

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

**MINUTES
6/16/04**

Of a Board of Directors Meeting held on Wednesday, June 16, 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 7:05p.m.

Minutes

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

Resolved: To approve the minutes of the May 27, 2004 meeting as written.

OWNERS COMMENTS

Owners present commented on the self-parking list, window leaks, and the 2nd floor renovation project.

FINANCIAL REPORT

Mr. Gatz, Treasurer, commented on the May Financial statement noting that the year-to-date figures on income were over budget, as were expenses. Total funds at the end of May were \$408,212.82. \$33,234.62 remains to be paid on the loan.

MANAGEMENT REPORT

A management report was previously distributed and reviewed, as were copies of the monthly building inspection reports and action items.

Scavenger Service

Management reported that they successfully negotiated a \$216 per month reduction in service charges with National Waste, the building's scavenger service.

OLD BUSINESS

Vending Machines

Due to a lack of response from contractors who provide vending machines on commission, the board agreed to table the issue.

Front Stairs

Walker Parking will be asked to forward a letter of notice to Takao Nagai informing them that the condition of the front stairs was unacceptable and that a design flaw exists; the stairs should be replaced under the warrantee.

Garage Management Contract

Cheryl Tama Oblander will negotiate with G.O. to reduce the contract term to 2 years with no raise in the second year; approval of the contract was deferred pending the outcome of the negotiations.

Self Parking Waiting List

Upon a motion made by James Gatz, seconded by Sanford Klein, and carried by unanimous vote, it was,

Resolved: To update the current self-parking list to include the two owners who have stated that their names were omitted in error; they should be added to the list in order of the date of closing on the purchase of their unit; once the two names are added the list will be considered final until the rules are revised; from this time forth all owners requesting to be added to the list will be added to the bottom of the list regardless of the date of purchase of their unit; a decision on whether to allow a waiting list for those who have self-parking spaces and wish to change to another space was deferred until the rules are revised.

Phoenix Invoice

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

Resolved: To pay all but 10% of the Phoenix invoice for the 2nd floor project pending investigation of defective workmanship and contingent that Mr. Hall is satisfied the 10% withholding is sufficient to complete the unfinished aspects of the work; the board will notify Phoenix in writing of this decision; such letter to be approved by the Association Attorney.

Garage Wall/Pool Investigative Study

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

Resolved: To approve the proposal of CTL to perform an inspection of the garage walls and pool thickness at a cost not to exceed \$5,200; such costs to be billed in accordance with work actually done.

NEW BUSINESS

Wolin-Levin, Inc.

Bob Levin, proprietor of Wolin-Levin, Inc., will be asked to attend the next meeting to answer questions about the recent merger/partnership with FirstService.

Evacuation Plan

A staff evacuation training session will be held on July 1, 2004, and a resident session on July 7, 2004, at 7:00 p.m. in the Hospitality Room. The training will be done by Schirmer Engineering in conjunction with the evacuation plan they recently completed for the building. The Safety Committee will submit any last changes to the plan and also clarify the need to have one of the doors to/from the deck left unlocked.

Approval Sale 1803

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

Resolved: To waive the Right of First Refusal and approve the sale of unit 1803.

Locker Room

Items left in the common area of the storeroom will be removed by staff.

Computer Repairs

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

Resolved: To reimburse Scott Oblander \$300 for services performed by making repairs to the office computer; a service agreement should be drawn up for future service through Mr. Oblander should he agree to be involved with future repairs.

Next Meeting Date

The next meeting will be held on Thursday, July 22, 2004, at 7:00 p.m. in the Hospitality Room.

Adjournment

There being no further business, the meeting was adjourned at 8:15 p.m. and was immediately followed by an Executive Session.

TREASURER'S REPORT FOR PERIOD ENDING MAY 31, 2004

The Financial Report issued by Wolin-Levin, Inc. for the period ending May 31, 2004, indicates that the 2500 Lakeview Association had \$42,919.33 in the operating account and \$365,293.49 in Money Market Accounts. Thus, total funds available to the Association were \$408,212.82 as of May 31, 2004.

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

Total Income – Positive variance of \$7327.32, or 1.39%. 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 \$7230.90, or 15.9%, mainly due to expenditures for Legal and Printing & Copying being lower than budgeted.

Total Building Services – Negative variance of \$11,768.79, or 3.53%, mainly due to incorrect accounting for the outstanding loan and negative variances in Gas, Workers Comp Insurance, Unemployment Taxes, Janitor's Unit and Window Washing. 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 \$12,289.29, or 38.44%, due to negative variances in Electric Repairs, Roof Repair, Miscellaneous 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 – Negative variance of \$16,827.18, or 4.1%, due to the negative variances previously discussed. Note that the negative variance at the end of May 2004 is slightly lower than the negative variance at the end of April 2004. This is somewhat of an improvement but the situation should be monitored closely.

Total Income of \$533,750.32 exceeded Total Operating Expenses of \$427,327.18 by \$106,423.14. 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 \$75,557.86 were above the budgeted amount of \$36,866 by \$38,691.86. This is due to expenditures for Reserve Study, Interior Painting, Exit Lights and Carpeting that were not included in the 2004 budget. These capital expenditures were included in the 2003 budget and were paid out in 2004. Also, expenditures for Compactor Maintenance, Fire Safety, Exercise Room, Pool Repairs, and Façade Ordinance are greater than budgeted.

Total Reserve Fund Contributions – YTD Reserve Fund Contributions of \$73,153.83 are below the YTD budgeted contributions of \$79,211 by \$6057.17. Management should explain why the monthly contributions are lower than budgeted. The contributions to the reserve fund will increase over the second half of the year once the outstanding loan balance is paid.

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