



GOOD NEWS ON OUR C.A.T. RESERVE FUND STUDY

By Jeff Kennedy

As background, the Illinois Condominium Act requires the C.A.T. and our Building Associations to maintain “reasonable reserves” for the foreseeable repair and replacement of their capital assets. To comply with that requirement, condominium attorneys and accountants strongly recommend that each association have a professional reserve fund study done at least every five years.

For at least the past 25 years, the C.A.T. has done so, hiring a professional engineering firm every five years to examine the condition of our capital assets, estimate the likely replacement times and costs, and prepare a schedule of the Reserve Fund assessments necessary to fund those expenditures.

This year, after receiving five bids from engineering firms, the C.A.T. Board decided to award the contract to Waldman Engineering Consultants, which came highly-recommended. While we were pleased with the work done by the firm that did the last three studies, the Board felt it advisable to bring in a new firm for a “fresh look”.

I’m very pleased with both the quality of Waldman’s Report and the favorable financial projections it produced.

QUALITY OF THE STUDY: It appears that Waldman did a very thorough evaluation of our capital assets, and reached realistic conclusions as to replacement timeframes and costs. As hoped, it gives us a fresh look, reassessing some of the prior firm’s conclusions and reaching some different results.

Unlike the prior studies, this Study projects 30 years out (instead of 20), and incorporates assumptions about future inflation in construction costs, as well as the C.A.T.’s offsetting investment income on its Reserve Fund balances. Of course, such projections are more reliable in the shorter term than the longer term.

FINANCIAL PROJECTIONS: Overall, the Study concludes that the C.A.T. can fund all of the anticipated capital asset repairs and replacements over the next 30 years (assuming 3% annual increases in construction costs) by maintaining our current Reserve Funding Plan. Under that Plan, our 2010 assessment for the Reserve Fund is \$111,000 and increases by 5% each year thereafter.

The Study also ran a “worst case” analysis based on assumed inflation of 6% per year, which would require Reserve Fund assessment increases of about 8% each year. Both the consultants and I believe that worst case is unlikely.

In short, the Study verifies that the C.A.T. is in good shape, in terms of our capital assets and financing future major repairs and replacement of those capital assets!

REASONS FOR THIS GOOD NEWS: There are several reasons we’re in such good shape.

First, over the past ten years, we’ve already replaced or built most of our major capital assets: major landscape improvements in 2001-04, all our site lighting in 2002, our stockade fence and new lawn irrigation system in 2003, our new alarm systems in 2003-05, dredging of our two largest ponds in 2008, our wood pool deck in 2009, and our streets, curbs and gutters, storm structures and entryway brick pavers in 2010.

These major improvements have remaining useful lives of 10, 20, even 30 years. We’ve spent about \$1.4 Million on them – and **we haven’t had a special assessment for the C.A.T. in nineteen years!**

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AUGUST OAK BROOK CLUB EVENTS

AUGUST COMMUNITY EVENTS

- Mon - 2, 6:30 pm, Club Room
Club Four Board Meeting
- Mon - 2, 9, 16, 23, 30, 12:30 pm
Bridge, Bamboo Room
Contact Alice Hartley: 630.279.1839
- Mon - 2, 9, 16, 23, 30, 7 pm
Mah Jongg, Bamboo Room
- Wed - 4, 11, 18, 25, 6:30 pm
Mah Jongg, Club Room
Contact Carol Neimark: 630.941.7271
- Thu - 5, 12, 19, 26, 7 pm
Men's Poker Night, Break Room
Contact Arnie Clark: 630.530.5661
- Fri - 6, 13, 20, 22, 1 pm
Mah Jongg, Club Room
- Tue - 10, 10 am, Bamboo Room
Coffee and Conversation
- Mon - 23, 6:30 pm, Club Room
Community Area Trust Board Meeting
- Wed - 25, 2 pm, Club Room
UWC Tea,
- Wed - 25, 6:30 pm, Club Room
Club Five Board Meeting
- Thu - 26, 6:30 pm, Bamboo Room
Movie Night, RSVP to Carol Neimark:
630.941.7271
- Fri - 27, 2 pm, Bamboo Room
Coffee and Conversation
- Tue - 31, 6:30 pm, Club Room
Club Six Board Meeting
- Every Mon, Wed, and Fri, 10 am
Water Aerobics — \$3 per person
Questions? Call Marilyn Treiber:
630.279.5584

- Fri - 6, Morton Arboretum, 7 to 10 pm
Lyle Lovett and His Large Band
Four-time Grammy Award Winner
Call 630.719.7956
- Sun - 8, Morton Arboretum, 7-10 pm,
Mark Cohn ("Walking in Memphis")
brings old and new favorites &
Bettye La Vette, 2010 Contemporary
Blues Female Artist of the Year
- Sun - 8, 15, 22, 29 at 3 pm
Polo returns. Exhibition games at the
OB Golf Club. Free
- Mon - 12 thru Oct 3, Drury Lane
Hot Mikado—a 1940's style transforma-
tion of Gilbert and Sullivan's beloved
"Mikado" opera. 630-530-0111
- Sat - 14, OB Library, 2 pm
Eugene Kwok, pianist. Hear songs
from Broadway musicals and request a
song
- Sat - 21, OB Promenade, 10 am - 4 pm,
Eurofest Car Show
- Every Wed -10 am to 2 pm
OB Historical Society, Research Library,
OB Heritage Center, Old Butler School
112 Oak Brook Rd. Cemetery database;
historical photos; help with family history
work.
Volunteers Needed for organizing and
scanning articles and photos as well as
research projects. Call 630-366-7750
or 630-325-1314

OB Library Classes:
 9 - Intro to Internet Searching, 3 pm
 17 - Intro to Email using Gmail, 3 pm
 26 - Internet Tips and Tools, 5 pm
 Restarting book discussions beginning Sep. 22.
 Read *Devil in the White City*. Books available at
 service desk.

Advance notice - Dec 14, 1:30 and 8 pm
Ron Hawking's Holiday Concert
 Drury Lane

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I think we owe a debt of gratitude to the 20+ of our neighbors who have served on the C.A.T. Board over the past 20 years and had the foresight and discipline to appropriately fund the Reserve Fund to make all these (and other) improvements without a single special assessment. Credit is also due to the members of our Finance Committee and to Mark Burke, who have guided the Board on our reserve fund assessments.

Second, when the C.A.T. has done these projects, we have done them correctly and well. We have hired good engineers to prepare the specifications, recommend good contractors, review the bids, and supervise the work. I believe we have gotten first-rate work and materials, at competitive prices.

Third, through ongoing maintenance, Management and our Maintenance Staff have fixed small problems before they develop into major problem that would require earlier and more costly repairs. Because of continuous maintenance of our mechanical equipment, we've gotten many more than the expected years out of our furnaces, HVAC, pumps, pool equipment, etc. Because of biennial cracksealing and sealcoating of our streets, we got over 20 years out of them since the last resurfacing.

NEXT STEPS: The Finance Committee will soon begin its review of the Reserve Study, and make its recommendations to the Board in Sept. regarding the level of future funding for Reserves and for the Equipment Replacement Fund. The Board will consider the overall C.A.T. Budget in Oct., and the Budget will be adopted at the Annual Meeting in November.

I believe the highest obligation of the C.A.T. Board (and the Building Boards) is to wisely anticipate and fund for the replacements and enhancements needed to maintain the Oak Brook Club as the premier condominium community we all chose when we moved here. Over the years, our boards have understood that and met the challenge. I'm confident we will continue to do so.

Power Outages!

Following our recent power outages, some residents have asked questions concerning power supply to individual buildings and why some buildings lost power while others did not. Here is some basic information:

1. We have two major power lines servicing the Oak Brook Club. One line services the Gatehouse, the Clubhouse, Club West (buildings 1 and 2), Club Six, and half of Buildings Three and Five. The second line services all of Club Four, as well as the other half of Buildings Three and Five.
2. During power outages, existing back-up generators supply sufficient power to the emergency lighting system, emergency sump pumps and garage doors in the affected buildings. The Gatehouse has an emergency generator which provides sufficient power to maintain all alarm monitoring capabilities, lighting and phone service. The Clubhouse has no backup generator.
3. If you hear sirens or are concerned about high winds, it is suggested that you go to your garage area, or at least go to a room without windows.

Lip Smackin' Good
by Susan Collins



On a 90+ degree hot, sticky night with an occasional storm, chocolate, vanilla and butter pecan ice cream sundaes along with root beer floats were a decadent way to cool off while enjoying our neighbors.

Thanks again to the UWC for hostessing another treat of an evening. A tip of our hats to all the people who make the UWC events seem so effortless when, in fact, there are hours of planning and work that go into every one of their events.

OBC INFO

For all your information needs about the Oak Brook Club, remember to visit...
Website: www.oakbrookclub.com

Dear OBC residents,

As I work on my last issue of the OBC Post, I would like to take this opportunity to thank many residents for your kind words of appreciation and encouragement as I continue on to pursue a degree in education. I have enjoyed getting to know many people at the OBC, and I am very thankful for my time here. I wish you all the very best in the future!

Sincerely,
Lindsey Van Schepen

OBC Library Update

By Lucille Raimonde

In an effort to try to keep our library running more efficiently and cleaner, two baskets have been placed behind the bar for the reception of the returned books. Please feel free to use them or to return the books to the shelf - remember they are arranged alphabetical by author so you can find your favorite author and all that he/she has written. We do not take Encyclopedias as they take up too much room and most of them are outdated. Magazines are acceptable, also. Remember: Books are our friends and look how many we have! Our thanks to all of you little helpers that continue to put books where they belong! Happy Reading!

FOR SALE

Pride Mobility electric lift chair, wheat colored, 3 weeks old. Call 630-617-5408

FOR SALE

2 Georgian style side chairs. Ribbon carved back. Perfect condition - never used. If interested, call 630.530.8920.

WANTED: PARKING SPACE

A resident in Club 6 is looking for a parking space to rent *or* buy. Would also be interested in renting a space just for the winter months. If interested, please call 630.862.0389

The OBC Post

*The Oak Brook Club
Oak Brook Club Drive
Oak Brook, IL 60523*

Current Resident

Remember to visit www.oakbrookclub.com for happenings here!