

**JAMES/KILMER CONDOMINIUM ASSOCIATION
TWENTY-NINTH ANNUAL MEETING OF UNIT OWNERS
November 10, 2009**

The Twenty-ninth Annual Meeting of Unit Owners of James/Kilmer Condominium Association (the "Association"), an Illinois not-for-profit corporation, was called to be held on Tuesday, November 10, 2009, in the James House Hospitality Room, 1560 North Sandburg Terrace, Chicago, Illinois, pursuant to By-Laws.

CALL TO ORDER

David Beck, President of the Association, called the meeting to order at 7:03 p.m., introducing himself and welcoming all in attendance to the 29th Annual Meeting of Unit Owners of the James/Kilmer Condominium Association.

CERTIFICATION OF QUORUM

Mr. Beck introduced Michael Schall of Picker and Associates, the Association's auditors, who confirmed that a quorum of at least 20% of the ownership was present either in person or by proxy.

APPROVAL OF MINUTES

Judy Barnes, Secretary of the Association, asked if there were any additions or corrections to the minutes of the 28th Annual Meeting of Unit Owners. There being none, **Judy Barnes moved that the minutes of the 28th Annual Meeting of Unit Owners of the James/Kilmer Condominium Association held on November 11, 2008, be approved as presented. Tom Meyers seconded the motion. All unit owners present voted in favor of the motion.**

EXPLANATION OF VOTING PROCEDURES

Mr. Beck explained that each unit owner has five votes to be split in whatever way the voter chooses, either on a ballot or on a proxy. He stated that if anyone previously submitted a proxy and changed his or her mind, he or she has the right to retrieve the proxy from the auditors, revoke it, and vote on a ballot this evening. If anyone submitted two proxies, he or she has the right to ask the auditors to look up the proxies and to specify which one is to be submitted as a vote; otherwise, the proxy with the latest date is considered the voting proxy.

NOMINATION OF CANDIDATES FOR DIRECTOR

Mr. Beck stated that six people have placed their names as candidates for election to the position of director on the Board. He asked if there were any nominations from the floor. There being none, Mr. Beck declared the nominations closed.

SPEECHES BY AND QUESTIONS FOR CANDIDATES

Mr. Beck explained that each candidate would have three minutes to make a presentation, and that the audience would have three minutes to ask questions of each candidate. He asked that questions be limited to one per questioner, and that the candidate be allowed time to respond.

Mary Occhipinti, James House. Ms. Occhipinti explained that she was formerly a candidate but has withdrawn her name. She then spoke briefly about her personal and professional background.

Mr. Beck explained that because Ms. Occhipinti is no longer a candidate, anyone who voted for her could go to the auditors and change their vote.

Frances Andrews, James House. Ms. Andrews remarked that this is a critical time for the Association, and that she wishes to focus on how the Association will move forward once the Kilmer House lawsuit is settled. She pledged that her actions will always be in the best interests of the entire Association. There were no questions for Ms. Andrews.

Barbara Grodzins, Kilmer House. Ms. Grodzins, an 18-year resident, commented about the longevity of the Association and the various ways in which the Board members and unit owners over the years have worked to make the James/Kilmer community the best that it can be. She also described good and bad traits of Board members. Ms. Grodzins promised that her decisions will reflect her ideas and principles as well as those of all her neighbors. Unit owners asked Ms. Grodzins about the Kilmer House lawsuit, to which she responded that she would prefer that it be dismissed altogether, but that it will be necessary for both sides to come together to resolve the issues raised in the lawsuit.

Duane Hickling, James House. Mr. Hickling, a 15-year resident, described his professional background in facilities management, and stated that three goals that he envisions for the Board are to provide oversight to assure a safe, comfortable and reliable living environment, to provide oversight to optimize returns on money spent in support of the Association, and to sustain the long-term asset value of owners' investments in the Association. He then listed some of the Board's accomplishments over the last two years: increased communications, particularly with regard to the Web site; elimination of third-floor sewer back-ups; due diligence exercised with regard to the building envelope; greater control of utilities costs and other costs; and a Capital Reserve plan. There were no questions for Mr. Hickling.

Dan McNamara, Kilmer House. Mr. McNamara described himself as a recent owner, and expressed his gratitude for the number of James House unit owners who have expressed appreciation and respect for him and his actions. Several unit owners asked Mr. McNamara about the lawsuit that he filed on behalf of Kilmer House and what his actions as a Board member would be with regard to the lawsuit. Mr. McNamara responded that he would seek ways to resolve the issues raised in the lawsuit and to develop solutions to issues and problems that would be fair to both James House and Kilmer House unit owners, and that filing the current lawsuit was a last resort when attempts to negotiate the issues failed, and was not something that he took lightly.

Dorsey Ruley, James House. Mr. Ruley stated that he has lived at James House since before it was a condominium. He described his family and his extensive professional experience in the field of finance. Mr. Ruley stated that with regard to the window replacement project, what is most important at this point is to move forward. There were no questions for Mr. Ruley.

Nancy Slattery, James House. Ms. Slattery, a 21-year resident, described the building as a “vertical neighborhood,” and stated the importance of working together with others to foster the best interests of the Association as a whole and to keep the property attractive and in good condition. She added that she has joined several committees in the past year to more thoroughly acquaint herself with how the Association and the Board work. There were no questions for Ms. Slattery.

All of the candidates' remarks were met with applause.

RECESS FOR UNIT OWNER VOTE

Mr. Beck called for a ten-minute recess at 7:33 p.m. so that additional unit owners could vote if they wished to.

RECONVENE

Mr. Beck reconvened the meeting at 7:46 p.m. He acknowledged three Board members who are leaving the Board – Karla Ross, Angus Shorey and Lynn Conner – and asked for a round of applause in recognition of their many years of service.

EXCESS REVENUE DECLARATION

Mr. Beck noted that the excess revenue motion is voted on every year as a matter of routine, and at his request, Michael Schall explained the motion and its purpose, which is to avoid paying income tax on excess membership income. **David Beck moved to approve the application of any cumulative excess membership income over membership expenses, as defined in IRS Reg. 1-277-1, for the year ended December 31, 2009, against the subsequent tax year member assessments, as provided in IRS Revenue Ruling 70-604.** Tom Meyers seconded the motion. All unit owners present voted in favor of the motion.

PRESIDENT'S REPORT

Mr. Beck remarked that Mr. Hickling already listed the past year's significant accomplishments during his remarks, and stated that the Association is looking forward to more frequent newsletters in the coming year. He added that the Web site is very useful in providing information and encouraged everyone to visit it regularly. Mr. Beck stated that the auditors were in the process of counting the votes and that he would announce unofficial results as soon as they were available. He then asked if anyone had any questions.

A unit owner asked about provisions for disseminating information to those with no access to the Internet. Mr. Beck responded that materials are still delivered to units, that Channel 195 carries announcements, and that forms, copies of the Declaration and so forth are always available at the Management Office.

A unit owner suggested that the Web site address be publicized more frequently. Mr. Beck responded that efforts are made to do so, and complimented the Association's Web master, Ron Miller, and his committee, noting that the James/Kilmer Web site is one of the best condominium association Web sites available.

In response to a request from a unit owner, Mr. Beck introduced the staff members present – Richard Vicens, Property Manager; Allan Werth, Property Supervisor; and Barbara Roberts, Recording Secretary – and thanked them for their excellent work. The audience applauded the staff members.

A unit owner asked how often the newsletter has been published and whether there was a committee to work on it. Mr. Beck stated that Karla Ross did a great job on the newsletter in the past but that it is difficult for one person to handle, adding that Judy Barnes and others provided some assistance. Ms. Barnes stated that she assisted Ms. Ross in producing the newsletter and that they attempted to publish it quarterly, and added that unit owners' thoughts and ideas would be welcome as a new year of publishing is begun.

A unit owner commented on how impressed she is by the community feeling in the Association, and remarked that the newsletter would add to that feeling. Mr. Beck responded that although regrettable differences have arisen between James House and Kilmer House, it is important to remember that Association unit owners are still neighbors and should communicate with each other.

A unit owner asked if the lawsuit pleadings could be scanned and made available on the Web site. Mr. Beck responded that an attempt will be made to do so.

Betty Latson, the Board Treasurer, announced that there will be a Finance Committee meeting on November 12 at 7:00 p.m., at which representatives from Harris Bank will present information about such things as the mortgage market and home equity lines of credit, including rates, the application process, timelines, costs, how to prepare for an application, and so forth. She added that if the window replacement project is not overridden by the unit owners, more banks will be invited to make presentations so that unit owners will see what choices they have among lenders.

RECESS FOR VOTE COUNT

Mr. Beck called a recess at 7:59 p.m. to await the results of the vote. He stated that official results will be posted in the lobby and on the Web site on the morning of November 11.


RECONVENE; ANNOUNCEMENT OF UNOFFICIAL ELECTION RESULTS

Mr. Beck reconvened the meeting at 8:19 p.m. and announced that the following people were elected to the Board: Nancy Slattery, Frances Andrews, Duane Hickling, Dan McNamara and Dorsey Ruley. He congratulated all of them, and they were applauded by those present.

ADJOURNMENT

There being no further business to come before the unit owners, the meeting was adjourned at 8:20 p.m.

Respectfully submitted,



Judy Barnes, Secretary