



# Park Tower CONDOMINIUM ASSOCIATION

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## Board of Directors Meeting Minutes August 13, 2018

<b>Meeting Location:</b>	5415 N. Sheridan Road 2nd Floor Party Room
<b>Call to Order:</b>	8:13 pm
<b>Members Present:</b>	Michael Parrie Paul Heck Kenneth Anderson Jean Shamo
<b>Members Absent:</b>	Monique Fouant
<b>Management:</b>	Dave Barnhart, Property Supervisor Timothy Patricio, Property Manager Yvonne Sanchez, Assistant Manager

### Committee Reports

Board President Michael Parrie mentioned the Board received a written report from the Health Club Committee.

Social Committee Chair Sheldon Atovsky mentioned the Committee would be meeting Wednesday August 15th at 6:15pm in the Party Room. He also said the Committee is continuing to work on options for possible audio system improvements in the Party Room. They've already met with Best Buy, and will soon be meeting with ABT.

### Board Report

The Board would like to remind owners that their input is requested on the cable and internet survey. The deadline to participate is August 15th, after which time the adhoc committee will begin to analyze the data for trends among respondents. As of today, there are 128 responses.

### Action Items

#### Closed Session Business

After a motion by Michael Parrie, seconded by Paul Heck, the Board of Directors voted unanimously in favor of fining 5 unit owners \$100 for the first month, to double thereafter for each subsequent month, up to the maximum fine of \$1,000, for not providing adequate proof of insurance.

After a motion by Michael Parrie, seconded by Jean Shamo, the Board of Directors voted unanimously in favor of fining 4 unit owners \$50 for the first month, to double thereafter for each subsequent month, up to the maximum fine of \$200, for not attending the new residents' meeting.

After a motion by Michael Parrie, seconded by Paul Heck, as it relates to case #7.14.18, the Board of Directors voted unanimously in favor of charging a unit owner a \$50 service fee for improper disposal of garbage.

After a motion by Michael Parrie, seconded by Jean Shamo, as it relates to case #7.19.18, the Board of Directors voted unanimously in favor of fining a unit owner \$250 for unauthorized construction and \$50 for misuse of residential hallway electrical outlets.

After a motion by Paul Heck, seconded by Jean Shamo, the Board of Directors voted unanimously in favor of a resolution to close the Bridgeview Bank account previously used for the Employee Holiday Fund; and directs that the Holiday Fund be processed appropriately through payroll.

### **Minutes – Board Meeting July 23, 2018**

After a motion by Ken Anderson, seconded by Paul Heck, the Board of Directors voted unanimously in favor of a resolution to approve the minutes from the Board Meeting held on Monday July 23, 2018.

### **2017/2018 Audit Acceptance**

After a motion by Jean Shamo, seconded by Paul Heck, the Board of Directors voted unanimously in favor of a resolution to accept the audit of the Financial Statements for the 2017/2018 Fiscal Year as presented by Picker and Associates, Inc.

### **Transfer Of 2017/2018 Audited Surplus To Reserve**

After a motion by Jean Shamo, seconded by Paul Heck, and discussion, the Board of Directors voted unanimously in favor of the following resolution: WHEREAS, the Board of Directors (the "Board") of Park Tower Condominium Association (the "Association") is the governing body of said Association and is charged with the direction and administration of the Property subject to that certain Declaration of Condominium for Park Tower Condominium, as from time to time amended (the "Property"); and

WHEREAS, the Declaration provides that the Association is obligated to maintain, repair, and replace the common elements located in the Property; and

WHEREAS, an accounting for the 2017/2018 fiscal year revealed that there is an accumulated amount of cash in excess of the amount required for actual expenses ("excess") in the amount of \$155,272; and

WHEREAS, the Board has reviewed the status of the Association's capital reserve account; and WHEREAS, the Condominium Property Act requires, pursuant to section 9 (c) (2), the Association to maintain reasonable reserves for capital expenditures and deferred maintenance for repair or replacement of the common elements located in the Property; and

WHEREAS, the Board has considered the following factors relative to the reasonableness of the Association's reserves:

- 1) The repair and replacement cost, and the estimated useful life, of the property which the Association is obligated to maintain, including but not limited to structural and mechanical components, surfaces of the buildings and common elements, and energy systems and equipment;
- 2) The current and anticipated return on investment of the Association's reserve funds;
- 3) The amount that the Association's most recent capital reserve study provides should be on deposit in the capital reserve account;
- 4) The financial impact on the unit owners in the market value of the condominium units of an immediate assessment increase to fund the reserves and
- 5) The ability of the Association to obtain financing or refinancing as a supplement to the capital reserve account; and

WHEREAS, after due consideration of the foregoing factors, the Board contends that their fiduciary duty demands that the excess funds be transferred into the capital reserve account.

NOW, THEREFORE, BE IT RESOLVED that the Park Tower Condominium Association Board of Directors approves the transfer of \$155,272 the identified year-end operating fund surplus cash for 2017/2018, to the Association's reserve account, after taking into consideration the criteria for establishing a reasonable reserve set forth in Section 9(c)(2) of the Illinois Condominium Property Act, in order to more properly fund said reserve account.

#### **Social Committee Request – New Member**

After a motion by Jean Shamo, seconded by Kenneth Anderson, the Board of Directors voted unanimously in favor of a resolution to appoint Unit Owner Stephen Weiss, of Unit 4614, to the Social Commission.

#### **Control System Maintenance Contract**

After a motion by Paul Heck, seconded by Kenneth Anderson, and discussion, the Board of Directors voted unanimously in favor of a resolution to approve entering a contract with Kroeschell Services for maintenance service and support of the HVAC Control System, for a term of 6 years, as proposed at a rate of \$2392 per quarter.

#### **Receiving Room Plans**

After a motion by Paul Heck, seconded by Kenneth Anderson, and discussion, the Board of Directors voted unanimously in favor of a resolution to accept the proposal by Luxor as presented and recommended by the Home Improvement Committee, for the installation of a Luxor package receiving room, with Tide Spin lockers for dry cleaning pick up, and directs management to seek proposals for the necessary construction effort to build out the receiving room space consistent with the floor plan presented by the Home Improvement Committee, to be executed at a cost not to exceed the planned budget of \$102,000.

#### **Construction Requests**

After a motion by Michael Parrie, seconded by Jean Shamo, and discussion, Michael Parrie amended the motion, and Jean Shamo re-seconded, and the Board of Directors voted unanimously in favor of a resolution to approve the remodeling plans of units 603, 1415, 3108, and 5511, and conditional approval of 5303, as submitted by the unit owner, following the recommendations of the chief engineer as outlined in their written specifications and in accordance with the Rules and Regulations and remodeling guidelines of the Park Tower Condo Association.

#### **Treasurer's Report**

Board Treasurer Jean Shamo reviewed the Association's most recent reported fund balances and financial activity.

At the end of June 2018, there were Operating Funds of \$828,777 (increase of \$11,835 from prior month), \$1,344,363 (increase of \$32,549 from prior month), for a Total Cash and Investments of \$2,173,141 (increase of \$44,384 from prior month).

In June, Total Operating Revenue was \$505,210, Total Operating Expenses were \$340,783, Income From Garage activity was \$26,863, and the Contribution To Reserve was \$136,675, resulting in a Surplus for the month of \$54,615.

#### **CD Transactions**

After a motion by Jean Shamo, seconded by Kenneth Anderson, the Board of Directors voted unanimously in favor of a resolution to approve the renewal of a \$101,500.12 Certificate of Deposit

with a 2.1% interest rate for 15 months with Delaware Place Bank for the Reserve Fund, scheduled to mature on November 5, 2019.

After a motion by Jean Shamo, seconded by Paul Heck, the Board of Directors voted unanimously in favor of a resolution to approve the renewal of a \$81,200.08 Certificate of Deposit with a 2.1% interest rate for 15 months with Delaware Place Bank for the Operating Contingency Fund, scheduled to mature on November 5, 2019.

After a motion by Jean Shamo, seconded by Kenneth Anderson, the Board of Directors voted unanimously in favor of a resolution to approve the purchase of a \$101,824.04 Certificate of Deposit with a 2.2% interest rate for 13 months with Byline Bank for the Reserve Fund, scheduled to mature on September 8, 2019.

### Management Report

The Property Manager, Timothy Patricio, reviewed current Association Business of interest. The Activity report was postponed to a future meeting.

### Adjournment

There being no further business, after a motion by Paul Heck, seconded by Ken Anderson, the Board of Directors voted unanimously in favor of a resolution to adjourn the August 13, 2018 Board Meeting at 8:37PM.

  
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Michael Parrie, Board President

8/27/2018  
Date

  
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Kenneth Anderson, Board Secretary

8/27/2018  
Date