



APPROVED MINUTES

THE PIERRE CONDOMINIUM ASSOCIATION BOARD OF DIRECTORS MEETING MINUTES

Pursuant to notice duly given, a Board of Directors Meeting of the Pierre Condominium Association was held on May 14, 2002, following the Unit Owners Annual Meeting at 9:50 p.m. in the hospitality room.

Attendance was recorded as follows. Directors: Wayne Lau, Randy Mehrberg, Bob Doak, Adam Landsman, Edward Burnes, Bill Waterston, Denise Antonucci, Barbara Sherman; Joe Bright, Wolin-Levin, Inc.; Debra Russo, Recording Secretary.

I CALL TO ORDER:

The Board of Directors meeting of May 14, 2002, was called to order at 10:00 p.m., by past Board President Adam Landsman. A quorum was noted. Mr. Burnes and Ms. Sherman were welcomed as new Board members and congratulations were extended to those elected.

II NOMINATION AND ELECTION OF OFFICERS:

The new Board of Directors was announced as follows: Wayne Lau, Robert Doak, Bob Zabors, Randy Mehrberg, Adam Landsman, Ed Burnes, Bill Waterston, Denise Antonucci, and Barbara Sherman.

The floor was open for officer nominations for the Board.

Upon motion duly made by Mr. Mehrberg to nominate Mr. Landsman to continue to serve as President. Mr. Landsman accepted the nomination, and unanimously carried.

Upon motion duly made by Mr. Doak to nominate Mr. Waterston to serve as Vice President. Mr. Waterston accepted the nomination, and unanimously carried.

Upon motion duly made by Mr. Doak to nominate Mr. Lau to continue to serve as Secretary. Mr. Lau accepted the nomination, and unanimously carried.

Upon motion duly made by Mr. Lau to nominate Mr. Doak to continue to serve as Treasurer. Mr. Doak accepted the nomination, and unanimously carried.

The results for the officers for the forth coming year are as follows.

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|---|---|
| Adam landsman – <i>President</i> | Randy Mehrberg – <i>Director</i> |
| Bill Waterston – <i>Vice President</i> | Denise Antonucci – <i>Director</i> |
| Wayne Lau – <i>Secretary</i> | Robert Zabors – <i>Director</i> |
| Robert Doak – <i>Treasurer</i> | Edward Burnes – <i>Director</i> |
| | Barbara Sherman – <i>Director</i> |

III RENOVATION PROPOSAL REPORT:

a) Renovation Plans – Unit 12 BN

The owner of unit 12BN was present with his architectural designer and contractor Mr. David Thomas of Perimeter Builders who wished to present a proposal to the Board for their tentative plans to renovate their unit and to request preliminary approval to construct a (3' x 7') balcony on the courtyard side of the building. The Board was assured the structural integrity of the building would not be compromised and the plans would be in complete compliance with all city codes and ordinances. The owner would accept responsibility for all costs of engineering and or legal reviews, and has offered to submit designs and engineering drawings, and show shadow patterns and other possible effects on neighboring units.

After some discussion, the Board indicated that before determining an opinion, the Board would consult with the Association's attorneys to understand if it is permissible under our declaration and condo act. A Board member would consult with neighboring units and make a preliminary visual inspection of the proposed area and discuss at the next meeting.

IV SECRETARY'S REPORT:

a) Minutes of April 9, 2002

Mr. Lau reported that the Board had been given the opportunity to review the minutes of April 9, 2002 in advance of the meeting, and presented the Board with copies highlighting amendments, and reviewed the proposed changes that had been requested to the draft minutes. Mr. Lau called for final comments or corrections, there were no additional changes.

Upon motion duly made, Mr. Waterston motioned to approve the minutes of April 9, 2002 as amended, seconded by Mr. Lau, and carried, the following resolution was approved:

RESOLVED – That the Board of Directors of the Pierre Condominium Association, hereby, approve the minutes of April 9, 2002, as amended.

In Favor: Mr. Lau, Mr. Mehrberg, Mr. Doak, Mr. Landsman, Mr. Waterston, Ms. Antonucci.

Abstaining: Mr. Burnes, Ms. Sherman.

V MANAGEMENT REPORT:

a) Pool Liner Installation

Management reported that the installation of the swimming pool liner has been delayed due to inclement weather. To assure that the work doesn't interfere with the regular pool schedule, the project was postponed until after the pool closes at the end of the season.

b) Elevator Modernization

Recent problems with the south elevator were corrected by Otis Elevator although this work was unrelated to the modernization project. Management held a preliminary meeting with Lerch Bates and Otis Elevator, The work is scheduled to begin on the north elevator. Management will see that both Lerch Bates and Otis Elevator receive copies of the new Construction Rules. Bill Waterston will supervise the project to assure compliance.

Any unit owner having a background in engineering is encouraged to contact Mr. Joe Bright at 312-335-1950 if you would be interested in serving on the new Repair Review Committee.

Management updated the Board that several other aspects of the project are not being done by Otis Elevator, these include: a cooling system for the equipment room, electrical work, installation of a life safety panel, and minor tuckpointing.

c) Construction Rules / Contractor Sign-in Sheet

Management reported that the approved Construction Rules have been distributed to all unit owners. The Board discussed with Management that all contractors and construction crews working in or for the Association are required to follow the new construction rules as well as unit owner contractors. All contractors are required to sign-in at the doorman's station.

VI TREASURER'S REPORT:

a) Financial Report

The Association's Treasurer Mr. Bob Doak presented his Treasurer's Report and covered additional items not presented during the Annual Meeting. He continued discussing income and expenses, budget verses actuals, and the status of the Association's investments.

(The Pierre Condominium Association Treasurer's Report Board Meeting 5/14/2002 (three pages) are attached as part of these minutes.)

The Board also discussed budgeted improvements for the swimming pool, which include installation of a new pump and chemical controllers.

Upon motion duly made by Mr. Doak, seconded by Mr. Landsman, and unanimously carried, the following resolution was approved:

RESOLVED – That the Board of Directors of the Pierre Condominium Association, hereby, approve an expenditure not to exceed \$6,500 for the installation of a new pump and chemical controllers for the swimming pool.

He continued by strongly urging the Board to conduct a "Reserve Study" as soon as possible during this year. Management will proceed to obtain proposals.

THE PIERRE CONDOMINIUM ASSOCIATION
TREASURER'S REPORT
BOARD MEETING 5/14/02

For the four months ended April 30, 2002, the association has accumulated a net surplus (cash basis) of \$7,706 before consideration of Special Assessments received and Special Project costs paid out.

Special assessments received through 4/30 totaled \$518,241 and garage revenue totaled \$29,620 against which \$373,711 was expended for garage work, \$85,500 was expended for elevator work and \$2,000 was expended for façade work.

At 4/30, The Pierre Condominium Association had the following cash/ investment balances:

Wolin-Levin	\$ 62,499.78
Harris Bank Special Projects A/C	\$ 27,939.26
Salomon Smith Barney- general reserves	\$297,775.61
Salomon Smith Barney- Baker damage insurance A/C	<u>\$322,339.14</u>
Total- Cash and Investments	\$710,553.79

\$39,000 was transferred into the Harris A/C and \$84,500.00 was paid from this account to Otis Elevator during April.

My current forecast for the year ending 12/31/2002 is that we should achieve operating results, in total, very close to budget.

The garage operation's finances are improving, but we are still incurring losses. For the four months ended April 30, the garage has lost \$6,624. With the increase in monthly cars starting May 1, we should make a small profit in May. Monthly cars are now up to 110 compared to our target amount of 116-120.

Respectfully submitted,
Robert Doak
Pierre Treasurer

THE PIERRE CONDOMINIUM ASSOCIATION
2002 OPERATING RESULTS

	(cash basis) 4 months ended Apr. 2002	2002 Full Year Forecast May 13	2002 Full Year Budget	2001 presented on a basis consistent with 2002 budget presentation	(accrual basis) 2001 Per Audit Report
INCOME					
4000 Assessments	260,216	765,000	765,000		
6180 Less: NSF Checks	<u>(2,955)</u>				
Net Assessments	<u>257,261</u>	<u>765,000</u>	<u>765,000</u>	742,816	742,816
4002 Rental Income (Apt.)	13,200	39,600	39,600	33,200	33,200
4010 Parking Income	0	0	0		28,361
4020 Laundry Income	0	2,000	2,000	1,454	1,454
4026 Storage Income	908	2,500	2,500	2,605	2,605
4030 Misc Income	15	200	200	234	234
4031 Scavenger Rebate (2001 total misc. income)	7,725	7,725	7,650	7,650	7,650
4040 Maintenance Income	420	1,000	1,000	2,271	2,271
4049 Wolin-Levin Fees	105	100	100	105	105
4051 Late/Legal Fees	710	1,000	1,000	1,921	1,921
4056 Keys	0	0	0	5	5
Capital gains/ (losses)					34,034
Insurance Recovery- Baker case					95,000
Special Assessment- portion recognized in 2001					373,102
4060 Interest Income	<u>4,704</u>	<u>18,000</u>	<u>20,000</u>	<u>29,975</u>	<u>29,975</u>
Total Income	<u>285,048</u>	<u>837,125</u>	<u>839,050</u>	<u>822,236</u>	<u>1,352,733</u>
EXPENSES					
Administrative:	89,039	135,750	129,800	116,400	116,400
Operating:	171,243	523,530	529,600	531,937	531,937
Repairs & Maintenance:	<u>17,060</u>	<u>67,500</u>	<u>66,500</u>	<u>69,741</u>	<u>69,741</u>
TOTAL OPERATING EXPENSES	<u>277,342</u>	<u>726,780</u>	<u>725,900</u>	<u>718,078</u>	<u>718,078</u>
OPERATING INCOME	<u>7,706</u>	<u>110,345</u>	<u>113,149</u>	<u>104,158</u>	<u>634,655</u>
Capital Expenditures:					
6111 Facade consulting & repair	0	0	0	3,611	3,611
7093 Decorating/Design	0	0	0	35,449	35,449
8003 Garage- Structural Engineer	0	0	0	19,620	19,620
Garage Renovation	0	0	0		373,102
Pool resurfacing	0	12,000	12,000	0	0
Pool Pumps and Chemical Controller	0	6,500	6,500	0	0
Elevator Study				8,600	8,600
Reserve Study	<u>0</u>	<u>6,000</u>	<u>6,000</u>	<u>0</u>	<u>0</u>
Total Capital Expenditures	<u>0</u>	<u>24,500</u>	<u>24,500</u>	<u>67,280</u>	<u>440,382</u>
Increase/(Decrease) in Reserves before Baker Claim costs	7,706	85,845	88,649	36,878	194,273
Baker claim professional fees:					
6110 Engineer Service-Baker	0	0	0	6,677	6,677
5316 Litigation-Baker	0	30,000	30,000	97,915	97,915
7165 Baker related repairs	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,000</u>	<u>3,000</u>
Baker claim related costs	<u>0</u>	<u>30,000</u>	<u>30,000</u>	<u>107,592</u>	<u>107,592</u>
Increase/(Decrease) in Reserves	7,706	55,845	58,649	(70,714)	86,681

THE PIERRE CONDOMINIUM ASSOCIATION
2002 OPERATING RESULTS

	(cash basis) 4 months ended <u>Apr. 2002</u>	2002 Full Year Forecast <u>May 13</u>	2002 Full Year <u>Budget</u>	2001 presented on a basis consistent with 2002 budget <u>presentation</u>	(accrual basis) 2001 <u>Per Audit Report</u>
EXPENSES					
Administrative:					
5310 Legal		8,000	8,000	7,028	7,028
5311 Audit		4,000	4,000	7,988	7,988
5340 Management	10,567	37,000	52,000	36,421	36,421
5002 R E Taxes	0	0	0	6,396	6,396
5332 Income Taxes	0	0	3,500	0	0
5349 Misc. W/L Charges	140	300	300		
5350 Fees & Permits	420	1,500	1,500	1,573	1,573
5320 Insurance	66,987	66,417	44,000	42,448	42,448
5321 Workmen's Comp Insurance	9,033	9,033	7,000	5,234	5,234
5360 Misc. Admin Expense	1,850	8,000	8,000	8,661	8,661
6050 Printing & Copying	<u>42</u>	<u>1,500</u>	<u>1,500</u>	<u>651</u>	<u>651</u>
Total Administrative	<u>89,039</u>	<u>135,750</u>	<u>129,800</u>	<u>116,400</u>	<u>116,400</u>
Operating:					
5510 Gas	16,481	49,000	60,000	81,748	81,748
5520 Electric	13,780	64,000	64,000	61,653	61,653
5530 Water	4,770	16,800	16,800	14,816	14,816
7040 Telephone	1,988	6,000	6,000	4,437	4,437
5610 Janitor (2001 combined with doorman)	40,714	122,000	122,000	244,507	244,507
5611 Doorman	48,729	131,000	128,000		
5619 Bonus & Gifts	0	2,000	2,000		
5440 Health & Welfare (2001 combined with doorman's dues)	6,646	18,700	18,700	33,650	33,650
5446 Doorman Dues	6,340	18,500	18,500		
5620 Payroll (FICA) Taxes (2001 combined with unemployment)	6,842	19,430	19,200	20,856	20,856
5330 Unemployment Taxes	2,372	3,000	3,500		
5180 Elevator	5,090	19,000	18,200	18,711	18,711
5410 Exterminating	730	1,500	1,500	1,473	1,473
5420 Scavenger	2,315	9,500	10,000	9,000	9,000
5720 Employee Rent	3,400	10,200	10,200	10,200	10,200
6130 Window Washing	1,160	2,200	2,000	2,135	2,135
6195 Fire Extinguishers	0	1,000	1,000	1,388	1,388
7045 Pager	117	400	400	362	362
7050 Cable/ Antenna	<u>9,769</u>	<u>29,300</u>	<u>27,600</u>	<u>27,001</u>	<u>27,001</u>
Total Operating	<u>171,243</u>	<u>523,530</u>	<u>529,600</u>	<u>531,937</u>	<u>531,937</u>
Repairs & Maintenance:					
7010 Landscaping	0	3,500	3,500	3,637	3,637
7021 Lobby	910	500	500	0	0
5324 Uninsured Casualty Loss	0	3,000	3,000	2,910	2,910
5110 Electric Repairs	0	1,000	1,000	84	84
5120 Plumbing	4,971	7,000	5,000	3,547	3,547
5150 Roof Repair	528	1,000	1,000	1,029	1,029
5182 Elevator non-contract	0	3,000	3,000	11,156	11,156
5450 Supplies	6,833	19,000	15,000	19,535	19,535
6061 Pool Repairs	285	2,000	2,000	2,348	2,348
6080 HVAC	1,626	15,000	20,000	17,173	17,173
6120 Uniforms	1,009	3,000	3,000	3,380	3,380
6198 Misc Repairs	898	5,000	5,000	4,321	4,321
7254 Janitorial Equipment	0	3,000	3,000	0	0
6156 Painting	<u>0</u>	<u>1,500</u>	<u>1,500</u>	<u>621</u>	<u>621</u>
Total Repairs & Maintenance	<u>17,060</u>	<u>67,500</u>	<u>66,500</u>	<u>69,741</u>	<u>69,741</u>

VII OLD BUSINESS

a) Unit 11FN / Request for Pipe Removal

Mr. Landsman inquired about the status of the inspection into the building's pipes and air-conditioning duct work in the loft area of unit 11FN. The Board reviewed the results from inspecting the area supposedly thought to have pipe and vent work installed sometime after the origination of the condominium association. Mr. Doak had been at the inspection and explained that he had phone conversations with the unit owners and it appears that they are under a misinterpretation as to where the original loft space was constructed. Management is in the process of obtaining opinions and proposals for any related work as originally requested.

VIII NEW BUSINESS

a) Garage Door

The Board discussed a recommendation from Standard Parking to install a pedestrian door to reduce wear and tear on the overhead door. The Board thought the cost of installing a new door would outweigh the benefit. This led to a discussion concerning the best time to lock off the automatic release on the overhead door. It was agreed that the time would be extended from 12:00 midnight to 2:00 a.m.

b) Spring Flowers

Management was asked to call the landscaper and arrange for spring flowers to be planted in the flower beds in front of the building.

c) Next Meeting

To better accommodate Board Members' schedules, the monthly Board Meetings will now be held on the second Wednesday of each month. The next Board meeting will be Wednesday, June 12, 2002.

d) Right of First Refusal

Management reported on the following sale: unit 9DS sold for \$310,000.

Upon motion duly made by Mr. Lau, seconded by Mr. Landsman, and carried, the following resolution was unanimously approved:

RESOLVED – That the Board of Directors of the Pierre Condominium Association, hereby, ratify approval for the sale of unit 9DS and waive the Association's right of first refusal.

e) Door Staff

1 – The Board discussed a lapse in security caused by a doorperson who recently allowed a stranger to follow a unit owner into the building. Management will discuss the incident with the door staff and stress the importance of maintaining building security and following established procedures.

2 – A longtime employee, Jimmy Oliver, is expected to return from sick leave on May 23rd. He will be honored at a pool party arranged by Denise Antonucci. Owners will be encouraged to bring an assortment of refreshments. Announcements will be posted.

f) Annual Audit

The Board was advised that the auditor mistakenly referred to construction damage as structural damage in the annual report. The report, however, has already been printed and distributed, making it too late to make the correction.

VIII ADJOURNMENT:

With no further business to come before the regular Board meeting, and upon motion duly made by Mr. Baker, seconded by Mr. Lau, and unanimously carried, the meeting adjourned at 11:25 p.m.

Respectfully Submitted,



Wayne Lau, Secretary
The Pierre Condominium Association

Debra Russo, Recording Secretary