TRANSPORT FACILITY (JN: 2022-2015)**

**DATE: June 26, 2023**

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On June 5 the Goshen Stormwater Board accepted the PCSMP for the the Kropf RV Transport Facility project located at 2620 Lincolnway East, which had been found to be compliant with Ordinance 4329, "Uniform Requirements for Post-Construction Stormwater Management."

However, due to an error in the document the PCSMP was revised and the Stormwater Department again requests the Stormwater Board's acceptance of the plan.

Full document available upon request.

**Requested Motion: Accept the revised post-construction stormwater management plan for Kropf RV Transport Facility as it has been found to meet the requirements of City Ordinance 4329.**

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