

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF
THE SPECIAL LEISURE SERVICES FOUNDATION
HELD AT THE NWSRA ADMINISTRATIVE OFFICES
3000 W. CENTRAL ROAD, ROLLING MEADOWS, IL
ON THE 16TH OF MAY 2017**

Director Oates called the meeting to order at 3:32 p.m. Those present were Carl Arthur, Vicki Carney, Amy Charlesworth, Rita Fletcher, Anthony Gattuso, Dennis Hanson, Kathy Nowicki, Terri Oates, Tom Perkins, Brian Rubin and Jonathan Salk.

Absent were: Thomas Campone, Jacky Cartwright, Al Crook, Christina Ferraro, Jim Houser and Dennis Stein.

Also present were: Tracey Crawford, SLSF President, Brian Selders, Superintendent of Communications and IT, Andrea Griffin, Superintendent of Recreation, Jayne Finger, Superintendent of Recreation, Nanette Sowa, Superintendent of Development, Trisha Breitlow, Superintendent of Administrative Services, Cathy Splett, Foundation Coordinator, Megan O'Brien, Events Coordinator, Miranda Woodard, Accounting Manager, Jessica Vasalos, Administrative Coordinator, as recording secretary, Mark Konrad, Terrazzo and Marble, Rob Schiferl, Terrazzo and Marble, Matt Gerken, American Philanthropic, Eduardo Andino, American Philanthropic, Matt Beran, Lauterbach and Amen, and Dave Hanson, BF Edwards.

Superintendent Sowa introduced Mark and Rob from Terrazzo and Marble. Rob has been involved in NWSRA for many years. The company started a golf outing 15 years ago and has raised more than \$100,000. Terrazzo and Marble was given the IPRA & IAPD Community Service award for being influential in the funding of SLSF. This year's golf outing will be in October at Chevy Chase.

Superintendent Sowa introduced Megan O'Brien, who was hired as the SLSF Events Coordinator.

Director Oates reported that if you downloaded board packet before 2:00pm today there was a change in the auditor letter. Board Members have it electronically and in hard copy.

Approval of Agenda

Director Oates called for a motion to approve the Agenda for May 17, 2017. Director Charlesworth moved the motion and Director Rubin seconded the motion. Upon voice vote the motion carried.

Approval of Minutes

Director Oates called for a motion to approve the minutes for the January 17, 2017 meeting. Director Rubin moved the motion and Director Charlesworth seconded the motion. Upon voice vote the motion carried.

The board congratulated Cathy Splett for her 5 year anniversary and many accomplishments.

Correspondence

Written:

President Crawford reported a letter received from Dave Hanson that was his portfolio changes and reallocation of funds. She also reported on a letter from Mindy at the Arlington Heights Chamber of Commerce thanking SLSF for our support of the 70th anniversary dinner. Also received a letter from Rita Fletcher, Bartlett Park District Foundation, thanking SLSF for the \$200 donation for the inclusive playground.

Oral:

None

SLSF Reports

Events

Gold Medal Fashion Show – Superintendent Sowa reported that the wrap up memo was distributed and can be found in the Board Packet.

Grants

Cathy Splett, Foundation Coordinator, reviewed the grant activity. SLSF was approved for the IDOT grant last year and will hopefully receive the vehicle by the end of 2017. Transportation continues to be a growing need for NWSRA programs and the PURSUIT programs. SLSF will continue to apply for the IDOT grants as long as SLSF can show the need.

Sponsorships

Superintendent Sowa reviewed the Sponsorships. SLSF has received \$46,925 in sponsorships as of May 3. Northwest Community has been a \$15,000 sponsor for the past 8 years but their sponsorship dollars were cut; SLSF will now be getting \$10,000. SLSF received \$5000 from Mitsubishi Electric Automation. This donation will be recognized as sponsorship at our family day at Camp Connections. CDE Collisions became a new \$5000 sponsor for the Buffalo Grove golf outing. The Gold Medal Fashion Show had 3 new sponsors this year. President Crawford mentioned the importance of having a development plan because of the possibility of current sponsors lowering or discontinuing sponsorship support.

Goals

Superintendent Sowa stated that one of the goals is to research and apply for new grants. SLSF is talking to a new foundation that will be giving grants that might be sizeable. A Letter of Intent which was sent will be presented at their board meeting this week. SLSF received a letter from the Chicago Bulls inviting SLSF to apply for a new grant. Another goal was to hire an event coordinator, which has been done.

Marketing & Public Relations

Brian Selders, Superintendent of Communications and IT, relayed a story that is in the SLSF Impact about two children who received scholarships. SLSF events are on various radio stations and on their station calendars. NWSRA is interviewing for a new graphic communications coordinator. Over twenty applications were received and 12 are being considered. Production on a video for the Snoezelen Room has begun as well as installation of the new IT equipment.

NWSRA Program Report

Jayne Finger, Superintendent of Recreation, stated that the program report for March-May is in the board packet. She also introduced the new Bocce Ramp adaptive equipment that was received from a grant from Rotary Club of Palatine. There are 8 Paralympic athletes in our bocce training program who will be participating in regional games this summer and nationals in July in Naperville. Partners in Adult Learning (PAL) took a community integration trip to Villa Olivia and toured the newly designed building and discussed energy efficiency and innovative technology at Zurich.

Financial Reports

Investment Statement

Trisha Breitlow, Superintendent of Administrative Services reported that through April there was a gain of \$59,000. SLSF had \$171,000 in investments at the end of last year with \$21,000 being the remainder of Snoezelen costs that were covered by the grant and donations. The remaining \$150,000 will be spent this year on the Hanover Park Park District accessible ramp that is being built.

Profit and Loss Budget vs. Actual

Superintendent Breitlow reported that SLSF is approximately in the same place that it was in 2016. There have been some new expenses this year – the contract with American Philanthropic as well as ramp invoices that are starting to be paid to Hanover Park. Our unrestricted donations are up from this time last year, about 27% or 28% - up to \$14,700 this year.

Quarterly Reports

Superintendent Breitlow presented the quarterly report. Some costs are skewed high because those items are more than 25% of the year. The investment transfer looks high, but that is due to the \$150,000 that still remains in the account. SLSF is right where it should be for the 1st quarter.

Warrants

Approval of Warrant #2 dated February 28, 2017

Director Oates called for a motion to approve Warrant #2 dated February 28, 2017 for the amount of \$ 29,629.87 covering check numbers 7837 through 7851 from the BMO Harris Bank BAC account. Director Hanson moved the motion and Director Charlesworth seconded the motion. Upon roll being called the vote was as follows:

AYE: Carl Arthur, Vicki Carney, Amy Charlesworth, Rita Fletcher, Anthony Gattuso, Dennis Hanson, Kathy Nowicki, Terri Oates, Tom Perkins, Brian Rubin, Jonathan Salk

NAY: None

The motion carried.

Approval of Warrant #3 dated March 21, 2017

Director Oates called for a motion to approve Warrant #3 dated March 21, 2017 for the amount of \$70 covering check number 7852 from the BMO Harris Bank BAC account. Director Charlesworth moved the motion and Director Fletcher seconded the motion. Upon roll being called the vote was as follows:

AYE: Carl Arthur, Vicki Carney, Amy Charlesworth, Rita Fletcher, Anthony Gattuso, Dennis Hanson, Kathy Nowicki, Terri Oates, Tom Perkins, Brian Rubin, Jonathan Salk

NAY: None

The motion carried.

Approval of Warrant #4 dated April 28, 2017

Director Oates called for a motion to approve Warrant #4 dated April 28, 2017 for the amount of \$39,983.25 covering check numbers 7863 through 7870 from the BMO Harris Bank BAC account. Director Hanson moved the motion and Director Carney seconded the motion. Upon roll being called the vote was as follows:

AYE: Carl Arthur, Vicki Carney, Amy Charlesworth, Rita Fletcher, Anthony Gattuso, Dennis Hanson, Kathy Nowicki, Terri Oates, Tom Perkins, Brian Rubin, Jonathan Salk

NAY: None

The motion carried.

Approval of Warrant #5 dated May 16, 2017

Director Oates called for a motion to approve Warrant #5 dated May 16, 2017 for the amount of \$96,769.51 covering check numbers 7871 through 7875 from the BMO Harris Bank BAC account. Director Salk moved the motion and Director Gattuso seconded the motion. Upon roll being called the vote was as follows:

AYE: Carl Arthur, Vicki Carney, Amy Charlesworth, Rita Fletcher, Anthony Gattuso, Dennis Hanson, Kathy Nowicki, Terri Oates, Tom Perkins, Brian Rubin, Jonathan Salk

NAY: None

The motion carried.

Old Business

President Crawford reported on the Hanover Park accessible ramp. Hanover Park has Monday construction meetings that she and Andrea attend. The ramp construction is on schedule. There were 2 change orders – color and light fixture. The project is under budget. The base for the ramp is laid out. The beams are in. The project is on target to be finished at the end of May or beginning of June.

Andrea Griffin, Superintendent of Recreation gave an update on the NWSA programming space and PURSUIT 2. NWSRA is hoping to open PURSUIT 2 on May 22 but the fire marshal hasn't performed the site inspection. The new tentative opening date is June 5. After fire marshal approval, the state has to come and approve the site. There are currently 33 clients at HP, 20 a day, and can accommodate up to 21 per day. Rolling Meadows has 35 total, 21 per day. 70 tours and approximately 150 family and school personnel in March and May were conducted. The wait list is at 154: 27 are graduating in 2020; 53 are ready to be served. 77 of them will graduate in 2018/2019. NWSRA is hoping to have an open house (soft opening) in the last week in May. According to President Crawford, the HP Park District staff have been phenomenal.

New Business

Bank Issues

Superintendent Breitlow reported that during the course of the audit it came to our attention that the collateralized NWSRA funds at BMO Harris have mistakenly been closed. NWSRA had not been notified. After reaching out to the bank and not getting communication in return, notification took place on the 24th. The bank started to immediately protect the funds and collateralize them. President Crawford reached out to the NWSRA executive team. Superintendent Breitlow reached out to the auditors. The funds were then pledged to the Federal Reserve in Boston. NWSRA looked at other banking options and sent RFPs. The only bank to respond was Village Bank and Trust of Arlington Heights. NWSRA currently does have an operating reserve and capital reserve at a Village Bank and Trust in Arlington Heights. The bank is highly recommended by some of NWSRA Board Members.

Director Oates called for a motion to close SLSF Business Advantage Account and SLSF Non-Profit Low Volume Account. Director Hanson moved the motion and Chairman Arthur seconded the motion. Upon roll being called, the vote was as follows:

AYE: Carl Arthur, Vicki Carney, Amy Charlesworth, Rita Fletcher, Anthony Gattuso, Dennis Hanson, Kathy Nowicki, Terri Oates, Tom Perkins, Brian Rubin, Jonathan Salk

NAY: None

The motion carried.

Director Oates called for a motion to open new accounts with Village Bank and Trust of Arlington Heights. Chairman Arthur moved the motion and Director Carney seconded the motion. Upon roll being called, the vote was as follows:

AYE: Carl Arthur, Vicki Carney, Amy Charlesworth, Rita Fletcher, Anthony Gattuso, Dennis Hanson, Kathy Nowicki, Terri Oates, Tom Perkins, Brian Rubin, Jonathan Salk

NAY: None

The motion carried.

Director Oates called for a motion to approve bank account signers for the new bank accounts to be opened at the Village Bank and Trust. Director Hanson moved the motion and Director Rubin seconded the motion. Upon roll being called, the vote was as follows:

AYE: Carl Arthur, Vicki Carney, Amy Charlesworth, Rita Fletcher, Anthony Gattuso, Dennis Hanson, Kathy Nowicki, Terri Oates, Tom Perkins, Brian Rubin, Jonathan Salk

NAY: None

The motion carried.

SLSF Audit

Matt Beran, Lauterbach and Amen, presented the highlights of the audit. There isn't a management letter because there were no recommendations – operations are going well for SLSF. At this time there are no recommendations. Audit report: They gave SLSF an unmodified opinion, which is the highest opinion that they give. The numbers are accurate. The balance sheet shows net assets for 2016 are \$1,422,876. We had an increase of \$47,000 for the year. The main drivers of that were additional donations, grants, interest and dividends – much higher than the year before. With the additional revenue that came in, SLSF has been able to do capital improvements of \$70,000 this year.

Director Oates called for a motion to approve the audit letter. Director Rubin moved the motion and Director Perkins seconded the motion. Upon roll being called, the vote was as follows:

AYE: Carl Arthur, Vicki Carney, Amy Charlesworth, Rita Fletcher, Anthony Gattuso, Dennis Hanson, Kathy Nowicki, Terri Oates, Tom Perkins, Brian Rubin, Jonathan Salk

NAY: None

The motion carried.

Benjamin F. Edwards Investment Update

Dave Hanson, Benjamin F. Edwards, recapped the account review statement. Current balance: \$1.266 million invested – a combination of mutual funds and laddered bond portfolio, generally with brokered CDs. SLSF is at 53% or 54% cash and fixed income.

Liquidations have come from the equity side of the portfolio. SLSF had a significant advance overall. Last year SLSF showed a 5.52% return. Since 2010, SLSF is running at 6.3%. Year to date is up 5.61%, outperforming markets. Plans for this year include moving some funds to the international markets.

Fund Balance Recommendation

Superintendent Breitlow stated that at the end of 2016, the cash balance was \$239,778, of which \$150,000 was allocated to the ramp. That leaves us with a balance of \$89,778. For 2017, SLSF doesn't have any large expenses coming up – it was recommended \$90,000 as a benchmark and show \$222 short of that.

Director Oates called for a motion to approve the starting cash balance of \$89,778. Director Charlesworth made the motion and Director Salk seconded the motion. Upon roll being called, the vote was as follows:

AYE: Carl Arthur, Vicki Carney, Amy Charlesworth, Rita Fletcher, Anthony Gattuso, Dennis Hanson, Kathy Nowicki, Terri Oates, Tom Perkins, Brian Rubin, Jonathan Salk

NAY: None

The motion carried.

Annual Investment Transfer

Superintendent Breitlow reported that SLSF isn't transferring any cash into the investment account.

NWSRA Grant Request Review

Superintendent Finger stated SLSF has allocated \$275,000 to be granted to NWSRA to help program areas – divided into May, Oct. and Dec. May's request is for \$90,804.51 to cover scholarships, programs, inclusion, and athletics which has already been approved.

Legal Counsel

President Crawford stated that many board members are retiring. One of those Board Members is Ernest Bloomquist, who for years has donated his legal counsel. A recommendation was made to hire Robbins-Schwartz for legal counsel as they handle NWSRA legal affairs. They charge a retainer of \$50 per hour. Their normal hourly rate is \$205 - \$230.

Director Oates called for a motion to approve Robbins-Schwartz as the new legal firm for SLSF. Director Charlesworth moved the motion and Director Oates seconded the motion. Upon roll being called, the vote was as follows:

AYE: Carl Arthur, Vicki Carney, Amy Charlesworth, Anthony Gattuso, Dennis Hanson, Kathy Nowicki, Terri Oates, Tom Perkins, Brian Rubin, Jonathan Salk

NAY: None

Abstain: Rita Fletcher

Information/Action Items

SLSF Strategic Development Plan

Matt Gerken and Eduardo Andino, American Philanthropic, reviewed the development plan for 2018-2020. The task matrix calendar is included. There are five core strategies. 1. Increase time on task, i.e. more fundraising. SLSF hired Megan completing this goal. 2. Build a major gifts program. Do more in-person meeting. 3. Foundations and Grants. 4. Improve and expand direct mail. Find new sources of support in the community via mail. Test different approaches. 5. Planned giving. Have SLSF be a beneficiary of families' estates. Eduardo talked about task matrix – actionable items. SLSF will view it by quarter and learn what is working and what is not. Direct mail has been successful for us. A recommendation was made for us to do it quarterly instead of twice per year. A suggestion was made to contact athletes that might be interested in donating. American Philanthropic can assist SLSF in researching foundations, analyze progress toward meeting our goals, etc., if we determine that more help is needed.

President Crawford called for a motion to approve the development plan for 2018-2020. Director Rubin moved the motion and Director Oates seconded the motion. Upon rolled being called the vote was as follows:

AYE: Carl Arthur, Vicki Carney, Anthony Gattuso, Dennis Hanson, Kathy Nowicki, Terri Oates, Tom Perkins, Brian Rubin, Jonathan Salk

NAY: None

Comments

None

Adjournment

Being no further business to come before the Board, Director Oates called for a motion to adjourn the meeting at 5:00 p.m. Director Salk moved the motion and Director Gattuso seconded the motion. Upon voice vote the motion carried.

Secretary