

**BOARD OF DIRECTORS MEETING  
2500 LAKEVIEW ASSOCIATION  
Chicago, Illinois**

**MINUTES  
4/21/04**

Of a Board of Directors Meeting held on Wednesday, April 21, 2004, at 7:00 p.m. in the Hospitality Room. Present were Board Members: Gregory Angelopoulos, Secretary; Sanford Klein, Director; Randall Hall, Vice President; James Gatz, Treasurer; and Erik Gould, Director. Representing Management was Christopher J. Barich, CPM, Property Supervisor, and Eileen Tardy of Wolin-Levin, Inc. Building Manager.

**OWNERS COMMENTS**

Unit owners present commented on window leak repairs, self-park spaces, and exercise equipment.

**CALL TO ORDER**

There being a quorum of Board Members present, the meeting was called to order by Board Vice President Randall Hall at 7:07 p.m.

**Minutes**

Upon a motion duly made by Sanford Klein, seconded by Randall Hall, with 4 in votes in favor and 1 abstention by Mr. Gatz, it was,

**Resolved:** To approve the minutes of the March 25, 2004 meeting as written.

**2<sup>nd</sup> Floor Decoration**

Ideas and samples for adding wall decorations on the newly renovated 2<sup>nd</sup> floor, were discussed. A decision was deferred at this time. An Ad Hoc Committee will be formed to address this issue.

**Financial Report**

The complete report as prepared and submitted by the Treasurer is attached to the minutes. At the request of the Board, management will include a summary of total funds, operating and reserves, with each month's financial statement.

**2003 Audit**

Upon a motion duly made by James Gatz, seconded by Gregory Angelopoulos, and carried by unanimous vote, it was:

**Resolved:** To approve for distribution to the owners the 2003 year-end statement as prepared by Schneider, Cupuro Ltd.

**MANAGEMENT REPORT**

**Reserve Study**

An ad hoc committee consisting of current Board members will meet April 28, 2004, at 7:00 p.m. to review the reserve study project list. The list must be updated as part of the revision of the current Reserve Study which is in progress.

**Risk Management**

Discussion of an article on risk management was deferred until the next meeting.

**Self Parking List**

Some owners have reported that they have been excluded from the waiting list for self-parking spaces; a decision on how to handle this situation was deferred until the rules committee reviews existing building rules and subsequently provides a proposal for revision.

### **Vending Machine**

Management will ask Canalport to clarify their bid to install a vending machine in the area near the Exercise Room; they will also be asked to submit pictures of the vending machines they feel would fit in that space.

### **NEW BUSINESS**

#### **Construction Approval**

Upon a motion duly made by James Gatz, seconded by Randall Hall, and carried by unanimous vote, it was,

**Resolved:** To approve the construction plans as submitted by unit 2404/05.

Upon a motion duly made by Erik Gould, seconded by Randall Hall, and carried by unanimous vote, it was,

**Resolved:** To approve the construction plans of 3001 subject to the unit owner accepting the stipulation that Chester Broezel be hired, at the expense of the unit owner, as consultant with respect to the relocation of the phone lines and that the channeling not be done by automatic machines but by manual machinery, and;

That the unit owner must notify the management office of the date and time of when the phone line relocation process will take place (with a minimum of 48 hours notice) so the Building Engineer can be present throughout the process.

#### **Fire Hoses**

A decision on the purchase of new fire hoses was deferred to the Safety Committee.

#### **Janitors Storage**

A decision to proceed with building additional storage room in the janitor's area was tabled and may be included in the 2005 budget.

#### **Doorman Desk**

Upon a motion duly made by Randall Hall, seconded by Erik Gould, and carried by a vote of 3 Yes (Mr. Hall, Mr. Gould, Mr. Klein), and 2 No (Mr. Gatz, Mr. Angelopoulos), it was,

**Resolved:** To allocate up to \$1,500 to remodel the doorman's desk and purchase a new chair; such work should not proceed until the bid is further clarified and accepted by the board.

#### **Lobby Decorating Committee**

Management will post a sign-up sheet for those interested on serving on a committee to select a new area rug for the lobby. The committee should be ready to begin their search by May 5<sup>th</sup> and present several choices to the Board at the next meeting on May 27, 2004.

#### **Key Change**

The patent on the current Medco common area key system is up in summer of 2005; funds for a new FOB system or patent may be included in the 2005 budget.

#### **Garage/Back Door Entrance**

Management will get bids to paint the entrance area walls of the back entrance to the building from the garage.

### **Approval Sale Unit 1604**

Upon a motion duly made by James Gatz, seconded by Greg Angelopoulos, with 4 votes in favor and 1 recused by Mr. Gould, it was

**Resolved:** To waive the right of first refusal and approve the sale of unit 1604 to Mr. Erik Gould.

Board members agreed that since Mr. Gould is a current unit owner in good standing with the building he is required to submit a credit report.

### **Adjournment**

There being no further business, the meeting was adjourned at 8:57 p.m. An Executive Session followed immediately.

(Approved GPA 4-27-04)

### **TREASURER'S REPORT FOR PERIOD ENDING MARCH 31, 2004**

The Financial Report issued by Wolin-Levin, Inc. for the period ending March 31, 2004, does not provide information concerning the 2500 Lakeview Association's cash balances. Future reports should provide this information.

The following comments were noted concerning the Financial Report for the period ending March 31, 2004:

Total Income –Positive variance of \$3211, or 1.02%. This positive variance is mainly due to Assessments and Maintenance Income being greater than budgeted. Note that the Wolin-Levin, Inc. report incorrectly shows this as a negative variance.

Total Administrative –Positive variance of \$4473, or 16.4%, mainly due to expenditures for Legal being lower than budgeted.

Total Building Services –Positive variance of \$6810, or 3.4%, mainly due to positive variances in Electricity, Water, Bonus & Gifts, Elevator Contract, Insurance, and Landscaping. Note that Management has not properly reflected the Year-to-Date (YTD) budget for some of these accounts such as Bonus & Gifts, Insurance, and Landscaping, so the positive variances for these Accounts are not accurate. Management should distribute the Annual Budget according to the actually projected expenditures not just dividing the Annual Budget by 12. For example, most of the Bonus & Gifts Account will be expended at the end of the year so the YTD budget for that Account should be \$0 not \$3000. Also, Management is reporting the loan payment under two different accounts, Account 5001, **Mortgage P&I, and Account** 5006, Loan Payment. The Association does not have any outstanding mortgages. The loan payment should be reported under Account 5006, Loan Payment.

Total Repairs and Maintenance Negative variance of \$5907, or 30.74%, due to negative variances in Electric Repairs, Elevator Repairs, HVAC, and Doors. Management should monitor expenditures for Total Repairs and Maintenance so that these Accounts are within budget for 2004.

Total Operating Expenses –Positive variance of \$5377, or 2.2%, due to the positive variances previously discussed. Thus, Total Income of \$319,073.81 exceeded Total Operating Expenses of \$241,013.31 by \$78,060.50. This amount was available to offset Capital Expenditures with the remainder, if any, available for transfer to Reserves.

Total Capital Expenditures –Excluding transfers to and from the Reserve Account, the Total Capital Expenditures of \$45,677.20 were above the budgeted amount of \$22,142 by \$23,535.20. This is due to expenditures for Reserve Study, Interior Paining, and Exit Lights that were not included in the budget and expenditures for Exercise Room, Pool Repairs, and Façade Ordinance being greater than budgeted.

Total Reserve Fund Contributions –YTD Reserve Fund Contributions of \$41,470.83 are below the YTD budgeted

contributions of \$47,524.5 by \$6054. Management should explain why the monthly contributions are lower than budgeted.

Concerning the Owners Statement of Disbursements, Management should be consistent in the categorization of expenditures. For example, expenditures for Carpet Shampooer/Soap/Monitor are recorded under Account 5221, Carper Cleaning, Account 5360, Miscellaneous Expense, and Account 7050, TV Antenna.

Management distributed the draft of the 2003 Audited Financial Statements for 2500 Lakeview Association. Based on the Treasurer's preliminary review, the Financial Statements appear to be acceptable.

Submitted by James G. *Gatz*, Treasurer, 2500 Lakeview Association