

Hinman House Condominium Association

Managed by:

Heil, Heil, Smart & Golee, Skokie, IL 60077

847-866-7400

Minutes of the January 20, 2016 Annual Owners Meeting

Convened: 7:00 pm

Present: *Board Members:* L. Forman, D. Lequar, B. Lewandowski, J. Rutigliano, H. Voeks. *Absent:* G. Wong. *From Heil & Heil:* J. Taylor.
Numerous residents.

Quorum: Sufficient HHCA owners were present to constitute a quorum for the Annual Meeting: 40.52% of unit ownership either by presence or proxy was established.

In Memoriam: The Board President recalled the passing of long time residents Don Paul and Caryl Resag this year. Both Don and Caryl served on the Board for many years. Don served as President for a number of years and Caryl as Treasurer. Don was the primary driving force behind the window replacement project. Caryl had been a resident of Hinman House since it was first opened as a rental building. Don and Caryl will be missed.

Elections: The following people were elected to serve on the Condominium Board in 2016: Linda Forman, Tiffini Holmes, Diane Lequar, Bob Lewandowski, Joe Rutigliano, Matt Snyder and Howard Voeks.

The 2016 Board elected Howard Voeks as Board President, Diane Lequar as Treasurer and Joe Rutigliano as Secretary.

Review of 2015: The Association finished 2015 with \$382,744 in regular reserves, not including the special assessment account. The budgeted operating expenses were \$523,371. The actual operating expenses were \$512,072.

One planned major capital project was undertaken: the window replacement project is nearly complete. Planned riser replacement work was postponed because of scheduling conflicts with the window project. Two other capital projects were carried out because of aging equipment: a new water pressure pump and regulator were installed and the hot water storage tanks were replaced. Also, a security camera covering the package table was installed and the garage was painted.

The window replacement project had an original contract sum of \$878,039. Additional costs included \$33,600 for unexpected installation issues, \$29,318 for permit and performance bond, and \$14,815 for architectural and coordination services. There was a special assessment levied for the project. The Association received approximately \$620,000 in lump sum payments from unit owners. We borrowed \$280,000 in a five-

year loan at 5.55% interest for the remainder. The monthly special assessment installment payments are approximately equal to the monthly loan payments. The loan can be re-amortized once per year. Installment payments are on schedule for all but two units. Collection actions are proceeding against those owners.

The window project is nearly complete. The final repair of the windows in some units will be completed shortly. Unpainted windows need to be painted to support the warranty. The Board will decide in consultation with unit owners the best way to finance and carry out this task.

Preview of 2016: There is no increase in monthly assessments. The Association has a budget of \$523,371 for the year. The Association will have an annualized reserve of \$581,162.

The Board planned to replace four risers in 2016, finishing the riser replacement project. However, due to the unreliable state of the elevators, the Board voted to carry out the necessary upgrade/replacement of the elevator system this year. The Board is now seeking bids from consulting elevator engineering firms to guide it through this process. They will help the Board collect bids for the project and evaluate the work of the selected contractor.

This project is roughly estimated to cost in the \$500,000 range. The Board plans to fund the project entirely from reserves if possible. We may have to work out payment terms with the contractor or get a swing loan to cover payments while monthly assessments are collected to fund reserves.

This will leave a reserve balance of approximately \$60,000 or less at the end of the year. In recent years the Association has chosen to maintain a reserve balance closer to \$200,000 for unexpected repairs and emergencies. We may have to postpone capital projects, chiefly riser replacement, until 2018 to rebuild our reserves.

Adjourned: 8:30 pm

Recorded by:
Joe Rutigliano
Board Secretary