

BOARD OF DIRECTORS MEETING
2500 LAKEVIEW ASSOCIATION
Chicago, Illinois
MINUTES
9/20/05

Of a regular Board of Directors Meeting held on Tuesday, September 20, 2005 at 6:30 p.m. in the Hospitality Room. Present were Board Members: Cheryl Tama Oblander, President; James Gatz, Treasurer; Darlene Chansky, Secretary; Sanford Klein, Director; and Erik Gould, Director. Representing Management was Bob Levin of Wolin-Levin, Inc. and Eileen Tardy, Property Manager

CALL TO ORDER

There being a quorum of Board Members present, Cheryl Tama Oblander, President, called the meeting to order at 6:40 p.m.

MINUTES

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

Resolved: To dispense with the reading of the August 17, 2005, Meeting minutes and approve them as written.

FINANCIAL REPORT

Mr. Gatz, Treasurer, reported on the August 2005 Financial Statement. As of August 31, 2005 there was \$(16,067.14) in the Operating account, \$288,975.81 in the Bank One Money Market Account, \$100,451.62 in a 3 month CD at LaSalle Bank, \$100,420.43 in a 6 month CD at the Fifth Third Bank, and \$100,539.04 in a 12 month CD at Corrus Bank for total funds available of \$574,309.76. Total reserve contributions to-date are \$204,250. His full report is attached.

Management was instructed to transfer \$50,000 from the Money Market Account into the operating account.

Management will investigate the garage income line item to find out why there is money in that account.

The Board will consider transferring additional funds from the money market account into investments with higher interest. Wolin-Levin, Inc. will be contacted to explain their investment instruments.

MANAGEMENT REPORT

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

Bikes

The bike room cleanout has been completed. Bikes that did not have stickers were removed from the bike rooms and stored elsewhere in the building. If not claimed within a month they will be given to charity or auctioned off. A notice of what bikes were removed, their color and model, will be posted on the bulletin board to see if anyone will come forward to claim them.

Hallway Air System

The building engineer recently cleaned the coil for the hallway air system and added new belts, resulting in a better flow of air into the halls. This will be added to the maintenance calendar.

Smoke Detectors

Off-site owners will be informed by certified mail of the requirement for smoke detectors in each unit. In the future all correspondence requiring a response sent to off-site unit owners would be sent by certified mail.

Garage Financial Statement

G.O. Parking will be asked to explain the line item titled "storage charge" and whether there are day parkers in the garage.

OLD BUSINESS

Approval Canopy Scaffolding – Window Mock-Up Project

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

Resolved: To approve the contract with Gilco to provide a canopy on the loading dock during the window mock-up project at a cost not to exceed \$7,385 for a period of 4 weeks.

2006 Proposed Budget

A draft copy of the 2006 proposed budget was reviewed. A date will be set for the Board to meet and finalize it.

Declaration & Bylaws

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

Resolved: To approve the Declaration & Bylaws as amended to bring them into accordance with the Illinois Condominium Act and forward them to the association attorney to formally record them; once recorded a copy will be sent to each owner.

NEW BUSINESS

Approval Lease 2104

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

Resolved: To approve the lease of unit 2104

Leases/Rentals

The Board continues to monitor the number of rentals in the building.

Approval Sale Unit 1805

Upon a motion duly made by Cheryl Tama Oblander, seconded by Sanford Klein, and carried by a vote of 4 Yes, and one abstention (Mr. Gould), it was,

Resolved: To approve the sale of unit 1805 for \$570,000.

Approval Sale Unit 605

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

Resolved: To approve the sale of unit 605 for \$510,000.

Approval Construction Unit 2802

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

Resolved: To approve the construction plans of unit 2802 subject to the installation of accessible shut off valves, and submitting a current plumber's license.

Approval Construction Unit 2501

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

Resolved: To approve the construction plans of unit 2501 subject to receipt of all necessary construction documents.

Construction Check List

Management will add a construction checklist to each construction request packet before forwarding it to the board.

Approval Construction Unit 605

Approval of the construction plans for unit 605 was deferred until the next meeting. The owner will be asked to submit drawings from his architect and contractor, and attend the next meeting to explain the plans.

Damage Unit 401/302

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

Resolved: That the Association attorney, Marc Pearlstein, respond in writing to the request of units 401 and 302 who are asking that the Association be responsible for damage repair to their units after a kitchen stack backup; Mr. Pearlstein will also be asked to draft a letter to all unit owners regarding their responsibility in obtaining appropriate insurance for the contents of their apartments.

Bathroom Noise

Building staff will investigate a vibrating noise reported by several residents as coming from someone's bathroom in the upper 02 tier.

Opinion Regarding Assessment Collection Policy

This issue was deferred for discussion by the next Board.

Door Staff Training

All doormen have completed a training course required by the union and report it was informative and interesting.

Holiday Lights

Because White Way Sign's proposal to install holiday lights was 30% more expensive than last year, management will investigate other companies. At the request of a unit owner last year, holiday lights will be kept on through March.

Adjournment

There being no further business the meeting was adjourn at the call of the Chair at 7:30 p.m. and was immediately followed by the Annual Homeowners Meeting.

TREASURER'S REPORT FOR PERIOD ENDING AUGUST 31, 2005

The Financial Report issued by Wolin-Levin, Inc. for the period ending August 31, 2005, indicates that the 2500 Lakeview Association had (\$16,067.14) in the operating account, \$288,975.81 in a Bank One Business Savings account, \$100,451.62 in a 3 month Certificate of Deposit (CD) at LaSalle National, \$100,420.43 in a 6 month CD at Fifth Third Bank and \$100,529.04 in a 12 month CD at Corus Bank N.A. Thus, total funds available to the Association were \$574,309.76 as of August 31, 2005

The following comments were noted concerning the Financial Report for the period ending August 31, 2005:

Total Income - Positive variance of \$14,295.49, or 1.60%. This positive variance is mainly due to Assessments and Parking Income being greater than budgeted and receipt of the Scavenger Rebate, which is no longer included in the budget due to the irregular payment history of the Chicago. Note that the Wolin-Levin, Inc. report continues to incorrectly show that Total Income has a negative variance.

Total Administrative - Positive variance of \$5489.29, or 6.01%, mainly due to expenditures for Legal and Promotion and Goodwill being lower than budgeted.

Total Building Services - Positive variance of \$33,744.29, or 7.18%, mainly due to expenditures for Electricity, Doorman, Engineer, Bonus & Gifts, Payroll Taxes, Insurance, Workers Comp Insurance, Unemployment Taxes, and Scavenger being lower than budgeted.

Total Repairs and Maintenance - Negative variance of \$71,914.37, or 115.96%, due to negative variances in Electric Repairs, Plumbing, Carpet Cleaning, Supplies, HVAC, Sewer and Drains, Doors, Smoke Check Unit and Garage. Management should monitor expenditures for Total Repairs and Maintenance so that this Account is within budget for 2005.

Total Operating Expenses - Negative variance of \$32,680.79, or 5.24%, due to the negative variance in Total Repairs and Maintenance.

Total Income of \$910,125.49 exceeded Total Operating Expenses of \$655,973.79 by \$254,151.70. 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 \$86,045.26 were below the budgeted amount of \$115,590 by \$29,544.74. This is mainly due to expenditures for Compactor Maintenance and Repair, Air Conditioning, Capital - Pool Repair, Pipe Replacement, Window Maintenance, Capital - Fire Safety, Capital - Clubhouse, and Capital - Equipment being lower than budgeted. Note that most of these positive variances are not accurate because of the manner in which Management determines the Year to Date budget for Capital Expenditures.

Total Reserve Fund Contributions - Year to date reserve fund contributions are \$204,250, which is basically the amount budgeted to be contributed through August 2005. Subtracting Total Operating Expenses, Total Capital Expenses and Total Reserve Fund Contributions from Total Income results in \$36,143.56 in excess expenditures. This excess in expenditures basically results in the contribution to the Reserve Fund being \$36,143.56 less than reported.

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