

Lincoln Avenue SSA #35 Meeting Minutes
March 31, 2011
Koenig & Strey, 2626 N. Lincoln Ave

Present: Neer Patel, Joe Quartana, Jeannine Simkus

LPCC Staff: Loren Dinneen, Kim Schilf

Public Forum: Darwin Mintu, CPA, from Ostrow Reisin Berk & Abrams

Call to Order

- I. Call to order by Patel at 8:37 a.m. Patel welcomed everyone to the meeting.

Approval of Minutes

- I. Patel asked for and received approval of the minutes from the 10/21/10 meeting.

Motion to approve 10/21/10 minutes. Motion seconded. Unanimously approved.

Misc Discussion

- I. Quartana noted that Big Belly trash compactors are being installed throughout the city of Chicago. We have had two Big Bellies on Lincoln Ave. for several years.

Public Forum

- II. Darwin Mintu from the accounting firm Ostrow Reisin Berk & Abrams (ORBA), a mid-sized firm housed in the NBC tower, introduced himself. Dinneen noted that Mintu joined the meeting today to discuss the SSA #35 audit. ORBA was retained by the Lincoln Park Chamber of Commerce (LPCC) to conduct the 2010 audits for LPCC, for Clark Street SSA, and for Lincoln Avenue SSA.

Reports

- III. Discussion of Financials
 - a. Dinneen discussed Profit & Loss Budget Vs. Actuals for the year should be finalized for the next meeting. While there is nothing out of the ordinary to cover, he noted the following:
 - i. \$44,800 in earnings is mostly attributable to 2009 tax levy, bills went out late, hence the delay; \$13,000 in earnings from 2010 levy thus far,
 - ii. Expenses thus far are primarily attributable to public way aesthetics, like holiday decorations, landscaping (first payment for 2011 2-year contract with Brickman), insurance for hanging baskets, sidewalk cleaning (3 days per week now, going up to 5 days per week in April), and snowplowing expense,
 - iii. \$1,000 was also paid out as Christmas bonus for Harold, our CleanStreet service provider, per SSA Commissioners' request. As brief background, Harold has been performing extremely well on Lincoln Ave, and Commissioners wished to recognize him for his hard work. Dinneen further noted that he voiced the SSA's desire to retain him as long as possible as our service provider, and he added that Harold has parlayed his work on Lincoln

- Ave into an additional part-time job at 7-Eleven on Lincoln Ave. Moreover, Harold was grateful and deeply moved by the Commissioners' gesture.
- b. Dinneen turned to balance sheet:
 - i. Assets reflect \$34,000 cash and \$35,000 accounts receivable; the latter represents money we're scheduled to receive from current levy,
 1. He reiterated that at one point we utilized a credit line to bridge cash shortage due to late payment of levies, but this credit line has been paid back in full with levy income.
 - c. Mintu reintroduced himself briefly and began presenting the audit, which had been distributed earlier in the meeting:
 - i. The summary audit letter on Pages 2-3 indicates that audit went well and that there are no exceptions worth noting,
 - ii. Page 4 indicates that the increase in accounts receivable is significantly higher than in the prior year due to tax levies collected later than usual (as mentioned earlier, tax bills went out late); further notes that the credit line was paid off in 2010,
 - iii. Pages 5-7 shows that budget vs. actual expenses for 2010 were higher than 2009 loss collection (immaterial amount in actuality, but city requires budget for it),
 - iv. Page 8 contains a schedule of findings required by city of Chicago,
 - v. Page 9-12 depicts the audit firm's management letter:
 1. Page 11 outlines two 'material' weaknesses: the first is a need for audit adjustments due to high accounts receivable; the second, which is found in most non-profits, suggests incorporating additional checks and balances,
 2. Page 12 outlines 'significant' deficiencies: LPCC policy dictates dual approval for checks greater than \$5,000, but this is presently not necessary and possibly inadvisable for SSA #35 as public way maintenance/aesthetic payments generally exceed that amount. One alternative is to raise the dual payment amount to \$10,000; another is to have bank statements sent to Simkus for her perusal,
 3. Schilf noted that there already is separation of duties because LPCC board chairperson comes in to reconcile accounts on a regular basis, including SSA #35 accounts,
 4. Commissioners decided to keep check signing privileges as is, with separation of duties provided by board chairperson,
 5. Pages 13-15 contain another standard management letter.
 - d. Mintu indicated that this concluded the audit, and the Commissioners thanked him for coming and presenting.

Approval of Financials

- IV. Patel asked for and received approval of the 2010 audit.

Motion to approve 2010 audit. Motion seconded. Unanimously approved.

2011 power washing

- V. Dinneen noted that seven service providers submitted bids for powerwashing on Lincoln:
 - a. Ace of Spray, current provider, is performing less than optimally,
 - b. PowerWashing Systems does an excellent job on Clark; they are powerwashing specialists with their own water supply, visible, interact well, personable,
 - c. Brickman is a new bidder, they will squee-gee windows as well but are more costly,
 - d. Dinneen would recommend either PWS or Brickman,
 - e. Simkus asked about environmental friendliness of the bidders and Dinneen replied that all reference environmentally-friendly cleaning agents,
 - f. Commissioners decided that Dinneen should ask Brickman to come down a bit on price and then would trust Dinneen's decision on which of the two – Brickman or PWS – to select.

Commissioner Officer Selection (slate)

- VI. Dinneen noted that it was time to select Commissioner officers; presently, Patel is Chair; Quartana Vice Chair, Simkus Treasurer.
 - a. Commissioners are all pleased with one another's performance and agreeable to staying in their positions. Slate approved as is.

Motion to approve Slate. Motion seconded. Unanimously approved.

2012 Draft Budget and Work Plan

- VII. Dinneen turned the discussion to the 2012 draft budget and work plan, which, he noted, is reflective of the last meeting's discussion:
 - a. Dinneen noted that we have a good handle on providing current services and doing so well with a thin budget. He asked Commissioners to contemplate providing additional services for 2012 versus keeping services at current scope. There will also be a carryover from street-cleaning budget item since CleanStreet is providing services at a lower-than expected cost. Now is the time to budget for any increases we think we'll need in street cleaning,
 - b. Quartana asked whether or not SSA #35 has any involvement in the Children's Memorial Hospital site re-development involvement. Schilf noted that she stays involved. Schilf said that she would keep the Commissioners updated on any news regarding the site,
 - c. Dinneen noted that the 2012 powerwashing budget is slightly increased, same with snowplowing, and loss collection at lower percent, we tend to not need it,
 - d. SSA #35 levy 'ask' is \$14,000 less in 2012, we're providing our services more efficiently and asking for fewer tax dollars. Schilf reminded Commissioners that the LPCC Service Provider fee was cut significantly last year, and that for 2012, we only raised this reduced amount by \$300,
 - e. Dinneen asked Commissioners if they wished to obtain a PIN list for collections, but given that collections are going well, all agreed to hold off.

- VIII. Quartana commended Dinneen on his thorough, patient, and intelligent work on behalf of the SSA #35 and thanked him. Commissioners all agreed. Dinneen thanked the Commissioners for their support.

Adjournment

IX. Meeting Adjourned at 10:09 a.m.

Minutes respectfully submitted by Anne Kroemer and Loren Dinneen