

BOARD OF DIRECTORS MEETING
2500 LAKEVIEW ASSOCIATION
Chicago, Illinois

MINUTES
4/20/05

Of a regular Board of Directors Meeting held on Wednesday, April 20, 2005, at 7:00 p.m. in the Hospitality Room. Present were Board Members: Cheryl Tama Oblander, President; Gregory Angelopoulos, Vice President; James Gatz, Treasurer; Darlene Chansky, Secretary; Sanford Klein, Director; and Erik Gould, Director. Representing Management was Tairre Sutton, Property Supervisor, and Eileen Tardy of Wolin-Levin, Inc. Property Manager.

CALL TO ORDER

There being a quorum of Board Members present, the meeting was called to order by Cheryl Tama Oblander, Board President, at 7:30 p.m.

OPEN FORUM

Owners present commented on water heaters, and lobby floor cleaning. The Stairmaster lottery was won by unit 1304.

MINUTES

Upon a motion duly made by Greg Angelopoulos, seconded by Cheryl Tama Oblander, and carried by unanimous vote, it was:

Resolved: To approve the minutes of the 3/16/05 meeting as written.

TREASURER'S REPORT

Mr. Gatz, Treasurer reported on the March 2005 Financial statement noting that as of March 31 there was \$37,515.20 in the Wolin-Levin, Inc. operating account, and \$457,414.07 in the money market fund for a total cash available of \$494,929.27. His full report is attached to the minutes.

MANAGEMENT REPORT

A management report prepared by Eileen Tardy, Building Manager, and distributed to the Board prior to the meeting was reviewed.

OLD BUSINESS

Peer Review

Klein & Hoffman's peer review has been completed and reviewed by the board.

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

Resolved: That CTL be given a copy of the report and asked to present a course of action based on the report and meet with the board before the next meeting.

Pump Motors

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

Resolved: To accept the bid dated 3/24/05 from Monroe Heating to install 3 new domestic cold water house pump motors at a cost not to exceed \$10,464 for all three; one pump motor has already been delivered.

Security Committee

Setting a date for the Security Committee to meet with vendors to view their products was deferred until the next meeting.

Rules Committee

The Rules Committee met on April 18, 2005, and continue their work on revising the building rules and regulations.

Audit

The 2004 draft audit was distributed to the board. It will be on the agenda for the next meeting for approval. Management will look into the auditor's recommendation that the building employee dishonesty insurance be increased.

Reserve Study

Management will request 6 bound copies of the finalized Reserve Study. It was noted that the remaining useful life of the Hospitality Room, Toilet Room renovation should be 20-30 years.

NEW BUSINESS

Exit Sign for Pool Area

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

Resolved: That \$1,000 be appropriated to purchase an exit sign for the area on the deck leading down to the garage entrance; Mr. Angelopoulos and Mr. Gatz will work with the various bids received and select a company and sign.

Engineer's Unit

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

Resolved: To approve a sum of \$10,000 to complete renovation of the engineer's unit, unit 205; such renovation to include windows, carpet, kitchen flooring, and bathroom vanity and fixtures.

Heat Sensors

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

Resolved: To accept the bid of Tyco Simplex Grinnell to replace 35 heat sensors to the smoke tower per their bid dated 4/6/05 at a cost not to exceed \$2,531.

Unit Owner Requests

Upon a motion duly made by James Gatz, seconded by Greg Angelopoulos, and carried by a vote of 5 yes, and 1 No (Darlene Chansky), it was,

Resolved: To reimburse the Mr. & Mrs. Hall, unit 1901/02, \$550 for plumbing repairs after a water shut down, in November, 2005, and,

Resolved: By unanimous vote to reimburse them \$125 for repairs to their ice maker after a recent water shut down.

Erik Gould will respond in writing to a letter written by Mr. McPherson, 3104, regarding window leakage.

G.O. Parking

Management will continue to monitor the parking garage for negative income.

Investments

Management continues to work with Ms. Chansky and Mr. Gatz in finding appropriate investment instruments for the building reserve fund. Management will prepare a spreadsheet to compare interest gains for new instruments versus the current money market fund.

Survey Committee

The Board of Directors recently met with a committee of unit owners who conducted a survey on owners needs and satisfaction with services. The Board will prepare a written response to the Committee.

Recess

There being no further business, the meeting recessed at the call of the Chair at 8.40 p.m. and was immediately followed by an Executive Session.

Reconvene

The meeting was reconvened at 9:05 p.m. to pass the following:

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

Resolved: That upon successful completion of a 90-day probation, Daniel Garcia, the building engineer, should be paid a relocation fee, and a \$500 bonus.

Adjournment

There being no further business, the meeting was adjourned at the call of the Chair at 9:08 p.m.

TREASURER'S REPORT FOR THE PERIOD ENDING MARCH 31, 2005

The Financial Report issued by Wolin-Levin, Inc. for the period ending March 31, 2005, indicates that the 2500 Lakeview Association had \$37,515.20 in the operating account and \$457,414.07 in a Money Market Account. Thus, total funds available to the Association were \$494,929.27.

The following comments were noted concerning the financial report for the period ending March 31, 2005:

Total Income - Positive Variance of \$14,940.17, or 4.45%. This positive variance is mainly due to Assessments, Parking Income, and Scavenger Rebate being greater than budgeted. Note that the positive variance for Parking Income will probably become negative by the end of the year. Also, the Wolin-Levin, Inc. report continues to show this as a negative variance after months of advising them of their error.

Total Administrative - Positive Variance of \$4119.08, or 12.02%, mainly due to expenditures for Legal being lower than budgeted.

Total Building Services - Positive Variance of \$25,779.26, or 14.31%. This positive variance is mainly due to Electric, Janitor, Doorman, Bonus & Gifts, Engineer, Payroll Taxes, Workers Comp. Insurance, and Scavenger being lower than budgeted. Except for Electricity, most of these accounts will probably become closer to the budgeted amount as the year progresses.

Total Repairs and Maintenance - Negative Variance of \$13,303.14, or 60.90%. This negative variance is mainly due to Electric Repairs, Plumbing, Supplies, HVAC, and Doors being greater than budgeted. Management should monitor this category closely to control expenditures.

Total Operating Expenses - Positive Variance of \$16,595.20, or 7.02%, due to the positive variances previously discussed.

Total Income of \$350,895.17 exceeded Total Operating Expenses of \$219,698.80 by \$131,196.40. 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, there were Total Capital Expenditures of \$37,163.84.

Total Reserve Fund Contribution - Year to date contributions are \$76,593.75, which is basically the amount budgeted through March 2005. Subtracting Total Operating Expenses, Total capital expenses and Total reserve Fund Contributions from total Income results in \$17,438.78 in excess income.

Finally, the draft audit report has been distributed to the Board of Directors and a preliminary review indicates that the report is acceptable as submitted.

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