

**JAMES/KILMER CONDOMINIUM ASSOCIATION  
BOARD OF DIRECTORS MEETING  
August 28, 2018**

A meeting of the Board of Directors of the James/Kilmer Condominium Association (the "Association"), an Illinois not-for-profit corporation, was called to be held on Tuesday, August 28, 2018, in the James House Hospitality Room, 1560 North Sandburg Terrace, Chicago, Illinois, pursuant to By-Laws.

**CALL TO ORDER**

Judy Barnes, President of the Association, called the meeting to order at 7:38 p.m. A quorum was present in that the following directors were present:

Judy Barnes  
David Beck  
Patty Culbertson  
Jacque Ehrlich  
Bruce Kaminsky  
Betty Latson  
Barbara Mueller  
Bill Winter

Nancy Slattery attended by telephone. Also present were Thomas Kristufek, Property Manager, and Andy Warner, Property Supervisor, of Community Specialists, Inc. Janine Hodes acted as Recording Secretary.

There was one change to the agenda: Action Item #2 Vote on Gas and Electricity Purchase was moved to directly after Agenda Item II Brad Cesario presentation.

Guest speaker, Brad Cesario, Century Energy Solutions, presented data and statistics on the natural gas and electricity markets. Following discussion, the vote to purchase gas and electricity was postponed until the September 25, 2018 Board meeting.

**APPROVAL OF MINUTES**

Jacque Ehrlich moved that the Board of Directors approve the minutes from the July 24, 2018 regular Board of Directors meeting as drafted and David Beck seconded. The motion passed with Betty Latson abstaining.

**MANAGEMENT REPORT**

Mr. Kristufek presented the Management Report.

**2018 CAPITAL PROJECTS UPDATE**

- Chiller Engineering: Specifications are expected to be drafted within the next two weeks. An updated anticipated project schedule was provided to the Board. The Board will be asked to approve the purchase of a new chiller(s) at the September 25<sup>th</sup> Board meeting and award the contract at the December 11<sup>th</sup> Board meeting.

- Corridor Renovation Project: Confirmed pricing for unit door hardware was provided, along with other options. Management has inquired with Leopardo about the feasibility of offering the installation of a new unit keypad / touchscreen deadlock as an option for unit owners. Management has also requested a sample door knocker for review.
- Façade Inspection, Leak Investigations and Concrete Repairs: The contractor plans to move the swing stage to the '09 tier to perform a leak investigation and make repairs to two units on that drop. The swing stage should be on this drop for approximately three weeks weather permitting, before it is moved to the east elevation. Klein and Hoffman intends to continue with the ongoing inspection on tiers '12 and '04 before ending work this year.

#### **BUILDING MECHANICAL or OPERATIONAL MATTERS**

- Excavation and Drain Repair: As discussed at the August 23<sup>rd</sup> Finance Committee meeting, Management will obtain a proposal from AMS Mechanical to provide appropriately specified drainage in three locations just under grade on the south elevation under the building canopy and move forward with these repairs.
- Window Washing: The final window washing of the year is scheduled to begin the week of October 29<sup>th</sup>.

#### **ADMINISTRATIVE**

- 2017 Tax Returns: FSB&W completed the 2017 tax returns, which will be mailed out shortly.

Andy Warner reported that the new Vendor Insurance Program rollout has been delayed and will be rescheduled soon.

#### **TREASURER'S REPORT**

Ms. Latson presented the Treasurer's Report for the period ending July 31, 2018, as follows:

For the month of July 2018, the James/Kilmer Association reported a surplus of revenues over expenses of \$7,400. Looking at the year-to-date results, the James/Kilmer Association reported total revenue of \$3,700,000 which was \$12,000 higher than budget largely due to move-in/move-out fees.

Year-to-date operating expenses were \$3,463,000 and were below budget by \$230,000. Lower than budgeted utilities, garage repairs, elevator maintenance, and reimbursement for the overpayment of the withdrawal liability on the doormen and receiving room pension in the amount of \$53,214.03 were the areas contributing to the lower operating expenses. As a result, the Association reported a \$236,000 operating surplus through July 2018.

On the capital side, the James/Kilmer Association reported a year-to-date operating surplus of \$389,000 as the James/Kilmer capital reserve revenue, through July, amounted to \$1,129,000 while capital expenditures were \$740,000 related largely to the corridor project, the elevator cab project, and the security system upgrade.

At the end of July 2018, the James/Kilmer operating fund cash balance, excluding garage cash, was reported at \$342,487 and the James/Kilmer capital fund cash balance, excluding direct charge funds, was reported at \$4,893,647.

## **COMMITTEE REPORTS**

### **Finance Committee**

Ms. Latson reported that the Finance Committee held a Committee Meeting on August 23<sup>rd</sup>. The Committee reviewed the 30-year cash flow projections and the capital expenditure plan. Freddie Arnett and Larry Puder, Community Specialists, Inc. attended facilitating a very good dialogue. There will be further discussion about the projections and we have some homework areas to explore. The first Operating Budget meeting will be held on September 12<sup>th</sup> at 6:30 p.m. in the Hospitality Room. All unit owners are welcome. The Committee will be working on the direct charge for the unit doors which is expected sometime in the fourth quarter. Right now, the estimated charge for everyone without any of the extras that might be chosen will be less than \$400 per unit door. There will be no payment plans, only one charge. Notice will be sent to all unit owners prior to the charges being applied to assessment accounts so unit owners should start planning for this.

### **Community Activities Committee**

Mr. Winter reported the Holiday Party will be held on November 30<sup>th</sup> in both the South and Northeast Penthouse rooms. In terms of other projects, the Committee is planning to schedule some spontaneous events.

### **Corridor Renovation Task Force**

Lynn Connor reported the designers have been at the building working specifically on the Kilmer elevator light fixture to choose one that works best. Nancy Slattery reported wallpaper and paint options will be discussed on Friday, August 31<sup>st</sup>, at the next Task Force meeting, as well as door stain. Ms. Slattery also confirmed that each comment regarding the corridor renovation, written and verbal, has been considered during this project. Ms. Barnes commended the Task Force for the job they are doing on the project.

### **HOA Report**

Mr. Beck reported the next CSV HOA Board meeting is September 26<sup>th</sup> at which time the budget will be presented to the Board to voting on distribution to the owners. The next HOA Finance meeting is scheduled for September 11<sup>th</sup>. The fountain lights are led bulbs and are not lasting as expected leading to electrical investigation. It was also reported that a light in the pool was compromised and, therefore, the lights around the inside of the pool have been turned off until repairs can be affected.

### **Website Committee**

Ms. Barnes reported the Committee met on August 14<sup>th</sup> with Rob Shouse, Community Specialists, Inc., and reviewed WordPress and the eUnify portal. The Committee will be meeting again in the next week or two. An email notice will be sent.

### **Branding Committee**

Ms. Slattery reported a recommendation for a designer, along with a proposed budget, will be provided at the September 25<sup>th</sup> Board meeting.

### **Communications Committee**

Mr. Beck reported the next James/Kilmer Newsbrief will be published in September.

Ms. Barnes requested under a final Rules Task Force review, that Ms. Mueller and Mr. Beck join her in revisiting and reviewing the final Pet Rules, since they have not been updated in the past 10 years. This makeup of the 3 reviewers will be balanced between a non-pet owner, a cat owner, and a dog owner.

### **RECESS TO UNIT OWNERS' OPEN FORUM**

The meeting was recessed at 8:40 p.m. for the Unit Owners' Open Forum.

It was brought to the Board's attention there is no package delivery to Kilmer House on Saturday and requested that the delivery schedule be reviewed for possible adjustment/change.

### **RECONVENE TO REGULAR SESSION**

The Board reconvened to its Regular Session at 8:42 p.m.

### **ACTION ITEMS**

#### **Approval of Building Insurance Renewal**

Upon motion duly made by Bruce Kaminsky and seconded by David Beck, the following resolution was made:

**BE IT RESOLVED, that the Board of Directors hereby approve the renewal of the building insurance policies provided by Alliant/Mesirow Insurance Services, in the amount of \$171,586 for the period September 30, 2018 to September 30, 2019, to be paid from Operating Account GL#6820, Insurance Expense.**

The motion passed unanimously.

#### **Approval to Authorize Management to Order Additional Door Hardware**

Upon motion duly made by Jacque Ehrlich and seconded by Barbara Mueller, the following resolution was made:

**BE IT RESOLVED, that the Board of Directors approve the purchase of up to 600 jimmy proof locks at a not-to-exceed amount of \$78,000, which includes installation, to provide as an option for owners to purchase individually for \$130 each installed, to be paid from Operating GL#6650 Resident Reimbursement Repairs.**

After discussion, the motion passed unanimously.

#### **Approval of Boiler Condensate Tank Replacement**

Upon motion duly made by David Beck and seconded by Bruce Kaminsky, the following resolution was made:

**BE IT RESOLVED, that the Board of Directors approve a not-to-exceed amount of \$50,000 to replace the boiler condensate tank, to be paid from the Reserve Fund.**

The motion passed unanimously.

**Approval of Remodeling Requests**

Upon motion duly made by Bruce Kaminsky and seconded by Barbara Mueller, the following resolution was made:

**BE IT RESOLVED**, that the Board of Directors approve the remodeling requests as listed below. These requests have been submitted by the owners of the units, reviewed, and are in compliance with the Association's rules and procedures, and conditions. The Association's Assistant Engineer will perform ongoing inspections. The units are as follows: 907, 2207, 3006, and 3510.

The motion passed unanimously.

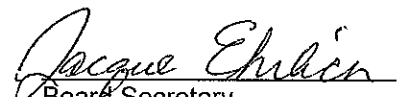
**NEW BUSINESS**

Ms. Barnes announced that 2<sup>nd</sup> Ward Alderman Brian Hopkins has been invited to speak prior to the September 25<sup>th</sup>, 2018 Board Meeting. She also reported there will be a Construction Update in the fall News Brief.

**ADJOURNMENT**

There being no further business to come before the Board, David Beck moved that the meeting be adjourned, and Bruce Kaminsky seconded the motion. Judy Barnes adjourned at 8:59 p.m.

Respectfully submitted,

  
Board Secretary