



Old Town Triangle Association

Board Meeting Minutes

Date & Time: Thursday, August 22, 2013 7:00 P.M.
Location: 1763 N. North Park Avenue—OTTA North Room

The August 22, 2013 regular meeting of the OTTA Board of Directors was called to order by President Vi Daley, at 7:01 P.M. A Quorum was present.

Directors Present: Vi Daley, Karen Pfendler, Claire Leaman, David Pfendler, John Knoche, Lance Hornaday, Alan Lougee, Anne Giffels

Directors Absent: Robert Gibbs, Jeff Smith, Rick Hyer

Others Present: Leslie Wolfe, Stefani Turken, Adam Schwerner

1: Approval of Minutes: Director Giffels moved to approve the 7-9-13 Board minutes as redacted from the secretary's notes, a complete audio file of the meeting, and Board member corrections—Treasurer Leaman 2nded--- approved.

2: Treasurer's Report: Treasurer Leaman distributed 6 pages of a *Full Fiscal Year 2012-13 (August 1, 2012 to July 31, 2013)* report. She gave a detailed explanation of each page. Those spreadsheets are not embedded in these minutes, but a hard copy of same will be attached to these minutes for archival purposes. Rather, the *Profit & Loss Budget Performance* sheets for *June 30, 2013 & July 31, 2013* have been included in these minutes. The *Profit & Loss Budget Performance* for the month of *June 2013* is as follows:

Income: \$226,915.65; Expenses: \$140,092.02; Net Income: \$86,823.63. The *Year-to-Date Totals* through *June 30, 2013* are: **Total Income: \$517,835.19; Total Expenses: \$334,990.62; Total Net Income: \$182,844.57.**

The *Profit & Loss Budget Performance* for the month of *July, 2013* is as follows: **Income: \$8,188.49; Expenses: \$140,107.56; Net Income: \$-131,919.07.** The *Year-to-Date Totals* through *July 31, 2013* are: **Total Income: \$526,023.68; Total Expenses: \$475,098.18; Total Net Income: \$50,925.50.** The **July '13 spreadsheet** shows our *Profit & Loss Budget Performance* for the entire fiscal year 2012-2013. Secretary K. Pfendler moved to accept the Treasurer's report...Director Giffels 2nded....motion carried. Treasurer Leaman will discuss the upcoming budget process at the September meeting.

	Jun 13	Aug '12 - Jun 13	Annual Budget
Ordinary Income/Expense			
Income			
001 · Association Revenue	502.91	16,064.70	9,400.00
019 · Program Revenue	2,885.98	59,835.44	60,300.00
200 · Neighborhood Improvement (Parks/parkways/trees/trash)	1,829.70	1,829.70	
250 · Fund Raising Events	34,692.80	50,151.30	37,125.00
330 · Art Fair Revenues (Art Fair Master Account)	187,004.26	389,954.05	364,922.00
Total Income	226,915.65	517,835.19	471,747.00
Gross Profit	226,915.65	517,835.19	471,747.00

Expenses			
060 · Association Expenses	5,463.98	71,257.22	91,250.00
050 · Occupancy Expenses	1,977.58	24,680.96	43,800.00
040 · Program Expenses	8,265.03	54,543.19	77,450.00
230 · Neighborhood Improvements	3,197.66	21,234.99	50,850.00
270 · Fund Raising Event Expenses	17,664.82	28,555.82	24,325.00
300 · Art Fair Expenses	71,202.95	96,898.44	117,950.00
090 · Contributions Expenses (Grants given)	<u>32,320.00</u>	<u>37,820.00</u>	<u>82,000.00</u>
Total Expense	<u>140,092.02</u>	<u>334,990.62</u>	<u>487,625.00</u>
Net Ordinary Income	<u>86,823.63</u>	<u>182,844.57</u>	<u>-15,878.00</u>
Net Income	<u><u>86,823.63</u></u>	<u><u>182,844.57</u></u>	<u><u>-15,878.00</u></u>

	<u>Jul '13</u>	<u>Aug '12 - Jul '13</u>	<u>Annual Budget</u>
Ordinary Income/Expense			
Income			
001 · Association Revenue	282.85	16,347.55	9,400.00
019 · Program Revenue	5,574.69	65,410.13	60,300.00
200 · Neighborhood Improvement (Parks/parkways/trees/trash)	0.00	1,829.70	
250 · Fund Raising Events	100.00	50,251.30	37,125.00
330 · Art Fair Revenues (Art Fair Master Account)	<u>2,230.95</u>	<u>392,185.00</u>	<u>364,922.00</u>
Total Income	<u>8,188.49</u>	<u>526,023.68</u>	<u>471,747.00</u>
Gross Profit	8,188.49	526,023.68	471,747.00
Expense			
060 · Association Expenses	6,455.69	77,712.91	91,250.00
050 · Occupancy Expenses	11,754.35	36,435.31	43,800.00
040 · Program Expenses	9,814.13	64,357.32	77,450.00
230 · Neighborhood Improvements	28,154.30	49,389.29	50,850.00
270 · Fund Raising Event Expenses	441.00	28,996.82	24,325.00
300 · Art Fair Expenses	3,788.09	100,686.53	117,950.00
090 · Contributions Expenses (Grants given)	<u>79,700.00</u>	<u>117,520.00</u>	<u>82,000.00</u>
Total Expense	<u>140,107.56</u>	<u>475,098.18</u>	<u>487,625.00</u>
Net Ordinary Income	<u>-131,919.07</u>	<u>50,925.50</u>	<u>-15,878.00</u>
Net Income	<u><u>-131,919.07</u></u>	<u><u>50,925.50</u></u>	<u><u>-15,878.00</u></u>

3: Committee Reports:

- **Art Fair:** Secretary K. Pfendler moved to appoint John Knoche 2014 Art Fair Chair...Director Hornaday 2nded....motioned carried. John Knoche will again assume the position of 2nd VP of the OTTA Board as he serves in the capacity of the 2014 Art Fair Chair. His tenure will remain through July 31, 2014 and will continue as 2nd VP until a new Art Fair Chair has been named. Chair Knoche made a short presentation to the board with regard to a suggested new formula that should be used to compute the amount of our donation to the Menomonee Club (MC). Traditionally it has been a 40% share of the net profits from the Art Fair after all direct & indirect expenses are deducted from the gross revenues. Chair Knoche proposed that the new formula be 20% of the net profits after direct expenses (no indirect expenses) have been deducted. The 20% figure was derived from what Chair Knoche equates with MC contributing approximately 20% of the workload involved in putting on the fair. The plan is to have 3 of our Board members meet with 3 of the Menomonee Club's Board to discuss this new formula with the caveat that it be revisited every 5 years. This restructured formula is a simpler and more transparent way of determining the amount of our donation to MC. It was agreed that our 3 Board members (Chair Knoche, Treasurer Leaman & President Daley) should meet with 3 MC Board members to discuss our working outline for a new formula. Once our Board team reports back to us on the outcome of this meeting, if MC was amenable to the formula change, then a motion would be made to officially adopt this new formula outlining the formula to be used in determining the amount OTTA will donate to MC from the net proceeds of the Art Fair.

President Daley reported that OTTA received a nice letter from the Menomonee Club thanking us for our wonderful contribution. Chair Knoche is trying to come up with a special emphasis for our 65th Art Fair Anniversary. He is going to approach TI, Dominick's, Jewel, etc. as possible large sponsors for our next fair. We are going to work at getting rid of the office cubicle in favor of standing partitions to delineate the Art Fair working space at the front of the center.

- **By-Laws:** Chair D. Pfendler had nothing to report from By-Laws now, but Chair D. Pfendler will make a presentation under new business that involves possible future changes to the By-Laws.
- **Capital Improvements:** Chair Lougee reported that a damp meter was purchased to make sure the plaster is dry and ready to be repaired. Once all patching is completed, the entire ceiling will be painted along with all the pipes both new and old.
- **Continuing Education:** Chairperson Karen Pfendler reported a new exhibit will commence on September 8 through Oct 4, 2013. The artist is Steven Green...the exhibit: "Scapes: Land & City" A Ten Year Retrospective of Paintings and Drawings. Applications for 2014 gallery exhibitors will begin soon. The gallery committee will meet in November to select the next group of artists.
- **Events:** Director Anne Giffels reports that the triangle yard sale is scheduled for Saturday, August 24, 2013 from 10:00 a.m. to 3:00 p.m. with 33 plus sites (over 50 people participating)...over 1600 hits on the web site for the sale. Committee will debrief after it's over. Chair Giffels feels this type of event helps to bring our community together. There are other events on the agenda but they are still in the planning stages.
- **Grants:** Chair Leaman had no updates to report for her Grants Committee.
- **HD/PZ: Chair Hornaday reported** that his committee canceled their last meeting because no presentation had been scheduled.
- **Marketing & Communications:** Chair Gibbs reported by email to President Daley. He wrote as follows: "1) With the art fair behind us, we are focusing most of our efforts on completing the new website. It is 80% complete - with our recent efforts being entirely on the art fair, the website was pushed back; therefore, we did not spend the expected budget to complete before end of July. Obviously we would like to time the launch of the site with John so the call for artist registrations directs people to the new website etc. I imagine this will just require some coordination depending on when we are expecting to get artists registering for 2014.

2) We would like to put out a request for volunteers now/soon for supporting the next cycle of art fair promotional efforts. It would be great to get a head start.

3) The newsletter process is going smoothly in tandem to the website effort.

4) Anything that is not related to the website (i.e. the newsletter or the art fair) is outside of our focus until the website is up (we just don't have the bandwidth to think about anything else right now)."

- **Membership:** Chair Karen Pfendler reported renewal notices are going out for 10/1/13. OTTA currently has over 500 voting members and over 700 members total.
- **Neighborhood Improvements:** Secretary K. Pfendler reported for Chair Smith the following: NIC is now in the process of selecting the types of trees to be planted in about 28-30 empty tree wells throughout the entire triangle. It was decided to replace all the missing trees on Lincoln Park West with flowering crabapples in keeping with what is the preponderance of trees already in the parkways. The rest of the trees will be ones that when fully grown will provide a canopy effect along the various parkways. These trees will grow to a height of around 50 feet. The planting is scheduled to begin mid-October.

The next project NIC will embark on is a phased ash tree removal program. While DOF (Dept. of Forestry) was kind enough to move the Triangle parkways to the top of the ash treatment list last summer for emerald ash borer, and again this summer for treatment of all our park ash trees [altogether saving us about \$20,000], Care of Trees and Adam Schwerner have informed us that *all* of our ash trees are infected and ultimately will have to be taken down.

NIC is also overseeing the dumpster situation on North Park where a large renovation project is ongoing. Overflowing garbage cans and dumpsters are creating a rodent problem which Marty Casey, our ward superintendent is monitoring.

The rat abatement program is a go...we are waiting on Josie (from Streets & San) to get it in motion. Adam Schwerner commented that his presence at this board meeting was to reinforce his feeling that OTTA needs to continue to focus on improving the infrastructure of our community...specifically the South & North Ogden play lots need a great deal of attention.

- **Neighborhood Relations:** Director Hyer reported via email to the President that:
 - 1) *Greenheart* (a new shop on Wells Street) is indeed considering joining *iBOT* but the manager is out this week so we couldn't close the sale. However, if we could do a squib on them in the newsletter, that would be nice and neighborly.
 - 2) I've had several conversations with *Bistro Margot*. I'm not sure why they're still on the fence, unless it's, who wants to give discounts in a recession? So they are thinking hard about joining.
 - 3) The Triangle website *iBOT* page under "Tipre" still says "Ask for Joe Tipre". That should come out. I've spoken to Lee at Tipre and he says they definitely want to be in the program, offering 10% across the board.
- **Archivist:** Archivist David reported that he has gone back through the years and is cataloguing all resolutions (motions) that have been passed by all the boards. They will be grouped in categories by years. He has already progressed through the year 2000.

4: Arts & Operations Director's Report: A & O Director Wolfe reported that the 2014 Art Fair artist application process has begun. Joan Goldstein, Sue Apey, and Alice Huff have already met and begun the process of informing the 40% of the artists from last year's fair who were juried out that they would need to reapply if they want to return for the 2014 fair. The remaining %60 will receive letters inviting them to return in 2014.

5: Old Business: President Daley has been in touch with *Activate* to find out why the exhibit hasn't been installed yet. She was told that the group still hadn't received a use permit from the city. She assured President Daley that the permit they will be issued will be from August, 2013 to May 2014 in time to be dismantled for the Art Fair.

6: New Business: By-Laws Chair D. Pfendler presented a proposal for the formation of “Standing Committees” for the OTTA. The formation of “standing Committees” would require a By-Laws amendment. Inserted in these minutes is a copy of the document as was presented to the Board.

‘OTTA “Standing Committees” Initial Proposal and Discussion

August 22, 2013

Objectives:

1. To insure compliance with and to make all formal OTTA documents and the language therein congruent and compatible with Illinois Law
2. To achieve and maintain maximum efficiency of administrative effort in the pursuit and achievement of the Association’s goals and it’s Mission.

Review of authority over n-f-p:

- 1 Any Federal Regulations (mostly tax and financial reporting)
- 2 State Law (805 Il C s 105 General Not For Profit Act of Illinois)
- 3 Articles of Incorporation
- 4 Bylaws
- 5 Any Standing Rules (rules which are related to the details of the administration of a society rather than to parliamentary procedure and which can be adopted or changed upon the same conditions as any ordinary act of the society. (At the current time we have no formal standing rules)
- 6 Robert’s Rules of Order

If the higher authority is silent on any given matter one may move down the list for clarification.

Preface:” *Bylaws contain the primary key governance details of the organization and are essentially a contract between the corporation and its directors, officers, and dues-paying members (if any).*” [Board Source- Better Bylaws- 2nd Edition]

The reality of our State law relating to committees and the populating of such committees is:

We are required to have two members from the Board on each committee and the population of the committee is to have a majority of board directors in it’s population make-up. [805 IL CS 105-see Section 108.40 “Committees”]

The implications of this are, that as the number of committees is increased the legal mandatory participation of the board increases as well.

There is no language currently in our Bylaws regarding population save that; all committee members are to be members of the organization.

Observation: The OTTA has always used committees to drive the organization, something that the state law seem to be wary of and consequently does not appreciate or recognize perhaps because of the concern for the fiscal accountability aspect of the Boards of not-for –profits.

Proposal to establish six (6) “Standing” Committees

ART FAIR

BYLAWS

COMMUNICATION

HISTORIC DISTRICT/PLANNING & ZONING

NEIGHBORHOOD IMPROVEMENTS

MEMBERSHIP

ARTICLE VII SECTION 1 states: Committees are formed by a “Resolution” adopted by a majority of directors in office....which committees, to the extent provided in said resolution shall have and exercise the authority of the Board of Directors in the management of the corporation; the designation of such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed by law. **(The last phrase in this section is necessary because the assignment of Board authority to a subordinate group is against a general legal principle to do so, again an accountability issue)**

By establishing six (6) standing (permanent)[These committees have existed for most of the life of our organization in one form or another] the Board could dispense with the resolution to establish and the committees would be ready to perform at the beginning of every year.

Another advantage to this would be that the selection process for incoming directors could be tailored to meet the needs of the critical committees. (i.e. Recruiting potential board members who demonstrate interest in the areas of any particular standing committee)

Part two of the selection of the standing committees would be to add into the bylaws each particular scope and purview and a delineation of authority of each committee perhaps along with its mission statement

Task Forces

A “task force” has the characteristics of an “AD HOC” Committee. Once it has achieved its mandates it ceases to exist.

The benefit of using this nomenclature rather than “Committee” is that it allows for more latitude in the selection of Chairs (doesn’t necessarily have to be a member of the board) and the populating of such a group (does not necessarily have to have a representative from the Board). Such task forces would still be under the control and oversight of the Board with no authority to exercise.

Consequently another advantage is that only a resolution is required for establishing them and there are no bylaw issues, furthermore the board could establish standing rules, which are easily amended and can be quickly addressed with little pre-preparation or other formalities.’

Discussion followed Chair D. Pfendler’s presentation. There will be further discussions at subsequent meetings.

Director Giffels mentioned that she had gotten some input regarding the application for Art Fair Co-Chair she would like to send out. She has put together a draft and she wanted to know who she should send it to. The intent is to get this out to our members ASAP. She also did some research on required skills for community organizers and put together a sample list of some of the skills potential chairs should have. Director Giffels had sent out her preliminary document to some board members but not all. Director Giffels said she would send it around again to the entire board.

7: Announcements: President Daley thanked *Jimmy John’s* for providing sandwiches for this evening’s Board meeting.

8: Adjournment: Director Lougee moved to adjourn...Director Giffels 2nded...the board meeting was adjourned @ 9:10 P.M.

These minutes were approved as redacted from the Secretary’s notes, a complete audio file of the meeting, and board member corrections on 910/13.

Respectfully submitted,

Karen Pfendler, Secretary OTTA