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# NORTHEAST DUPAGE SPECIAL RECREATION ASSOCIATION

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## BOARD OF TRUSTEES MEETING MINUTES

Wednesday, October 5, 2011

1. Call to Order: Chairman Greg Kuhs called the meeting to order at 1:31 p.m., at the NEDSRA Administrative Office, 1770 West Centennial Place, Addison, Illinois. The following roll call was taken:

Members Present

Mark McKinnon, Addison Park District  
Steve Cherveney, Bensenville Park District  
Larry Reiner, Butterfield Park District  
Cec Sullivan, Village of Glendale Heights  
Maryfran Leno, Itasca Park District  
Paul Friedrichs, Lombard Park District  
Tom Connolly, Medinah Park District  
Greg Gola, Village of Villa Park  
Greg Kuhs, Wood Dale Park District

John Bealer, Village of Schiller Park, arrived at 1:33 p.m.  
Laura Barron, Oakbrook Terrace, arrived at 1:35 p.m.

Members Absent

None

Staff & Guests

Jeena Greenwalt, Executive Director  
Rosanna Furman, Recording Secretary  
Staff: Susan Balling, Lisa Deets and Karen Lesniak  
Guest: Ron Amen, Lauterbach & Amen, LLP

2. Approval of Minutes, September 7, 2011:

Chairman Kuhs asked if there were any questions regarding the minutes from the September 7, 2011, Board of Trustees meeting. Trustee Leno made a motion to approve the minutes from the September 7, 2011, Board of Trustees meeting. Trustee Sullivan seconded the motion. On a voice vote, the motion was passed unanimously.

3. Comments and Communications:

There were no comments or communications.

4. Introduction of Guests and Staff:

Director Greenwalt introduced Ron Amen, Auditor from Lauterbach & Amen, LLP, who will later be reviewing the Comprehensive Annual Financial Report for Year Ended April 30, 2011.

5. Financial Report:

- a. NEDSRA Consolidated Financial Report – September 15, 2011

Chairman Kuhs asked if there were any questions regarding the financial report ending September 15, 2011. There being no questions or comments, Trustee Friedrichs motioned to approve the September 15, 2011, Consolidated Financial Report as presented. Trustee Sullivan seconded the motion. On a roll call vote, the motion was passed unanimously.

Board of Trustees Meeting – October 5, 2011

6. Approval of Disbursements:

a. NEDSRA Disbursements Report – September 2011

Chairman Kuhs referred to the claims list presented for September 2011, which included checks #43490 to #43522, interim checks #43466 to #43489 and transfers totaling \$104,874.48. Director Greenwalt indicated that 63% of Member Partner contributions had been received.

Chairman Kuhs asked if there were any questions or comments. There being no questions or comments, Trustee Reiner motioned to approve the disbursements of September 2011 as presented. Trustee Sullivan seconded the motion. On a roll call vote, the motion was passed unanimously.

(John Bealer, Village of Schiller Park, arrived at 1:33 p.m.)

7. Committee Reports

Chairman Kuhs asked for Committee Reports from the Board of Trustees. Trustee Leno reported that she had met with Director Greenwalt and Chairman Kuhs a few weeks back. She indicated that Director Greenwalt was moving forward with the duties of the Executive Director, and no other personnel changes will take place until later in the year.

Trustee Leno also reported that Director Greenwalt distributed the Request for Qualifications (RFQ's) for Legal Services. The Committee will review the submitted RFQ's and narrow down their selection to two or three candidates. She noted that on October 25, 2011, from 9:30 a.m. to 2:00 p.m., interviews for these two or three candidates will be conducted. All Board of Trustee members are encouraged to attend, so that this can be discussed and a consensus can be reached in order to approve their selection at the November 9, 2011, Board of Trustees meeting.

8. Chairman of the Board Comments:

Chairman Kuhs thanked staff for a good job in making the Golf Classic a success this year.

(Laura Barron, Oakbrook Terrace, arrived at 1:35 p.m.)

9. Director's Report:

a. ***Administrative Report***

Director Greenwalt reported that the Request for Qualifications for Legal Services was sent out. The Request for Proposals for Contractual Business Services was also sent out. The Business Manager position is being eliminated effective October 30, 2011. NEDSRA is moving to acquire a contractual position for these services. She has received four proposals. In addition, Director Greenwalt has met with NSSRA to discuss the possibility of sharing this contractual position. Evaluation of these proposals is underway.

Director Greenwalt reported that Cindy Berg, a part-time staff person, has accepted a full-time position at another agency. She provides NEDSRA with Raiser's Edge software services, and her last day will be October 6, 2011. Director Greenwalt reminded the Board that NEDSRA is reviewing options for fundraising software. Should the association decide to replace the current Raiser's Edge software, there will be no need for an individual who is knowledgeable in Raiser's Edge. This decision will be based on what is best for NEDSRA and the Fund Development Department.

Director Greenwalt announced that there will be a Staff Development Day scheduled for October 19, 2011 at Glendale Lakes Golf Club. Director Greenwalt thanked Trustee Sullivan for hosting the training.

Director Greenwalt indicated that she had distributed the participation service numbers to the Board of Trustees, as requested. She asked to set up a time to come out to each member partner's location to review service and participation, in addition to the Annual Service Report.

Director Greenwalt thanked Trustee Cherveney and the Bensenville staff for their support and generosity in helping NEDSRA provide a successful Golf Classic event this year.

*Fundraising Report* – Director Lesniak reported that NEDSRA received a contribution of \$5,000 from Altria Companies Employee Community Fund. NEDSRA was one of 12 nonprofit organizations that will benefit from the generosity of 600 employees who contributed towards this fund.

Director Lesniak reported that despite the rain and cooler temperatures, the Golf Classic was a success. She thanked the staff at White Pines Golf Club for the dedication and hard work to make the event successful. She commented that the survey conducted at the golf outing concluded with 90 votes for shotgun start, 56 votes for designated tee time, and 33 who had no preference. A comprehensive report will be provided to the Board in November.

b. ***Summer Recreation Report***

Director Deets highlighted the report that was provided to the Board regarding summer programs: Summer Day Camps, School Cooperatives and Inclusion services. She reported that services were provided to 780 children and were within budget by \$2,500. She commented that Fee Assistance had decreased by \$4,000. A fee assistance amount of \$9,672 has been provided by donors for camp participation, and \$6,931 is subsidized by member partners. This money is moved to the appropriate expense line item in order to break even. Director Deets indicated that there was a strong recommendation from parents to increase camp by one week – from 7 to 8 weeks. She has conducted some research on the impact this will have and will propose this change during the upcoming budget. The School Cooperatives run 4 weeks and are also operated on a break even basis. Inclusion services totaled \$34,861, which is approximately \$800 per individual.

Director Greenwalt indicated that she would make a recommendation for the Finance Committee on how to proceed next year regarding fee assistance from donors and related transfers from 304 to 302 .

10. Unfinished Business

No unfinished business to report.

11. New Business

a. Comprehensive Annual Financial Report (Audit)

Ron Amen, Auditor with Lauterbach & Amen, LLP, was present to review the audit with the Board of Trustees. He indicated that all units of government are required to have an independent audit report per state statute, and NEDSRA falls under the category as a quasi-governmental entity. He reported that the audit received an “unqualified” or “clean” opinion, which is the highest level able to achieve. This indicates that the financial statements are materially correct based on auditing procedures.

He reported that the Net Change in Fund Balance was \$32,987 (positive increase), which is based on a modified accrual basis of accounting. He pointed out that the Ending Fund Balance was \$1,812,083. A full accrual basis of accounting is demonstrated on page 8, where there is a positive increase in fund balance of \$6,218. Under both basis of accounting, the fund balance increased.

Director Greenwalt thanked Mr. Amen for his support and assistance throughout this process.

Chairman Kuhs asked for a motion to approve the Comprehensive Annual Financial Report for year ended April 30, 2011, as presented. Trustee Friedrichs made a motion to approve the Comprehensive Annual Financial Report for year ended April 20, 2011, as presented by the independent auditing firm of Lauterbach & Amen, LLP. The motion was seconded by Trustee Connolly. On a roll call vote, the motion was passed unanimously.

b. 501(c)(3) IRS Form 990 Policy

Director Greenwalt indicated that the IRS Form 990 was completed by the Business Manager, which reflects our Fiscal Year 2010-2011. The IRS requires that the Board of Trustees take formal action on this report as a means of verifying that it was brought to their attention.

Chairman Kuhs asked for a motion to approve the 501(c)(3) IRS Form 990 Policy. Trustee Reiner made a motion to approve the 501(c)(3) IRS Form 990 Policy. Trustee Sullivan seconded the motion. On a roll call vote, the motion was passed unanimously.

c. HVAC Equipment Upgrade

Director Greenwalt reported that this capital expenditure was budgeted and bids were received from 5 different companies. She noted that the system is a 20 year old system. She also noted that this is for the computerized system, controls, temperatures, sensors in the ducts, but it is not for the units on the roof. The lowest bid was Total Automation Concepts, Inc. at \$29,500, which is more than \$8,700 less than the next lowest bidder.

Director Greenwalt indicated that the company includes a one-year warranty, but there is an option to acquire an extended 1-year or 2-year warranty for \$885 per year. Additional research is necessary as the warranty information was just received. Director Greenwalt asked that the Board approve the bid for Total Automation Concept, Inc. for \$29,500 and \$1,000 additional funds for any unforeseen items during the installation process that may be needed, and \$1,000 for an extended warranty option. The total cost for this capital project would be a maximum of \$31,500, which is \$13,500 under budget.

Chairman Kuhs asked for a motion to approve the HVAC equipment upgrade. Trustee Bealer made a motion to approve a maximum of \$30,500 for installation/replacement of NEDSRA's HVAC/VVT system, and award the bid for work detailed in specifications to Total Automation Concepts, Incorporated. In addition, \$1,000 is approved for a maintenance agreement on the new system for a total cost not to exceed \$31,500. Trustee McKinnon seconded the motion. On a roll call vote, the motion was passed unanimously.

d. Safety Manual Update

Director Greenwalt reported that PDRMA recommends that the Board of Trustees maintain a copy of NEDSRA's Safety Manual. As a result, updates are also provided to keep their Safety Manual up to date. The update that is included today is regarding Hazard Communication (Right to Know).

Chairman Kuhs asked for a motion to approve the NEDSRA Safety Manual update. Trustee Friedrichs made a motion to approve the Safety Manual Update as presented. Trustee Barron seconded the motion. On a voice vote, the motion was passed unanimously.

e. Articles of Agreement Funding Formula

Director Greenwalt provided the Board of Trustees with a variety of options for a new funding formula for their consideration. The options she provided were derived from comparisons with other SRAs, Board Member suggestions and staff input. She indicated that there are pros and cons to all of the options that are being presented, but stressed that the goal is to avoid cutting services and finding a fair compromise to meet both NEDSRA and Member Partner needs.

There was much discussion regarding this topic. Trustee Connolly indicated that there should be no reason to consider a reduction in contribution amount due to the available 4-cent levy. Trustee Barron asked for a simplified formula, so that she could explain it to her home Board Members. Chairman Kuhs indicated that he liked option B1 & B2 best. Trustee Friedrichs suggested looking at the contribution amount from 5 years ago as well as the CPI to see where the Board is now. Trustee Cherveney suggested establishing a new baseline every two years, which would allow for year-to-year consistency. Discussion regarding pros and cons regarding EAV options were also discussed. Trustee Leno suggested looking at the total contribution amount amongst the 11 Member Partners, determine if this amount is what should be contributed, and divide amongst all Member Partners. She suggested the Board also determine a rate in which services would not be cut and move forward with a formula that perhaps includes the increase per CPI or other rate. From that point on, she indicated that it would be staff's responsibility to work within those financial means, and any deficits would need to be filled by way of fundraising or cutting costs. Trustee Leno also suggested determining a funding option based on population.

Director Greenwalt suggested the funding option of increasing by the CPI and dividing it by each Member Partner's percentage of EAV. Assistant Balling reported that some SRAs have a formula consisting of 75% EAV and 25% gross population to equalize for Member Partners who have lower population, but high EAV.

Director Greenwalt reported that she would conduct some research on the various suggestions and summarize them for discussion and review at the November 9, 2011, Board of Trustees meeting.

12. Executive Session – For the purpose of discussion issues related to the hiring, firing, disciplining or compensation of personnel 5 ILCS 120/2(c) (1)

There was no Executive Session.

13. Take Action, if any, on Items Discussed in Executive Session

There was no Executive Session.

14. Adjournment – There being no further business before the Board of Trustees, a motion to adjourn the meeting was made by Trustee Friedrichs at 3:08 p.m. The motion was seconded by Trustee Sullivan. On a voice vote, the motion was passed unanimously.

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Rosanna Furman, Recording Secretary

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Greg Kuhs, Chairman

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Mark McKinnon, Secretary