

The Pierre Condominium Association

MINUTES OF February 16, 2005 BOARD OF DIRECTORS MEETING

I. Call to Order

The Board of Directors meeting was called to order at 7:45 p.m. A quorum was noted. The directors in attendance were: Stu Baker; Bob Doak; Janet Fisher; Mary Gootjes; Randy Mehrberg; and Larry Stotts; Gera Lind Kolarik (arrived at 8 pm). Absent: Denise Antonucci. Dan Chalifoux from Wolin Levin attended.

II. Approval of Minutes

The minutes from the January 2005 were approved.

III. Treasurer's Report

THE PIERRE CONDOMINIUM ASSOCIATION
TREASURER'S REPORT
YEAR-END 12/31/04

For the twelve months ended December 31, 2004, the association has an operating cash surplus of \$125,891, an improvement of \$14,477 from last month.

The current forecast for full year 2004 operating income of \$50,811 is up about \$6,000 from the prior month, but less than the \$68,275 in the budget. The primary full year variances from budget are:

	<u>(negative) /positive</u>
Payroll	\$(20,000)
Health & Welfare	\$(17,000)
Natural Gas	\$(10,000)
Insurance	\$ 20,000
Interest Income	\$ 7,500
Other – net	<u>\$ 2,036</u>
Total	\$(17,464)

There are no surprises in these variances as they have all been discussed in prior months.

At 12/31/04, The Pierre Condominium Association had the following cash/ investment balances:

Wolin-Levin cash balance	\$ 77,303
Harris Bank Special Projects A/C	\$ 11,201
Harris Bank General Reserves	\$ 474,149
Various accounts- Baker damage insurance funds	<u>\$ 558,203</u>
Total- Cash and Investments	\$1,120,856

The special projects loan balance at December 31, 2004 is \$423,319.

The garage income for the full year was \$700 better than budget.

Respectfully submitted,
Robert Doak,
Pierre Treasurer

IV. Old Business

Baker Litigation Update: Attorney Matthew Piers has recommended that the Pierre enter into a settlement with three of the four defendants in the tort lawsuit *Pierre Condominium Assoc. v. Lincoln Park West Assoc.; Baker Development Corp.; McCauley Construction Co.; and Case Foundation Co.*, 00 L 14319 (Circuit Court of Cook County, Illinois). The proposed settlement is described in a letter from Mr. Piers to Randall Mehrberg and Robert Doak that is dated February 14, 2005. As set forth in the letter, the proposed settlement would be for a total amount of \$1,039,591.35 to be paid to the Pierre Condominium Association and Travelers Indemnity Company. The proposed settlement would not include defendant Case Foundation and therefore, Case would be the only defendant remaining in the lawsuit. The trial date is set for August 15, 2005. Mr. Piers would continue to negotiate with Travelers as to how the settlement will be divided between the Pierre and Travelers. Until agreement is reached, the settlement money will be paid into an interest bearing trust account to be maintained by Mr. Piers' law firm. The distribution of the settlement money would be resolved in the context of further negotiations with Travelers and Case Foundation Co., the remaining tort defendant.

Randy Mehrberg made a motion that the Pierre enter into a settlement agreement pursuant to the terms of the letter dated February 14, 2005. Stu Baker seconded the motion. The motion passed unanimously. (Gera-Lind Kolarik did not vote on this motion as she arrived at the meeting after the vote was taken.) Copies of this letter will be available in the lobby office.

2nd Floor Back Hallway Project: The board reviewed a bid from Nikolai, Ltd. The topic was tabled as additional bids are being solicited.

Security update: More information will be gathered.

Internet Update: Stu Baker reported that there needs to be a discussion regarding how internet services would be billed to the owners if RCN were to provide bulk internet service.

TV Cable Update: Stu Baker and Dan Chalifoux confirmed the letter from RCN regarding "Digital Plus" video platform. RCN will be at the Pierre on February 23, 2005 regarding the partial digital conversation. Stu will make a presentation at the February meeting.

Common Element Repair Update: Dan Chalifoux reported that there are at least four units that have not yet had repairs.

Garage Issues: The Board discussed garage issues such as a garage manual for owners, damage to a resident's car, an owner's complaint about the manager, and the fact that the pay phone was removed and the wall will be cleaned.

Please note that the new garage phone number is 773-244-2186

Doorman Uniforms: Discussion regarding new doorman uniforms.

Roof: Dan Chalifoux reported that concrete core samples have been taken and the full report will be ready in the next week.

Rentals: The Board has previously discussed the possibility of restricting the number of units that may be rented or leased. The Board believes that such a limitation would be beneficial to the building. The Board discussed the results of the recent survey of unit owners regarding restrictions on renting or leasing units. The majority of the respondents were in favor of some sort of restrictions. The board noted that it may be easier to change the rules rather than the declarations. Legal counsel will be consulted regarding any proposed rule changes.

The Board would like to thank all owners who took the time to participate in this survey.

V. New Business

Revise Platt Survey to Adjust Tax Bills? Randy Mehrberg raised this issue with regard to different property taxes for those owners that live in combined units because a homeowner's exemption applies to only one unit, that is, the "primary residence."

Lobby Floor: Denise Antonucci has obtained a bid for the lobby floor repair. The issue will be tabled until next month.

Hobby Room: The Board is discussing ways to better utilize this space. Owners are encouraged to submit their ideas.

VI. Management Report

Dan Chalifoux presented a written management report dated February 16, 2005.

VII. Unit Owners Comments

The Stairmaster in the exercise room needs to be fixed.

An owner submitted written comments about cleanliness to the Board President at the beginning of the meeting. The comments were turned over to Dan Chalifoux.

VIII. Adjournment

The meeting was adjourned at 10 p.m. and the board went into executive session.

Owners are reminded that the approved Minutes from Board Meetings are posted on the Association's website. (thepierre.com)

Respectfully submitted by,
Mary Gootjes
Secretary