

**2500 LAKEVIEW ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
TUESDAY, MAY 20, 2003**

A regular meeting of the Board of Directors of the 2500 Lakeview Association was held on Tuesday, May 20, 2003, at 7:00P.M. in the Hospitality Room, pursuant to notice. The following directors were present:

Mr. Gatz
Mr. Gould
Mr. Hall
Mr. Klein
Ms. Tama Oblander

Also present at the invitation of the Board was:

Wallis Weinper, Property Supervisor, LaThomus Property Services, LLC. and Lottie Bell, Property Manager, LaThomus Property Services, LLC.

There were 3 Unit Owners present.

OPEN FORUM

The owner of unit 3203, Ron Weisner, requested time during the Open Forum. He reiterated the sequence of events relating to a previous complaint regarding noise in his unit allegedly caused by wind passing through the roof mounted HVAC units. He read a letter he sent to management. The Board decided to discuss this request during Old Business.

CALL TO ORDER

Ms. Tama Oblander, President, noted that there was a quorum and called the meeting to order at 7:25P.M.

APPROVAL OF MINUTES

On motion duly made and seconded the following motion was unanimously approved:

**RESOLVED, to approve the Board of Directors Meeting Minutes of April 22, 2003, as amended.
RESOLVED, to approve the Board of Directors Meeting Minutes of April 29, 2003, recused by Mr. Hall.**

WAIVER OF RIGHT OF FIRST REFUSAL

On motion duly made and seconded, the following motion was unanimously approved:

RESOLVED, to approve the following:

SALE #1302 from Mr. & Mrs. Nemoy to Mr. VandeBunt	\$600,000
SALE #1204 from Ms. Donoghue to Mr. & Mrs. Yoon	\$255,000

RENTAL #2004 from Mr. Bauer to Mr. Thomas & Ms. VanderKinter \$1400/mo.

TREASURER'S REPORT (attached)

Mr. Gatz reported that as of April 30, 2003, 2500 Lakeview Association had \$21,345.77 in the operating account, \$294,416.98 in a money market account and \$141,000.00 in a certificate of deposit. Thus, the Association had total funds of \$456,762.75. A discussion took place regarding the reporting practices on the monthly financial statements with respect to capital expenditures and reflection of budgeted expenses in the month they occur. Focus of the discussion was on G& A, repairs & maintenance and payroll. Management was instructed to follow up on the late assessments reviewed in the financials. The complete Treasurer's Report is attached to, and forms a part of, these minutes. Management was instructed to remedy any inconsistencies for the next financial update.

MANAGEMENT REPORT

The Management Report is attached and shall be included as part of these Meeting Minutes.

The Board requested and received a proposal from Levenfeld Pearlstein to prepare a revised Declaration and By-Laws, which would incorporate prior Amendments and updates to our document to conform to the current Condominium Act. After some discussion, on a motion duly made and seconded, the following motion was unanimously approved:

RESOLVED, to hire Mark Pearlstein, Levenfeld Pearlstein, to prepare a review of our Declaration & By-Laws at a cost not to exceed \$2150.00.

Mr. Gould will interface with Pearlstein on behalf of the Association with this project

It was duly noted that this work would decrease funding (\$2150) for 2003 in the legal account. A good portion of this budget item had been earmarked if needed for distribution to the Diversey Harbor Lakeview Association.

Western Waterproofing has completed the work for the replacement of the copingstones along with some other necessary work.

National Decorating has completed the annual repair work for the pool area. Sundek will schedule work on the upper deck during early June. The pool should be open for Memorial Day, weather permitting. Partial deck furniture will be available.

Management discussed the annual window repair program and also the window replacement information in the Reserve Study with Gary Statkus of LM Consultants, Inc. He is aware of our start date for the annual repair program and will follow-up with management in June.

Management provided a sample list of prices for glass replacement in units. A discussion took place regarding standards and procedures for the replacement of glass in units.

There was some discussion regarding the ongoing cash deficit reflected in the garage financial statements. After receiving and reviewing a 3-month analysis from G.O., the Board requested management to conduct an independent audit of the garage. The Board will distribute a form letter requesting garage information from all residents this week. Ms. Tama Oblander will review the content of the letter prior to distribution. The Board also requested that, as of today, management control all incoming parkers within the garage. A Parking Agreement will also be included in the Sales Packet package.

On a motion duly made and seconded, the following motion was approved with four votes for and one vote against:

RESOLVED, to increase the garage parking assessment by \$15.00 to a monthly fee of \$125.00 as of July 1, 2003.

Management was requested to find out what other unheated garages are charging for monthly parking.

G.O. Parking submitted a proposal for the installation of a telephone system in the garage to provide a method for residents to reach the attendant more efficiently. This information was tabled until the next board meeting.

An Annual Meeting Timetable was given to the Board. An updated schedule will be formatted for approval at the next meeting.

The balance of this report was informational.

OLD BUSINESS

An invoice for engineering services relating to the combination of Units 1901 and 1902 was discussed. Ms. Tama Oblander will contact Mr. Slattery with a request to provide a more detailed invoice. On a motion duly made and seconded, the following motion was unanimously approved:

RESOLVED, to approve payment of this invoice not to exceed \$1500.00 once Ms. Tama Oblander has reviewed the revised invoice with Mr. Slattery. (Motion passed 4-0 – Mr. Hall recused)

The 2nd Floor Renovation is still in the permit stage. No further information has been made available at this time. Keith Olsen, our architect, is in the process of determining city code for emergency lighting. Our emergency lighting system was installed 15 years ago, not 30, and should not have to be replaced in the immediate future. If the hallway exit light fixtures need to be replaced to meet City code the footprint of new fixtures is important as it relates to the hallway-painting project.

Management was asked to report on the schedule for emergency lighting testing for the next board meeting.

At the last board meeting Ms. Weinper was asked to produce a Hallway Management Project contract. This would entail duties overseeing the work to be completed during this project. Ms. Weinper was requested to have this contract information available for the Board by Tuesday, May 27, 2003.

The hallway renovation was discussed at length. Management reported some difficulty in receiving any response for a carpet installation date. Mr. Hall volunteered to call the carpet supplier and follow up as required to secure specific information. It was also decided that the duct cleaning work be performed after the painters have primed the hallway walls and not before. This work will be cancelled until further scheduling can be completed.

The Open Forum discussion regarding unit 3203 was continued at this time. After reviewing the response from Mr. Weisner, the Board decided to readdress this issue at the next board meeting. Management was requested to have a written response forwarded to the Board explaining the sequence of events from the Building engineer.

Mr. Gatz and management are in the process of reviewing the Fire & Safety Study for 2500 Lakeview so that selective information can be compiled and distributed to all residents.

NEW BUSINESS

Management was instructed to continue using a "TO DO" list and forwarding it to the Board after every meeting. At this meeting, additional items were added to the list and also the upcoming budget list.

Management was requested to contact the landscaper regarding why the entire lawn needed total replacement of sod. Management was also requested to review the City requirement related to standby generators for condominium buildings such as 2500.

Ms. Weinper voiced a suggestion about what some other Boards are doing pertaining to monthly meetings. Many of her other Associations now have meetings every 6 weeks as opposed to the regular 4 week board meeting. The Board decided to discuss this subject at a future date and add it to the "To Do" list.

ADJOURNMENT

A motion was made and seconded to adjourn the meeting and enter into Executive Session at 9:45P.M. The board meeting reconvened at 9:55P.M. And again adjourned at 10:00P.M. Management was instructed to distribute the sales contract for Unit 703. The next Board meeting is scheduled for Tuesday, June 17, 2003 at 7:00P.M.

Respectfully submitted:

Sanford Klein, Secretary

THE APRIL 2003 TREASURER'S REPORT

As of April 30, 2003, 2500 Lakeview Association had \$21,345.77 in the operating account, \$294,416.98 in a money market account and \$141,000 in a certificate of deposit. Thus, the Association had total funds of \$456,762.75.

The following comments were noted concerning the Comparative Income Statement for the period ending April 30, 2003:

Account Number (No.) 3201-0000, Total Income – Negative variance of \$7322, or 1.82%. This negative variance is somewhat higher than last month and is mainly due to Assessment Income being \$3041 lower than budget, negative Garage Income of \$3100 and Repair Tickets being less than projected by \$1341. G.O. Parking (GO) has provided an analysis of the negative garage income and has recommended an immediate increase in parking rates. Based on a review of GO's analysis, the Board of Directors may wish to consider an increase in parking rates to \$120 per car per month beginning on July 1, 2003, to offset the negative garage income. Management should advise what specific measures are being taken to collect the past due assessments and the last outstanding special assessment.

Account No. 7299-0000, Total Payroll Expenses – Positive variance of \$4096, or 3.37%. This positive variance reverses last month's negative variance.

Account No. 7399-0000, Total Utility Expense – Positive variance of \$1030, or 1.51%, due to positive variances in Water and Sewer and Electricity. Note that this positive variance continues to be reduced and probably indicates that this year's utility expenses will be closer to budget than last year.

Account No. 7591-0000, Total Building Services – Positive variance of \$5673, or 22.82% mainly due to an incorrect positive variance in Landscaping Exterior and a positive variance in the Scavenger account. The incorrect positive variance was identified in the last two Treasurer’s Reports; but, Management continues their policy of not addressing issues raised in the reports.

Account No. 8499-0000, Total Repairs and Maintenance – Negative variance of \$4818, or 9.06%, mainly due to negative variances in the Janitor Supplies, Window Repairs and Miscellaneous accounts. Management should explain why there is such a large negative variance in the Janitor Supplies and Miscellaneous accounts. The large negative variance in the Window Repairs account is due to the payment in 2003 of Window Repair expenses incurred in 2002.

Account No. 9391-0000, Total General and Administrative – Negative variance of \$15,736, or 17.76%, mainly due to the timing of the final payment of Loan No. 1 which was not included in this year’s budget.

Account No. 9499-0000, Total Taxes – Positive variance of \$121, or 5.63%, is immaterial.

Account No. 9591-0000, Total Reserve Contributions – Negative variance of \$1215, or 5.77%, due to a Reserve Interest Income entry of \$1215. As discussed in several Treasurer’s Reports, a negative variance in this category is good because the Association has contributed more to the Reserve Fund than budgeted. However, Management has not shown a Reserve Fund Contribution for the month of April 2003.

Account No. 9900-0000, Total Operating Expenses – Negative variance of \$10,849, or 2.86%, due to the net effect of the variances discussed hereinbefore. Note that this negative variance is lower than last month but should still be monitored closely.

Account No. 9902-0000, Net Operating Income – Through March 31, 2003, the Association collected \$26,175 more than it spent (\$3910 + \$22,265 Reserve Fund Contribution).

Account No. 9990-0000, Total Extraordinary Expense –Positive variance of \$55,048 mainly due to incorrect positive variances in Locker Room/Toilet Renovation and Emergency Light Fixtures. Management was requested to correct these positive variances in the last Treasurer’s Report.

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