

GSWA Board of Trustees Meeting  
09.18.2023  
Minutes

Sally convened the board meeting at 9:05 a.m. via Zoom. Board members present included Michael and Marilyn Dee, Dot Stillinger, Todd Hyde, David Naidu, Jordan Glatt, Dave Robinson, Carolyn Sharaway, Carolyn Dempsey, Adam Psichos, Tony DellaPelle, Sue Kessel, Clark Wagner, Meisha Williams Bertels, Brett Williamson, Lisa Stevens, Kate Barry, Gerry-Jo Cranmer, and Reed Auerbach. Thelma Achenbach, Roger Jones, Jane Kendall (Advisory Council), Staff included Sally Rubin, Sue Levine, and Wade Kirby.

*Sally called for a motion to approve the Board Meeting Minutes dated Monday, June 19<sup>th</sup>, 2023. The motion was approved by Clark and seconded by Todd. All in favor. None opposed. The motion carried.*

Sue then delivered her Finance Report.

**Auditor Selection** - Our current auditor advised us in August that the fee would be increasing 30% and an additional increase for two additional years. Raising the audit fee from \$6400 to \$11,000. The current auditor, BKC, eventually countered with \$8,000 after we said we would move the business. Due to the increase, we reached out to accounting firms, both large and medium-sized. We received quotes back from the large auditors at significantly higher rates (\$15-\$25K). We received a lot of declines and some are only available beginning next year. We received a quote from P&K CPA via Goldsmith Platter recent merger. The quote was slightly higher than BKC at \$8,400. The process was reviewed with Sally and Clark, and given the short window, we are proposing the move to the new auditor. The audit will be conducted by a partner, John Patrizio, with 35 years of experience, and we have asked them to quote for a 3-year term. Going forward, we will ask the Finance Committee to approve a modification to the Financial Oversight Policy as noted below:

**Financial Oversight Policy** – Board Approved 05/16/23, (prev. Updated 11/22/21; 3/31/16; 3/27/15, 10/24/12)

**Auditor:**

Change auditor approximately every 3-5 years to ensure there is another perspective in the review process. Secure approval from the Finance Committee for a change in auditors. Prepare all financial records for the audit. Assist auditor as needed for the fiscal year-end audit. This policy is board approved and we should add this request for approval to the next board meeting agenda.

**Year End Fiscal Year 2023:**

Our fiscal year ended on June 30, 2023, and although we had a slow start at the annual gala, we successfully off set the short fall thanks to the fabulous individuals that support the organization, and in particular our Major Donors, an amazing Native Pollinator Plant Program and slightly better than budgeted support from a committed group of corporations and foundations.

We are grateful for the support which ended the year with operational revenues of \$1.1 million (M). Our operational expenses were also just over \$1.1M resulting in breakeven results, which were in line with our annual budget.

### **Actuals YTD v Budget and v Prior Year:**

Preliminary actuals for Fiscal Year 2024 -July and August YTD, are tracking on or slightly ahead of budget. Versus prior year, we are tracking on or slightly ahead of Aug YTD 2023 vs 2022. With revenue at \$229k and expenses at \$137k. The 4% draw was based on a 12-month rolling average.

Our Board Designed Reserve was up for the year by \$0.3M. We have an incredible Finance Committee that oversees our investment portfolio and they have continued the trend to invest in funds that are ESG, provided the funds track with market. The Committee has also reviewed funds that are more mission based with the same investment strategy and requirements as other holdings. The team identified a fund at the end of the fiscal year and after considerable discussion and review, we have added to the investment portfolio First Trust Water ETF; FTW focuses on water and water infrastructure. We now have roughly 10% invested in mission/ESG funds.

The invested funds on 8/31/2023 were:

- Operational Reserve: \$516k
- Board Designated Endowment: \$1,298k with
- Total invested funds: \$1,814k

Sally said the Gala is less than three weeks away! Eleven trustees have bought tickets to date; two of whom are sponsors. We need Advisory Council members to please get involved. Buy your tickets now! Sally explained that the wine packages are a favorable option for advertisers to thank their clients or customers and enable GSWA to meet new people. Today Val will send a press release offering ten previously paid for tickets to individuals who have never attended our gala to encourage new people to get involved. Last year that was how we met now board member Charlie Apt. Simon Mandal the magician will approach small groups of people performing close magic during cocktails, and then go table to table during dinner as well. He will work with Wade to execute the "Call for Cash." \$75 is requested from each board member to sponsor the cork pull. Our Silent Auction will be available online if you cannot be there. We currently have received over 100 auction items, and we accept donations up until two days before the Gala. Sally spoke about a large and heavy cement table and chairs secured by David Budd from The Garden Cottage. We are not sure yet whether it will be moved to Brooklake for display the day of the event. Regarding solicitations for auction items, Sue Kessel and Meisha Williams asked about a list of those already committed so she doesn't ask for things we have already asked for or received. Sally will send them the list.

Sally then spoke on the status of the Ferber Property. She would like to hire Rob Simon, an attorney, to negotiate the Exchange Agreement with PSEG. Rob was recommended by Kevin Sullivan who is Chairman of the Planning Board in Chatham Township. We have also used Rob in the past to negotiate our easement with Anthony Sblendorio late in 2022. As an aside, Rob performs in **Not Enough Jeffs** at our music festival. *Sally then called for a motion to approve a Resolution to hire Rob Simon to negotiate the Exchange Agreement and authorize Sally to negotiate the terms of the transaction and perform due diligence. The Resolution was approved by Tony DellaPelle and seconded by Sue Kessel. All in favor. None opposed. The motion carried.*

Before conveying the property, PSE&G needs approval from the Board of Public Utilities for an even exchange of land and value. There is a cost savings for PSE&G if they don't take down buildings on the property which would offset part of any cash transaction. If they don't convey to us, they would have to pay to take down the two buildings. At this point, GSWA will owe PSE&G for the difference between the appraised value of the lot they are conveying to us minus the value of the two lots we are conveying to them minus the cost savings for not demolishing the buildings. It is all about the appraisals and PSEG is required to protect the rate payers' assets. There is an approximate six to nine month process with the Board of Public Utilities after the Exchange Agreement is signed to hopefully get BPU approval. Reed asked about whether the money will come from the endowment, or from a separate capital campaign? Sally said perhaps it will be a mini capital campaign although we can't really ask people to give to that and then to give again to a building fund shortly thereafter. We will also need zoning variances from both Harding and Chatham to convert from residential use to institutional use.

There were no questions from the board regarding Development.

Sally asked about a subcommittee to review the criteria for future land acquisition. GSWA may want to identify smaller individual lots to prevent development. We always have the ability to say no and each transaction is evaluated on a case by case basis. Tony, Dot, Gerry-Jo, and Todd will set up a Zoom Meeting to discuss whether or not to amend our current land acquisition criteria.

Should we install a Fitness Exercise Loop at the CMA? Carolyn Sharaway and Roger Jones will be happy to form a subcommittee to discuss this option. (After the meeting, John Neale also agreed to serve on this subcommittee.) Reed raised the issue of insurance which Sally will be sure to address with our insurance agent.

Sally then posed a question about revisiting a, " Board Give or Get Policy." There was unanimous agreement that no discussion was necessary at this time.

Michael Dee asked about the current status of the Rolling Knolls Superfund Site. There is an upcoming meeting with the refuge, the DEP, and the EPA. At least so far, the DEP is looking for a more comprehensive clean up than EPA has proposed and one which is more in line with what we and the refuge would like to see. Hopefully, there will be a facilitated cooperative meeting scheduled this fall. Michael suggested applying pressure to the EPA through an article, either in a newspaper or online. The EPA does not like this kind of publicity, and Sally said she would consider writing the article.

Sally added that at this time of year a discussion of new board members normally occurs. Who may be added? Who is rolling off? Please think about potential new trustees and let Sally know.

The next board meeting and Holiday Party will be on **Thursday, December 7th at the Office beginning at 5 p.m.**

The meeting adjourned at 9:58 a.m.

Respectfully submitted,

Wade Kirby  
Director of Development