

**SANDBURG VILLAGE HOMEOWNERS ASSOCIATION
BOARD OF DIRECTORS MEETING
May 23, 2018**

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

Present: Robert Caston – Association 1
Mary Murtaugh – Association 1
John S. Santoro - Association 1
Robert Connor – Association 2
David Guilbert – Association 2
Keith Olsen – Association 3
Kristina Lynn – Eliot
Kimberly Ruhlander – Eliot
John Berchem – Lowell
David Beck – Association 7
Barbara Fiacchino – Association 7
Jacque Ehrlich – 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; Ryan Oswald, General Manager, and John Brindley, Manager, of Fitness Formula Club Old Town; Chris Nyborg of Nyborg & Company, Ltd.; and Paul Gaudette of Wiss Janney Elstner Associates, Inc. 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 6:32 p.m. No changes were made to the Agenda.

UNIT OWNER COMMENTS AND QUESTIONS

A resident stated that he wished to comment on the metal railings recently installed in his association's courtyard and on the PVC caps installed on furniture in the North Mall pool terrace last summer. Mr. Connor responded that the issues would be taken up later in the meeting.

APPROVAL OF MINUTES

Approval of the March 21, 2018, Board meeting minutes was postponed until the next Board meeting.

PRESIDENT'S REPORT

Mr. Connor encouraged the directors to urge their friends and fellow residents to sign up for the pools, and to remind their associations to distribute brochures about the pools. Ms. Goodwin stated that she asked all of the association property managers to send out another email blast to their residents about the pools.

FINANCIAL REPORT

Financial Summary

Mr. Berchem reviewed with the Board the Financial Summary for the period ended April 30, 2018, as follows:

Operating Fund net income, current month:	(\$18,169)
Operating Fund net income, year to date:	(\$26,282)
Operating Fund balance:	\$270,537
Ratio of Operating Fund balance to one month's operating expenses:	2.0
Replacement Fund interest income, year to date:	\$7,677
Replacement Fund average CD yield:	1.00%
Replacement Fund expenses, year to date:	\$638,185
Replacement Fund balance:	\$3,337,109

ACTION AND DISCUSSION ITEMS

FFC New Management Team Introduction

Ryan Oswald, Manager of Fitness Formula Clubs Old Town, introduced John Brindley, the new Manager for the 2018 Sandburg pool season, and stated that the new Assistant Manager will be Khalid Salameh. Mr. Brindley added that he is looking forward to a successful summer and that there will be a brand-new staff for the Sandburg pools this season. In response to a question from Ms. Lynn, Mr. Brindley stated that the new lifeguards will be well trained. Ms. Goodwin added that Everywhere Wireless has completed its installation of WiFi service at both pools, and that the password has been posted at both pools, as well as a phone number and website address in case assistance is needed.

The Board thanked the representatives from FFC, and they left the meeting at 6:39 p.m.

2017 Audit Review

Chris Nyborg of Nyborg & Company, Ltd., reviewed the audit of the 2017 financial statements with the Board. She directed the Board's attention to the "Schedule of Expenditures" to point out instances in which actual expenditures were under budget, thus resulting in an Operating Fund surplus. Ms. Nyborg next stated that there were no changes to the Notes, and then explained the difference in the Federal tax rate for associations that file as for-profit corporations as opposed to those that file as not-for-profit homeowners associations. Discussion ensued about transferring the Operating Fund surplus to the Replacement Fund.

Mr. Berchem moved to transfer the Operating Fund surplus at December 31, 2017, in the amount of \$112,031.00, to the Replacement Fund. Mr. Beck 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, 2017 with comparative totals for 2016, performed by Nyborg & Company, Ltd. Mr. Santoro seconded the motion, and it passed unanimously.

Mr. Connor thanked Ms. Nyborg, who responded that the Association is well run and that Ms. Goodwin and Ms. Juarez were very responsive to her requests as she conducted the audit.

Ms. Nyborg left the meeting at 6:52 p.m.

North Mall Renovation and WJE Village Projects Update

Mr. Gaudette reported on the following:

- South Mall
 - South Mall Water Leakage: WJE engineers have investigated a few areas and believe they have traced the leak to its origin. They will issue a report.
 - South Mall Electrical Box Leakage: One area showing an especially large leak was an electrical box in which the conduit had corroded and it was quickly repaired. The leak did not reach the waterproofing, so the warranty was not compromised.
- A-B and C-D Malls
 - A-B Mall Leakage: WJE is working on the expansion joints and proposes to install a compression sealant on the top surface. The surface is worn and the actual expansion joint is below that, so there is no leaking into the garage.
 - LaSalle Street Masonry Wall: WJE has examined areas of deterioration caused largely by salt splashed up from the street and is developing a scope of work for masonry repairs at selected locations. Discussion ensued.
- Tennis Court Leakage: WJE found small amounts of leakage at the access panels of the light poles remaining after last year's repairs, and is pricing out repairs, as well as repairs to the Tennis Center door.
- North Mall Restoration Project: Another punch list was completed last week. Some minor work remains, including on some of the railings. In response to a request from Ms. Goodwin, Mr. Gaudette explained that the railing bolts themselves are not rusting because they are stainless steel, but that the shavings from the carbon steel cutters do rust. He added that the areas will be cleaned up, that bolt covers are not needed, that the plastic covers suggested would not be UV-resistant and would deteriorate, and that stainless steel normally is not painted. Mr. Gaudette also agreed that investigating the brown stains and circular brown spots on the North Mall will be added to the punchlist. He noted that the North Mall Restoration Project budget has not changed, and that work on the C-D expansion joints will start in the fall when temperatures are more moderate.

The Board thanked Mr. Gaudette, and he left the meeting at 7:04 p.m.

2018 Audit Proposal

Mr. Beck moved to accept the proposal submitted by Nyborg & Company, Ltd., on May 10, 2018, to perform audit services for HOA for the year ended December 31, 2018, in the amount of \$8,500.00. Mr. Berchem seconded the motion. After discussion, the motion passed unanimously.

Village Sod Proposal

Ms. Goodwin explained the sod installation proposal from Christy Webber. Discussion ensued about fabric fencing in winter to protect the sod from salt, about large holes near the Clark Street bus stop at Burton, and about alternatives to installing sod. ***Ms. Murtaugh moved to accept the proposal submitted by Christy Webber & Company on April 28, 2018, to install new sod at designated areas, in the amount of \$9,555.00. Ms. Ehrlich seconded the motion. After discussion, the motion passed unanimously.*** Ms. Goodwin agreed to discuss alternatives to sod with Christy Webber.

CSVCA #1 Mall Event Requests

Following an explanation by Ms. Goodwin and discussion, ***Ms. Murtaugh moved to approve the requests from Carl Sandburg Village Association No. 1 – Cummings-Dickinson – to use the 1300 Mall for a Summer Concert on Saturday, July 21, with authorization to grill on the mall; a***

Customer Appreciation Event hosted by USA Wireless on Sunday, August 12, with authorization to grill on the mall; and a Pets and Pints event on Saturday, September 15 or a rain date of Sunday, September 16, subject to submission of acceptable insurance. Ms. Fiacchino seconded the motion, and it passed unanimously.

Jewel-Eliot Fencing Update

Ms. Goodwin described the seven-foot-high privacy fence proposed by Fifield to be installed on the HOA deck south of Eliot House at no cost to HOA. Discussion ensued about the appearance, durability and cost of the proposed fencing and about Eliot House's preference for a brick wall, part of the cost of which its Board would be willing to pay. The Board agreed to discuss the matter further once a sample of the proposed fence was made available and Mr. Gaudette was consulted about the durability of the fence.

Additional Business

Ms. Ehrlich brought up a resident's request about installing additional seating, such as benches, on the North Mall by the pool. Ms. Goodwin described where such seating could be installed. Mr. Beck described problems with people smoking near James House and Kilmer House and with homeless people sleeping on benches in the Village, and suggested that it might be feasible to install benches in the walkway west of Kilmer House. Discussion ensued. The consensus of the Board was that no benches should be installed in the suggested area.

Ms. Fiacchino mentioned that some bushes planted along LaSalle and Burton do not appear to be thriving. Ms. Goodwin responded that the landscaper will test the bushes.

In response to a question from Ms. Ehrlich, Ms. Goodwin stated that she is soliciting proposals for repairing the damaged fence in front of Kilmer House.

DIRECTORS-MANAGEMENT FORUM

Management Report

The Board acknowledged the Management Report provided by Ms. Goodwin, who asked that the Board also take note of the detailed Security Report for May.

RECESS TO EXECUTIVE SESSION

The meeting was recessed to Executive Session at 7:40 p.m. to discuss a rules violation.

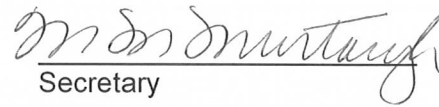
RECONVENE TO OPEN SESSION

The meeting was reconvened to Open Session at 8:02 p.m. ***Mr. Beck moved to appoint a Rules Violation Panel consisting of John Berchem, Barbara Fiacchino and John S. Santoro. Ms. Murtaugh seconded the motion, and it passed unanimously.***

ADJOURNMENT

There being no further business to be brought before the Board, the meeting was adjourned at 8:03 p.m.

Respectfully submitted,


Secretary

