

**SANDBURG VILLAGE HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
September 27, 2017**

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

Present: Robert Caston – Association 1
 Mary Murtaugh – Association 1
 Mario Rizzo – Association 1
 Robert Connor – Association 2
 David Guilbert – Association 2
 Eva Haussner – Association 2
 Kristina Lynn – Eliot
 Kimberly Ruhlander – Eliot
 Leslie Deitch – Faulkner
 John Berchem – Lowell
 Judy Barnes – Association 7
 David Beck – Association 7
 Marcie Johnson – Association 7

Also present were Melissa Goodwin, HOA Property Manager, Cassandra Juarez, Administrative Assistant, and David Barnhart, Vice President and Senior Property Supervisor, of Draper and Kramer, Incorporated; Paul Gaudette of Wiss Janney Elstner Associates, Inc.; and Rick Morel of Alliant/Mesirow Insurance Services. Barbara A. Roberts acted as Recording Secretary.

CALL TO ORDER and AGENDA REVIEW

Mr. Connor declared that a quorum was present and called the meeting to order at 6:30 p.m. There were no changes to the agenda.

UNIT OWNER COMMENTS AND QUESTIONS

Unit owners present commented on or asked about the following: the North Pool, including the pool furniture, pool-related items to include in the budget as capital projects, and path lines on the pool deck; ponding near Kilmer House; security on the malls; finishing work needed on the North Mall; and dead plants in front of James House.

APPROVAL OF MINUTES

Ms. Murtaugh asked if there were any additions or corrections to the minutes of the regular Board meeting held on July 26, 2017. There being none, ***Ms. Murtaugh moved that the minutes of the regular Board of Directors meeting held on July 26, 2017, be approved as presented. Mr. Beck seconded the motion, and it passed, with Ms. Ruhlander abstaining.***

PRESIDENT'S REPORT

Mr. Connor stated that pool matters will be addressed in detail at the Board's October meeting, following the closing of the pools. He also advised Board members about making motions.

FINANCIAL REPORT

Financial Summary

Mr. Berchem reviewed with the Board the Financial Summary for the period ended August 31, 2017, as follows:

Operating Fund net income, current month:	(\$33,349)
Operating Fund net income, year to date:	\$234,557
Operating Fund balance:	\$168,974
Ratio of Operating Fund balance to one month's operating expenses:	1.3

Replacement Fund interest income, year to date:	\$24,219
Replacement Fund average CD yield:	1.00%
Replacement Fund expenses, year to date:	\$2,647,259
Replacement Fund balance:	\$3,669,599

In response to questions from Ms. Lynn, Mr. Berchem explained how pool income is recorded on the Association's books.

ACTION AND DISCUSSION ITEMS

North Mall Renovation and Village Project Updates

Mr. Gaudette reported on the following:

- South Pool light bollard leak – Zera Construction, Inc. is scheduled to begin repair work on the bollard during the week of October 2.
- Schiller Mall central stairway roof –JLJ Contracting has removed the existing roof and will be on site tomorrow, expecting to complete replacement of the roof by the middle of next week.
- Tennis Court surface membrane – The light pole base cover was water tested and showed no leakage, so more base covers have been ordered to be installed on other light poles to prevent leakage.
- North Mall Renovation Project:
 - Installation of the railing will begin the week of October 16, starting at the north end.
 - The pool railings will be installed last.
 - Punch list items around the pool area will be dealt with starting the week of October 2, after the North Pool closes. The items include tuck pointing and membrane cleaning and repair.
 - Two additional drains will be installed at the top surface of the North Mall. The drain installation will include installation of a new membrane.

After discussion, ***Mr. Beck moved to approve the expenditure of \$8,600.00 to install two drains on the North Mall. Ms. Johnson seconded the motion, and it passed unanimously.***

Ms. Lynn reported that Fifield is willing to replace at its own expense the chain link fence that is now situated on HOA property to the south of Eliot House, and wishes to have a structural engineer approve the replacement. Mr. Gaudette stated that either a fence or a wall would be suitable. After discussion about HOA's responsibility to engage Mr. Gaudette and to make a final decision about what should be erected in the area, Mr. Gaudette stated that he would inspect the area on his next visit to the Village.

The Board thanked Mr. Gaudette, and he left the meeting at 7:05 p.m.

2018 Insurance Proposal

Mr. Morel explained the options for and details of the commercial damage policy, which includes property and general liability coverage, proposed by his firm, and the reasons for his recommendation to return to Fireman's Fund for coverage and to increase crime coverage by \$6 million for a slight increase in the premium. After discussion, ***Mr. Beck moved to approve the proposal submitted by Alliant/Mesirow Insurance Services on September 19, 2017, for renewal of property/general, crime, cyber liability, directors and officers liability and umbrella coverage for the period September 30, 2017 through September 30, 2018, in the amount of \$55,018.00, specifically including the additional \$6 million in crime coverage suggested by Rick Morel of Alliant/Mesirow Insurance Services. Ms. Johnson seconded the motion, and it passed unanimously.***

The Board thanked Mr. Morel, and he left the meeting at 7:15 p.m.

Proposed 2018 Budget Distribution

Mr. Berchem introduced the proposed 2018 Budget, noting that as it stands, it does not reflect the reduction in the insurance premium from \$80,182.00 to \$55,018.00. Ms. Goodwin confirmed that this will reduce the amount of the assessment increase from 2.64% to approximately 1.26%. ***Mr. Berchem moved to approve the distribution to the Sandburg Village unit owners of the proposed 2018 Homeowners Association Operating Budget as prepared, except that the amount budgeted for insurance is changed to \$55,018.00 and the assessment increase is therefore reduced to approximately 1.26%, including the 2018 Schedule of Fees. Mr. Beck seconded the motion. After discussion, it passed, with 11 in favor and 2 opposed.*** The discussion preceding the vote included various line items in the proposed operating budget and how the line items are calculated, and an adjustment was made to the pool income line item. Further discussion ensued about the current Reserve Fund Annual Expense Summary. Following the vote, the Board briefly discussed the October meeting and confirmed that the proposed 2018 Budget would be voted on at the November meeting.

Alcott House Landscaping Replacements Proposal

Ms. Goodwin explained the need to establish plantings in the fall in bare areas around Alcott House. ***Mr. Berchem moved to approve the proposed submitted by Christy Webber & Company on August 31, 2017, for Alcott House landscaping replacements, in the amount of \$8,039.83. Ms. Haussner seconded the motion, and it passed unanimously.***

Association No. 3 Reimbursement Request Update

Ms. Goodwin briefly explained the current status of the reimbursement request from an Association No. 3 unit owner, including a water test conducted by Association No. 3 management the results of which are unavailable. She noted that the damage reported by the unit owner was not consistent with the leak discovered in the course of a water test conducted by Wiss Janney Elstner Associates earlier in the year. The Board directed Ms. Goodwin to inform the Association No.3 management of the need for another professionally conducted water test with results to be conveyed to HOA Management.

Additional Business

No additional business was brought before the Board.

DIRECTORS-MANAGEMENT FORUM

Management Report

Ms. Goodwin reported on her follow-up pertaining to security issues raised at earlier meetings, including results of inquiries to three vendors about the costs of installing security cameras in the malls. Her report included camera system and monitoring options and costs, as well as the cost for one security guard to monitor the camera images, from the two vendors that offered a free security analysis. Ms. Goodwin suggested that the Board create a security committee to conduct an in-depth analysis. Mr. Connor suggested discussing possible liability issues arising from the use of cameras with the Association's legal counsel. Ms. Goodwin stated that she will solicit bids from several security companies for security services in 2018. Discussion ensued. Mr. Connor suggested that Ms. Goodwin discuss with the individual associations the various security measures that they employ.

In response to questions from Board members, Ms. Goodwin stated that the Chief Engineer, Cliff Farmby, has confirmed that HOA has in the past painted driveway curbs and lane markings in the Village.

Ms. Goodwin directed the Board's attention to a summary sheet showing outdoor bench styles and costs, and suggested asking an architect or a representative from WJE if such benches can be placed on the Village walkways.

Ms. Goodwin then referred to a summary sheet showing "No Skateboarding" signs and their costs, noting that Eliot House has posted one on its façade but that skateboarders still have to be chased off its property. It was noted that such signs are not very effective deterrents to skateboarding but do at least serve as notice that skateboarding is forbidden in the posted area. ***Mr. Beck moved to approve the installation of a "No Skateboarding" sign on the pool wall above the stairwell between the North Pool and James House. Ms. Deitch seconded the motion, and it passed, with Ms. Johnson abstaining.***

Following discussion about whether or not the Germania Place fountain should be turned on next spring, the Board directed Ms. Goodwin to investigate costs to make repairs to the fountain.

ADJOURNMENT

There being no further business to come before the Board, upon motion duly made by Mr. Beck, seconded by Ms. Deitch, and unanimously approved, the meeting was adjourned at 7:58 p.m.

Respectfully submitted,


Secretary