

**2500 LAKEVIEW ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
TUESDAY, SEPTEMBER 17, 2002**

A regular meeting of the Board of Directors of the 2500 Lakeview Association was held on Tuesday, September 17, 2002, at 6:30P.M. in the Hospitality Room, pursuant to notice. The following directors were present:

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

Also present at the invitation of the Board were:

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

There were 9 Unit Owners present.

CALL TO ORDER

Mr. Schneiderman, President, noted that there was a quorum and called the meeting to order at 6:40 P.M.

OPEN FORUM

No Open Forum was held at this time since the Annual Meeting was scheduled for 7:00P.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 August 27, 2002, as amended.

TREASURER'S REPORT (attached)

Mr. Gatz reported that the balance in the operating account as of August 31, 2002 was \$82,565.78. The balance in the reserve account was \$366,925.43. A Certificate of Deposit will mature on 9/24/02 in the amount of \$141,000.00. The Association's total funds were \$593,074.46. Management was asked to prepare a summary and analysis for the October board meeting of electric kilowatts and gas therms used for 2001 vs. 2002 in order to address the on-going budget issue. The complete Treasurer's Report is attached to, and forms a part of, these minutes.

MANAGEMENT REPORT

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

One of our two hot water heaters needs to be repaired or replaced. Maintenance personnel acquired three proposals from Herman Bogot & Company. On motion duly made and seconded, the following motion was unanimously approved:

RESOLVED, to approve the proposal from Bogot & Company to repair the East Teledyne Lars Domestic Hot Water Heater in the amount of \$5,505.00. This work will have a one-year warranty.

Management obtained samples from the Renovation Committee for the Laundry Room. After some discussion, on motion duly made and seconded the following motion was approved with one nay vote:

RESOLVED, to approve the recommendations of the Remodeling Committee for the Laundry room.

The ongoing Window Repair work and Critical Façade work were discussed during the Treasurer's Report.

A Board member requested newspaper-recycling containers for each floor earlier this year. A sample was presented to the Board. It was decided that four containers should be placed on designated floors so that management can monitor activity to warrant this request.

The Board reviewed the observations and recommendation from Shiner + Associates to resolve the chiller noise problem in Unit #204. On motion duly made and seconded the following motion was unanimously approved:

RESOLVED, to approve the proposal from Kroeschell to isolate the support hangers to absorb the energy in order to solve this problem at a quote not to exceed \$7,000.00. This work will be scheduled immediately.

The balance of the report was informational.

OLD BUSINESS

Mr. Gatz will continue to review the Evacuation Plan and suggest changes so that management can update information requested by the Fire Department.

Proposals for copingstones for the garage roof were presented to the Board. After some discussion, on motion duly made and seconded the following motion was unanimously approved:

RESOLVED, to hire Western Waterproofing to do this work at a cost not to exceed \$22,500.00. This work will be scheduled before the winter season.

The Board approved a Budget Process Schedule. Management will present a proposed budget to the Board by October 9, 2002. After discussion at the scheduled board meeting on October 16, 2002, management will revise the budget and distribute the proposed budget to unit owners on October 18, 2002. The Board will approve the proposed budget at the November 20, 2002 scheduled board meeting.

NEW BUSINESS

The Remodeling Committee presented the Board with a proposal to hire Olsen & Vranas to provide architectural and interior design services. On motion duly made and seconded the following motion was unanimously approved:

RESOLVED, to retain Olson & Vranas to provide design services at a cost not to exceed \$6,000.00.

ELECTION OF OFFICERS

The Board members elected officers at this time. The following board members were elected:

Ms. Tama Oblander	President
Mr. Hall	Vice-President
Mr. Gatz	Treasurer
Mr. Klein	Secretary

ADJOURNMENT

A motion was made and seconded to adjourn the meeting at 7:10 in order to start the Annual Meeting. The Board reentered into Open session at 7:45P.M. and entered into Executive Session at 8:10P.M. which adjourned at 8:45P.M. The next Board meeting is scheduled for Wednesday, October 16, 2002 at 7:00P.M.

Respectfully submitted:

Cheryl Tama Oblander, Secretary

THE SEPTEMBER 17, 2002, BOARD OF DIRECTORS MEETING TREASURER'S REPORT

As of August 31, 2002, 2500 Lakeview Association had \$82,565.78 in the operating account, \$366,925.43 in a money market account and \$141,000 in a certificate of deposit. Thus, the Association had total funds of \$590,491.21. According to the report issued by LaThomus Property Services, an additional \$2583.25 was "in transit," so their report indicates that the Association had total funds of \$593,074.46 as of August 31, 2002.

Account Number (No.) 3201-0000, Total Income – Positive variance of \$2189, or .25%. This positive variance should be greater but there are still unpaid special assessments of \$11,261 and the unpaid scavenger rebate of \$5925. Management should advise of the status of collecting the unpaid special assessments. The City of Chicago is always behind in making the scavenger rebate. These two items should be resolved by the end of the year.

Account No. 7299-0000, Total Payroll Expenses – Positive variance of \$1724, or .74%, even with the negative variance in Doormen's Salaries and Workmen's Compensation.

Account No. 7399-0000, Total Utility Expense – Positive variance of \$52,855, or 30.04%, due to significant positive variances in both gas and electricity.

Account No. 7591-0000, Total Building Services – Positive variance of \$2777, or 5.77%, mainly due to positive variances in Scavenger and Landscaping Exterior. The Scavenger positive variance is due to timing of payments. The Landscaping Exterior positive variance will probably be reduced by the end of the summer and autumn seasons.

Account No. 8499-0000, Total Repairs and Maintenance – Negative variance of \$14,671, or 17.85%, due to several negative variances including A/C Contracts, HVAC Repairs, Compactor/Incinerator Repairs, Elevator Repairs – Non Contract, Metal Maintenance and Refinishing, Plumbing, and Swimming Pool Furniture and Repairs. The negative variance in Window Repairs is incorrect because Management has not allocated the full expenditure of \$11,360 as the Year to Date (YTD) budget. Management should advise the Board of Directors of a plan to monitor and control future expenditures so that the annual amount budgeted for this category will not be exceeded.

Account No. 9391-0000, Total General and Administrative – Negative variance of \$7962, or 2.67%, mainly due to Insurance Fees being higher than budgeted due to market conditions.

Account No. 9499-0000, Total Taxes – Positive variance of \$575, or 26.14%, is immaterial.

Account No. 9591-0000, Total Reserve Contributions – Negative variance of \$3907, or 18.91%, due to a reserve fund interest income entry. Management should explain this entry. Nevertheless, this is a good negative variance because the Association put more money in the reserve fund than budgeted.

Account No. 9900-0000, Total Operating Expenses – Positive variance of \$31,391 or 3.65%, due to the positive variances discussed hereinbefore.

Account No. 9902-0000, Net Operating Income – Through August 31, 2002, the Association collected \$60,753 more than it spent (\$36,180 + \$24,573 Reserve Fund Contribution).

Account No. 9990-000, Total Extraordinary Expense – The YTD Budget for Locker Room/ Toilet Renovation should be shown as \$125, the YTD Budget for Car Wash Heating System should be shown as \$1000, the YTD Budget for Sprinkler System should be shown as \$7000 and the YTD Budget for Building Façade Inspection /Repair should be shown as \$5662. Previous Treasurer's Reports have given this information to Management but they have not yet made these corrections. With these corrections, the negative variance for this category would be \$4252, or 30.84 %, due to unanticipated expenditures related to the garage and the sprinkler system being higher in cost than budgeted.

As indicated in the Construction Technology Laboratories, Inc. (CTL) September 13, 2002, 2002 Façade Inspection, Concrete Maintenance and Leakage Repairs Report, CTL estimates that the total project expenditures will be \$165,800. That amount would be \$75,800 above the \$90,000 budgeted for Window Repairs and Building Façade Inspection/Repair. That negative variance could be covered by postponing the renovation of the second floor common elements until next year which will most likely occur anyway.

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