



**Old Town Triangle Association
Board Meeting Minutes**

Date & Time: Tuesday, July 8, 2014 7:00 P.M.
Location: 1763 N. North Park Avenue—OTTA North Room

The July 8, 2014 regular meeting of the OTTA Board of Directors was called to order by President Rick Rausch, at 7:03 P.M. A Quorum was present.

Directors Present: Rick Rausch, Karen Pfendler, Claire Leaman, Diane Gonzalez, David Pfendler, Lance Hornaday, Chris Huff, Robert Jones

Directors Absent: Robert Gibbs, Ann Giffels

Others Present: Leslie Wolfe, Allen Carley, Corinne Svoboda, Christina Wojtas, Lucy Wojtas, Isabel Weiss, Steve Weiss, Carolyn Davis, Michael Warnick, Stefani Turken, Sharon Trost, Tiffany Tavolino

1: Approval of Minutes: VP Jones moved to approve the 4-14-14 Board minutes as redacted from the secretary’s notes, a complete audio file of the meeting, and Board member corrections--Director Gonzalez 2nded, minutes were approved; Director D. Pfendler moved to approve the 5-13-14 Board minutes as redacted from the secretary’s notes, a complete audio file of the meeting, and Board member corrections—Director Gonzalez 2nded, minutes were approved.

2: Treasurer’s Report: Treasurer Leaman presented the *Profit & Loss Budget Performance* for the month of **June 1, 2014 thru July 4, 2014** as follows: **Income: \$174,353.49; Expenses: \$151,376.54; Net Income: \$22,976.95.** The report is always approved as presented. Treasurer Leaman also reviewed the summary report that Chair Knoche submitted to the Board. There is one outstanding receivable for the music stage from a group called Market Hooks sponsored by Steve Ivankovich which is still being processed.

	current	YTD	budget	
	Jun 1 - Jul 4, 14	Aug 1, '13 - Jul 4, 14	Annual Budget	
Ordinary Income/Expense				<u>notes</u>
Income				
001 · Association Revenue	2,357.15	17,848.51	15,100.00	includes 1 LaSalle rent payment from prior yr.
019 · Program Revenue	2,527.37	52,271.89	61,300.00	art school will come in low
200 · Neighborhood Improvement (Parks/parkways/trees/trash)	775.00	961.00		
250 · Fund Raising Events	13,162.04	25,684.71	39,000.00	plan achieved: net \$15k, see expense below
330 · Art Fair Revenues (Art Fair Master Account)	155,531.93	397,770.04	377,600.00	awaiting \$5k more - Sponsorship/S. Ivankovich
Total Income	174,353.49	494,536.15	493,000.00	
Expense				
060 · Association Expenses	9,470.44	63,206.19	90,535.01	very roughly, approx. FY 10k proj underage
050 · Occupancy Expenses	3,956.69	31,539.65	42,024.99	large insurance premium still to come
040 · Program Expenses	1,886.25	46,917.46	69,160.00	art school will come in low
230 · Neighborhood Improvements	19,661.62	33,970.09	50,900.00	NIC to review spending vs approved plan
270 · Fund Raising Event Expenses	6,601.61	10,601.61	23,700.00	plan achieved: net \$15k, see revenue above
300 · Art Fair Expenses	71,799.93	92,675.01	125,200.00	BCN promo: Still to pay 12,500 per plan
090 · Art Fair - Menomonee Club share (20% of net)	0.00	0.00	50,480.00	Mclub share: Still to pay: approx. \$59,000
090 · Contributions Expenses (Grants given)	38,000.00	41,000.00	41,000.00	
Total Expense	151,376.54	319,910.01	493,000.00	
Net Income	22,976.95	174,626.14	0.00	

plus Wisc. Music Stage sponsorship still due	5,000.00	Market Hooks / S. Ivankovich
less BCN promotion expense	-12,500.00	BCN sponsorship rev well over 12,500 plus visitor dat
less Menomonee Club 20% share	<u>(59,519.01)</u>	<-- formula: 20% x (art fair rev a/c 330 - art fair exp a 300)
	107,607.13	net income after Mclub AF share
less expenses to FY end i.e. July 5 - 31st	<u>?</u>	further exp fr Assoc, Occup, Prog, NIC
	?	net income, July 31st full fiscal year

3: President's Report: President Rausch reported the following:

“John Knoche has resigned as 2nd Vice President on 7/3/14. I wish to thank John for his efforts as Chairman of the 2014 Art Fair and also as a productive member of the Board of Directors. John’s term would have expired on July 31, 2014, so I do not plan to recommend a replacement to the Board.

As President, I met this morning with the President of the Wrightwood Neighbors Association. Our discussion focused on the possibility for the 7 Neighborhood Associations in the 43 Ward to organize the various organizations with the purpose to share information and resources. We hope to have an meeting for the Presidents of these 7 organizations in early September.

The Board received a complaint from a Board member on 6/21/14 against another Board member regarding an incident the evening of June 13, 2014. The original complaint requested that the board remove the accused from the board. As we have done with the 2 complaints earlier this year, the Officers of the Corporation, minus those involved in the complaint, reviewed the complaint and related documents on July 1, 2014. The recommendation of the officers at that time was that an objective third party be selected and agreed to by both the accuser and the accused to attempt to mediate this issue between the two parties. Prior to this being implemented, the board member accused in the complaint, resigned his position on the Board.

At this time, the officers recommend no further action. I would ask if the Board would like to accept these recommendations.”

Treasurer Leaman *moved that the Board accept the recommendations* made to the Board by the President, Treasurer and 1st VP---Dir. Hornaday 2nded---discussion followed. The subject matter of this complaint was a sensitive issue and because it was felt by 2 board members that any discussion relating to this issue not be held in public, the Secretary *moved to table the Treasurer’s motion*...Director Pfendler 2nded---there was additional discussion---the question was called and the *motion to table* Treasurer Leaman’s motion to accept the President’s recommendations as described in his report was passed.

4: STANDING COMMITTEES:

ART FAIR:

➤ **Art Fair Subcommittee:** Chair Knoche sent the following Art Fair summary to the Board:

Old Town Art Fair 2014 – high level review, July 2014---Submitted by John Knoche, General Chair

First Sight:

- Changed to week before and a Saturday.
- Profit goal was \$15,300. Actual was \$15,083.
- Had more auctions items for which we get 100% of proceeds.

Art Fair – Preliminary Financials:

- ~ \$403,000 in revenues (includes \$5k still owed by Ivankovich)
- ~ \$105,000 in expenses (includes \$12,500 for BCN prize)
- ~ \$297,000 profit

Budget was \$252,400 profit

= ~ \$44,600 over plan

Art Fair Notable Issues:

- We were able to re-use much of gate signage from 2013 – saving budget.
- Was no need to dip into General Operating budget (had anticipated buying generators – an issue for 2015 as the condos in the Lincoln Mall area are being redone and new neighbors may not be so hospitable)
- Sponsorship revenue looking to be \$11,000 over budget. Exhibitor Committee felt number of sponsors was not distracting from the event (Art Institute (actors), Second City (voting booth), Harrington Design (buttons), Sparkling Ice (product for artists), Rexam (recycling) had booths, Ivankovich at Music Stage, Treasure Island and Garzel Designs – no booths, just cash).
- Gate Issues (based on cash to cash comparisons):
 - (a) Gate revenue was over plan (\$138.8k v \$135k) but well below 2013 (\$143k).
 - (b) 2013 Sunday vs 2014 Sunday (father’s day) almost identical (\$51.5k vs \$51.4k)
 - (c) 2013 Saturday exceeded 2014 Saturday by 8%.
 - (d) Saturday 2014 North Park and Wisconsin West gates were 8% and 15% ahead of their 2013 numbers. Here we had experienced Gate Captains and Staff.
 - (e) For Saturday 2014 Menomonee East and Wisconsin/Lincoln were -23% and -18% below 2013 numbers. Here we had issues with Gate Captains. If the “weak gates” had performed as well as the “strong” gates we would have generated an estimated \$20,000 more in gate revenues.

A Win-Win:

- In 2013 we re-negotiated the very complex “fuzzy-accounting-indirect-expense” calculation to determine the Menomonee Club for Boys and Girls share of Art Fair revenue.
- In 2013 the MC share of Art Fair revenue was \$76,700. In 2012 this was \$33,570. This year MC will receive ~\$59,000 based upon transparent numbers. This is \$18k less than in 2013 and \$25k more than in 2012. The old ‘indirect-expense’ calculation created volatility year-on-year and had perverse ramifications – OTTA could run a poor Fair expense-wise, and pass on equivalent “indirect” expenses to MC. The new formula, 20% of (AF direct revenues less direct expenses), is transparent and will have lower volatility being only a function of direct AF revenues and direct AF expenses, both easily calculated, trackable and reportable.

Barcelona Prize:

- We will have ~5,000 email addresses with ZIP, age, gender from voting population – a gold mine.

GOVERNANCE:

- **Bylaws Subcommittee:** The Bylaws Sub-committee met on May 21, 2014. Chair D. Pfendler gave the board a document outlining standard procedures to be followed for balloted elections. The procedure outlines what is done with ballots once they are received. The Bylaw Sub-committee didn’t see the need for amending the Bylaws with these procedures but rather to place them in the in force documents file kept in the office. Chair Pfendler asked that the Board review this document and be prepared to vote on its adoption as policy at a future meeting. The 2nd item discussed involved our Articles of Incorporation. The sub-committee has been researching all official documents filed both with the state and the IRS. What we discovered was that although the OTTA had approved 3 amendments to the Articles of Incorporation, only two (2) had been filed with the state. The sub-committee would work to resolve this issue and get the amendment properly filed with the state thereby officially adding it to our Articles of Incorporation.
- **Capital Improvements Subcommittee:** Chair Huff reported that the Condo Association held a meeting and owners are pretty much in agreement that the building’s windows need to be replaced. One of the owners agreed to get information regarding a window replacement plan. Previous boards from 5+ years ago did research regarding window replacement and it might be beneficial to look at their findings. There are also some insulation issues up near the roof that if addressed might help heat retention through the winter. Certain tasks were assigned to various owners and one owner was going to be calling roofers to assess any roof needs we might have. With the recent torrential rains there was some flooding in our kitchen area. We painted all the wrought iron enclosures around all of our tree wells (Menomonee Club chipped in on that expense). Now that the Art Fair is over, focus will be directed at repairing our concrete issues out back. We will also try to repair the erosion of some of the Name Bricks that are rising up due to the tree roots growing beneath them. We’ll contact Roy’s Landscaping to assess the cost of repair.

EDUCATION AND PROGRAMS

- **Continuing Education Subcommittee:** A & O Dir. Wolfe reported a new gallery exhibit is up...artist Sue Arends--- theme: *Exploring Corrugated Cardboard*...this is the first time the artist has had a solo show.
- **Events Subcommittee:** Director Giffels was unable to attend the July Board Meeting...below are the comments she submitted:

“For the Events Committee, we have a couple of upcoming events. On Wednesday, July 9, the Chicago History Museum will be showing "Ferris Bueller's Day Off" as part of their summertime outdoor movies. The Great Chicago Fire Festival will have a photo booth there as part of our participation in the Festival. The photos are free, and will be part of the big October 4 event on the Chicago River.

We have a date for the GCFF Barbecue. It's Friday, August 8 at Seward Park. The Photo Booth will be back, as well as the BBQ Cyclone and some great Jazz Music. The event will start at 4:30 pm, with music at 6:30.”

MEMBER RELATIONS:

- **Grants Subcommittee:** Chair Gonzalez reported that the grant recipients received their checks at the Thank You party on June 20, 2014. The Grants sub-committee has received some thoughtful comments and appreciative thanks for their awards. There is a folder containing thank you notes from various recipients that can be reviewed.
- **Marketing & Communications Subcommittee:** Chair Gibbs was not in attendance for the July Board meeting.
- **Membership Subcommittee:** Chair K. Pfendler reported that she has sent out 125 renewal notices. Currently the membership numbers stand at 482 voting members and 695 total members. In the 3 years of Chair K. Pfendler’s tenure as Membership Chair, Membership has enrolled an additional 150+ new members.
- **Neighborhood Relations Subcommittee:** Chair K. Pfendler reported there will be a CAPS meeting July 10, 2014. An important item on the agenda will relate to Devil Dog (hot dog venue) on Webster near Sheffield. There has been an ongoing problem over the past 4 or 5 years with this establishment...trash thrown everywhere, excessive loitering and noise at all hours of the morning, inebriated patrons coming there from closed bars seeking food, and the fact that the owner has a 4:00 a.m. license on Thursdays, Fridays and Saturdays which impacts negatively on surrounding neighbors.

INFRASTRUCTURE RESOURCES:

- **HD/PZ Subcommittee:** Chair Hornaday reported they have not met for the last two months but they will be meeting in August for some project updates and any new projects pending.
- **Neighborhood Improvement Subcommittee:** Chair Jones reported: the sidewalk has been replaced in front of the Nash property; the committee had voted to approve a one-time 40% rebate on sidewalk brick replacement only through the month of June. Since there was no June meeting, via-email, the NIC members voted to reduce that rebate amount to 35% as the cost to replace sidewalk bricks is much more expensive than replacing parkway brick—the 20% rebate continues to remain in effect for parkway brick replacement; the 30 newly planted trees are doing well; Chair Jones went

on to explain that he is still on his learning curve for NIC and that he wasn't a board member when the NIC budget was approved last fall. He wished to let the board know that NIC is not over budget, but that when setting line item limits in the fall for projected work to be done in the coming spring, it is very difficult to know exactly what numbers to propose. It is most likely that even in future budgets, shifts in various line item amounts will invariably need to be made. The most important point is line item shifts should not pose a major issue within our allotted budget numbers. We work very diligently to not exceed our budget numbers in the aggregate...and even this year we will no doubt end up with unspent dollars. Residents and members have verbally acknowledged the valuable work being done by the Neighborhood Improvement Committee members.

5: Arts & Operations Director's Report: Leslie reported that the new web site is almost ready to go...Barbara Guttman and Anne Giffels have been working diligently on getting our new web site up and running. Phil Graff has been an invaluable resource with regard to our changing over from Somersault to Evolution---more than a couple of issues were encountered in this switch. As sub-committee chairs, if you receive emails from Barb, Anne, Leslie, Rob or Phil regarding information you may want to have included on the new web, please respond to them in an expeditious manner. Changing to a new web site is a monumental task and it requires everyone's participation. Leslie needs some suggestions on how/where to display the 12 piece section of art work created by students of our art classes. It is for sale. She needs the current space it is in for the bulletin board that displays Triangle class's information.

6: Archivist Report: Archivist D. Pfendler reported there is a new display about triangle census figures from the '50's & '60's. These figures are from the city and they specifically isolate the triangle's income data from those periods.

7: Old Business: Treasurer Leaman explained the budgeting process to the new board members. Leslie reminded the board that a plaque honoring the Old Town Players is being completed and will be mounted on the wrought iron gate in front what used to be the old St. Paul's church @ 1728 N. North Park Ave.

8: New Business: President Rausch moved to name Kim Penning, NC Chair, Vi Daley, & John Burcher to be 3 (three) of the 5 (five) 2015 NC members. After being informed that the *majority* of the NC may not have served the previous year, President Rausch withdrew John Burcher's name from the list. Director D. Pfendler stated that there were so many qualified long time OTTA members who had agreed to serve and would be quality NC members that he saw no need to repeat any individuals that served last year. So after further discussion, President Rausch withdrew his motion to approve any of the NC members until the August Board meeting. He also asked that the Bylaw sub-committee vet the *Term Limits* Bylaw changes as proposed by last year's Nominating Committee and then he would re-present that item to the board at the August Board meeting. But, after subsequent discussion, he then asked to remove vetting the *Term Limits* proposal from the Bylaw sub-committee agenda and he would revisit that proposal when the appropriate wording of that amendment would be available for the Bylaw sub-committee to review. President Rausch also specifically stated that he didn't want the Bylaw sub-committee to vet *the Family and Friends* Bylaw change.

9: Adjournment: Director Pfendler moved to adjourn... Director Huff 2nded...the board meeting was adjourned @ 8:35 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 8/12/14.

Respectfully submitted,

Karen Pfendler, Secretary OTTA