



**111 East Chestnut Condominium Association
Unit Owner Meeting Minutes
November 8, 2018**

A meeting of the Homeowners of the 111 East Chestnut Condominium Association (“The Association”), an Illinois not-for-profit corporation, was called to order on Thursday, November 8, 2018 at 6:20pm in the Chestnut Room, 111 East Chestnut Street, Chicago, IL, pursuant to the By-Laws.

Directors Anthony Milazzo, Jane Santogrossi, Carolann Randall, Kristin Ellertson-Vilt and Serap Brush were present. Also present were Sudler Property Management employees Robert Graf - Executive Vice President, Sara Rudnik - Property Manager and Caterina Mihaila – Assistant Manager. Two (2) homeowners were in attendance.

An open forum for Unit Owners was held to discuss the proposed 2019 Budget. One question was asked regarding collection of outstanding assessments. The Board and Management provided responses.

The meeting adjourned at 6:26pm.

**111 East Chestnut Condominium Association
Board of Directors Meeting Minutes
November 8, 2018**

A meeting of the Board of Directors of the 111 East Chestnut Condominium Association (“The Association”), an Illinois not-for-profit corporation, was called to order on Thursday, November 8, 2018 at 6:27pm in the Chestnut Room, 111 East Chestnut Street, Chicago, IL, pursuant to the By-Laws.

Directors Anthony Milazzo, Jane Santogrossi, Carolann Randall, Kristin Ellertson-Vilt and Serap Brush were present. Also present were Sudler Property Management employees Robert Graf - Executive Vice President, Sara Rudnik - Property Manager and Caterina Mihaila – Assistant Manager. Two (2) homeowners were in attendance.

President Milazzo made a motion to approve the meeting agenda with the following changes – add item #3, approve office IT support contract. Secretary Randall seconded the motion. The motion was approved.

November 8, 2018 Board Meeting

President Milazzo made a motion to approve the October 11, 2018 closed session meeting minutes. Treasurer Santogrossi seconded the motion. The motion passes unanimously.

President Milazzo made a motion to approve the October 11, 2018 open session meeting minutes with the correction of noting the assessment increase for 2019 will be 2.5% not 2%. Vice President Brush seconded the motion. The motion passes unanimously.

Treasurer's Report

For 2018 we budgeted \$4 million of income and \$3.1 million of expense, leaving about \$950,000 for reserve spending and overages.

The figures I'm about to provide ignore an August accounting reclassification of \$99,475 that was neutral to net income in total. In addition, the 2017 Audit was finalized and sent some expenses back to 2017; that is reflected.

Through October 31 we are tracking right at our revenue budget and 5% favorable in expenses. Our largest favorable variances are in utilities and contract services, the latter partly due to timing. Our largest notable unfavorable variance is legal fees attributed to Brian Connolly, which totaled \$61,000 through 10 months. This is lower than I mentioned last month because the Auditors reclassified \$20,000 in 2018 payments as 2017 expenses. The full \$81,000 was spent, however.

We have now made all 10 of our normal monthly contributions to reserves totaling \$812,500. We had postponed two of them to prepay certain expenses but caught up.

Cash reserves are currently \$1,189,000. Reserve expenses so far this year total \$167,000 for the pool liner, concrete repairs and roof anchors. We have not received invoices yet for interior concrete repairs in 5 units expected to be about \$390,000, and the boiler project is underway as well, budgeted at \$235,000.

Management Report

Property Manager, Sara Rudnik presented the Management Report.

- Althoff continues their work in the boiler room and should be finished by Thanksgiving.
- The broken glass panel on the entrance canopy is being removed today and a temporary piece will be in its place until the new glass arrives in about 6 weeks if not sooner.
- The Festival of Lights parade will be on Saturday, November 17 so our holiday decorations are scheduled for installation next week.
- Our building windows are in the process of being washed and should be finished next week.

President Milazzo made a motion to approve the 22.1 Manager Rudnik confirmed that the reserves has been updated to reflect the value at the end of October. Secretary Randall seconded the motion. The motion was approved unanimously.

November 8, 2018 Board Meeting

New Business

President Milazzo made a motion to approve the proposal of \$785/month from Infosec for the management office IT support in monitoring the network traffic and security. Director Ellertson-Vilt seconded the motion. The motion was approved unanimously.

President Milazzo reviewed the Line of Credit proposal we've received from Wintrust. This would be available to the Association in the event of any unanticipated expenses. It's a non-revolving line of credit offered at margin of 1.85% over the 5 and 7 yr treasury note. President Milazzo made a motion to approve the line of credit. Treasurer Santogrossi seconded the motion. The motion was approved unanimously.

President Milazzo made a motion to approve the 2019 draft budget. Treasurer Santogrossi seconded the motion. President Milazzo suggested that in the future we consider investing in a lightning suppression system for our building. Vice President Brush suggested future funds to furnish the Chestnut Room. Secretary Randall suggested future funds to improve and beautify the pool deck. President Milazzo also suggested improving the north bbq deck. The motion was approved unanimously.

The meeting adjourned at 6:44pm.