

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

**MINUTES
5/27/04**

Of a Board of Directors Meeting held on Thursday, May 27, 2004, at 7:00 p.m. in the Hospitality Room. Present were Board Members: Cheryl Tama Oblander, President; 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.

CALL TO ORDER

There being a quorum of Board Members present, the meeting was called to order by Board President Cheryl Tama Oblander at 7:10 p.m.

Minutes

Upon a motion duly made by James Gatz, seconded by Randal Hall, and carried by a vote of 5 Yes, and 1 abstain (Cheryl Tama Oblander was not present at the 4/21/04 meeting), it was,

Resolved: To approve the minutes of the April 21, 2004 meeting as amended.

DECORATING COMMITTEE

The Decorating Committee presented samples of suggested artwork for the 2nd floor. They also suggested that, while they searched for a new rug for the lobby, no rug be used; many thought the bare floor provided a positive new look in the lobby. Runners could be purchased for the winter months.

OWNERS COMMENTS

Owners present commented on window leakage and repairs, the temperature of the pool water, and liability in using the Exercise Room equipment.

LEASE APPROVAL

Upon a motion duly made by Cheryl Tama Oblander, seconded by Erik Gould, and carried by unanimous vote, it was,

Resolved: To approve the lease of unit 303.

FINANCIAL REPORT

Mr. Gatz, Treasurer, commented on the April Financial statement noting that operating expenses were over budget due in some cases to budget items that were not seasonalized. The 2003 audit was distributed to owners. A copy of the full report is attached to these minutes.

MANAGEMENT REPORT

A management report was previously distributed and reviewed, as were spreadsheets on current projects, and a spreadsheet tracking expense savings to the association implemented by management.

OLD BUSINESS

Digital Camera

A digital camera was purchased and will be kept in the building office.

Self Parking List

A decision on how self-parking spaces would be handled was deferred until the next meeting.

Vending Machines

Management is currently seeking bids to install a vending machine in the area near the Exercise Room.

Front Stairs

CTL will be asked to give an opinion on the replacement stairs in the front of the building; should they find that there is a design flaw, Takao Nagai will be asked to replace all the stairs at no cost under the warranty.

Back Stairs

The membrane on the back stairs from the garage to the lobby was recently replaced; workmanship is poor in places and Tagao Nagai will be asked to replace the landing piece.

NEW BUSINESS

Units Used as Office Space

Discussion on whether or not units could list their unit in the name of an office or company was tabled; this issue will be addressed by the Rules Committee at a later date.

Uniforms

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

Resolved: To accept the bid of Roscoe Company to provide uniforms for the maintenance staff at their proposed rate of \$20 per month.

Direct Deposit For Staff

As Wolin-Levin, Inc. may offer direct deposit to building employees in the near future, a decision on contracting with an outside payroll company was tabled.

Landscaping Fencing

After reviewing fencing bids to protect the building landscaped areas, further discussion was tabled and may be considered some time in the future.

Hallway Carpet Request for Final Payment

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

Resolved: To approve final payment to Floor & Wall Carpet in the amount of \$51,386.80 based on the accountants verifying that audit is based on accruals.

Phoenix 2nd Floor Project Request for Payment

Approval for payment of the request for payment of \$102,451 for the contract with Phoenix and \$26,034 in change orders for the 2nd floor project was deferred until a contractor can look at the work and figure out what the cost would be to finish specific aspects correctly.

Parking Garage Management Contract

Cheryl Tama Oblander will negotiate with G.O. Parking to achieve a lower price on their proposed renewal contract to meet the same costs as proposed by Interpark with a one year contract; other aspects of their proposal regarding a coupon system for car washes will be considered at a later date.

Garage Wall/Pool Inspection

Management will ask CTL to justify their proposal costs to inspect the garage walls and pool and to submit a timeline for when the work needs to be done.

Window Repairs

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

Resolved To approve the proposal of CTL/Burglund/Horvath Reich to complete the "immediate repairs" section of their bid dated May 25, 2004, at a cost not to exceed \$14,000; they will be asked to meet with Board members to discuss their extended repairs to that tier.

Approval Construction 1401

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

Resolved: To approve the construction plans of unit 1401.

Garage Sensor

It was agreed that the sensor that allows entry into the garage by walking under it would be turned off; owners will be notified.

Art Work

Upon a motion made by Sanford Klein, seconded by Cheryl Tama Oblander, and carried by unanimous vote, it was,

Resolved: To purchase the art pieces as presented at a cost not to exceed \$2,600.

Stair Treads

Maintenance Staff will be asked to install treads on the stairs down to the garage from the deck.

Carport Parking

Management will see if the maintenance employee who parks in the carport will be able to fit his car inside the garage.

Hikers Phone Calls

It was reported that some garage hikers have been using the house phone for receiving personal calls (some of which exceeded 10 minutes in length) which prevents residents from calling the garage to get their cars. Management will talk to G.O.

Lawn Repair

Maintenance will be asked to purchase a lawn repair kit to take care of burn spots.

Next Meeting Date

The next meeting will be held on Wednesday, June 16, 2004, at 7:00 p.m. in the Hospitality Room.

Adjournment

There being no further business, the meeting was adjourned at 9:40 p.m.

TREASURER'S REPORT FOR PERIOD ENDING APRIL 30, 2004

The Financial Report issued by Wolin-Levin, Inc. for the period ending April 30, 2004, indicates that the 2500 Lakeview Association had \$36,478.35 in the operating account and \$349,133.23 in Money Market Accounts. Thus, total funds available to the Association were \$385,611.58 as of April 30, 2004.

The following comments were noted concerning the Financial Report for the period ending April 30, 2004:

Total Income —Positive variance of \$2120, or 0.5%. 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 \$6678, or 18.4%, mainly due to expenditures for Legal being lower than budgeted.

Total Building Services —Negative variance of \$19,207, or 7.2%, mainly due to incorrect accounting for the outstanding loan and negative variances in Gas, Janitor, Workers Comp Insurance and Janitor's Unit. Management should correct the accounting for the outstanding loan, provide an explanation for the negative variances and develop a plan for meeting the budget in these account categories.

Total Repairs and Maintenance —Negative variance of \$5378, or 21.01%, due to negative variances in Electric Repairs, Roof Repair, Miscellaneous Repairs, Elevator Repairs, I-IVAC, and Doors. Management should monitor expenditures for Total Repairs and Maintenance so that these Accounts are within budget for 2004.

Total Operating Expenses —Negative variance of \$17,907, or 5.5%, due to the negative variances previously discussed. Note that the positive variance at the end of March changed to a negative variance during the month of April. This situation should be monitored closely.

Total Income of \$423,262.82 exceeded Total Operating Expenses of \$346,352 by \$76,910.82. 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 \$68,328.02 were above the budgeted amount of \$29,504 by \$38,824.02. This is due to expenditures for Reserve Study, Interior Painting, Exit Lights and Carpeting that were not included in the budget and expenditures for Compactor Maintenance, Fire Safety, Exercise Room, Pool Repairs, and Façade Ordinance being greater than budgeted.

Total Reserve Fund Contributions —YTD Reserve Fund Contributions of \$57,312.33 are below the YTD budgeted contributions of \$63,370 by \$6058. Management should explain why the monthly contributions are lower than budgeted.

Management distributed the 2003 Audited Financial Statements for 2500 Lakeview Association to all unit Owners.

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