

**SANDBURG VILLAGE CONDOMINIUM HOMEOWNERS ASSOCIATION  
BOARD OF DIRECTORS MEETING  
November 29, 2023**

The meeting was conducted by Zoom videoconference.

Present:        Andrew Baglini – Association 1  
                 John Hoppesch – Association 1  
                 David Ruhland – Association 1  
                 Robert Connor – Association 2  
                 Sarah O’Neil – Association 2  
                 Mary Schneider – Association 2  
                 Betsy Morgan – Association 3  
                 Bruce Kaminsky – Eliot  
                 Gabrielle Thronson – Eliot  
                 Beth Murphy – Faulkner  
                 John Berchem – Lowell  
                 Louise Pauly – Lowell  
                 Jacque Ehrlich – Association 7  
                 Marcie Johnson – Association 7  
                 Nancy Slattery – Association 7

---

Also present were Melissa Goodwin, HOA Property Manager, Isela Morris, Regional Director, and Tahalia Melendez, Administrative Assistant, of FirstService Residential; and Paul Gaudette of Wiss Janney Elstner. Barbara A. Roberts acted as minute taker.

**CALL TO ORDER and AGENDA REVIEW**

Mr. Connor called the meeting to order at 6:35 p.m. Ms. Goodwin called the roll and declared that a quorum was present.

**UNIT OWNER COMMENTS AND QUESTIONS**

Ms. Goodwin stated that the comments and questions from unit owners will focus on the 2024 Operating and Reserve Budget. She explained that there are new line items in the Reserve portion of the budget that resulted from the latest Reserve Study performed by Reserve Advisors. Mr. Berchem stated that the Reserves are more than adequate for anticipated expenses, with a reasonable contribution from residents and an appropriate and modest increase each year. He added that HOA is able to pay for anything that it has to pay for without running out of funds. In response to another question from the unit owner about the engineering and architectural fee line item, Ms. Goodwin stated that there is no connection between that fee and the Reserve Study expense. The unit owner then asked why there does not appear to be an additional amount budgeted for additional security in the malls. Ms. Goodwin responded that the budget does not cover engaging additional security staff. Discussion ensued about various security measures that have been discussed, such as cameras in the malls, and Ms. Goodwin referred to her meetings and those of the various individual associations with representatives from the Chicago Police Department and discussions about cameras and other additional security measures that have been adopted. Further discussion ensued about security measures in the various malls and elsewhere, such as additional lighting, repairing nonfunctioning light fixtures, and other measures that the police have advised.

## **APPROVAL OF MINUTES**

Ms. Slattery asked if there were any additions or corrections to the minutes of the regular Board meeting held on October 25, 2023. Two changes were made to the minutes. ***Ms. Slattery moved to approve the minutes of the regular HOA Board of Directors meeting held on October 25, 2023, as amended. Mr. Kaminsky seconded the motion, and it passed, with Ms. Thronson, Mr. Hoppesch and Ms. Ehrlich abstaining.***

## **PRESIDENT'S REPORT**

Mr. Connor stated that he had nothing to add to the items that will be discussed during the meeting.

## **FINANCIAL REPORT**

Mr. Berchem reviewed with the Board the Financial Summary for the period ended October 31, 2023, as follows:

Operating Fund net income, current month:	(\$86,568)
Operating Fund net income, year to date:	\$128,033
Operating Fund balance:	\$302,009
Ratio of Operating Fund balance to one month's operating expenses:	1.8
Replacement Fund interest income, year to date:	\$77,653
Replacement Fund average CD yield:	2.18%
Replacement Fund expenses, year to date:	\$324,339
Replacement Fund balance:	\$4,848,684

Mr. Berchem stated that while expenses exceeded income in October, year to date HOA is \$128,000.00 in the black, an excellent position in the tenth month of the year. He noted that the estimated pool income could top \$200,000.00, with the actual number to be revealed in next year's audit. Mr. Berchem referred to the FFC Pool Income YTD, which states the income that the Association received, and also stated that the Operating Fund balance will pay HOA's expenses for 1.8 months. He noted the Reserve expenses year to date of \$324,000.00, and the Reserve Fund balance of \$4,848,000.00, stating that HOA can pay for whatever it needs to. In response to Ms. Thronson's question about how the individual associations pay HOA, Ms. Goodwin stated that they pay by check. Ms. Morris explained that this is because not all of the associations are affiliated with FirstService Residential, thus precluding the use of direct debit. Ms. Goodwin added that most of the commercial spaces pay by direct deposit, and Ms. Morris stated that individual associations must specifically request direct deposit if they want it. Discussion ensued.

## **ACTION AND DISCUSSION ITEMS**

### **2023 Village Capital Projects Update**

Mr. Gaudette presented his report, as follows:

- General Work:
  - Garage Ceiling Repair Work: WJE will tour the garages with the contractor and Ms. Goodwin next week. There are areas in which the underside of the mall is the ceiling of the garage beneath. The south and north malls require almost no work but some of the other malls do need

work, in areas located in discrete areas, such that the work must be coordinated with the affected associations, such as for moving cars while the work is done, similar to the situation at the beginning of the year in which loose concrete was removed.

- South Mall:
  - South Mall Drainage at Eliot West Door: Work on this area will be deferred until spring. The HOA staff will try to clean up the mulch and leaf build-up at the mall drains. Zera's proposed cost is reasonable and should be approved within the next month.
- CD Mall:
  - Work on the driveway and the mall will be performed in 2024.
- North Mall:
  - Germania Place Expansion Joint: Zera will work on the expansion joint at the front entrance of James House in the spring.
  - Burton Place: WJE feels that the cost for striping at Burton Place is reasonable. The work can be performed now, weather permitting, or in the spring.

Mr. Baglini asked if the work on the CD Mall can be done in 2024. Mr. Gaudette explained that Zera's prices have been very competitive, but that the cost for the CD Mall was higher because the contractors have been extremely busy. He stated that Zera could be asked to lower its price or that another contractor could be invited to bid on the work, and that the delay is because the work involves architectural concrete, which was originally installed by Zera in 1996. In response to a question from Ms. Goodwin, Mr. Gaudette stated that bids should be sought for the work in time for the January Board meeting, in order to get on the chosen contractor's schedule.

The Board thanked Mr. Gaudette, and he left the meeting at 7:06 p.m.

#### **2024 HOA Operating and Reserve Budget Approval**

Ms. Goodwin noted that the 2024 HOA budget calls for a 5.3% assessment increase, and that all of the fees have remained the same except for the \$30.00 increase in the amount to rent the Eliot Hospitality Room. ***Mr. Berchem moved to approve the proposed 2024 Sandburg Village Condominium Homeowners Association budget, which includes a 5.3% increase in assessments, and the 2024 Schedule of Fees, as presented. Ms. Slattery seconded the motion.*** Discussion ensued. ***The motion passed, with Ms. Thronson opposed.***

#### **Master Association Resale Disclosure Form**

Ms. Goodwin stated that the Reserve Fund balance as of October 31, 2023, was \$4,848,683.00. ***Ms. Thronson moved to approve the Resale Disclosure Form as presented for use in resales. Ms. O'Neil seconded the motion, and it passed unanimously.***

#### **2024 Board of Directors Meeting Dates**

Ms. Goodwin presented the proposed Board meeting dates, noting that Chris Nyborg, HOA's auditor, and Barbara Roberts, HOA's minute taker, are available for the May 22, 2024, Audit Review meeting. ***Mr. Kaminsky moved to approve 2024 Board of Directors meeting dates as presented. Ms. Thronson seconded the motion, and it passed unanimously.***

#### **2024 Management Office Holiday Schedule**

Ms. Goodwin presented the proposed holiday schedule for the Management Office staff. In response to a question from Ms. Thronson, Ms. Goodwin stated that the FirstService Residential corporate office determines the floating holidays. ***Mr. Berchem moved to accept the 2024 HOA Management Office holiday schedule. Mr. Connor seconded the motion, and it passed unanimously.***

#### **Bad Debt Resolution**

Ms. Goodwin advised the Board that the proposed resolution regarding an uncollectable debt, which was previously approved by the Board, is recommended by Chris Nyborg, the Association's auditor. ***Mr. Berchem moved to accept the bad debt form to remove the total of \$16,210.32 from the Association's accounts by the FirstService Residential accounting department, per HOA's auditor's recommendation.*** After discussion, ***Ms. Pauly seconded the motion, and it passed unanimously.***

#### **Village Landscaping Dormant/Rejuvenation Pruning Proposal**

Ms. Goodwin explained the purpose of the dormant/rejuvenation pruning program proposed by Woodlawns for various deciduous shrubs on HOA property, and directed the Board's attention to details about how the work will be performed, noting that funds are available in the budget under the category "Landscaping – capital expenses." Discussion ensued about the expected results of the proposed pruning program and suggested modifications to the program, after which the matter was tabled.

#### **Fitness Formula Club Pool Management Contract**

Ms. Goodwin explained that discussions have taken place regarding the FFC pool management contract and that the Board has already approved most of the terms. She presented the advice of HOA's legal counsel with regard to responses to FFC's counter-offers. Discussion ensued about FFC's terms of service. Ms. Goodwin presented the idea of a special Board meeting before the March or April Board just to discuss FFC's service and the results of the pool use survey. Further discussion ensued. ***Ms. Slattery moved to accept the proposed management contract with Fitness Formula Club, as amended to reflect a flat three percent increase each year.*** After discussion, ***Ms. Johnson seconded the motion, and it passed, with Ms. O'Neil opposed.***

#### **Village Security Contract**

Ms. Goodwin stated that HOA's current security provider is Allied Universal, whose service has declined within the past six months. She explained the shift arrangement, named the security firms from whom she sought bids, stated her recommendation to engage Harvard Protection Services for 2024, and described the security systems that Harvard Protection Services uses and the service that it provides. Ms. Goodwin added that no matter which security firm is engaged, the cost will be slightly over budget. Discussion ensued. ***Ms. Thronson moved to approve the security service contract proposal dated November 7, 2023, with Harvard Protection Services at a cost of \$121,846.12 for one year beginning January 1, 2024, which includes the touring system for unarmed security guard services for 2024.*** ***Ms. Morgan seconded the motion, and it passed unanimously.***

#### **CD Receiving Room Lease Renewal**

Ms. Goodwin explained that the lease for the Cummings-Dickinson Receiving Room expires on December 31, 2023, that the leased area is 1,595 square feet, that the current rental amount should be \$2,014.22 per month, and that the recommendation is to renew the lease for another five years with the same terms, at a cost of \$2,500.00 per month for the first two years, with two-percent increases for the third through the fifth years, as suggested by ReMax. Discussion ensued. ***Ms. Thronson moved to accept the proposed terms of the lease renewal with Cummings-Dickinson CSVCA #1 as lessee for a five-year lease from January 1, 2024, through December 31, 2028, with a two-year hold at the present rate and two percent increases in years three through five.*** ***Ms. Ehrlich seconded the motion, and it passed, with Mr. Baglini, Mr. Hoppesch and Mr. Ruhland abstaining.***



### **ADDITIONAL BUSINESS**

Ms. Morgan presented the concerns on the part of Association 3 – Townhouse – residents regarding the lack of fencing on the Lowell House side of the townhouse property on the east side of Clark Street. She stated that the residents are requesting that an unlocked fence be erected on the south side of the townhouse property, at HOA's expense. Discussion ensued about the details to be considered and the need for information about the cost to design and install the fence and who would pay it, as well as about discussing with Mr. Gaudette the need to pierce the structural slab for the installation, taking into account the garage beneath the slab, and about whether the fence would constitute an alteration to the property, about the permissibility of which the HOA Declaration should be consulted. Mr. Connor suggested scheduling a special HOA Board meeting specifically to discuss the fence and agreed with Ms. Slattery's suggestion that Ms. Goodwin first discuss the matter with Mr. Gaudette.

Ms. Slattery referred to the proposed Fern Hill development planned for the area at Wells, North and LaSalle. She stated that James-Kilmer created a survey about the development that Ms. Goodwin distributed to all the condominium association managers and encouraged them to distribute the surveys to residents, noting that 2<sup>nd</sup> Ward Alderman Brian Hopkins is collecting area residents' opinions about the proposed development.

### **MANAGEMENT REPORT**

Ms. Goodwin referred to the Board's request that she obtain information about the Germania fountain and stated that she received a proposal from Larry Dziurdzik of the JNL Design Group to create designs for the fountain or the area, according to which the design phase would cost \$4,500.00 to \$6,500.00. The Board directed Ms. Goodwin to seek proposals from other designers. In response to a question from Ms. Thronson, Ms. Goodwin stated that the 3<sup>rd</sup> Coast Café was the preferred location for the HOA Board Holiday Party. She also stated that Remax will begin to market the dentist's old office next week, at a cost of \$1,350.00. Ms. Goodwin added that the office is 522 square feet in area, and that another option would be for HOA to take back the space and create an exercise room in it, with an annual membership fee and key fob access. Ms. O'Neil mentioned the under-utilized gym space in Bryant House that needs to be upgraded and suggested that residents from other associations be permitted to use it, instead of A-B residents only. Ms. Goodwin stated that the Alcott-Bryant Board would have to approve this idea and then present it to the HOA Board. Discussion ensued.

### **RECESS TO EXECUTIVE SESSION**

The meeting was recessed to Executive Session at 8:50 p.m.

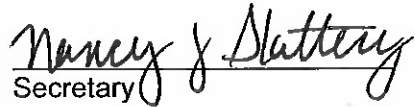
### **RECONVENE TO OPEN SESSION**

The meeting was reconvened to Open Session at 9:06 p.m. ***Ms. Pauly moved to approve the HOA staff salaries and bonuses as discussed in Executive Session. Mr. Connor seconded the motion, and it passed unanimously.***

**ADJOURNMENT**

There being no further business to come before the Board, upon motion duly made by Ms. Slattery, seconded by Ms. Johnson and unanimously approved, the meeting was adjourned at 9:09 p.m.

Respectfully submitted,

  
Secretary

---