

Rookwood Gardens Co-op

Annual Meeting of the Corporation

Dec. 9 2014

Board members in attendance: Mark O'Brien, Janet O'Brien, David Walker, David Galloway, Gary Fisher, Marianne Honquest. Also in attendance, Alice Hancko, Cagan Management.

Units in Attendance: 37

Shares in Attendance: 4786

% of Shares in Attendance: 72.5%

Quorum: Yes

1) First Order of Business: Approval of 2013 Annual Meeting minutes.

2) Summary of critical building issues

Back Stairs:

The Board spent the year working with a project manager, Dan Ruzic, who has a history of overseeing complicated and historically sensitive restorations (among his projects was the restoration of Unity Temple in Oak Park). Objectives included a product that would not corrode and provide safe passage, with the understanding that any solution would require approval by the City Preservation Council and the city's zoning board. Had samples installed and completed all paperwork for the city – in the fall gained city approval to move forward with the project.

Now seeking bids from vendors. The Board originally expected to do the stairs over two years beginning this year, but getting approvals took longer than expected and vendors are hesitant to bid on a multi-year project of what would be considered a small project (complicated by fluctuating steel prices), so the consensus is to do all the stairs in a single year. Dan Ruzic will be securing bids for a summer 2015 installation.

Some conversation about galvanized steel vs. aluminum and making sure fittings are waterproof so there is no metal-on-metal contact that could promote rusting. The new stairs system will be modular (bolted as opposed to welded in place) for easier and more cost effective future repairs/replacement.

Windows:

Requires ongoing maintenance in a continuous, 12-15 year cycle, with 35-40 individual window repairs accomplished each summer. With the stairs project beginning in the summer, the cycle will skip over the inner courtyard this year and move to the east garden windows since the plantings in that area are being replaced so any damage caused by ladders etc to current plantings would be non-consequential.

Maintenance Schedule:

Over the past year the Board has established a long-term plan, including cost projections, for overall building maintenance, such as masonry and roof repairs/replacement. The goal is to make sure ongoing assessment levels are adequate to cover expenditures rather than rely on special assessments.

Masonry:

Next year most of the money allocated for masonry repairs will be dedicated to the Sherman Avenue sides of the building.

Roof:

Will continue spot repairs, with the expectation of full replacement in 4 years (included in budget)

Risers:

Allocated \$15,000 per riser for replacement when needed.

Heating System:

Spannuth Heating company worked with the Board to secure a grant to replace all traps in the building, which reduces strain on the boilers and provides overall more efficient heat. The project was completed during the year. The grant saved the building \$25,000 - \$30,000. The heating system for the building is considered very high grade but is ageing so costs for ongoing maintenance have not been built into the budget.

With the replacement of traps, more steam is being pulled into the radiator units, revealing that some of those radiators have broken valves that cannot be turned down and residents are experiencing too much heat. In the coming year, there will be a building-wide inspection of all radiator valves so that necessary repairs can be made.

3) Assessment:

Due to cost of living increase of 2% and a significant 8% increase in real estate taxes, our assessments will need a 10% raise just to keep up. This is true across the board for all of Evanston. David Walker presented a comparison of assessments for Rookwood two-bedroom units vs. two-bedroom units in comparable buildings across the city and found that we are 17% below the average assessment.

Request by resident to have assessors revisit the value of the building to see if we can have taxes lowered.

4) Revenues:

We continue to see the financial benefit of subcontracted custodial services vs in-house engineer, both in terms of payment for services and additional revenue generated by rental of the garden unit.

85% of the building income is from assessments, 15% from rental garage etc.

Only 7% of expenses are discretionary (garden, redecorating etc.)

5) Budgeted Expenditures:

\$30,000 for window renovations

\$24,000 in masonry and window sill repairs

\$250,000 to replace back stairs

6) New Board Election:

Thank you to Nominating Committee members Bob Michaelson, Valerie True, Emily Forsgren and Kathy Reddy.

With the retirement of Mark O'Brien, Janet O'Brien, Marianne Honquest and David Galloway, four new Board members were nominated and approved by membership:

Lisa Comforty

James Lord

Laura Pawuk

Emily Testa

will be joining ongoing Board members David Walker and Gary Fisher.

Thank you to volunteers who have used their time and/or financial donations to enhance the quality of life at the Rookwood – working in the garden, working with city officials to keep the neighborhood neat and quiet, coordinating redecorating projects etc.

7) New Business:

Assessment Allocation -The Board was asked by a resident in the 734 building to review the assessment allocation for studios vs. larger units in light of the rising proportion paid for taxes.

Note that since the assessment formula is part of the proprietary lease, any change would require a 2/3 majority vote of agreement from membership to change the language of the lease.

Keys to the garage – Request from resident with garage unit for a copy of the garage key to use in the event a power outage disables the electric garage door. This request will be handled by Cagan