

**SANDBURG VILLAGE HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
MAY 20, 2015**

HOA's Alcott House Hospitality Room, 1460 North Sandburg Terrace, Chicago, Illinois 60610

Present: Mary Murtaugh – Association 1
Michael Carney – Association 1
Robert Connor – Association 2
Eva Haussner – Association 2
Mary Beth Wheeler – Association 2
Kim Ruhlander – Eliot
Dorothy Mayer – Faulkner
John Berchem – Lowell
Louise Pauly – Lowell
David Beck – Association 7
Barbara Fiacchino – Association 7
Marcie Johnson – Association 7

Also present were Steve Habib, HOA Property Manager, Teresa Gallen, Assistant Property Manager, and Julie McCracken, Site Supervisor, of DK Condo, A Draper and Kramer Company; Chris Nyborg of Nyborg & Company, Ltd.; Paul Gaudette of Wiss Janney Elstner Associates, Inc; and Bernard Jacobs and Lauren Polhamus of Jacobs/Ryan Associates Landscape Architects. Barbara A. Roberts acted as Recording Secretary.

CALL TO ORDER

Mr. Connor declared that a quorum was present and called the meeting to order at 6:33 p.m. There were several additions to the agenda: Eliot House's request for its residents' use of the Hospitality Room during a project, Cummings-Dickinson's request for use of the 1300 Mall for its annual summer party; Village sod replacement; and the snow removal contract.

UNIT OWNER COMMENTS

A unit owner remarked on the condition of the cement bases of the planters in front of Kilmer House and was assured that they will be repaired. She also asked if the proposed tabletop crossing Burton Place will cause traffic noise and was told that it will cause less noise than a traffic hump. Another unit owner asked about planting ground cover near the stairs between James House and the North Pool and was informed that it is being considered, but that it grows slowly and that transplantable shrubbery might be a better choice.

APPROVAL OF MINUTES

Ms. Murtaugh asked if there were any additions or corrections to the minutes of the regular Board meeting held on February 4, 2015. There being none, ***Ms. Murtaugh moved that the minutes of the regular Board of Directors meeting held on February 4, 2015, be approved as presented. Ms. Fiacchino seconded the motion, and it passed unanimously.***

Ms. Murtaugh asked if there were any additions or corrections to the minutes of the regular Board meeting held on March 25, 2015. There being none, ***Ms. Murtaugh moved that the minutes of the regular Board of Directors meeting held on March 25, 2015, be approved as presented. Mr. Beck seconded the motion, and it passed unanimously.***

PRESIDENT'S REPORT

Mr. Connor stated that there would be no President's Report.

FINANCIAL REPORT

Mr. Berchem reviewed with the Board the Financial Summary for the month ended March 31, 2015, as follows:

Operating Fund net income, current month:	\$20,515
Operating Fund net income, year to date:	(\$12,596)
Operating Fund balance:	\$259,285
Ratio of Operating Fund balance to one month's operating expenses:	2.0
Replacement Fund interest income, year to date:	\$4,269
Replacement Fund average CD yield:	0.341%
Replacement Fund expenses, year to date:	\$48,208
Replacement Fund balance:	\$5,239,834

Mr. Berchem stated that the Financial Summary figures demonstrate the healthy condition of HOA's finances.

ACTION AND DISCUSSION ITEMS

2014 Audit Review

Mr. Berchem introduced Chris Nyborg of Nyborg & Company, Ltd., the Association's auditors. Ms. Nyborg reviewed the audit report for the year ended December 31, 2014, noting especially the following: Operating Fund revenues exceeded expenses by \$28,583.00, and this surplus can be transferred to the Replacement Fund; total General and Administrative expenses were under budget; and while snow removal and snow removal supplies were considerably over budget owing to the severe winter, total operating expenses were still under budget. She stated that the \$28,583.00 surplus is within one percent of the total budget, indicative of excellent financial management. Mr. Berchem stated that the credit for that goes to Mr. Habib, Ms. Gallen, and Draper and Kramer; his remarks were greeted with applause.

Mr. Berchem then asked Ms. Nyborg for her comments on financial issues in the coming year. Ms. Nyborg responded that City of Chicago permit and license fees have tripled in the last ten years, and that the individual Village associations should expect that these fees will continue to increase. She and Mr. Berchem also reported on the various associations' ability to opt out of payments to union doorman pension funds, substituting 401(k) accounts for their doormen instead. Ms. Nyborg concluded by remarking on Draper and Kramer's superior internal financial control system.

Mr. Berchem moved to approve the transfer of the surplus of Operating Fund revenue over expenditures for 2014 in the amount of \$28,583.00 to the Replacement Fund. Ms. Johnson seconded the motion, and it passed unanimously.

Mr. Berchem moved to accept the Audit of Financial Statements and Supplementary Information for the Year Ended December 31, 2014 with Comparative Totals for 2013 conducted by Nyborg & Company, Ltd. Mr. Beck seconded the motion, and it passed unanimously.

The Board thanked Ms. Nyborg for her report, and she left the meeting at 6:54 p.m.

North Mall Renovation

Paul Gaudette of Wiss, Janney, Elstner Associates, Inc. first briefly reviewed the various mall projects, including small temporary repairs in the South Pool, and the schedule for completion of the HOA Office window replacement. He also referred to the updated cost estimate for the North Mall repairs, emphasizing that the amounts shown are estimates only and that contractor bids will be sought for the repairs. Mr. Gaudette added that the quantities involved in the North Mall column repairs in the J/K garage are still within the budget established by the HOA Board.

Bernard Jacobs of Jacobs/Ryan Landscape Architects then reviewed the adjustments made to his firm's landscaping and lighting plans for the North Mall as a result of the April 29 Board meeting, including additional lighting in the North Pool area; adjustments to the proposed walkways, ramps and stairways leading from the North Mall to Clark and LaSalle streets; the proposed "tabletop" crossing on Burton Place; suggestions for railings and trashcans in the area; and the proposed new entrance planters. Discussion ensued about the hydrangeas in the entrance planters.

The Board thanked Mr. Gaudette, Mr. Jacobs and Ms. Polhamus, and they left the meeting at 7:25 p.m.

Eliot House Request for Independent Film Shoot

Ms. Ruhlander explained the elements of the proposed film shoot in the Eliot House driveway and in unit #2301. Mr. Habib confirmed that HOA Management has received the required Certificate of Liability Insurance from the film company. ***Ms. Ruhlander moved to approve the request to film scenes of an independent film in the Eliot House front driveway on May 30 and June 5. Mr. Beck seconded the motion, and it passed unanimously.***

Eliot House Request for Use of the Eliot House Hospitality Room

Ms. Ruhlander explained that the Eliot House Board requests the use of the Eliot House Hospitality Room for its residents to use on days that their windows are being replaced during the Window Replacement Project taking place from July 2015 to January 2016. After discussion, ***Ms. Ruhlander moved to approve the use of the Eliot House Hospitality Room by Eliot House residents from 9:00 a.m. to 5:00 p.m. on weekdays during the Eliot House Window Replacement Project for a flat fee of \$4,000.00, starting in July 2015 and continuing through January 2016, with the proviso that the room, including the restroom, will be cleaned every day and supplies will be replenished, that a penalty will be incurred if the room is not cleaned and supplies are not replenished, and that scheduling of private parties will take precedence, with details to be provided in a written agreement between Eliot House and the Sandburg Village Homeowners Association. Ms. Wheeler seconded the motion, and it passed unanimously.***

Alcott-Bryant Request for Yard Sale

Ms. Wheeler moved to approve the request from Association 2 for use of the 1400 Mall for its Yard Sale on Saturday, June 13, 2015, from 9:00 a.m. to 2:00 p.m. Ms. Haussner seconded the motion, and it passed unanimously.

Cummings-Dickinson Request for Summer Party

Ms. Murtaugh moved to approve the request from Association 1 for the use of the 1300 Mall for its annual summer party on Saturday, August 29, 2015 from 7:00 to 10:00 p.m., with a rain date of September 5. Mr. Beck seconded the motion, and it passed unanimously.

2015 Audit Proposal from Nyborg & Company, Ltd.

Mr. Berchem moved to approve the proposal submitted by Nyborg & Company, Ltd. on May 13, 2015, for audit services for the year ended December 31, 2015, for a fee of \$8,500.00. Ms. Wheeler seconded the motion, and it passed unanimously.

CSVCA Resident Advertising

Mr. Habib stated HOA Management's request that the individual association boards of directors support its refusal going forward to copy and distribute advertisements from Village residents and from realtors, explaining that this time-consuming task interferes with HOA Management's proper duties. Ms. Johnson reiterated her previous suggestion that HOA Management establish a HOA Facebook page; discussion ensued about establishing and managing such a site. Ms. Pauly suggested that a formal letter be drawn up, to be given to those requesting this service, stating that copying and distributing such advertisements is against HOA policy and is no longer permitted by the HOA Board of Directors; Ms. Murtaugh added that the new policy should be communicated to the managements of the individual associations. The Board agreed with both suggestions.

Village Sod Replacement

Ms. Wheeler moved to approve the proposal submitted by Christy Webber Landscapes on May 19, 2015, to install new sod at designated areas, in the amount of \$8,178.00. Ms. Johnson seconded the motion, and it passed unanimously.

Snow Removal Contract Renewal

Ms. Wheeler moved to approve the proposal submitted by Everest Snow Management, Inc. on May 15, 2015 and revised by attorney Michael C. Kim, to provide ice control, snow plowing and ice-melt application during the 2015-2018 snow seasons. Mr. Beck seconded the motion, and it passed unanimously.

DIRECTORS-MANAGEMENT FORUM

- Mr. Berchem commended HOA Management's ability to continue its work for the Village under difficult conditions while its office has been undergoing mold abatement, window replacement, and redecoration.
- Ms. Johnson reported that at a recent meeting of the North Dearborn Association, a motion to approve applications for vacation rentals at 67 East Cedar was defeated. She further reported that the NDA will hold a meeting on May 21 at 6:30 p.m. at the Lewis Towers Loyola University facility at 111 East Pearson for a discussion of the planned development of an 18-story, 180-key hotel in the area.

- Ms. Johnson reported that the McCormick Bridgehouse & Chicago River Museum has opened, and that the third annual Summer Cruise will take place on Wednesday, June 24, from 6:00 to 8:00 p.m. aboard the Wendella boat. She provided details about the cruise.
- Mr. Beck reported that demolition will begin on Elly's Restaurant at North and Clark in September in preparation for the Clark and North Redevelopment Project.
- Ms. Murtaugh reported that the Jewel Food Store at Clark and Division will close on June 4 in preparation for the Fifield Development Project.

ADJOURNMENT

There being no further business to come before the Board, upon motion duly made by Ms. Wheeler and seconded by Ms. Mayer, the meeting was adjourned at 8:10 p.m.

Respectfully submitted,


Secretary