

ORIGINAL

RES 18-1053_AM_121018

RESOLUTION

**A RESOLUTION APPROVING A FUNDING GRANT AGREEMENT BETWEEN
THE VILLAGE OF OAK PARK AND THE OAK PARK RESIDENCE CORPORATION
IN THE AMOUNT OF \$42,500 FOR 2019 AND AUTHORIZING ITS EXECUTION**

BE IT RESOLVED by the President and Board of Trustees of the Village of Oak Park, Cook County, State of Illinois ("Village"), in the exercise of their home rule powers, that the Funding Grant Agreement between the Village of Oak Park and the Oak Park Residence Corporation in the amount of \$42,500 for 2019 ("Agreement") is approved and the Village Manager is authorized to execute the Agreement in substantially the form attached.

THIS RESOLUTION shall be in full force and effect from and after its adoption and approval as provided by law.

ADOPTED this 10th day of December, 2018 pursuant to a roll call vote as follows:

Voting	Aye	Nay	Abstain	Absent
President Abu-Taleb	✓			
Trustee Andrews	✓			
Trustee Boutet	✓			
Trustee Button	✓			
Trustee Moroney	✓			
Trustee Taglia	✓			
Trustee Tucker	✓			

APPROVED this 10th day of December, 2018.


Anan Abu-Taleb, Village President

ATTEST


Vicki Scaman, Village Clerk

**FUNDING GRANT AGREEMENT BETWEEN THE VILLAGE OF OAK PARK
AND THE OAK PARK RESIDENCE CORPORATION**

THIS FUNDING GRANT AGREEMENT (hereinafter referred to as "Agreement") is entered this 1st day of January, 2019, between the Village of Oak Park, an Illinois home rule municipal corporation (hereinafter referred to as the "Village") and the Oak Park Residence Corporation (hereinafter referred to as "Grantee"), an Illinois not-for-profit corporation.

RECITALS

WHEREAS, the Grantee is an Illinois not-for-profit corporation organized for the purpose of promoting economic and racial diversity through the development and maintenance of quality affordable housing in the community.; and

WHEREAS, Section 10 of Article 7 of the 1970 Constitution of the State of Illinois authorizes units of local government to contract and otherwise associate with individuals, associations, and corporations in any manner not prohibited by law or by ordinance; and

WHEREAS, units of local government entering into such agreements may use their credit, revenues, and other resources to pay costs and to service debt related to activities which promote a public purpose; and

WHEREAS, the Village has determined that it is in the public interest to provide the Grantee with a grant of funds for the Grantee to provide programs that support Oak Park's Small Condominium Developments with less than 12 units (hereinafter referred to as the "Project").

NOW THEREFORE, in consideration of the mutual promises contained in this Agreement, the Village and the Grantee agree as follows:

1.0 RECITALS INCORPORATED.

1.1 The above recitals are incorporated herein as though fully set forth.

2.0 TERM OF AGREEMENT.

2.1. The term of this Agreement shall commence on January 1, 2019, and shall terminate on December 31, 2019, unless earlier terminated by either party as set forth herein.

3.0 PAYMENTS TO GRANTEE.

3.1. In consideration of the Grantee undertaking and performing the Project, the Village shall pay to Grantee \$42,500, payable as set forth in Exhibit 1, provided that the Grantee has performed its obligations pursuant to this Agreement. Grantee shall submit an invoice to

the Village together with a progress report on Grantee's completion of the Project goals, which invoice will be paid upon approval as provided herein.

3.2. Payments pursuant to this Agreement are subject to availability of funds and their appropriation and authorized expenditure pursuant to applicable law. The Village's obligations shall cease immediately without penalty or liability for further payment, if, the Village or any other funding source fails to appropriate, budget or otherwise make available sufficient funds for this grant.

3.3 Payments to Grantee under this Agreement shall be made payable in the name of Grantee and sent to the following person and place, or directly deposited into a financial account maintained by the Grantee:

Chief Executive Officer
Oak Park Residence Corporation
21 South Boulevard
Oak Park, Illinois 60302

Grantee may change the person to whom payments are sent, or the place to which payments are sent, by delivering 30 days prior written notice pursuant to Section 24.0 of this Agreement.

3.4 The Village's financial obligation under this Agreement shall not exceed the grant amount set forth in Section 3.1 of this Agreement.

4.0 SCOPE OF SERVICES.

4.1 The Grantee shall perform the services and make a good faith effort to achieve the goals set forth in the description of services attached hereto as Exhibit 2 and made a part hereof.

5.0 ADHERENCE TO VILLAGE POLICIES.

5.1 The Grantee shall adhere to the policies set forth in the Addendum to the Agreement, attached hereto as Exhibit 3, or, in the alternative, that it will have adopted policies of its own which are in substantial compliance with the policies set forth in the Addendum, attached hereto as Exhibit 3.

5.2 All such Grantee policies require prior review and approval by the Village before the Grantee can substitute adherence to its own policies for adherence to the Village policies set forth in Exhibit 3. Such policies may be submitted to the Village for review and approval prior to the execution of this agreement or at any time during the term of this agreement.

5.3 The Village shall provide the Grantee with timely written approval or disapproval of all such policies submitted by the Grantee. Disapproval shall be accompanied by the specific

reasons why the submitted policy is not in substantial compliance with the Village policy set forth in Exhibit 3. The Grantee may revise and resubmit policies to the Village for review and approval. Approval shall not be unreasonably withheld by the Village.

5.4 The Grantee shall be obligated to adhere to the policies set forth in Exhibit 3 until such time as its own written equivalent policy or policies have been filed with and approved by the Village.

5.5 The Grantee shall be obligated to submit any change in, or amendment to, such approved policy during the term of this agreement to the Village for its approval in the same manner as if it were submitting an entire new policy to the Village for its review and approval.

6.0 GRANTEE'S AUTHORITY.

6.1 Grantee warrants that it is the real party in interest to this Agreement, that it is not acting for or on behalf of an undisclosed party, and that it possesses the legal authority to apply for this grant and to execute this Agreement. Any person binding the Grantee shall, when required, provide written evidence of the legal authority for his or her agency. The Grantee acknowledges that it has read, understood and agreed to all provisions of this Agreement.

7.0 GRANTEE'S RESPONSIBILITIES.

7.1 At the Village's request, Grantee shall also submit such written or verbal reports as reasonably deemed necessary by the Village Manager or the Village Manager's designee while this Agreement is in effect.

7.2. In connection with the foregoing and other actions to be taken under this Agreement, Grantee hereby designates Chief Executive Officer David Pope as its authorized representative who shall have the power and authority to make or grant or do all things, certificates, requests, demands, approvals, consents, notices and other actions required that are ministerial in nature or described in this Agreement for and on behalf of Grantee and with the effect of binding Grantee. The Village is entitled to rely on the full power and authority of the person executing this Agreement on behalf of Grantee as having been properly and legally given by the Grantee. Grantee shall have the right to change its authorized representative by providing the Village with written notice of such change which notice shall be sent in accordance with Section 24.0 of this Agreement.

7.3 Grantee shall provide the Village with a copy of its current strategic plan which shall include the date of adoption of the plan with the date of said plan's last adoption and any updates/amendments to the plan. If a schedule is in place to update Grantee's strategic plan on a regular basis, Grantee shall provide the Village with the schedule. If Grantee does not have an adopted strategic plan, Grantee shall provide the Village with a schedule showing when a strategic plan shall be adopted and said schedule shall be provided to the Village six months prior to the expiration of the term of this Agreement.

7.4 Grantee shall cooperate with the Village's branding and marketing program coordinated by the Oak Park Economic Development Corporation (Oak Park EDC) by participating in the marketing meetings scheduled by the Oak Park EDC and utilizing the materials developed pursuant to the marketing meetings in the Grantee's marketing materials to the public when communicating to the public the activities of the Grantee.

8.0 STATUS OF GRANTEE AND GRANTEE'S PERSONNEL OR CONTRACTED AGENTS.

8.1. Grantee shall be an independent contractor to the Village. Grantee shall solely be responsible for the payment of all salaries, benefits and costs of supplying personnel for the Project.

8.2. All technical, clerical, and other personnel necessary for the performance required by this Agreement shall be Grantee's employees, or contracted agents, and shall in all respects be subject to Grantee's rules and regulations governing its employees. Neither the Grantee, nor its personnel, nor its contracted agents shall be considered to be agents or employees of the Village.

9.0 THE GRANTEE'S BUSINESS ORGANIZATION.

9.1 During the term of this Agreement, Grantee shall maintain its registration to do business in the State of Illinois with the Illinois Secretary of State, and be incorporated as an Illinois not-for-profit corporation. Grantee shall also be registered with the United States Internal Revenue Service and approved to operate as a tax exempt organization pursuant to 26 U.S.C. § 501(c)(6), commonly referred to as "501(c)(6)," as amended.

9.2 Grantee shall hire and maintain a qualified and competent staff to provide all management and administrative services necessary to accomplish the Project.

9.3 Grantee's Finance Committee shall oversee the expenditure of the funding grants provided pursuant to this Agreement.

9.4 Grantee shall operate in accordance with this Agreement, Grantee's articles of incorporation and by-laws, and actions of Grantee's board of directors.

10.0 FINANCIAL RECORDS.

10.1 At any time during the term of this Agreement, the Village shall have the right to examine Grantee's financial records with reasonable notice, during regular business hours, with regard to the funds provided pursuant to this Agreement. The Village's requests for information may be based on requests from federal or state regulatory agencies, other governmental agencies, courts of law, consultants hired by the Village or other parties, which in the Village's opinion, require the information.

10.2 Grantee is accountable for all Village disbursed funds under this Agreement. Grantee's financial management system shall be structured to provide for accurate, current, and complete disclosure of the expenditure of all funds provided by the Village under this Agreement. Grantee shall maintain effective control and accountability over all funds disbursed and equipment, property, or other assets acquired with Village funds. Grantee shall keep records sufficient to permit the tracing of funds to a level of expenditure adequate to insure that funds have not been unlawfully spent.

10.3 Grantee shall maintain for a minimum of five (5) years following the latter of the expiration or termination of this Agreement, or longer if required by law, adequate books, records, and supporting documents to verify the amounts, recipients and uses of all disbursements of funds passing in conjunction with this Agreement. All books, records and supporting documents related hereto shall be available for inspection and audit by the Village, or any duly authorized Village representative, and Grantee agrees to cooperate fully to accomplish any such audit. Grantee shall provide full access to all relevant materials and to provide copies of same upon request.

10.3.1. Grantee shall cooperate with the Village and provide the Village, when requested, with access to data, information and documentation pertaining to the Project.

10.3.2. The Village shall have the right to audit any records necessary to permit evaluation and verification of the Grantee's compliance with the requirements of this Agreement throughout the term of the Agreement and for a period of five (5) years after any payment, or longer if required by law.

10.3.3. The Village shall have the right to interview any of the Grantee's current and former employees, as related to this contract, during the audit.

10.3.4. Grantee shall provide the Village with adequate and appropriate workspace, with access to photocopy machines, during any audit.

10.3.5. Grantee shall provide the Village with copies of all requested records in a computer-readable format (if available) as well as hard copy.

10.4 If any of the services to be performed under this Agreement are subcontracted, Grantee shall include in all subcontracts a provision that the Village, or any duly authorized representative of the Village, shall have full access to and the right to examine any pertinent books, documents, papers and records of any subcontractor involving transactions related to this Agreement for a period of five (5) years from the later of the expiration or termination of this Agreement.

11.0 FINANCIAL DISCLOSURES.

11.1. If required by law, Grantee shall conduct an annual audit by an independent audit/accounting firm, which is licensed by the State of Illinois to conduct an audit in accordance with generally accepted auditing standards within six (6) months after the end of Grantee's fiscal year. The audit shall include all income received by Grantee, disbursements by Grantee, and all investment transactions for the prior fiscal year. Grant funds shall be included in Grantee's annual audit. If applicable by law, a copy of the audit report shall be provided to the Village within 30 days of Grantee's receipt of the audit report.

12.0 PROCUREMENT OF CONSTRUCTION AND PROFESSIONAL SERVICES; ACQUISITION OF EQUIPMENT.

12.1 The Grantee shall procure all construction and professional services, and acquire assets and materials financed in whole or in part with grant funds provided hereunder, through written, contractual agreement(s).

12.2 In the event that Grantee ceases to exist, all such assets, equipment, and materials purchased with Village funds shall become Village property.

13.0 UNEXPENDED FUNDS.

13.1 Any unexpended funds provided by the Village pursuant to this Agreement shall be maintained in a federally insured account by Grantee and shall be returned to the Village within thirty (30) days of the expiration of this Agreement.

13.2. Upon dissolution of Grantee's corporation or termination of this Agreement, any unexpended funds originally provided by the Village to Grantee shall be immediately returned to the Village. Funds which have already been obligated by Grantee at the time of the dissolution of Grantee's corporation or at the time of Grantee's receipt of the Village's notice to terminate this Agreement shall not be considered as "unexpended funds" for purposes of this Section 13.0. Upon dissolution, Grantee shall notify the Village of the name of the individual or entity responsible for winding up its affairs.

14.0 LEGAL COMPLIANCE.

14.1 In addition to complying with the statutes and regulations specifically referenced in this Agreement, Grantee is responsible for determining the applicability of, and complying with, any other laws, regulations or ordinances.

14.2. Grantee shall not discriminate against any worker, employee, or applicant, or any member of the public because of race, religion, disability, creed, color, sex, age sexual orientation, status as a disabled veteran or Vietnam era veteran, or national origin, nor otherwise commit an unfair employment practice.

14.3. Grantee shall take affirmative action to ensure that applicants are employed without regard to race, religion, handicap, creed, color, sex, age, sexual orientation, status as a disabled veteran or Vietnam era veteran, or national origin, with such affirmative action, including but not limited to the following: employment, upgrading, demotion or transfer, termination, rates of pay, other forms of compensation, or selection for training, including apprenticeship.

14.4 All applicable federal, state and local laws, rules and regulations applicable to this Agreement shall be deemed to be included in this Agreement as though fully set forth herein. Except where expressly required by applicable laws and regulations, the Village shall not be responsible for monitoring Grantee's compliance.

14.5 Grantee certifies that it shall comply with all applicable provisions of federal, state and local law in its performance of this Agreement.

14.6 Grantee shall comply with the policies set forth in the Addendum to this Agreement (hereinafter referred to as "Village Policies"), attached hereto and incorporated herein, or, in the alternative, that it has adopted policies of its own which are in substantial compliance with the Village Policies. All such Grantee policies require prior review and approval by the Village Manager or the Manager's designee. The Village shall provide Grantee with timely written approval or disapproval of all such policies submitted by Grantee. Disapproval shall be accompanied by the specific reasons why the submitted policy is not in substantial compliance with the Village's Policies. Grantee may revise and resubmit policies to the Village for review and approval. Approval shall not be unreasonably withheld by the Village. Grantee shall comply with the Village Policies until such time as its own written equivalent policy or policies have been approved by the Village. Grantee shall be obligated to submit any change in, or amendment to, such approved policy during the term of this Agreement to the Village for its approval in the same manner as if it were submitting a new policy to the Village for approval.

14.7 The Village is authorized to conduct reviews and conduct other procedures or practices regarding Grantee's compliance with this Section 14.0. Grantee agrees to post, in conspicuous places available to employees and applicants for employment or distribute to employees and applicants for employment, notices setting forth the non-discrimination provisions of this Section 14.0.

15.0 TERMINATION; SUSPENSION.

15.1. This Agreement may be terminated without cause by either party upon providing ninety (90) days written notice pursuant to Section 24.0 of its intention to terminate said agreement.

15.2. During the term of the Agreement, the Village may terminate the agreement for cause or suspend payments of grant funds due to: (1) use of funds in a manner inconsistent

with this Agreement; (2) Grantee's failure to submit required documents pursuant to this Agreement; (3) Grantee's submission of incorrect or incomplete reports; or (4) Grantee's failure to perform in accordance with this Agreement.

15.3. In the event the Village elects to terminate this agreement for cause or to suspend payments under this agreement for any reason set forth in this Agreement, the Village shall provide written notice pursuant to Section 24.0 to Grantee of its intention to terminate this Agreement for cause or suspend payments if Grantee fails to cure the noted deficiency within thirty (30) days after receipt of the notice. The written notice shall provide Grantee with a description of the alleged deficiency, and Grantee shall be afforded an opportunity to refute the statement of deficiency set forth in the notice prior to the Village's termination or suspension of payments. If Grantee fails to adequately refute the alleged deficiency, or fails to correct the deficiency within thirty (30) days of the Village's notice, the Village may terminate or suspend payment of any funds to be provided pursuant to this Agreement.

15.4. The Village's obligations under this Agreement shall cease immediately without penalty of further payment being required if the Village or other funding source fails to, budget, appropriate, or otherwise make available sufficient funds for this Agreement. In the event a lack of funding occurs in full or in part, the Village shall give the Grantee written notice pursuant to Section 24.0, which shall set forth the effective date of full or partial termination, or if a change in funding is required, setting forth the change in funding and changes in the approved budget.

16.0 INDEMNIFICATION AND INSURANCE.

16.1 To the fullest extent permitted by law, Grantee shall defend, indemnify and hold harmless the Village, its officials, officers, agents, employees and volunteers against all injuries, deaths, loss, damages, claims, patent claims, suits, liabilities, judgments, cost and expenses, including, but not limited to, reasonable attorneys' fees and court costs (hereinafter referred to as "Claims") which may accrue against the Village, its officers and employees to the extent arising out of Grantee's performance of this Agreement, except for the negligence of the Village, its officials, officers, employees, or volunteers.

16.2. Grantee shall, at Grantee's expense, secure and maintain in effect throughout the duration of this Agreement, insurance of the following kinds and limits set forth in this Section 14.0. Grantee shall furnish Certificates of Insurance to the Village before starting work pursuant to this Agreement. All insurance policies, except professional liability insurance, shall be written with insurance companies licensed or authorized to do business in the State of Illinois and having a rating of at least A according to the latest edition of the Best's Key Rating Guide; and shall include a provision preventing cancellation of the insurance policy unless fifteen (15) days prior written notice is given to the Village. This provision (or reasonable equivalent) shall also be stated on each Certificate of Insurance: "Should any of the above described policies be canceled before the expiration date, the issuing company shall mail fifteen (15) days' written notice to the certificate holder named to the left." Grantee shall require any

of its subcontractors to secure and maintain insurance as set forth in this Section 16 and indemnify, hold harmless and defend the Village, its officials, officers, employees, attorneys and volunteers as set forth in this Agreement.

16.3. The limits of liability for the insurance required shall provide coverage for not less than the following amounts, or greater where required by law:

- (A) **Commercial General Liability:**
 - i. Coverage to include, Broad Form Property Damage, Contractual and Personal Injury.
 - ii. Limits:

General Aggregate	\$ 2,000,000.00
Each Occurrence	\$ 1,000,000.00
Personal Injury	\$ 1,000,000.00
 - iii. Cover all claims arising out of Grantee's operations or premises, anyone directly or indirectly employed by Grantee.
- (B) **Workers' Compensation:**
 - i. Shall be in accordance with the provisions of the laws of the State of Illinois, including occupational disease provisions, for all employees who work on the Services, and in case work is sublet, Grantee shall require each subcontractor similarly to provide workers' compensation insurance. In case employees engaged in hazardous work under this Agreement are not protected under workers' compensation insurance, Grantee shall provide, and shall cause each subcontractor to provide, adequate and suitable insurance for the protection of employees not otherwise provided.
- (C) **Comprehensive Automobile Liability:**
 - i. Coverage to include all owned, hired, non-owned vehicles, and/or trailers and other equipment required to be licensed, covering personal injury, bodily injury and property damage.
 - ii. Limits:

Combined Single Limit	\$1,000,000.00
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- (D) **Umbrella:**
 - i. Limits:

Each Occurrence/Aggregate	\$2,000,000.00
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- (F) The Village, its officers, agents, employees and volunteers shall be named as an additional insured on all insurance policies identified herein except workers' compensation. Grantee shall be responsible for the payment of any deductibles for said insurance policies. The coverage shall contain no

special limitations on the scope of protection afforded to the Village, its officers, employees, and volunteers.

16.4. The Village and Grantee agree to waive against each other all claims for special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to the Project.

16.5. Grantee understands and agrees that any insurance protection required by this Agreement or otherwise provided by Grantee shall in no way limit the responsibility to indemnify, keep and save harmless, and defend the Village as herein provided. Grantee waives and agrees to require its insurers to waive its rights of subrogation against the Village, its officers, employees, agents and volunteers.

17.0 COVENANT NOT TO SUE.

17.1 Grantee forever releases and discharges the Village, its officials, officers, agents, employees and volunteers from all claims, demands, damages, actions or causes of action which arise out of the Village's performance of this Agreement.

17.2. Grantee covenants not to sue or otherwise bring any action in law or equity against the Village, its officials, officers, agents, employees or volunteers for any claims, loss, damage, expense, debt or liability of any nature whatsoever which the Grantee may sustain arising out of the Village's performance of this Agreement.

18.0 NON-WAIVER OF RIGHTS.

18.1 Any failure on the part of the Village to exercise any right under this Agreement shall not be construed as a waiver of that right.

19.0 NON ASSIGNMENT AND SUCCESSORS IN INTEREST.

19.1 This Agreement shall not be assigned, sublet, or transferred by either party hereto.

19.2 The parties each bind themselves and their successors, and assigns to the other party of this Agreement and to the successors, and assigns of such other party in respect to all covenants of this Agreement.

19.3 Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of the Village, nor shall it be construed as giving any right or benefits hereunder to anyone other than the Village and Grantee.

20.0 MODIFICATION AND AMENDMENT.

20.1 This Agreement may only be amended or modified by a written instrument, signed by the parties hereto, other than modifications required by changes in federal or state law or regulations or required by Village ordinance applicable to this Agreement. No amendment or modification of this Agreement shall be valid or enforceable unless in writing and signed by the authorized representatives of the parties.

20.2 This Agreement is subject to such modifications as the Village determines may be required by changes in federal, state or local law or regulations. Any such required modification shall be incorporated into and be part of this Agreement as if fully set forth herein. The Village shall notify the Grantee of any change in law or regulation which it has notice.

21.0 CONFLICT OF INTEREST.

21.1 The Grantee shall establish safeguards to prohibit its officers, directors, agents and employees from using Village funds for their own private use.

21.2 No Village officer or employee may be hired or paid with funds derived directly or indirectly through this Agreement.

21.3 The parties acknowledge and agree that Village officers and employees may serve as directors and volunteers of the Grantee and their service shall not be deemed to be a conflict of interest.

21.4. Grantee covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of the Project pursuant to this Agreement. Grantee further covenants that in the performance under this Agreement, no person having a conflict of interest shall be employed by Grantee.

22.0 NO COLLUSION.

22.1. Grantee hereby represents and certifies that Grantee is not barred from contracting with a unit of state or local government as a result of: (1) a delinquency in the payment of any tax administered by the Illinois Department of Revenue unless Grantee is contesting, in accordance with the procedures established by the appropriate revenue Act, its liability for the tax or the amount of the tax, as set forth in 65 ILCS 5/11-42.1-1; or (2) a violation of either Section 33E-3 or Section 33E-4 of Article 33E of the Criminal Code of 1961, 720 ILCS 5/33E-1 *et seq.* Grantee hereby represents that the only persons, firms, or corporations interested in this Agreement are those disclosed to the Village prior to the execution of this Agreement, and that this Agreement is made without collusion with any other person, firm, or corporation. If at any time it shall be found that Grantee has in procuring this Agreement, colluded with any other person, firm, or corporation, then Grantee shall be liable to the Village

for all loss or damage that the Village may suffer thereby, and this Agreement shall, at the Village's option, be null and void and subject to termination by the Village.

23.0 GOVERNING LAW AND VENUE.

23.1. This Agreement shall be governed by the laws of the State of Illinois both as to interpretation and performance.

23.2 Venue for any action brought pursuant to this Agreement shall be in the Circuit Court of Cook County, Illinois.

24.0 NOTICE.

24.1. Any notice required to be given by this Agreement shall be deemed sufficient if made in writing and sent by certified mail, return receipt requested, by personal service, or by electronic transmission to the persons and addresses indicated below or to such other addresses as either party hereto shall notify the other party of in writing pursuant to the provisions of this subsection:

If to the Village:

Village Manager
Village of Oak Park
123 Madison Street
Oak Park, Illinois 60302
Email: villagemanager@oak-park.us

If to Grantee:

Chief Executive Officer
Oak Park Residence Corporation
21 South Boulevard
Oak Park, Illinois 60302
Email: DPope@oakparkrc.com

24.2. Mailing of such notice as and when above provided shall be equivalent to personal notice and shall be deemed to have been given at the time of mailing.

24.3. Notice by email shall be effective as of date and time of facsimile or electronic transmission, provided that the notice transmitted shall be sent on business days during business hours (9:00 a.m. to 5:00 p.m. Chicago time). In the event email is transmitted during non-business hours, the effective date and time of notice is the first hour of the first business day after transmission.

25.0 ENTIRE AGREEMENT.

25.1 This Agreement represents the entire agreement between the parties and supersedes all previous communications or understandings, whether oral or written.

25.2 There are no covenants, promises, agreements, conditions or understandings between the parties, either oral or written, other than those contained in this Agreement.

26.0 SAVINGS CLAUSE.

26.1 If any provision of this Agreement, or the application of such provision, shall be rendered or declared invalid by a court of competent jurisdiction, or by reason of its requiring any steps, actions or results, the remaining parts or portions of this Agreement shall remain in full force and effect.

27.0 CAPTIONS AND PARAGRAPH HEADINGS.

27.1 Captions and paragraph headings are for convenience only and are not a part of this Agreement and shall not be used in construing it.

28.0 AUTHORIZATIONS.

28.1 Grantee's authorized representatives who have executed this Agreement warrant that they have been lawfully authorized by Grantee's board of directors or its by-laws to execute this Agreement on its behalf. The Village Manager and Village Clerk hereby warrant that they have been lawfully authorized by the Village Board to execute this Agreement. Grantee and the Village shall deliver, upon request, to each other at the respective time such entities cause their authorized agents to affix their signatures hereto copies of all articles of incorporation, bylaws, resolutions, ordinances or other documents required to legally evidence the authority to so execute this Agreement.

29.0 HEADINGS AND TITLES.

29.1 The headings or titles of any provisions of this Agreement are for convenience or reference only and are not to be considered in construing this Agreement.

30.0 COUNTERPARTS; FACSIMILE OR PDF SIGNATURES.

30.1 This Agreement shall be executed in counterparts, each of which shall be considered an original and together shall be one and the same Agreement.

30.2 A facsimile or pdf/email copy of this Agreement and any signatures thereon will be considered for all purposes as an original.

31.0 EFFECTIVE DATE.

31.1 This Agreement shall take effect on January 1, 2019.

IN WITNESS WHEREOF the parties to this Agreement by their signatures acknowledge they have read and understand this Agreement and intend to be bound by its terms as of the date first written above.

VILLAGE OF OAK PARK

Cara Pavlicek

By: Cara Pavlicek
Its: Village Manager

Date: 12/12, 2018

OAK PARK RESIDENCE CORPORATION

David Pope

By: David Pope
Its: President

Date: 12/19, 2018

ATTEST

Vicki Scaman

By: Vicki Scaman
Its: Village Clerk

Date: 12/12, 2018

ATTEST

Deidra Marie Patterson

By:
Its:

Date: 12/19, 2018

Polk. Sept

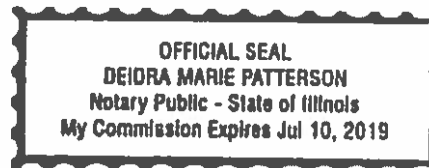


EXHIBIT 1

FUNDING SCHEDULE - 2019 BUDGET

Oak Park Residence Corporation

Monthly Bills are Paid in Arrears and Submitted and Paid the Following Month

Month	Housing Funds		TOTAL
	Small Condo Mngmnt Program	Administrative Support	
January	(1)		\$ -
February	(1)		\$ -
March	(1)		\$ -
April	(1)		\$ -
May	(1)		\$ -
June	(1)		\$ -
July	(1)		\$ -
August	(1)		\$ -
September	(1)		\$ -
October	(1)		\$ -
November	(1)		\$ -
December	(1)		\$ -
Total Monthly Payments	\$ -	\$ -	\$ -
Reimbursed Condo Program Costs (Subject to Actual Costs Incurred)	\$ 42,500.00	\$ -	\$ 42,500.00
TOTALS	\$ 42,500.00	\$ -	\$ 42,500.00

(1) Payment subject to Reimbursement Requests of Actual Costs Incurred by Agency

EXHIBIT 2
OAK PARK RESIDENCE CORPORATION
2019 SCOPE OF SERVICES
AND
PROGRAM GOALS AND MEASURES

In 2019, the Contractor will continue an advisory and training Condominium Management Program for owners of small (12 units or less) multi-family residential unit buildings within the Village.

In 2019, the Contractor will work with 4 small condominium boards. The Contractor agrees to provide a report on a semi-annual basis, summarizing program activities and services for the previous six-month period. The report will include the location of the property, a description of the type of services to be provided to the condo board, the start date and length of time the Contractor plans to work with the condo board, and the goals established for each board. At the conclusion, the Contractor will ask the condo board to complete a written evaluation tool and will forward a copy of the evaluation to the Village.

ADDENDUM TO AGREEMENT

The Contractor shall comply with the terms and conditions set forth herein. Any violation of the terms and conditions set forth herein shall subject the Contractor, at the Village's discretion, to possible contract termination or suspension of payments in accordance with the Agreement.

A. Conflicts of Interest and Standards of Conduct.

The Contractor shall adhere to the "Conflicts of Interest and Standards of Conduct" set forth below or to such equivalent policies of the Contractor as has been reviewed and approved by the Village in accordance with the Agreement.

Conflicts of Interest and Standards of Conduct

1. **Compensation:** Members of the Board of Directors shall serve without salary, but the Board of Directors may authorize payment of the reasonable expenses incurred by such members in the performance of their duties.
2. **Impartiality:** Every director and employee shall perform his or her duties with impartiality and without prejudice or bias in furtherance of the goals, objectives and contractual obligations of the Contractor. No director or employee shall, in the performance of his or her duties on behalf of the Contractor, grant or make available to any person or entity, including other directors or employees of the Contractor, any consideration, treatment or service beyond that which is available to every other similarly situated person or entity served by the Contractor.
3. **Conflict of Interest:** No director or employee shall engage in any business transaction or shall have any financial or other personal interest, direct or indirect, which is incompatible with the proper discharge of the Director's official duties in the interest of the Contractor or which may tend to impair his/her independence of judgment or action in the performance of his/her official duties.
4. **Interest in contracts:** No director or employee shall have any financial or personal interest, directly or indirectly, in any contract, work or business with the Contractor except that a director may provide materials, merchandise, property, services or labor under the following circumstances:
 - a. The contract is with a person, firm, partnership, association, or corporation in which the director has less than a 7.5% share in the ownership, and the aggregate of any contracts awarded to the director or the director's firm, association, partnership or corporation under this subsection (b) during the same fiscal year does not exceed \$25,000; or

- b. The contract does not exceed \$2,000, and the aggregate of any contracts awarded to the director or the director's firm, association, partnership or corporation under this subsection (a) during the same fiscal year does not exceed \$4,000; or
- c. The contract is with a person, firm, partnership, association or corporation in which the director has less than a 1% share in ownership; or
- d. The Contractor is not a party to the contract, and the contract is with a person or entity served by the Contractor as a part of its corporate purpose.

Any contract awarded under this Section 4 must comply with the Contractor's policies concerning competitive bidding and outreach to women and minority business enterprises.¹

- 5. In the event that the Board of Directors considers taking any action, including but not limited to entering into a contract in which any director has any financial or personal interest, direct or indirect, which may reasonably tend to impair the director's independence of judgment or action in the best interests of the Contractor, the director shall:
 - a. Before consideration of the proposed action, publicly disclose any such interest to the Board of Directors; and
 - b. Refrain from evaluating, recommending, approving, deliberating or otherwise participating in negotiation, approval or both of the contract or work; and
 - c. Abstain from voting on the proposed action; and
 - d. The contract must be approved by a majority of the Board of Directors.

For purposes of this Section, personal interest shall include the financial interest of the spouse and minor children of the director, but shall not include any interest that a director may have in a proposed general policy of the Contractor solely by virtue of his business or profession.²

- 6. Disclosure and/or Use of Confidential Information: No director or employee shall, without proper legal authorization, disclose confidential information concerning the property, government or affairs of the Contractor or use such information to advance the financial or other private interest of the director, or employee or others.

¹ The exceptions in Section 4 are drawn from 65 ILCS 5/3.1-55-10.

² The final sentence in Section 5 is intended to ensure that a board member who may be a landlord, realtor, banker, etc., is not prevented from voting on general policies that may have some impact, direct or indirect, on all members of that profession.

7. **Corporate Property:** No director or employee shall request, permit or engage in the unauthorized use of the Contractor's funds, vehicles, equipment, materials or property of personal convenience or profit.

B. Procurement Policy.

The Contractor shall comply with the provisions set forth below relating to the procurement of goods and services which are funded, in whole or in part, by the Village or through the Village as funding agent, or such equivalent policy of the Contractor as has been reviewed and approved by the Village in accordance with the Agreement.

1. **All Contracts for Goods and Services Require the Approval of the Board of Directors; Exceptions.** No contract shall be made for goods or services when the total cost exceeds ten thousand dollars (\$10,000.00), unless such contract shall have been authorized by the Board of Directors. Whenever the total cost of such contract shall not exceed, in any one case, one thousand dollars (\$1,000.00), the President or his or her designee (hereinafter "President"), without such previous authorization, shall cause the same to be purchased upon his or her written order; and further provided that when the total cost thereof shall exceed one thousand dollars (\$1,000.00) but shall not exceed ten thousand dollars (\$10,000.00), the President may cause the same to be purchased without previous authorization in like manner, but the President shall first obtain in writing, whenever possible, at least three (3) informal quotes to furnish same, which quotes shall be attached in every case to the accounts payable vouchers authorizing payment for such goods or services and filed with the financial records of the Contractor. All contracts shall be let to the lowest responsible bidder, provided that any and all informal quotes for equipment, supplies or repair work may be rejected by the President if the character or quality of the goods or services does not conform to requirements. In determining the lowest responsible bid or quote, other factors, in addition to cost, such as experience, availability, expertise, resources, work history with the Contractor, work history with others, quality of work and ability to meet all specifications and/or requirements of the Contractor may be taken into consideration and may form the basis for an award of contract. Many of these factors will have increased significance when considering the award of contracts for professional services.
2. **Contracts Which Require the Use of the Formal Bidding Process.** Except as set forth in Section 3 below, when the total cost of a contract for goods, materials, equipment, supplies or construction work is expected to exceed ten thousand dollars (\$10,000.00), the President or his or her agent shall issue a call for bids which shall be formally advertised. All such bids for construction work shall require a bond for the faithful performance of the work.

All contracts for which bids are required shall be let to the lowest responsible bidder within the judgment of the Board of Directors, provided that any and all bids received in

response to an advertised call for bids may be rejected by the Board of Directors if the character or quality of goods, materials, equipment, supplies or construction work does not conform to the specifications and/or requirements set forth in the call for bids.

3. **Exception to Bid Requirements for Urgent Materials or Repairs; Lack of Competition and Inability to Draft Adequate Specifications; Bid Waiver.** In cases of urgently needed materials or urgently needed repairs which are expected to exceed ten thousand dollars (\$10,000.00), the President is authorized to obtain such materials and/or services through a negotiated contract without formal advertising when it is in the best interest of the Contractor and it is impractical to convene a meeting of the Board of Directors. If it is practical to convene a meeting, the Board of Directors shall be required to waive the bidding requirement and approve such a negotiated agreement.

Such negotiated contracts may also be approved by the Board of Directors when (1) the contract is for professional services, (2) it is impractical to secure competition, or (3) it is impossible to draft adequate bid specifications. The President or his or her designee shall, however, whenever possible, obtain in writing at least three (3) informal quotes to furnish same.

Bidding in all instances may be waived by a two thirds (2/3) vote of the Board of Directors.

4. **Procedure for Advertising for Bids.** Whenever any formal bids are required, as stated above, the President or his/her authorized agent shall advertise in some newspaper published in the Village and/or in such other newspaper of general circulation as, in his/her judgment, may be desirable. A plan or profile of the work to be done, accompanied by specifications for doing the same and specifications for material, supplies or equipment to be furnished, shall be first placed on file in the office of the President or his/her authorized agent before any such advertisement shall be made, which plan, profile and specifications for goods, material, supplies, equipment or construction work shall at all times be open for public inspection. Such advertisement shall be published not less than ten (10) days before the day fixed for opening such bid, and shall state the work to be done, or material, supplies or equipment to be furnished, and the time and place for the filing and the opening of the sealed bids.
5. **Filing of Bids; Deposit Accompanying Bids, Preservation and Opening of Bids.** In all cases, the formal bids under the preceding section shall be sealed bids and directed to the President. A bid deposit may be required, the amount of which shall be fixed by the President but which shall not exceed five percent (5%) of the estimated cost of the work or material to be furnished, not less than the sum of twenty-five dollars (\$25.00). Such bid deposit shall be in the form of a cashier's check, a certified check, or at the discretion of the President, a bid bond. Checks shall be drawn upon a bank in good standing, payable to the order of the Contractor and shall be forfeited to the Village in the event the bidder shall neglect or refuse to enter into a contract and bond when

required, with approved sureties, to execute the work or furnish the material for the price mentioned in his/her bid and according to the plans and specifications in case the contract shall be awarded to him/her. Bids shall be opened at the hour and place mentioned in the notice.

6. **Contracts to be Executed in Writing.** All contracts, whether for work or materials, shall be executed in writing and in duplicate by the President of the Board of Directors or the President. One original so executed shall be kept and filed in the Contractor's office and the other shall be given to the contractor. All contracts and bonds so taken shall be in the name of, and run to, the Contractor.
7. **Contractors' Bonds.** Whenever any construction work, expected to be in excess of ten thousand dollars (\$10,000.00), is let by contract to any person or entity, the Contractor shall, in all cases, take a bond from such person or entity with good and sufficient sureties, licensed in the State of Illinois to be approved by the Board of Directors, in such amount as shall not only be adequate to insure the performance of the work in the time and manner required in such contract, but also to save and indemnify and keep harmless the Contractor against all liabilities, judgments, costs and expenses which may in any manner accrue against the Contractor in consequence of granting such contract or which may in any manner result from the carelessness or neglect of such person, or entity or its agents, employees or workers in any respect whatever.
8. **Bid Tabulation.** The Contractor shall prepare a spreadsheet for each separate contract over ten thousand dollars (\$10,000.00) for goods and services awarded by it. Each spreadsheet shall name and identify all entities submitting bids or proposals on specific contracts by name and address, describe the goods provided or the work performed, set forth the cost, fee or amount proposed by each such entity in response to the call for bids or request for proposals or quotes, the name and address of the entity who was awarded the contract, and the reasons therefore. The Contractor shall submit copies of all such spreadsheets to the Village on a quarterly basis as a part of the general quarterly reporting process required under this agreement.

C. Diversity Statement

In 1997, the Village of Oak Park first adopted what is now known as the Village's "Diversity Statement." Every new Village Board elected since that time has readopted this Diversity Statement incorporating amendments over time which have added to the Statement's scope and strength.

Attached hereto as Exhibit A and made a part hereof is the Diversity Statement adopted by the President and Board of Trustees of the Village of Oak Park in 1997 and amended in 2007.

As a partner agency of the Village of Oak Park, the Contractor agrees to adhere to the Diversity Statement, attached hereto as Exhibit A with regard to diversity, or such equivalent

policy of the Contractor as is reviewed and approved by the Village in accordance with that section of the Agreement entitled "Adherence to Village Policies."

In carrying out its commitment to diversity as set forth in the Diversity Statement, the Contractor shall use its best efforts to affirmatively recruit qualified women and minority candidates to fill vacant positions within its Contractor and to use its best efforts to affirmatively recruit qualified minority owned business enterprises ("MBE") and women owned business enterprises ("WBE") to participate in the Contractor's process of contracting for goods and services. The Village shall upon request provide the Contractor with the names of known MBEs and WBEs and business referral agencies.

The Contractor shall annually submit to the Village an Equal Employment Opportunity ("E.E.O.") Report in the form attached as Exhibit B showing the breakdown of its employees by race, sex and job classification. In addition, the Contractor shall report the race, sex and job classifications for any new employee hired during the preceding year and indicate the general efforts which were made by the Contractor during the course of the previous year to recruit qualified women and minority candidates for such position(s).

The Contractor shall also provide a report to the Village, on an annual basis, which indicates the number of contracts and the dollar value of contracts for goods and services which it let during the preceding year and the number of contracts, the dollar value of contracts and the percentage of the total dollar value of contracts for goods and services which have been let to women and minority contractors.

This report shall also contain a section setting forth the general efforts made by the Contractor during the course of the previous year to affirmatively recruit women and minority businesses to participate in the contracting process.

The Contractor's E.E.O. employment and contracting reports for the entire preceding year shall be submitted as a part of the regular quarterly report submitted for the fourth quarter of the year.

D. Drug Free Workplace.

The Contractor agrees to adhere to the following policy related to a drug free workplace or such equivalent policy of the Contractor as has been reviewed and approved by the Village in accordance with Section 5 of the agreement, entitled "Adherence to Village Policies."

The content of the notice set forth below sets forth the policy of the Village with regard to the Village as a drug free workplace. The Contractor shall post the notice below or its own equivalent policy in a conspicuous location on the Contractor's premises where it will be visible to all employees, or provide a copy of the following notice or its own equivalent policy to each employee. Any such notice or policy posted or provided to employees shall name the

Contractor and the individual or position which fulfills the "Human Resources Director" position, where indicated.

DRUG-FREE WORKPLACE NOTICE

All employees should be aware pursuant to Illinois and United States law that the (Name of Contractor) is a drug-free workplace. The unlawful manufacture, distribution, dispensing, possession or use of a controlled substance as defined in Illinois law at 720 ILCS 570/201 *et. seq.* and United States law, 41 U.S.C. §§ 701-707, is prohibited at the workplace and by any employee of (Name of Contractor). Any violation will subject the employee to dismissal from employment. As a condition of employment, an employee convicted of any drug related offense occurring at the workplace must notify the (Human Resources Director) within five (5) days of the conviction. Failure to so notify the (Human Resources Director) is grounds for dismissal from employment.

E. Sexual Harassment Policy.

The Contractor shall comply with the sexual harassment policy set forth below or with an equivalent policy that has been reviewed and approved by the Village in accordance with the Agreement.

SEXUAL HARASSMENT POLICY

Sexual harassment is illegal and against the employment policy of the (Name of Contractor).

Any employee found by the (Name of Contractor) to have engaged in sexual harassment will be subject to appropriate disciplinary action, up to and including termination.

"Sexual harassment" means any unwelcome sexual advances or requests for sexual favors or any verbal or physical conduct of a sexual nature when (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment, (2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual, or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Examples of sexual harassment may include, but are not limited to:

- **Verbal:** Sexual innuendo, suggestive comments, insults, threats, jokes about gender specific traits, or sexual propositions;
- **Non-Verbal:** Making suggestive or insulting noises, gestures, leering, whistling or obscene gestures; and

- **Physical:** Touching, pinching, brushing the body, coercing sexual intercourse or assault.

An employee who believes he or she has been the subject of sexual harassment shall report the alleged conduct immediately to the Contractor's Human Resources Director, President or such other employee, other than the alleged harasser, as may be designated by the Contractor. The information will then be forwarded to the CEO/Manager/ President. A confidential investigation of any complaint will be undertaken by the Human Resources Director or such other officer or employee designated by the President.

Retaliation or discrimination against an employee who makes a sexual harassment complaint is strictly prohibited. Any employee found by the (Name of Contractor) to have retaliated or discriminated against an employee for a sexual harassment complaint will be subject to appropriate disciplinary action up to and including termination.

The (Name of Contractor) recognizes that the issue of whether sexual harassment has occurred requires a factual determination based on all the evidence received. The (Name of Contractor) also recognizes that false accusations of sexual harassment can have serious effects on innocent men and women. All employees will continue to act in a responsible and professional manner to establish a working environment free of sexual harassment.

F. Domestic Partnership Program.

The Contractor agrees to adhere to the Domestic Partnership Program attached hereto as Exhibit C and made a part hereof as a program for the benefit of employees of the Contractor or to such equivalent Contractor policy as has been reviewed and approved by the Village in accordance with that section of the Agreement entitled "Adherence to Village Policies."

The Village will assist the Contractor with the implementation of the Program at the Contractor's request.

The Village agrees to save and hold harmless, protect and defend the Contractor, its employees, Board Members and other agents, from any and all costs, losses, suits for damage or other relief, damages, rights, claims, demands or actions resulting from or in any way arising out of the actions or operations of the Contractor or its agents in approving or carrying out or fulfilling the terms of the Domestic Partnership Program required herein and to pay all costs, including attorneys' fees, of any involvement in any litigation or administrative proceedings or other legal actions based thereon. Said obligations of the Village shall survive any termination of the Agreement between the Contractor and the Village.

G. Compliance with Employment Laws.

The Contractor shall perform the services set forth in the Agreement in compliance with all applicable federal and state employment laws, including but not limited to all laws prohibiting discrimination in employment.

H. Compliance with HUD Guidelines.

In the event that the Contractor is a recipient of Community Development Block Grant (CDBG) funds under the terms of the Agreement, the Contractor shall comply with all U.S. Department of Housing and Urban Development (HUD) rules, regulations, and guidelines adopted in relation to the administration of such CDBG funds.



EXHIBIT A

Diversity Statement

The people of Oak Park choose this community, not just as a place to live, but as a way of life. Oak Park has committed itself to equality not only because it is legal, but because it is right; not only because equality is ethical, but because it is desirable for us and our children. Ours is a dynamic community that encourages the contributions of all citizens, regardless of race, color, ethnicity, ancestry, national origin, religion, age, sex, sexual orientation, gender identity or expression, marital and/or familial status, mental and/or physical impairment and/or disability, military status, economic class, political affiliation, or any of the other distinguishing characteristics that all too often divide people in society.

Oak Park's proud tradition of citizen involvement and accessible local government challenge us to show others how such a community can embrace change while still respecting and preserving the best of the past. Creating a mutually respectful, multicultural environment does not happen on its own; it must be intentional. Our goal is for people of widely differing backgrounds to do more than live next to one another. Through interaction, we believe we can reconcile the apparent paradox of appreciating and even celebrating our differences while at the same time developing consensus on a shared vision for the future. Oak Park recognizes that a free, open, and inclusive community is achieved through full and broad participation of all its citizenry. We believe the best decisions are made when everyone is represented in decision-making and power is shared collectively.

Oak Park is uniquely equipped to accomplish these objectives, because we affirm all people as members of the human family. We reject the notion of race as a barrier dividing us and we reject prejudicial behavior towards any group of people.

We believe residence in this Village should be open to anyone interested in sharing our benefits and responsibilities.

To achieve our goals, the Village of Oak Park must continue to support the Board's fair housing philosophy that has allowed us to live side-by-side and actively seek to foster unity in our community. We believe that mutual understanding among individuals of diverse backgrounds can be attained with an attitude of reciprocal good will and increased association.

The Village of Oak Park commits itself to a future ensuring equal access, full participation in all of the Village's institutions and programs, and equality of opportunity in all Village operating policies. The success of this endeavor prepares us to live and work in the twenty-first association.

It is our intention that such principles will be a basis for policy and decision making in Oak Park. The President and Board of Trustees of the Village of Oak Park reaffirm their dedication and commitment to these precepts.

Revised 11.19.07

**EXHIBIT B
VILLAGE OF OAK PARK
EEO REPORT**

Vendor Name _____

Total Employees _____

Job Categories	Total Employees	Total Males	Total Females	Male				Female				Total
				Black	Hispanic	Amer Indian Alaskan Native	Asian & Pacific Islander	Black	Hispanic	Amer Indian Alaskan Native	Asian and Pacific Islander	
Officials & Managers												
Professionals												
Technicians												
Sales Workers												
Office & Clerical												
Semi-Skilled												
Laborers												
Service Workers												
Total												
Management Trainees												
Apprentices												

This completed and notarized report must accompany your bid. It should be attached to your Affidavit of Compliance. Failure to include it with your bid will disqualify you from consideration.

_____, being first duly sworn, deposes and says that he/se is the _____ of
(Name of Person Making Affidavit) Title or Officer

Scope of Service Requirements

1 Condominium Management Program

Advise owners of small (12 units or less) multi-family buildings within Village.

Work with four (4) small condominium boards.

2 Request written evaluation from condo board to be forwarded to Village.

<u>Completed</u>	<u>Notes</u>
Yes	
Yes	over 20 using the program
Yes	

Scope of Service Deliverables

1 Semi-annual program report to include:

locations of properties

description of types of service provided

start date

length of time working with condo board

goals for each board

<u>Completed</u>	<u>Notes</u>
Yes	Month 6 - Jun 30
No	Month 12 - Dec 31



The Village of Oak Park
Village Hall
123 Madison Street
Oak Park, Illinois 60302

708 383 6400
Fax 708 383.6692
village@oak park.us
www oak park us

June 12, 2019

David Pope
Oak Park Residence Corporation
21 South Blvd.
Oak Park, IL 60302

Re: 2020 Village of Oak Park Budget Request

Dear David,

The Village of Oak Park would like to invite you to submit your 2020 Budget request. All budget requests must be submitted no later than 3 p.m. (CST) on August 1, 2019. It is important to note that the Village continues to navigate through a prolonged period of financial uncertainty. As a result, the impact on the last several years remains with us, as the Village continues to recover from deep dips in state and local funding resources. Also, as the State of Illinois continues to cut resources we expect that the financial burden on local municipalities will continue. As in years past, we will need the following documents when you submit your 2020 budget request:

- 2018 Audit
- 2019 Budget and YTD actuals
- 2020 agency and or program budget
- Report on 2019 accomplishments to date
- Chart of existing staff and interns detailing salary and benefits

Please contact Vanetta Logan, at 708-358-5773, to schedule an appointment with the Village Manager to review the status of your request. The meetings will be scheduled in late August, after your submittal is received and reviewed by the Village. Feel free to contact my office should you have additional questions at 708-358-5422.

Sincerely,

Tammie Grossman
Director, Development Customer Services
Village of Oak Park



Cara Pavlicek
Village Manager
Village of Oak Park
123 Madison Street
Oak Park, IL 60302

July 29, 2019

RE: 2020 Funding for Small Condominium Management Program

Dear. Ms. Pavlicek:

The Oak Park Residence Corporation (OPRC) has been pleased to partner with the Village of Oak Park to provide education, training, and support to small and medium size condominium associations in need of professional guidance concerning association management. OPRC continues to be willing to provide these needed services through the Small Condominium Management Program (SCMP) and submits the following budget request of \$42,500 to simply cover our actual expenses for this program in 2020.

As requested by the Village, we are forwarding the following documents relative to the proposed 2020 funding:

- 1) 2018 Audit of the Residence Corporation
- 2) 2019 SCMP Budget & YTD Actuals/2020 SCMP Budget
- 3) Status Report on program accomplishments to date in 2019
- 4) Narrative description of program and performance measures

We are submitting the proposed 2020 Small Condo Management Program budget which provides details of the cost of the program. Beth Swaggerty, our Vice President of Administration and Human Resources is the professional community association manager assigned to the program. We bill the Village for Beth's hourly coordination of the program, plus a small amount of other support services provided, such as part-time administrative support and accounting services. There is no profit margin built into our operation of the program.

The Small Condominium Management Program has been in place for 17 years and has made a significant contribution to the Village's ongoing program of support to the Condo Network. It is an excellent example of a beneficial partnership between the Village and a major local not-for-profit corporation working together on behalf of Oak Park residents and small condominium associations. The Residence Corporation is pleased to be able to contribute its professional

property and association management expertise to this program. The testimony of the condominium associations that have been assisted through the program bears witness to the program's success. We look forward to our continued partnership in 2020.

Sincerely,



David Pope
President
Oak Park Residence Corporation

Cc: Tammie Grossman
Beth Swaggerty

**OAK PARK RESIDENCE CORPORATION
AND AFFILIATED CORPORATION**

OAK PARK, ILLINOIS

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

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KOLNICKI



PETERSON



WIRTH

Board of Directors
Oak Park Residence Corporation
and Affiliated Corporation
Oak Park, Illinois

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Oak Park Residence Corporation and Affiliated Corporation, which comprise the consolidated statements of financial position as of December 31, 2018 and 2017, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in

order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

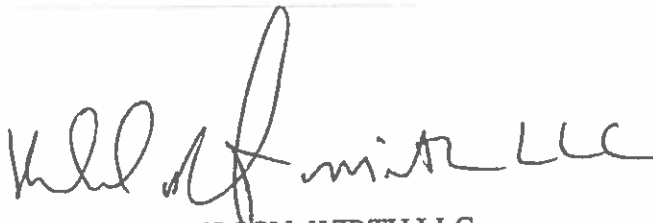
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Oak Park Residence Corporation and Affiliated Corporation as of December 31, 2018 and 2017; and the changes in its consolidated net assets and its consolidated cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplemental information shown on pages 28 to 51 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.



KOLNICKI, PETERSON, WIRTH LLC
Certified Public Accountants

Downers Grove, Illinois
April 24, 2019

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2018 AND 2017

ASSETS

	<u>2018</u>	<u>2017</u>
Cash -		
Unrestricted	\$ 3,202,376	\$ 1,912,860
Restricted	588,365	2,588,749
Escrow	<u>1,054,430</u>	<u>792,665</u>
Total cash	4,845,171	5,294,274
Investments	1,440,376	1,424,620
Net property and equipment	24,624,000	25,015,271
Net intangible assets	341,315	377,025
Due from Housing Authority of the Village of Oak Park	43,797	58,369
Miscellaneous and tenant receivables	70,716	88,883
Supplies inventory	27,671	14,567
Prepaid expenses	<u>148,879</u>	<u>204,217</u>
TOTAL ASSETS	<u><u>\$ 31,541,925</u></u>	<u><u>\$ 32,477,226</u></u>

These financial statements should be read only in connection with the accompanying summary of significant accounting policies and notes to financial statements

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2018 AND 2017

LIABILITIES AND NET ASSETS

	<u>2018</u>	<u>2017</u>
LIABILITIES		
Note payable - copier lease	\$ 39,905	\$ 60,725
Accounts payable - trade	146,119	175,640
Security deposits and other liabilities	601,042	549,635
Accrued expenses - salaries and employee benefits	117,538	80,735
Accrued real estate taxes	866,376	890,729
Accrued interest	43,277	48,139
Deferred revenue	61,261	77,669
Mortgage payable (current portion (\$117,899 and \$113,099 respectively))	5,537,767	5,653,291
Promissory note	-	131,130
Housing bond and rehabilitation loans	19,640,000	20,000,000
Acquisition loans (current portion \$0 and \$0, respectively)	2,712,460	2,712,460
Capital advance - Ryan Farrelly Project	<u>1,618,400</u>	<u>1,618,400</u>
Total liabilities	<u>31,384,145</u>	<u>31,998,553</u>
NET ASSETS (DEFICIT)		
Without donor restrictions	2,674,384	2,787,612
With donor restrictions	<u>(2,516,604)</u>	<u>(2,308,939)</u>
Total net assets (deficit)	<u>157,780</u>	<u>478,673</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 31,541,925</u></u>	<u><u>\$ 32,477,226</u></u>

These financial statements should be read only in connection with the accompanying summary of significant accounting policies and notes to financial statements

**OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
NET ASSETS WITHOUT RESTRICTIONS		
RENTAL INCOME		
Rent - collections from tenants	\$ 6,392,949	\$ 6,183,225
Management and maintenance fees	193,185	191,086
Village of Oak Park Grants	143,561	25,003
Village of Oak Park - small condo	35,000	35,000
Program reimbursements	21,232	21,180
Other administrative fees	<u>24,670</u>	<u>35,698</u>
Total revenues without restrictions	6,810,597	6,491,192
Net assets released from restrictions	<u>207,665</u>	<u>129,121</u>
Total revenues without restrictions and reclassification	7,018,262	6,620,313
EXPENSES		
Salaries and wages	1,266,204	1,001,310
Depreciation and amortization	1,829,328	1,732,858
Operating, maintenance, building supplies and management expense	1,333,916	1,290,448
Administrative	498,605	463,317
Real estate taxes	825,504	954,701
Insurance	270,575	343,948
Employee benefits	249,374	303,118
Tenant services	70,012	63,645
Office rent	132,900	129,024
Utilities	<u>684,063</u>	<u>608,047</u>
Total expenses	<u>7,160,481</u>	<u>6,890,416</u>
Unrestricted income (loss) from operations	<u>(142,219)</u>	<u>(270,103)</u>

**OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
OTHER INCOME (EXPENSE)		
Interest expense	(713,592)	(703,551)
Interest and investment income	20,049	29,495
Amortization of loan fees and bond issuance cost related to refinancing	(40,243)	(37,721)
Bond and letter of credit fees	-	(50,670)
Miscellaneous income (expense)	(1,893)	(137)
Bad debt expense	<u>(18,829)</u>	<u>(61,011)</u>
TOTAL OTHER INCOME (EXPENSE)	(754,508)	(823,595)
INCREASE (DECREASE) IN NET ASSETS WITHOUT RESTRICTIONS	<u>(896,727)</u>	<u>(1,093,698)</u>
NET ASSETS WITH RESTRICTIONS		
HUD subsidy to the Oaks and Farrelly projects	783,499	765,130
Net assets released from restrictions:		
Funds expended in operations in accordance with restriction agreements	<u>(207,665)</u>	<u>(129,121)</u>
INCREASE IN NET ASSETS WITH RESTRICTIONS	<u>575,834</u>	<u>636,009</u>
INCREASE (DECREASE) IN NET ASSETS	(320,893)	(457,689)
NET ASSETS, beginning of period	<u>478,673</u>	<u>936,362</u>
NET ASSETS, end of period	<u><u>\$ 157,780</u></u>	<u><u>\$ 478,673</u></u>

These financial statements should be read only in connection with the
accompanying summary of significant accounting policies and notes to financial statements

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

KOLNICKI PETERSON & WIRTH, LLC

	2018				2017			
	Program Services		Management and General		Program Services		Management and General	
	Rental Operations	Service Coordinator	Total		Rental Operations	Service Coordinator	Total	
FASSUB LINE ITEMS								
Payroll and benefits	\$ 1,384,567	\$ 60,091	\$ 1,31,011	\$ 1,575,669	\$ 1,178,327	\$ 53,053	\$ 126,101	\$ 1,357,481
Administrative	383,946	-	114,659	498,605	357,623	-	105,694	463,317
Utilities	682,427	-	1,636	684,063	608,047	-	-	608,047
Repairs and maintenance	1,321,616	-	12,300	1,333,916	1,278,148	-	12,300	1,290,448
Taxes	822,673	-	2,831	825,504	954,701	-	-	954,701
Insurance	245,396	-	25,179	270,575	316,306	-	27,642	343,948
Other	-	9,921	-	9,921	-	10,592	-	10,592
Depreciation and amortization	1,829,328	-	-	1,829,328	1,732,858	-	-	1,732,858
Entity expenses	132,400	-	500	132,900	128,399	-	625	129,024
Total	\$ 6,802,353	\$ 70,012	\$ 288,116	\$ 7,160,481	\$ 6,554,409	\$ 63,645	\$ 272,362	\$ 6,890,416

These financial statements should be read only in connection with the accompanying summary of significant accounting policies and notes to the financial statements.

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Cash Flow from Operating Activities		
Rent - collections from tenants	\$ 6,384,045	\$ 6,129,115
HUD subsidy to Oaks and Farrelly projects	783,499	765,130
Program reimbursements	21,232	21,180
Village of Oak Park grants	143,561	25,003
Village of Oak Park - small condo	35,000	35,000
Management and maintenance fees	193,185	191,086
Investment income	25,550	24,983
Other administrative fees	24,670	35,698
	<u>7,610,742</u>	<u>7,227,195</u>
Total Receipts		
	<u>7,610,742</u>	<u>7,227,195</u>
Salaries and Wages	(1,229,401)	(1,006,755)
Operating, maintenance, building supplies and management expense	(1,376,937)	(1,299,716)
Administrative	(508,722)	(463,317)
Bond and letter of credit fees	-	(50,670)
Real estate taxes	(849,857)	(862,994)
Insurance	(215,237)	(360,155)
Interest	(716,528)	(696,941)
Employee benefits	(241,885)	(303,118)
Tenant services	(70,012)	(63,645)
Office rent	(132,900)	(129,024)
Utilities	(681,039)	(608,047)
Security deposits	51,407	12,436
Miscellaneous	(11,988)	(137)
	<u>(5,983,099)</u>	<u>(5,832,083)</u>
Total Disbursements		
	<u>(5,983,099)</u>	<u>(5,832,083)</u>
Net Cash provided by Operating Activities	<u>1,627,643</u>	<u>1,395,112</u>
Cash Flow from Investing Activities		
Net Deposits to the escrow accounts	(261,765)	68,741
Net Deposits to the restricted accounts	2,000,384	(642,548)
Purchase of investments	(21,257)	(1,420,108)
Net Purchase of Fixed Assets	(1,442,587)	(1,576,870)
	<u>274,775</u>	<u>(3,570,785)</u>
Net Cash provided (used) by Investing Activities		
	<u>274,775</u>	<u>(3,570,785)</u>

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Cash Flow from Financing Activities		
Principal Payments - First Mortgage (or Bonds)	(475,524)	(108,846)
Net proceeds from bond issuance	-	2,741,042
Principal Payments - Promissory Note	(131,130)	-
Net payments to line of credit	-	(167,856)
Due from related party	14,572	(56,460)
Payments on capital lease	<u>(20,820)</u>	<u>33,245</u>
Net Cash provided (used) by Financing Activities	<u>(612,902)</u>	<u>2,441,125</u>
Net increase in Cash and Cash Equivalents	1,289,516	265,452
Cash and Cash Equivalents		
Beginning of Period Cash	<u>1,912,860</u>	<u>1,647,408</u>
End of Period Cash	<u>\$ 3,202,376</u>	<u>\$ 1,912,860</u>

**OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
DECEMBER 31, 2018 AND 2017**

The Oak Park Residence Corporation (the "Organization") is a not-for-profit corporation established to promote the progress and general welfare of the residents of the Village of Oak Park by improving or causing to be improved, substandard Oak Park housing stock and developing projects and activities for the prevention and elimination of blight and blighting influence, all in cooperation or coordination with governmental and civic bodies; to assist in the development of projects and activities in cooperation or coordination with governmental and civic bodies for the prevention and elimination of racial and ethnic prejudice and discrimination; to assist the local government in implementing its fair housing ordinance; to instruct and counsel individuals and groups on housing management standards, housing rehabilitation techniques and improvement of residential properties and to provide elderly persons and handicapped persons with housing facilities and services specially designed to meet their physical, social and psychological needs, and to promote their health, security, happiness and usefulness in longer living.

The consolidated financial statements include the financial position and results of operations of the Organization and its 22 buildings. The combined financial statements also include four affiliated entities, Elizabeth H. and Cyrus V. Giddings Corporation ("Giddings"); The Oaks Section 202 LLC ("The Oaks LLC"); R C Management Services Corporation ("RCMSC"); and OPRC A & L LLC ("A & L LLC"). Giddings shares common directors with the Oak Park Residence Corporation and owns the Ryan Farrelly Apartments, a 21 unit building for the handicapped, which is subsidized by the U. S. Department of Housing and Urban Development. The Oaks LLC is a limited liability corporation whose sole member is the Organization that owns a 76-unit apartment building ("The Oaks") operated for the elderly and handicapped, and is subsidized by the U. S. Department of Housing and Urban Development. RCMSC was incorporated on December 9, 2009 as a for-profit Illinois corporation wholly-owned by the Organization and will act as an agent for the Organization and will enter into property management contracts. A & L LLC is a limited liability corporation whose sole member is the Organization that owns a seven-unit building at 1018 North Austin and a four-unit building at 908 South Lombard. These buildings were purchased on August 10, 2015.

The Organization's activities include management and maintenance of apartment buildings in the Village of Oak Park owned by the Organization, the Housing Authority of the Village of Oak Park, and third parties.

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Significant accounting policies followed by the Organization are presented below.

INCOME TAXES

The Internal Revenue Service has ruled that the Organization is exempt from the payment of federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code as a charitable organization.

The Financial Accounting Standards Board (FASB) issued ASC 740-10-05 "Accounting for Uncertainty in Income Taxes" that clarified the accounting and recognition for income tax positions taken or expected to be taken in the Organization's income tax returns. The Organization adopted the standard in 2010.

**OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
DECEMBER 31, 2018 AND 2017**

INCOME TAXES (continued)

The Organization's income tax filings are subject to audit by various taxing authorities. The Organization's open audit periods are 2015 through 2017. In evaluating the Organization's tax provisions and accruals, future taxable income and the reversal of temporary differences, interpretations of tax planning strategies are considered. The Organization believes their estimates are based on current facts and circumstances.

ACCOUNTING METHOD

The Organization maintains their accounting records using the accrual method of accounting.

PROPERTY AND EQUIPMENT

Property and equipment are carried at cost and depreciated using the straight-line method over the following useful lives:

Furniture, equipment and organization assets	5 to 10 years
Building and improvements	5 to 40 years

All costs incurred in connection with the acquisition of the property, including interest and real estate taxes during the period of rehabilitation, are capitalized.

UNCOLLECTIBLE ACCOUNTS

The Organization considers tenant accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be written off when that determination is made.

INVESTMENTS

Investments are carried at fair value. Realized and unrealized gains and losses are reflected in the statement of activities. Investment income is reflected in the statement of activities as unrestricted, temporarily restricted, or permanently restricted based on the existence and nature of any donor restrictions.

INVESTMENTS IN FORECLOSED HOMES

All costs incurred in the purchase and maintenance of foreclosed real estate before subsequent sale are capitalized.

VACATION PAY

Accumulated unpaid vacation costs are reported in the period earned.

**OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
DECEMBER 31, 2018 AND 2017**

CASH EQUIVALENTS

The Organization considers all liquid investments with a maturity of three months or less when purchased to be cash equivalents. Restricted cash and escrow accounts are not considered cash equivalents.

INTANGIBLE ASSETS

Intangible assets consist of loan origination fees and bond issuance costs. Intangible assets are recorded at cost and are amortized using the straight-line method.

PRINCIPLES OF CONSOLIDATION

The accompanying consolidated financial statements include the accounts of the Oak Park Residence Corporation and an affiliated Corporation. All significant intercompany balances and transactions have been eliminated.

UNCLASSIFIED BALANCE SHEET

Consistent with common practice among companies operating in the real estate management and development industry, the Organization presents its statement of financial position in an unclassified format, i.e., without segregating its assets and liabilities into current and noncurrent categories. An unclassified statement of financial position is considered to be a preferable presentation due to the nature of the Organization's activities.

MANAGEMENT ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates.

CONTRIBUTED SERVICES

During the years ended December 31, 2018 and 2017, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

RECLASSIFICATIONS

Certain reclassifications have been made to the 2017 financial statements to conform with the presentation of the 2018 financial statements. The reclassifications have no effect on the net income for the year ended December 31, 2017.

**OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
DECEMBER 31, 2018 AND 2017**

SUPPLIES INVENTORY

Supplies inventory, which consists of operating and construction supplies, is valued at the lower of cost or market value. Cost is determined on the first-in, first-out (FIFO) basis.

DATE OF MANAGEMENT REVIEW

Subsequent events were evaluated through the date of this report and the date the financial statements were available to be issued was April 16, 2019.

NEW ACCOUNTING PRONOUNCEMENT

In August 2016, the Financial Standards Accounting Board (FASB) issued Accounting Standards Update (ASU) 2016-14, Presentation of Financial Statements for Not-for-Profit Entities. Among other provisions, ASU 2016-14 reduces the number of classes of net assets from three to two, requires the presentation of expenses in both natural and functional classifications, and eliminates the requirements to prepare a reconciliation in the statement of cash flows when applying the direct method. ASU 2016-14 is effective for fiscal years beginning after December 15, 2017, with early application permitted.

The accounting and disclosures in these financial statements and notes follow the applicable portions of ASU 2016-14.

This information is an integral part of the
accompanying combined financial statements

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

NOTE 1 - RESTRICTED AND ESCROWED CASH

The regulatory agreement with the U. S. Department of Housing and Urban Development (HUD) and the Organization requires that The Oaks LLC and the Giddings Corporation maintain certain cash reserves. The consent of HUD is required before funds may be withdrawn from certain accounts. At December 31, 2018 and 2017, the following amounts were deposits in interest-bearing bank accounts or short-term certificates of deposit:

	<u>2018</u>	<u>2017</u>
Reserve for replacement	\$ 270,960	\$ 292,030
Reserve for residual receipts	40,126	21,251
Security deposits	<u>31,354</u>	<u>28,263</u>
Total restricted cash - governmental	<u>342,440</u>	<u>341,544</u>
Other restricted cash - IDFA bond issue:		
Other restricted cash – capital projects fund	181,022	2,177,489
Other restricted cash - reserve for repairs and maintenance	<u>64,903</u>	<u>69,716</u>
Total restricted cash - non-governmental	<u>245,925</u>	<u>2,247,205</u>
Total restricted cash	<u>\$ 588,365</u>	<u>\$ 2,588,749</u>

In addition, at December 31, 2018 and 2017, restricted cash also consisted of escrowed amounts for real estate taxes, insurance, and repairs as follows:

	<u>2018</u>	<u>2017</u>
Taxes and insurance escrow	<u>\$ 1,054,430</u>	<u>\$ 792,665</u>

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

NOTE 2 - RELATED PARTY TRANSACTIONS

The Organization rents offices from the Housing Authority of the Village of Oak Park, a municipal corporation, and contracts with the Housing Authority for certain services.

The consolidated Statement of Financial Position reflects the following currently payable related party accounts receivable and accounts payable regarding the previously mentioned corporations at December 31, 2018 and 2017 as follows:

	<u>2018</u>	<u>2017</u>
Due from affiliates:		
Housing Authority of the Village of Oak Park	<u>\$ 43,797</u>	<u>\$ 58,369</u>

The consolidated statement of activities and changes in net assets reflect the following related party management, maintenance and other administrative fees incurred at December 31, 2018 and 2017 as follows:

	<u>2018</u>	<u>2017</u>
Office rent, management, maintenance and other administrative reimbursables:		
Housing Authority of the Village of Oak Park	<u>\$ 82,201</u>	<u>\$ 67,980</u>

NOTE 3 - INVESTMENT IN REAL ESTATE

The Organization engages in a program to purchase HUD foreclosed houses to rehabilitate them for subsequent resale to the public. All costs, including interest incurred while the houses are owned by the Organization, are capitalized. At December 31, 2018 and 2017 the Organization had not incurred any costs in purchasing foreclosed properties.

NOTE 4 - FAIR VALUE MEASUREMENTS

Generally Accepted Accounting Principles defines fair value as the price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants on a determined measurement date. The Organization reports its fair value measures using a three-level hierarchy that priorities the inputs used to measure fair value.

This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as follows:

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

NOTE 4 – FAIR VALUE MEASUREMENTS (continued)

Level 1: Quoted prices for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or inputs that can be corroborated by observable market data.

Level 3: Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. However, Level 1 inputs are not available for many of the assets and liabilities that the Organization is required to measure at fair value (for example, unconditional promises of in-kind contributions). The primary uses of fair value measures in the Organization's financial statements are initial measurement of noncash gifts and recurring measurement of investments.

NOTE 5 – INVESTMENTS

Investments consist of the following at December 31, 2018:

	2018 Fair Value <u>Level 1</u>	2017 Fair Value <u>Level 1</u>
Investments:		
Mutual Funds	<u>\$ 1,440,376</u>	<u>\$ 1,424,620</u>
Total Investments	<u>\$ 1,440,376</u>	<u>\$ 1,424,620</u>

The following schedules summarize the investment return and its classification in the statement of activities for the years ended December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Dividends	\$ 21,257	\$ 19,986
Investment gain (loss)	<u>(5,501)</u>	<u>4,512</u>
Total investment gain (loss)	<u>\$ 15,756</u>	<u>\$ 24,498</u>

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

NOTE 5 – INVESTMENTS (continued)

As discussed in Note 4 to these financial statements, the Organization is required to report its fair value measurements in one of three levels, which are based on the ability to observe in the market place the inputs to the Organization's valuation techniques.

Level 1, the most observable level of inputs, is for investments measured at quoted prices in active markets for identical investments as of December 31, 2018.

Level 2 is for investments measured using inputs such as quoted prices for similar assets, quoted prices for the identical asset in inactive markets, and for investments measured at net asset value that can be redeemed in the near term.

Level 3 is for investments measured using inputs that are unobservable, and is used in situations for which there is little, if any, market activity for the investment.

The Organization determines fair value of mutual funds, by the published net asset value per unit at the end of the last trading day of the year, which is the basis for transactions at that date.

NOTE 6 – PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Land	\$ 2,340,336	\$ 2,340,336
Buildings	22,670,056	22,670,056
Building improvements	23,114,022	21,689,350
Furniture and equipment	1,331,722	1,272,864
Office equipment	<u>563,780</u>	<u>605,022</u>
Total, at cost	50,019,916	48,577,628
Less accumulated depreciation	<u>(25,395,916)</u>	<u>(23,562,357)</u>
Total	<u>\$ 24,624,000</u>	<u>\$ 25,015,271</u>

Depreciation expense on property and equipment was \$1,829,328 and \$1,732,858 at December 31, 2018 and 2017, respectively.

NOTE 7 - CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash. At December 31, 2018 and 2017, the Organization's uninsured bank balances totaled \$3,675,328 and \$4,404,030, respectively.

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

NOTE 8 – INTANGIBLE ASSETS

Intangible assets and accumulated amortization at December 31, 2018 and 2017 are as follows:

	<u>2018</u>	<u>2017</u>
Loan origination costs	\$ 286,626	\$ 286,626
Bond issuance costs	<u>518,574</u>	<u>518,574</u>
	805,200	805,200
Less accumulated amortization	<u>(463,885)</u>	<u>(428,175)</u>
Net intangible assets	<u>\$ 341,315</u>	<u>\$ 377,025</u>

Amortization expense for the years ended December 31, 2018 and 2017 was \$41,551 and \$37,721, respectively. Estimated future amortization for intangible assets owned at December 31, 2018 is as follows:

2019	\$ 35,709
2020	35,709
2021	35,209
2022	35,209
2023	35,209
2024 – 2028	109,421
2029 – 2033	12,609
2034 – 2038	12,609
2039 – 2043	12,609
2044 – 2048	12,609
2049 – 2053	<u>4,413</u>
Total	<u>\$ 341,315</u>

NOTE 9 - DEBT

Long-term debt consists of the following:

Acquisition Loans Payable – Village of Oak Park:

Acquisition loan for the property at Lombard and Madison, secured by that property, due December 31, 2026.
 (Asset 1051)

	<u>2018</u>	<u>2017</u>
	\$ 90,000	\$ 90,000

Acquisition loan for the property at 1100 North Austin, secured by that property, due December 31, 2026.
 (Asset 1211)

	60,000	60,000
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Acquisition loan for the property at Harrison and Lyman, secured by that property, due December 31, 2026.
 (Asset 1214)

	63,000	63,000
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OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

NOTE 9 – DEBT (continued)

	<u>2018</u>	<u>2017</u>
Acquisition loan for the property at Kenilworth and Pleasant, secured by that property, due December 31, 2026. (Asset 1215)	\$ 474,827	\$ 474,827
Acquisition loan for the property at 411 South Harvey, secured by that property, due December 31, 2026. (Asset 1216)	198,500	198,500
Acquisition loan for the property at 1022-24 North Austin, secured by that property, due December 31, 2026. (Asset 1219)	108,000	108,000
Acquisition loan for the property at 1000 North Austin Avenue, secured by that property, due December 31, 2026. (Asset 1220)	171,500	171,500
Acquisition loan for the property at 1118-1126 South Austin, secured by that property, due December 31, 2026. (Asset 1222)	468,000	468,000
Acquisition loan for the property at 14 North Austin, secured by that property due December 31, 2026. (Asset 1334)	193,000	193,000
Acquisition loan for the property at 7 W. Van Buren, secured by that property, due October 25, 2024. (Asset 1313).	135,633	135,633
Acquisition loan for the property at 301-307 Harrison, secured by that property, due April 3, 2031. (Asset 1317)	<u>750,000</u>	<u>750,000</u>
Total acquisition loans payable	<u>\$ 2,712,460</u>	<u>\$2,712,460</u>

All of the above acquisition loans are 0% interest loans. Each loan is payable in full at the date listed or, if the subject property is sold, at the closing date of the sale.

IFA Bonds Payable:**Series 2001 Bonds**

July 18, 2001, the Illinois Finance Authority issued the Oak Park Residence Corporation variable rate demand revenue bonds - Series 2001.

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

NOTE 9 – DEBT (continued)**Series 2001 Bonds**

The bonds were used primarily to refinance mortgage debt of \$4,435,000 on 15 buildings, payoff the existing \$6,305,000 in bonds, \$260,000 for bond issuance costs, \$1,800,000 for future property purchases and \$200,000 for an interest reserve fund. The bonds are due July 1, 2041 and have a variable interest rate that changes on a weekly basis. The average interest rate from the date of inception through December 31, 2015 was 0.10% and interest is payable monthly.

Series 2006 Bonds

On September 1, 2006, the Illinois Finance Authority issued the Organization variable rate demand revenue bonds – Series 2006.

The bonds were used primarily to refinance mortgage debt of \$1,577,389 on two buildings, \$626,000 for the purchase of a building, \$1,633,700 for future property purchases and \$162,911 for bond issuance costs. The bonds are due September 1, 2046, and have a variable interest rate that changes on a weekly basis. The average interest rate from the date of inception through December 31, 2016 was 0.10% and interest is payable monthly.

	<u>2016</u>
IFA bonds payable – Series 2001	\$13,000,000
IFA bonds payable – Series 2006	<u>4,000,000</u>
Total IFA bonds payable	<u>\$17,000,000</u>

Series 2017 Bonds

On January 1, 2017, the Illinois Finance Authority retired the 2001 and 2006 bonds and issued the Organization variable rate demand revenue bonds – Series 2017.

The bonds were used to retire the Series 2001 bonds of \$13,000,000 and Series 2006 bonds of \$4,000,000, provide a project fund for rehabilitation costs of \$2,174,271, and fund costs of issuance. Bond proceeds were \$20,000,000. The bonds' maturity date is January 1, 2047, and has an initial rate of interest of 2.29% per annum. The interest rate is effective from the date of closing through January 1, 2027. The balance at December 31, 2018 was \$19,640,000. Monthly payments are \$30,000 plus interest.

The bonds are secured by the underlying properties and the assignment of rents. The bonds contain various covenants which the Organization must meet on a quarterly basis. The Organization was in compliance with the bonds' covenants at December 31, 2018.

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

NOTE 9 – DEBT (continued)**Mortgage Notes Payable:**

	<u>2018</u>	<u>2017</u>
Note payable – bank, with monthly payments of \$3,658, including interest at 4.01%, final payment of \$383,740 due July 2022, collateralized by the property (Asset 1330) and cross-collateralized by all the buildings under the 2001 and 2006 bond issuance.	\$ 457,482	\$ 484,213
Note payable – bank, with monthly payments of \$6,230, including interest at 4.585%, final payment of \$806,125 due August 2025, collateralized by the A & L LLC buildings and an assignment of rents.	1,019,337	1,046,157
Note payable – mortgage banking company, with monthly payments of \$18,814, including interest at 4.00%, final payment due October 2050, collateralized by The Oaks property and an assignment of rents (Asset 1001).	<u>4,060,948</u>	<u>4,122,921</u>
Total mortgage notes payable	<u>\$ 5,537,767</u>	<u>\$ 5,653,291</u>

Mortgage Notes Payable – HUD:

HUD capital advance - Ryan Farrelly Project (Asset 1002)	<u>\$ 1,618,400</u>	<u>\$ 1,618,400</u>
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Promissory Note:

Unsecured note payable to the seller of the A & L LLC buildings. Interest is payable quarterly at 5%, beginning December 2015, until the maturity date. The note was paid in full in August 2018.	<u>\$ ---</u>	<u>\$ 131,130</u>
Total long term debt	<u>\$29,508,627</u>	<u>\$30,115,281</u>

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

NOTE 9 – DEBT (continued)

The Corporation refinanced its previous mortgage for The Oaks, and in order to obtain a new HUD-Insured Mortgage, the Corporation has agreed to renew its Housing Assistance Agreements (HAP) contract for a period of 20 years. Essentially, it provides that the Oaks must be operated as originally agreed to (which includes the special observation of various Federal laws), and nothing may be changed without approval from HUD. The HAP contract expires in September 2035.

The HUD capital advance provided assistance in financing the construction of the Ryan Farrelly Apartments. The capital advance shall bear no interest and is not required to be repaid so long as housing remains available to eligible, very low income households for a period of 40 years in accordance with Section 811.

At December 31, 2018, the future maturities of long-term debt are as follows:

	<u>Acquisition Loans</u>	<u>Mortgage Notes Payable</u>	<u>IDFA Bond Payable</u>	<u>Capital Advance</u>	<u>Total</u>
2019	\$ ---	\$ 120,523	\$ 360,000	\$ ---	\$ 480,523
2020	---	125,614	360,000	---	485,614
2021	---	130,915	360,000	---	490,915
2022	---	490,241	360,000	---	850,241
2023	---	116,209	360,000	---	476,209
2024 – 2028	1,962,460	1,302,089	1,800,000	---	5,064,549
2029 – 2033	750,000	542,884	1,800,000	1,618,400	4,711,284
2034 – 2038	---	662,860	1,800,000	---	2,462,860
2039 – 2043	---	809,350	1,800,000	---	2,609,350
2044 – 2048	---	992,577	10,640,000	---	11,632,577
2049 – 2050	---	244,505	---	---	244,505
Totals	<u>\$ 2,712,460</u>	<u>\$ 5,537,767</u>	<u>\$ 19,640,000</u>	<u>\$ 1,618,400</u>	<u>\$ 29,508,627</u>

**OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017**

NOTE 10 – RETIREMENT PLANS

The Organization maintains a defined contribution retirement plan qualified under Section 401(k) of the Internal Revenue Code for all full-time employees who have been employed for at least one year and worked over 1,000 hours. Eligible employees may contribute a portion of their compensation to the plan, subject to Internal Revenue Service limits. The Organization's contributions to the plan are discretionary. The Organization paid an employer contribution of 4% of eligible employee compensation for the years ended December 31, 2018 and 2017. Retirement costs for the years ended December 31, 2018 and 2017 were \$51,532 and \$43,475, respectively.

The Organization also provides an employee savings plan qualified under IRC 403(b). The employees and employer are not allowed to contribute under this plan any longer.

NOTE 11 – MULTI-EMPLOYER PENSION PLANS THAT PROVIDE PENSION BENEFITS

The Organization contributes to a multi-employer defined pension plan under the terms of an informal collective bargaining agreement that covers its union represented employees. The risks of participating in the multi-employer plan is different from single-employer plans in the following aspects:

- a. Assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers.
- b. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- c. If the Organization chooses to stop participating in some of its multi-employer plans, the Organization may be required to pay these plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The Organization's participating in this plan for the annual periods ended December 31, 2018 and 2017 is listed below.

Unless otherwise noted, the most recent Pension Plan Protection Act (PPA) zone status available in 2018 and 2017 is for the plan's year end at December 31, 2018 and 2017, respectively. The zone status of the plan is based on information that the Organization received from the plan and is certified by the plan's actuary. Among other factors, plans in the red zone are generally less than 65 percent funded; plans in the yellow zone are less than 80 percent funded; and the plans in the green zone are at least 80 percent funded. If a plan is not operating within green zone status, it will either have a financial improvement plan (FIP) or rehabilitation plan (RP).

The Organization contributed \$2,184 and \$2,184 for the years ended December 31, 2018 and 2017, respectively, to the Local No. 1 Pension Fund EIN 51-6055057, as required by an informal collective bargaining agreement. At July 1, 2017 and 2016, the Local No. 1 Pension Fund held a funded status of 101.1% and 98.45%, respectively. The plan is currently operating with green zone status. The Organization was not required to pay a surcharge for the years ended December 31, 2018 and 2017.

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

NOTE 12 - RENTAL STATISTICS

The Organization had the following rental statistics at December 31, 2018 and 2017:

	<u>2018</u>		<u>2017</u>	
	<u>Units</u>	<u>%</u>	<u>Units</u>	<u>%</u>
Total number of units available	563	99.29%	564	99.47%
Total of units under rehab	4	0.71	3	0.53
Total of units vacant	<u>(23)</u>	<u>(4.06)</u>	<u>(42)</u>	<u>(7.41)</u>
Total of rented units	<u>544</u>	<u>95.94%</u>	<u>525</u>	<u>92.59%</u>
Total of units managed, but not owned	<u>62</u>		<u>62</u>	

NOTE 13 - NET ASSETS

The net assets of the Organization are divided between net assets with restrictions and net assets without restrictions.

At December 31, 2018 and 2017, the net assets (deficit) with restrictions consisted of the following:

	<u>2018</u>	<u>2017</u>
The Oaks LLC	\$ (1,725,648)	\$ (1,543,716)
Farrelly project - Giddings	<u>(790,956)</u>	<u>(765,223)</u>
Total	<u>\$ (2,516,604)</u>	<u>\$ (2,308,939)</u>

The restrictions on The Oaks LLC and Farrelly projects relate to the entire amount of net assets at December 31, 2018 and 2017. All of the revenues for the projects are considered restricted. The restrictions are considered to expire when payments are made.

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

NOTE 14 - OPERATING LEASE AGREEMENT

The Organization leases its administrative office space from a related party, The Housing Authority of the Village of Oak Park, under an operating lease dated September 14, 1994. The lease was renewed on January 1, 2010 for an additional five years with a monthly base rent of \$9,860 that is increased 3% each year. On July 21, 2010, the lease was amended further to reduce the monthly base rent to \$9,005, increasing annually beginning in 2012 by 3% each year. On December 10, 2014, the lease was extended until December 31, 2015, with a base rent of \$121,620. On December 9, 2015, the lease was extended for an additional five years through December 31, 2020.

Rent expense under the aforementioned lease for the years ended December 31, 2018 and 2017, was \$132,900 and \$129,024, respectively. The Organization is also responsible for all utilities relating to the leased premises. Future minimum lease payments under this lease are as follows:

2019	\$ 136,884
2020	<u>140,988</u>
Total	<u>\$ 277,872</u>

NOTE 15 - CAPITAL LEASE PAYABLE

During the year ended December 31, 2018, the Organization entered into a new lease agreement which included the buyout of a previous capital lease and has been accounted for as a capital lease.

At December 31, 2018 and 2017, leased equipment consisted of the following:

	<u>2018</u>	<u>2017</u>
Cost	\$ 72,870	\$ 72,870
Less accumulated depreciation	<u>(21,861)</u>	<u>(7,287)</u>
Net book value	<u>\$ 51,009</u>	<u>\$ 65,583</u>
Depreciation expense	<u>\$ 14,574</u>	<u>\$ 7,287</u>

Future minimum lease payments under this lease are as follows:

2019	\$ 20,820
2020	<u>19,085</u>
Total	<u>\$ 39,905</u>

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

NOTE 16 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual, board, or donor-imposed restrictions within one year of the balance sheet date.

Financial assets at year end:

Cash and cash equivalents	\$ 3,202,376
Investment	1,440,376
Donor restricted	<u>(2,516,604)</u>
 Total financial assets available to meet cash needs for general expenditures within one year	 <u>\$ 2,126,148</u>

This information is an integral part of the
accompanying financial statements.

SUPPLEMENTAL INFORMATION

SCHEDULE A
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OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
CONSOLIDATING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - ALL BUILDINGS
DECEMBER 31, 2018

	Corporate Overhead	RC Management	RC Buildings Total	20 Building Financing Total	Other Entities	Eliminations	Total
ASSETS							
Cash (overdraft) - unrestricted	\$ 152,422	\$ 20,613	\$ 170,218	\$ 2,802,191	\$ 56,932	\$ -	\$ 3,202,376
- restricted	-	-	-	181,022	407,343	-	588,365
- escrow	-	-	-	1,011,306	43,124	-	1,054,430
Investments RC Management	1,000	-	-	-	-	(1,000)	-
Investments	-	-	-	1,440,376	-	-	1,440,376
Due from:							
Housing Authority of The Village of Oak Park	43,047	750	-	-	-	-	43,797
Oak Park Residence Corporation	192,029	-	1,360,445	42,337,576	-	(43,890,050)	-
Elizabeth H. and Cyrus V. Giddings Corporation	109,388	-	-	18,000	-	(127,388)	-
Miscellaneous and tenant receivables	17,500	677	2,840	27,106	22,593	-	70,716
Supplies inventory	385	-	-	27,286	-	-	27,671
Prepaid insurance & other expenses	43,260	631	5,857	75,614	23,517	-	148,879
Net intangible assets	-	-	-	261,247	80,068	-	341,315
Land	-	-	253,555	1,832,781	254,000	-	2,340,336
Buildings	-	-	2,044,898	14,914,470	5,710,688	-	22,670,056
Building improvements	155,411	-	480,857	19,590,094	3,378,696	(491,036)	23,114,022
Furniture and equipment	-	-	33,873	906,539	391,310	-	1,331,722
Office equipment	521,711	-	-	-	42,069	-	563,780
Less: accumulated depreciation	(536,676)	-	(549,798)	(17,537,431)	(6,971,782)	199,771	(25,395,916)
TOTAL ASSETS	\$ 699,477	\$ 22,671	\$ 3,802,745	\$ 67,888,177	\$ 3,438,558	\$ (44,309,703)	\$ 31,541,925

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
CONSOLIDATING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - ALL BUILDINGS
DECEMBER 31, 2018

	Corporate Overhead	RC Management	RC Buildings Total	20 Building Financing Total	Other Entities	Eliminations	Total
LIABILITIES							
Note payable - copier lease	\$ 39,905	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,905
Accounts payable - trade	17,356	-	2,941	84,065	41,757	-	146,119
Due to:							
Oak Park Residence Corporation	10,137,831	103,019	2,330,960	31,313,046	132,582	(44,017,438)	-
Security deposit liabilities and other liabilities	22,129	1,900	29,481	478,605	68,927	-	601,042
Accrued expenses:							
Salaries and employee benefits	103,681	-	-	-	13,857	-	117,538
Real estate taxes	4,495	-	63,417	784,928	13,536	-	866,376
Interest	-	-	800	42,477	-	-	43,277
Deferred revenue	-	-	3,126	52,980	5,155	-	61,261
Mortgages payable	-	-	1,476,819	-	4,060,948	-	5,537,767
Housing bond and rehabilitation loans	-	-	-	19,640,000	-	-	19,640,000
Acquisition loans	-	-	193,000	2,519,460	-	-	2,712,460
Capital advance	-	-	-	-	1,618,400	-	1,618,400
Total liabilities	10,325,397	104,919	4,100,544	54,915,561	5,955,162	(44,017,438)	31,384,145
NET ASSETS							
Retained earnings	-	1,000	-	-	-	(1,000)	-
Without donor restrictions	(9,625,920)	(83,248)	(297,799)	12,972,616	-	(291,265)	2,674,384
With donor restrictions	-	-	-	-	(2,516,604)	-	(2,516,604)
Total net assets	(9,625,920)	(82,248)	(297,799)	12,972,616	(2,516,604)	(292,265)	157,780
TOTAL LIABILITIES AND NET ASSETS	\$ 699,477	\$ 22,671	\$ 3,802,745	\$ 67,888,177	\$ 3,438,558	\$ (44,309,703)	\$ 31,541,925

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
CONSOLIDATING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY ENTITY - ALL BUILDINGS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Corporate Overhead	RC Management	RC Buildings Total	20 Building Financing Total	Other Entities	Eliminations	Total
NET ASSETS WITHOUT RESTRICTIONS							
Revenues							
Rent - collections from tenants	\$ 51,574	\$ -	\$ 363,187	\$ 5,640,836	\$ 337,352	\$ -	\$ 6,392,949
Management, maintenance, and service fees	969,718	77,577	-	-	58,860	(912,970)	193,185
Village of Oak Park Grants	-	-	5,496	138,065	-	-	143,561
Village of Oak Park - Small Condon Grant	35,000	-	-	-	-	-	35,000
Program reimbursements	21,232	-	-	-	-	-	21,232
Other administrative fees	594	1,911	529	15,229	6,407	-	24,670
Total income without restrictions	1,078,118	79,488	369,212	5,794,130	402,619	(912,970)	6,810,597
Net assets released from restrictions	-	-	-	-	207,665	-	207,665
Total income without restrictions and reclassifications	1,078,118	79,488	369,212	5,794,130	610,284	(912,970)	7,018,262
Expenses							
Salaries and wages	941,590	26,991	1,565	75,174	220,864	-	1,266,204
Depreciation and amortization	41,726	-	100,141	1,353,225	348,279	(14,043)	1,829,328
Management fees	-	-	22,135	347,494	67,027	(436,656)	-
Maintenance and building supplies	301,925	12,300	57,851	1,098,679	235,401	(372,240)	1,333,916
Administrative	256,093	19,556	5,253	159,925	83,116	(25,338)	498,605
Real estate taxes	4,092	-	56,475	764,937	-	-	825,504
Insurance	45,865	2,831	10,157	172,455	39,267	-	270,575
Employee benefits	210,616	8,557	-	-	30,201	-	249,374
Tenant services	-	-	-	-	70,012	-	70,012
Office rent	132,400	500	-	-	-	-	132,900
Utilities	14,872	1,636	33,634	530,568	103,353	-	684,063
Total operating expenses	1,949,179	72,371	287,211	4,502,457	1,197,540	(848,277)	7,160,481
Operating income (loss)	(871,061)	7,117	82,001	1,291,673	(587,256)	(64,693)	(142,219)
Other income (expense)							
Interest expense	-	-	(71,141)	(460,466)	(181,985)	-	(713,592)
Amortization of loan fees and bond issuance costs related to refinancing	-	-	-	(37,721)	(2,522)	-	(40,243)
Interest and investment income	-	-	106	19,691	252	-	20,049
Bad debt expense	-	-	192	(8,926)	(10,095)	-	(18,829)
Miscellaneous	-	-	-	-	(1,893)	-	(1,893)
Increase (decrease) in net assets without restrictions	(871,061)	7,117	11,158	804,251	(783,499)	(64,693)	(896,727)
NET ASSETS WITH RESTRICTIONS							
HUD Subsidy - rent collections	-	-	-	-	783,499	-	783,499
Net assets released from restrictions:	-	-	-	-	(207,665)	-	(207,665)
Funds expended in operations in accordance with restriction agreements	-	-	-	-	-	-	-
Increase in net assets with restrictions	-	-	-	-	575,834	-	575,834
Increase (decrease) in net assets	(871,061)	7,117	11,158	804,251	(207,665)	(64,693)	(320,893)
NET ASSETS, beginning of year	(8,754,859)	(90,365)	(308,957)	12,168,365	(2,308,939)	(226,572)	478,073
NET ASSETS, end of year	\$ (9,625,920)	\$ (83,248)	\$ (297,799)	\$ 12,972,616	\$ (2,516,604)	\$ (291,265)	\$ 157,780

SCHEDULE C
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OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - RC BUILDINGS
DECEMBER 31, 2018

	OPRC		# 1334		# 1330		RC Buildings	
	A&L LLC		14 N.		162 N.		Total	
	Austin		Humphrey					
ASSETS								
Cash (overdraft) - unrestricted	\$	20,095	\$	24,931	\$	125,192	\$	170,218
Oak Park Residence Corporation		1,109,601		8,121		242,723		1,360,445
Miscellaneous and tenant receivables		65		-		2,775		2,840
Prepaid insurance & other expenses		1,815		618		3,424		5,857
Land		121,305		19,000		113,250		253,555
Buildings		1,216,016		174,230		654,652		2,044,898
Building improvements		66,166		66,642		348,049		480,857
Furniture and equipment		5,728		1,348		26,797		33,873
Less: accumulated depreciation		(123,870)		(122,360)		(303,568)		(549,798)
TOTAL ASSETS	\$	2,416,921	\$	172,530	\$	1,213,294	\$	3,802,745

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OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF FINANCIAL POSITION BY ENTITY - RC BUILDINGS
DECEMBER 31, 2018

	OPRC A&L LLC	# 1334 14 N. Austin	# 1330 162 N. Humphrey	RC Buildings Total
LIABILITIES				
Accounts payable - trade	\$ 2,941	\$ -	\$ -	\$ 2,941
Due to:				
Oak Park Residence Corporation	1,396,660	81,376	852,924	2,330,960
Security deposit liabilities and other liabilities	15,830	1,200	12,451	29,481
Accrued expenses:				
Real estate taxes	32,703	12,372	18,342	63,417
Interest	800	-	-	800
Deferred revenue	2,726	44	356	3,126
Mortgages payable	1,019,337	-	457,482	1,476,819
Acquisition loans	-	193,000	-	193,000
Total liabilities	2,470,997	287,992	1,341,555	4,100,544
NET ASSETS				
Without restrictions	(54,076)	(115,462)	(128,261)	(297,799)
Total net assets	(54,076)	(115,462)	(128,261)	(297,799)
TOTAL LIABILITIES AND NET ASSETS	\$ 2,416,921	\$ 172,530	\$ 1,213,294	\$ 3,802,745

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY ENTITY - RC BUILDINGS
FOR THE YEAR ENDED DECEMBER 31, 2018

SCHEDULE D

NET ASSETS WITHOUT RESTRICTIONS

	OPRC A&L LLC	# 1334 14 N. Austin	# 1330 162 N. Humphrey	RC Buildings Total
Revenues				
Rent - collections from tenants	\$ 190,265	\$ 17,159	\$ 155,763	\$ 363,187
Grant income	5,496	-	-	5,496
Other administrative fees	175	-	354	529
Interest	-	26	80	106
Total income without restrictions	195,936	17,185	156,197	369,318
Expenses				
Salaries and wages	-	165	1,400	1,565
Depreciation and amortization	39,067	7,478	53,596	100,141
Management fees	11,756	1,029	9,350	22,135
Maintenance and building supplies	26,308	6,109	25,434	57,851
Administrative	3,685	78	1,490	5,253
Real estate taxes	29,655	12,980	13,840	56,475
Insurance	4,941	1,010	4,206	10,157
Utilities	15,048	1,096	17,490	33,634
Total operating expenses	130,460	29,945	126,806	287,211
Operating income (loss)	65,476	(12,760)	29,391	82,107
Other income (expense)				
Interest	(51,996)	-	(19,145)	(71,141)
Bad debt	-	-	192	192
Increase (decrease) in net assets without restrictions	13,480	(12,760)	10,438	11,158
NET ASSETS, beginning of year	(67,556)	(102,702)	(138,699)	(308,957)
NET ASSETS, end of year	\$ (54,076)	\$ (115,462)	\$ (128,261)	\$ (297,799)

SCHEDULE E
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OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - OPRC A & L LLC
DECEMBER 31, 2018

	#1350 OPRC Overhead	#1352 1018 N. Austin	#1354 908 S. Lombard	OPRC A & L LLC Total
ASSETS				
Cash (overdraft) - unrestricted	\$ 5,292	\$ 22,110	\$ (7,307)	\$ 20,095
Oak Park Residence Corporation	697,155	282,323	130,123	1,109,601
Miscellaneous and tenant receivables	-	65	-	65
Prepaid insurance & other expenses	-	1,246	569	1,815
Land	-	91,830	29,475	121,305
Buildings	-	845,609	370,407	1,216,016
Building improvements	-	46,144	20,022	66,166
Furniture and equipment	-	5,393	335	5,728
Less: accumulated depreciation	-	(86,918)	(36,952)	(123,870)
TOTAL ASSETS	\$ 702,447	\$ 1,207,802	\$ 506,672	\$ 2,416,921

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - OPRC A & L LLC
DECEMBER 31, 2018

	#1350 OPRC Overhead	#1352 1018 N. Austin	#1354 908 S. Lombard	OPRC A & L LLC Total
LIABILITIES				
Accounts payable - trade	\$ 2,941	\$ -	\$ -	\$ 2,941
Due to:				
Oak Park Residence Corporation	699,506	476,983	220,171	1,396,660
Security deposit liabilities and other liabilities	-	12,277	3,553	15,830
Accrued expenses:				
Real estate taxes	-	19,736	12,967	32,703
Interest	-	1,908	818	2,726
Deferred revenue	-	752	48	800
Mortgages payable	-	716,962	302,375	1,019,337
Total liabilities	702,447	1,228,618	539,932	2,470,997
NET ASSETS				
Without restrictions	-	(20,816)	(33,260)	(54,076)
Total net assets	-	(20,816)	(33,260)	(54,076)
TOTAL LIABILITIES AND NET ASSETS	\$ 702,447	\$ 1,207,802	\$ 506,672	\$ 2,416,921

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY ENTITY - OPRC A & L LLC
FOR THE YEAR ENDED DECEMBER 31, 2018

SCHEDULE F

NET ASSETS WITHOUT RESTRICTIONS**Revenues**

	#1350 OPRC Overhead	#1352 1018 N. Austin	#1354 908 S. Lombard	OPRC A & L LLC Total
Rent - collections from tenants	\$ -	\$ 135,138	\$ 55,127	\$ 190,265
Grant income	-	5,496	-	5,496
Other administrative fees	-	175	-	175
Total income without restrictions	-	140,809	55,127	195,936

Expenses

Depreciation and amortization	-	27,446	11,621	39,067
Management fees	-	8,447	3,309	11,756
Maintenance and building supplies	-	15,182	11,126	26,308
Administrative	-	2,974	711	3,685
Real estate taxes	-	15,714	13,941	29,655
Insurance	-	1,744	3,197	4,941
Utilities	-	12,154	2,894	15,048

Total operating expenses

	-	83,661	46,799	130,460
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Operating income (loss)

	-	57,148	8,328	65,476
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Other income (expense)

Interest	-	(37,598)	(14,398)	(51,996)
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Increase (decrease) in net assets without restrictions

	-	19,550	(6,070)	13,480
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NET ASSETS, beginning of year

	-	(40,366)	(27,190)	(67,556)
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NET ASSETS, end of year

	\$ -	\$ (20,816)	\$ (33,260)	\$ (54,076)
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OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - 20 BUILDINGS
DECEMBER 31, 2018

	# 1051 Lombard & Madison	# 1201 South- Court	# 1203 5 South Pleasant	# 1205 North- court	# 1206 6 Pleasant	# 1207 Iowa Terrace
ASSETS						
Cash (overdraft) - unrestricted	\$ 76,969	\$ 151,718	\$ 93,185	\$ 450,765	\$ 76,375	\$ (78,496)
- restricted	-	-	-	-	-	-
- escrow	-	-	-	-	-	-
Due from:						
Oak Park Residence Corporation	415,538	1,603,364	364,740	1,116,592	550,569	625,791
Elizabeth H. and Cyrus V. Giddings Corporation	-	-	-	-	-	-
Miscellaneous and tenant receivables	3,445	2,773	187	3,414	(75)	(286)
Supplies inventory	-	-	-	-	-	-
Prepaid insurance & other expenses	3,059	9,970	3,100	8,905	3,771	3,224
Net intangible assets	-	-	-	-	-	-
Land	79,000	158,621	44,454	142,809	53,951	57,184
Buildings	323,694	1,479,268	403,937	1,315,253	491,592	571,533
Building improvements	916,344	1,596,399	724,096	1,763,198	548,216	2,970,423
Furniture and equipment	57,639	122,664	32,419	164,631	39,514	1,214
Less: accumulated depreciation	(902,492)	(1,881,461)	(710,407)	(1,883,602)	(557,579)	(611,595)
TOTAL ASSETS	\$ 973,196	\$ 3,243,316	\$ 955,711	\$ 3,081,965	\$ 1,206,334	\$ 3,538,992

SCHEDULE G
Page 2 of 8OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - 20 BUILDINGS
DECEMBER 31, 2018

	# 1208 Harrison East	# 1209 Harrison West	# 1211 Thomas- ville	# 1214 Harrison - Lyman	# 1215 Kenilworth & Pleasant	# 1216 Harvey & E Washington
ASSETS						
Cash (overdraft) - unrestricted	\$ 40,105	\$ 104,405	\$ 108,971	\$ 61,824	\$ 128,181	\$ 124,861
- restricted	-	-	-	-	-	-
- escrow	-	-	-	-	-	-
Due from:						
Oak Park Residence Corporation	472,074	868,317	319,990	428,798	1,330,286	428,519
Elizabeth H. and Cyrus V. Giddings Corporation	-	-	-	-	-	-
Miscellaneous and tenant receivables	152	4,028	-	2,388	503	20
Supplies inventory	-	-	-	-	-	-
Prepaid insurance & other expenses	2,464	5,496	2,541	3,173	5,365	3,062
Net intangible assets	-	-	-	-	-	-
Land	66,631	111,085	25,000	41,000	110,000	37,500
Buildings	603,232	1,054,514	325,979	330,605	1,265,160	337,500
Building improvements	581,771	1,059,536	500,472	547,223	2,900,912	634,544
Furniture and equipment	25,711	87,028	41,307	46,821	64,352	28,843
Less: accumulated depreciation	(697,196)	(1,284,005)	(516,228)	(560,843)	(2,609,104)	(525,345)
TOTAL ASSETS	\$ 1,094,944	\$ 2,010,404	\$ 808,032	\$ 900,989	\$ 3,195,655	\$ 1,069,504

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - 20 BUILDINGS
DECEMBER 31, 2018

	# 1219 1022 N. Austin	# 1220 1000 N. Austin	# 1222 1118 S. Austin	# 1225 213 S. Kenilworth	# 1005 RCBB
ASSETS					
Cash (overdraft) - unrestricted	\$ 70,675	\$ 71,485	\$ 133,100	\$ (3,175)	\$ 887,493
- restricted	-	-	-	-	181,022
- escrow	-	-	-	-	1,011,306
Investments	-	-	-	-	1,440,376
Due from:					
Oak Park Residence Corporation	281,753	204,530	650,456	34,508	30,666,767
Elizabeth H. and Cyrus V. Giddings Corporation	-	-	-	-	18,000
Miscellaneous and tenant receivables	236	1,238	1,218	-	3,542
Supplies inventory	-	-	-	-	27,286
Prepaid insurance & other expenses	3,117	2,398	3,950	732	-
Net intangible assets	-	-	-	-	261,247
Land	71,546	25,000	88,000	70,000	-
Buildings	238,454	222,686	1,129,213	287,459	-
Building improvements	470,305	434,989	721,697	100,125	-
Furniture and equipment	28,451	19,375	34,548	3,511	-
Less: accumulated depreciation	(363,631)	(325,873)	(842,993)	(169,959)	-
TOTAL ASSETS	\$ 800,906	\$ 655,828	\$ 1,919,189	\$ 323,201	\$ 34,497,039

SCHEDULE G
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OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - 20 BUILDINGS
DECEMBER 31, 2018

	# 1313 7 W. Van Buren	# 1317 301 - 307 Harrison	# 1321 514 - 516 S. Austin	# 1325 16 - 24 N. Austin	20 Buildings Total
ASSETS					
Cash (overdraft) - unrestricted	\$ 54,163	\$ 14,634	\$ 13,512	\$ 221,441	\$ 2,802,191
- restricted	-	-	-	-	181,022
- escrow	-	-	-	-	1,011,306
Investments	-	-	-	-	1,440,376
Due from:					
Oak Park Residence Corporation	289,471	618,675	379,559	687,279	42,337,576
Elizabeth H. and Cyrus V. Giddings Corporation					18,000
Miscellaneous and tenant receivables	300	1,038	165	2,820	27,106
Supplies inventory	-	-	-	-	27,286
Prepaid insurance & other expenses	1,995	1,914	2,079	5,299	75,614
Net intangible assets	-	-	-	-	261,247
Land	72,500	150,000	121,000	307,500	1,832,781
Buildings	656,326	1,360,499	669,867	1,847,699	14,914,470
Building improvements	312,041	1,140,342	526,448	1,141,013	19,590,094
Furniture and equipment	20,185	34,657	18,370	35,299	906,539
Less: accumulated depreciation	(445,378)	(1,023,353)	(508,498)	(1,117,889)	(17,537,431)
TOTAL ASSETS	\$ 961,603	\$ 2,298,406	\$ 1,222,502	\$ 3,130,461	\$ 67,888,177

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - 20 BUILDINGS
DECEMBER 31, 2018

	# 1051 Lombard & Madison	# 1201 South- Court	# 1203 5 South Pleasant	# 1205 North- court	# 1206 6 Pleasant	# 1207 Iowa Terrace
LIABILITIES						
Accounts payable - trade	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to:						
Oak Park Residence Corporation	677,343	1,041,572	319,580	1,741,694	441,867	246,147
Security deposit liabilities and other liabilities	19,754	56,054	17,103	51,322	22,730	22,625
Accrued expenses:						
Real estate taxes	31,309	103,237	26,759	82,614	34,905	34,390
Interest	-	-	-	-	-	-
Deferred revenue	405	3,811	1,855	1,652	381	3,265
Acquisition loans	90,000	-	-	-	-	-
Total liabilities	818,811	1,204,674	365,297	1,877,282	499,883	306,427
NET ASSETS						
Without restrictions	154,385	2,038,642	590,414	1,204,683	706,451	3,232,565
Total net assets	154,385	2,038,642	590,414	1,204,683	706,451	3,232,565
TOTAL LIABILITIES AND NET ASSETS	\$ 973,196	\$ 3,243,316	\$ 955,711	\$ 3,081,965	\$ 1,206,334	\$ 3,538,992

SCHEDULE G
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OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - 20 BUILDINGS
DECEMBER 31, 2018

	# 1208 Harrison East	# 1209 Harrison West	# 1211 Thomas- ville	# 1214 Harrison- Lyman	# 1215 Kenilworth & Pleasant	# 1216 Harvey & Washington
LIABILITIES						
Accounts payable - trade	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to:						
Oak Park Residence Corporation	564,860	1,093,268	475,146	271,559	2,239,548	259,283
Security deposit liabilities and other liabilities	20,500	32,023	12,347	18,149	52,683	19,289
Accrued expenses:						
Real estate taxes	30,079	55,090	23,761	28,636	86,300	31,089
Interest	-	-	-	-	-	-
Deferred revenue	315	3,865	1,234	78	984	2,363
Acquisition loans	-	-	60,000	63,000	474,827	198,500
Total liabilities	615,754	1,184,246	572,488	381,422	2,854,342	510,524
NET ASSETS						
Without restrictions	479,190	826,158	235,544	519,567	341,313	558,980
Total net assets	479,190	826,158	235,544	519,567	341,313	558,980
TOTAL LIABILITIES AND NET ASSETS	\$ 1,094,944	\$ 2,010,404	\$ 808,032	\$ 900,989	\$ 3,195,655	\$ 1,069,504

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - 20 BUILDINGS
DECEMBER 31, 2018

	# 1219 1022 N. Austin	# 1220 1000 N. Austin	# 1222 1118 S. Austin	# 1225 213 S. Kenilworth	# 1005 RCBB
LIABILITIES					
Accounts payable - trade	\$ -	\$ -	\$ -	\$ -	\$ 84,065
Due to:					
Oak Park Residence Corporation	615,145	550,473	915,385	488,218	12,004,542
Security deposit liabilities and other liabilities	11,629	11,393	28,806	25	1,792
Accrued expenses:					
Real estate taxes	18,612	15,818	39,481	13,911	-
Interest	-	-	-	-	42,477
Deferred revenue	106	4	3,613	-	21,651
Housing bond and rehabilitation loans	-	-	-	-	19,640,000
Acquisition loans	108,000	171,500	468,000	-	-
Total liabilities	753,492	749,188	1,455,285	502,154	31,794,527
NET ASSETS					
Without restrictions	47,414	(93,360)	463,904	(178,953)	2,702,512
Total net assets	47,414	(93,360)	463,904	(178,953)	2,702,512
TOTAL LIABILITIES AND NET ASSETS	\$ 800,906	\$ 655,828	\$ 1,919,189	\$ 323,201	\$ 34,497,039

SCHEDULE G
Page 8 of 8OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - 20 BUILDINGS

DECEMBER 31, 2018

	# 1313	# 1317	# 1321	# 1325	20
	7 W.	301 - 307	514 - 516	16 - 24	Buildings
	Van Buren	Harrison	S. Austin	N. Austin	Total
LIABILITIES					
Accounts payable - trade	\$ -	\$ -	\$ -	\$ -	\$ 84,065
Due to:					
Oak Park Residence Corporation	928,379	1,674,807	1,348,570	3,415,660	31,313,046
Security deposit liabilities and other liabilities	12,127	23,302	14,280	30,672	478,605
Accrued expenses:					
Real estate taxes	18,800	35,612	22,521	52,004	784,928
Interest	-	-	-	-	42,477
Deferred revenue	769	2,535	1,956	2,138	52,980
Housing bond and rehabilitation loans	-	-	-	-	19,640,000
Acquisition loans	135,633	750,000	-	-	2,519,460
Total liabilities	1,095,708	2,486,256	1,387,327	3,500,474	54,915,561
NET ASSETS					
Without restrictions	(134,105)	(187,850)	(164,825)	(370,013)	12,972,616
Total net assets	(134,105)	(187,850)	(164,825)	(370,013)	12,972,616
TOTAL LIABILITIES AND NET ASSETS	\$ 961,603	\$ 2,298,406	\$ 1,222,502	\$ 3,130,461	\$ 67,888,177

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY ENTITY - 20 BUILDINGS
FOR THE YEAR ENDED DECEMBER 31, 2018

	# 1051 Lombard & Madison	# 1201 South- Court	# 1203 5 South Pleasant	# 1205 North- court	# 1206 6 Pleasant	# 1207 Iowa Terrace
NET ASSETS WITHOUT RESTRICTIONS						
Revenues						
Rent - collections from tenants	\$ 209,985	\$ 725,333	\$ 211,156	\$ 650,684	\$ 257,601	\$ 264,299
Grant income	10,000	10,000	10,000	10,000	7,155	-
Other administrative fees	240	1,970	551	1,654	703	643
Interest	831	2,305	730	2,178	942	911
Total income without restrictions	<u>221,056</u>	<u>739,608</u>	<u>222,437</u>	<u>664,516</u>	<u>266,401</u>	<u>265,853</u>
Expenses						
Salaries and wages	-	8,822	5,782	7,058	7,325	3,858
Depreciation and amortization	47,530	134,871	54,071	152,994	32,688	93,479
Management fees	13,138	44,124	13,342	39,710	15,857	15,943
Maintenance and building supplies	34,499	154,511	34,134	115,494	53,487	35,970
Administrative	4,454	29,528	6,645	19,288	13,483	6,649
Real estate taxes	32,727	100,195	26,058	80,007	33,154	40,434
Insurance	6,730	20,946	7,481	19,822	8,048	7,585
Utilities	24,507	61,070	27,373	58,596	25,430	12,093
Total operating expenses	<u>163,585</u>	<u>554,067</u>	<u>174,886</u>	<u>492,969</u>	<u>189,472</u>	<u>216,011</u>
Operating income	57,471	185,541	47,551	171,547	76,929	49,842
Other Income (expense)						
Interest	(16,170)	(63,709)	(16,590)	(51,442)	(21,052)	(28,160)
Amortization of loan fees and bond issuance costs related to refinancing	(1,404)	(3,896)	(1,224)	(3,672)	(1,584)	(1,536)
Bad debt recovery (expense)	1,083	(2,934)	20	(7,474)	26	25
Increase (decrease) in net assets without restrictions	40,980	115,002	29,757	108,959	54,319	20,171
NET ASSETS, beginning of year	<u>113,405</u>	<u>1,923,640</u>	<u>560,657</u>	<u>1,095,724</u>	<u>652,132</u>	<u>3,212,394</u>
NET ASSETS, end of year	<u>\$ 154,385</u>	<u>\$ 2,038,642</u>	<u>\$ 590,414</u>	<u>\$ 1,204,683</u>	<u>\$ 706,451</u>	<u>\$ 3,232,565</u>

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY ENTITY - 20 BUILDINGS
FOR THE YEAR ENDED DECEMBER 31, 2018

	# 1208 Harrison East	# 1209 Harrison West	# 1211 Thomas- ville	# 1214 Harrison- Lynan	# 1215 Kenilworth & Pleasant	# 1216 Harvey & Washington
NET ASSETS WITHOUT RESTRICTIONS						
Revenues						
Rent - collections from tenants	\$ 206,850	\$ 397,280	\$ 170,177	\$ 208,023	\$ 601,853	\$ 227,114
Grant income	10,000	10,000	-	10,000	-	-
Other administrative fees	569	1,070	472	529	1,944	639
Investment income	772	1,422	580	671	2,327	815
Total income without restrictions	218,191	409,772	171,229	219,223	606,124	228,568
Expenses						
Salaries and wages	2,162	4,470	3,610	2,304	8,167	-
Depreciation and amortization	48,091	90,914	31,797	44,227	145,511	41,070
Management fees	13,022	24,471	10,224	13,089	36,197	13,635
Maintenance and building supplies	38,998	82,577	42,542	44,146	113,182	39,313
Administrative	5,943	17,099	7,825	2,761	11,003	4,117
Real estate taxes	26,667	48,409	22,728	26,741	85,459	29,745
Insurance	5,963	12,765	6,000	6,362	14,693	7,003
Utilities	19,419	33,260	18,843	19,732	61,675	18,664
Total operating expenses	160,265	313,965	143,569	159,362	475,887	153,547
Operating income	57,926	95,807	27,660	59,861	130,237	75,021
Other income (expense)						
Interest	(19,518)	(30,951)	(13,103)	(17,992)	(52,000)	(17,425)
Amortization of loan fees and bond issuance costs related to refinancing	(1,296)	(2,400)	(984)	(1,128)	(3,924)	(1,368)
Bad debt	(139)	(616)	67	19	(2,158)	23
Increase (decrease) in net assets without restrictions	36,973	61,840	13,640	40,760	72,155	56,251
NET ASSETS, beginning of year	442,217	764,318	221,904	478,807	269,158	502,729
NET ASSETS, end of year	\$ 479,190	\$ 826,158	\$ 235,544	\$ 519,567	\$ 341,313	\$ 558,980

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY ENTITY - 20 BUILDINGS
FOR THE YEAR ENDED DECEMBER 31, 2018

	# 1219 1022 N. Austin	# 1220 1000 N. Austin	# 1222 1118 S. Austin	# 1225 213 S. Kenilworth	# 1005 RCBB
NET ASSETS WITHOUT RESTRICTIONS					
Revenues					
Rent - collections from tenants	\$ 144,099	\$ 117,901	\$ 323,109	\$ 1,630	\$ -
Grant income	14,997	-	10,000	-	-
Other administrative fees	427	533	985	-	-
Interest	527	421	1,251	259	-
Total income without restrictions	160,050	118,855	335,345	1,889	-
Expenses					
Salaries and wages	3,355	2,580	5,063	326	-
Depreciation and amortization	31,167	28,004	68,637	14,532	-
Management fees	9,603	7,108	20,132	98	-
Maintenance and building supplies	28,705	28,937	67,242	6,236	-
Administrative	2,287	2,763	5,148	69	-
Real estate taxes	17,610	13,809	40,782	13,652	-
Insurance	5,635	4,176	9,805	1,182	-
Utilities	18,284	12,282	30,320	1,993	-
Total operating expenses	116,646	99,659	247,129	38,088	-
Operating income	43,404	19,196	88,216	(36,199)	-
Other income (expense)					
Interest	(8,365)	(7,248)	(23,140)	(2,369)	-
Amortization of loan fees and bond					
issuance costs related to refinancing	(888)	(708)	(2,112)	(838)	-
Bad (debt) recovery	173	(679)	743	-	-
Increase (decrease) in net assets					
without restrictions	34,324	10,561	63,707	(39,406)	-
NET ASSETS, beginning of year	13,090	(103,921)	400,197	(139,547)	2,702,512
NET ASSETS, end of year	\$ 47,414	\$ (93,360)	\$ 463,904	\$ (178,953)	\$ 2,702,512

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY ENTITY - 20 BUILDINGS
FOR THE YEAR ENDED DECEMBER 31, 2018

	# 1313 7 W. Van Buren	# 1317 301 - 307 Harrison	# 1321 514 - 516 S. Austin	# 1325 16 - 24 N. Austin	20 Buildings Total
NET ASSETS WITHOUT RESTRICTIONS					
Revenues					
Rent - collections from tenants	\$ 136,559	\$ 261,333	\$ 157,394	\$ 368,456	\$ 5,640,836
Grant income	-	-	15,986	19,927	138,065
Other administrative fees	420	635	460	785	15,229
Interest	544	761	570	874	19,691
Total income without restrictions	137,523	262,729	174,410	390,042	5,813,821
Expenses					
Salaries and wages	-	3,314	1,873	5,105	75,174
Depreciation and amortization	33,203	89,844	45,993	124,602	1,353,225
Management fees	8,206	15,735	10,480	23,380	347,494
Maintenance and building supplies	25,094	59,024	26,144	68,444	1,098,679
Administrative	1,823	2,841	11,360	4,839	159,925
Real estate taxes	16,107	38,014	21,690	50,949	764,937
Insurance	3,787	7,345	5,094	12,033	172,455
Utilities	16,581	24,613	16,169	29,664	530,568
Total operating expenses	104,801	240,730	138,803	319,016	4,502,457
Operating income (loss)	32,722	21,999	35,607	71,026	1,311,364
Other income (expense)					
Interest	(10,454)	(22,025)	(11,849)	(26,904)	(460,466)
Amortization of loan fees and bond issuance costs related to refinancing	(912)	(1,634)	(1,149)	(5,064)	(37,721)
Bad debt	15	334	16	2,530	(8,926)
Increase (decrease) in net assets without restrictions	21,371	(1,326)	22,625	41,588	804,251
NET ASSETS, beginning of year	(155,476)	(186,524)	(187,450)	(411,601)	12,168,365
NET ASSETS, end of year	\$ (134,105)	\$ (187,850)	\$ (164,825)	\$ (370,013)	\$ 12,972,616

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - OTHER ENTITIES
DECEMBER 31, 2018

	The Oaks Section 202 LLC	1002 Ryan Farrelly	Total
ASSETS			
Cash (overdraft) - unrestricted	\$ 23,307	\$ 33,625	\$ 56,932
- restricted	301,123	106,220	407,343
Cash (overdraft) - escrow	43,124	-	43,124
Miscellaneous and tenant receivables	21,618	975	22,593
Prepaid insurance & other expenses	21,967	1,550	23,517
Loan origination fees & bond issuance costs	80,068	-	80,068
Land	150,000	104,000	254,000
Buildings	4,131,193	1,579,495	5,710,688
Building improvements	3,378,696	-	3,378,696
Furniture and equipment	56,859	334,451	391,310
Office equipment	38,187	3,882	42,069
Less: accumulated depreciation	(5,799,553)	(1,172,229)	(6,971,782)
TOTAL ASSETS	\$ 2,446,589	\$ 991,969	\$ 3,438,558

SCHEDULE 1

Page 2 of 2

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION

COMBINING SCHEDULE OF STATEMENTS OF FINANCIAL POSITION BY ENTITY - OTHER ENTITIES

DECEMBER 31, 2018

	The Oaks		1002		
	Section		Ryan		
	202 LLC		Farrelly		Total
LIABILITIES					
Accounts payable - trade	\$	27,034	\$	14,723	\$ 41,757
Due to:					
Oak Park Residence Corporation		5,194		127,388	132,582
Security deposit liabilities					
and other liabilities		48,818		20,109	68,927
Accrued expenses:					
Salaries and employee benefits		13,026		831	13,857
Real estate taxes and interest		13,536		-	13,536
Deferred revenue		3,681		1,474	5,155
Mortgages payable		4,060,948		-	4,060,948
Capital advance		-		1,618,400	1,618,400
Total liabilities		4,172,237		1,782,925	5,955,162
NET ASSETS					
Without restrictions		-		-	-
With restrictions		(1,725,648)		(790,956)	(2,516,604)
Total net assets		(1,725,648)		(790,956)	(2,516,604)
TOTAL LIABILITIES AND NET ASSETS	\$	2,446,589	\$	991,969	\$ 3,438,558

OAK PARK RESIDENCE CORPORATION AND AFFILIATED CORPORATION
COMBINING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY ENTITY - OTHER ENTITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

	The Oaks Section 202 LLC	1002 Ryan Partially	Total
NET ASSETS WITHOUT RESTRICTIONS			
Rent - collections from tenants	\$ 268,104	\$ 69,248	\$ 337,352
Management, maintenance, and service fees	58,860	-	58,860
Other administrative fees	2,810	3,597	6,407
Interest	193	59	252
Total income without restrictions	329,967	72,904	540,936
Net assets released from restrictions	181,932	25,733	207,665
Total income without restrictions and reclassifications	511,899	98,637	748,601
Expenses			
Salaries and wages	196,783	24,101	220,884
Depreciation and amortization	291,689	56,590	348,279
Management fees	55,824	11,203	67,027
Maintenance and building supplies	184,458	50,943	235,401
Administrative	60,712	22,404	83,116
Insurance	33,026	6,241	39,267
Employee benefits	29,073	1,128	30,201
Elderly and congregate service expense	70,012	-	70,012
Utilities	73,915	29,438	103,353
Total operating expenses	995,492	202,048	1,197,540
Operating income (loss)	(483,593)	(103,411)	(448,939)
Other income (expense)			
Interest	(181,985)	-	(181,985)
Amortization of loan fees and bond			
insurance costs related to refinancing	(2,522)	-	(2,522)
Bad debt	(10,095)	-	(10,095)
Miscellaneous	-	(1,893)	(1,893)
Increase (decrease) in net assets with restrictions	(678,195)	(105,304)	(783,499)
NET ASSETS WITH RESTRICTIONS			
HUD Subsidy - rent collections	678,195	105,304	783,499
Net assets released from restrictions:			
Funds expended in operations in accordance			
with restriction agreements	(181,932)	(25,733)	(207,665)
Increase in net assets with restrictions	496,263	79,571	575,834
Increase (decrease) in net assets	(181,932)	(25,733)	(207,665)
NET ASSETS, beginning of year	(1,543,716)	(765,223)	(2,308,939)
NET ASSETS, end of year	\$ (1,725,648)	\$ (790,956)	\$ (2,516,604)

Oak Park Residence Corporation
Small Condo Program
YTD 2019 Program Actual & 2020 Program Budget

	2019 YTD Actual	2019 Forecast	FY 2019 Budget	Forecast vs Budget	FY 2020 Budget
<u>Program Operating Income</u>					
1 Village of Oak Park Funding	0.00	42,500.00	42,500.00	0.00	42,500.00
2 <u>Total Program Operating Income</u>	0.00	42,500.00	42,500.00	0.00	42,500.00
<u>Program Operating Expenses</u>					
3 Staffing - Administration	16,945.25	28,984.00	28,920.00	(64.00)	28,920.00
4 Staffing - Administrative Support	2,875.80	4,930.00	5,040.00	110.00	5,040.00
5 Program Oversight - President	719.50	1,225.00	1,230.00	5.00	1,230.00
6 Accounting Support	1,845.00	3,162.00	3,276.00	114.00	3,276.00
7 Supplies & Training Materials	1,563.00	2,230.00	2,060.00	(170.00)	2,060.00
8 Printing/Copying	168.00	264.00	235.00	(29.00)	235.00
9 Membership Fees/Training	925.00	925.00	925.00	0.00	925.00
10 Facility Utilization	525.00	855.00	855.00	0.00	855.00
11 <u>Total Program Expenses</u>	25,566.55	42,575.00	42,541.00	(34.00)	42,541.00
12 <u>Revenue over Expenses</u>					(41.00)

Memo

To: Cara Pavlicek, Village Manager
From: Beth Swaggerty, CAM, CMCA, Small Condo Management Program Coordinator
Date: 07/28/2019
Re: Small Condo Management Program – Scope of Work & Program Accomplishments through 07/31/2019

PROGRAM SERVICES

During this reporting period, Program Coordinator, Beth Swaggerty worked closely with five (5) associations to address specific concerns and issues and to reinforce the more formal monthly training offered by the program. A summary of the objectives, activities, and outcomes for each of the five (5) associations can be found starting on page 2 of this report.

Ms. Swaggerty has conducted to date seven (7) of the eleven (11) annual formal training seminars included in the SCMP. In attendance were various board members of the five (5) primary program associations and members from an additional twenty (20) associations listed below.

During this period, Ms. Swaggerty also met in person, by phone, or by email with representatives of the following twenty (20) Oak Park condominium associations regarding issues pertaining to restatement of declaration and bylaws, proper procedure for amending governing documents, hierarchy of state statutes and governing documents, fiduciary responsibilities of the board, change of registered agent, annual reports, open meetings, board vs. owners' meetings, effective record keeping and owners' rights to review association records, rental restrictions, rules and regulations, foreclosure process, disclosure of association information to potential buyers/banks, risk mitigation, reserve accounts, capital improvements, notice requirements, conducting meetings and rules of order.

- ✓ Maple Tree Condominium (6 Units)
- ✓ Park Avenue Manor Condominium Association (10 Units)
- ✓ Maple Arbor Condominium Association (6 Units)
- ✓ Euclid Point Condominium Association (12 Units)
- ✓ 720 North Austin (11Units)
- ✓ 417 South Kenilworth Condominium Association (6 Units)
- ✓ 152 North Scoville Condominium Association (4 Units)
- ✓ Taylor-Lake Condominium Association (10 Units)
- ✓ Wisconsin Manor Condominium Association (6 Units)
- ✓ 2 LeMoyne Parkway Condominium Association (10 Units)
- ✓ 511 North Humphrey Condominium Association (6 Units)

- ✓ 608 South Highland Condominium Association (4 Units)
- ✓ 257 Washington Condominium Association (10 Units)
- ✓ 409-411 Washington Blvd. Condominium Association (6 Units)
- ✓ 106 South Ridgeland Condominium Association (22+Units)
- ✓ 833 N. Harlem Condominium Association (9 Units)
- ✓ 820 N. Austin Condominium Association (11 Units)
- ✓ 514 Wenonah Condominium Association (4 Units)
- ✓ Barclay Court Condominium Association (11 Units)
- ✓ 439-441 S. Taylor Condominium Association (10 Units)

Lastly, Ms. Swaggerty has attended five (5) association board meetings YTD to provide guidance in proper parliamentary procedure, clarification of pending issues, and/or to introduce the program to potential participants.

PRIMARY PARTICIPATING ASSOCIATIONS

The 100-104 South Austin Condominium Association (9 Units)

Program Start Date: July 2016

Program End Date: Anticipated December 31, 2019

Association Objectives

Status

- | | |
|---|------------|
| 1. Meet regularly with SCMP coordinator to reinforce formal training and establish and/or review action plans | On-going |
| 2. Establish proper financial recordkeeping and provide membership with regular financial reports | Achieved |
| 3. Achieve and maintain a positive cash flow in operating account | Achieved |
| 4. Establish separate operating and reserve accounts | Achieved |
| 5. Prepare and adopt annual operating budget(s) | Achieved |
| 6. Effective Board Transition | In-process |
| 7. Address deferred maintenance at building | In-process |
| 8. Initiate collections against delinquent owner(s) | In-process |

Association Outcomes

1. Meetings with new board members have been scheduled. One board member has completed several of the formal training seminars.
2. The association now has three (3) full years of detailed financial records. Owner assessment are being raised annually to effectively meet their on-going expenses. Membership is regularly provided with financial reports.
3. Proper record keeping has resulted in a positive cash flow in their operating account.
4. and a separate reserve account has been established and is being contributed to on a monthly basis in accordance with annual budget.
5. Association is working from its duly adopted annual operating budget.
6. New board has been elected.

7. The board established three (3) special assessments to cover the cost of correcting building violations as cited by the Village
8. Collection action has been initiated

Comments: This association is transitioning to a new board this year. Hopefully the new board will benefit from the training and experience the previous board received as participants in the program. One new board member is currently attending the program's monthly formal training seminars.

The George Condominium Association -713 Washington Blvd (6 Units)

Program Start Date: January 2018

Program End Date: Anticipated July 31, 2019

<u>Association Objectives</u>	<u>Status</u>
1. Regularly meet with SCMP coordinator to reinforce formal training and establish and/or review action plans	Achieved
2. Board members to attend each of the 12 formal training seminars	In-process
3. Correction of four (4) years of miscalculated and misallocated monthly assessments	Achieved
4. Establish best practices and written protocol for bidding capital projects	Achieved
5. Review of Board Officers' roles and fiduciary responsibilities	Achieved
6. Review of current building insurance policy and risk mitigation	Achieved
7. Review bylaws for needed updates/revisions	In-process

Association Outcomes

1. Association is now managed through the board rather than by consensus of all owners. Decisions are made and action taken in compliance with the Illinois Condominium Property Act, therefore their liability and risk in their actions has been mitigated.
2. The appropriate allocation of assessments has been implemented and repayment has been made to the owner who was over paying.
3. Property insurance policy now provides appropriate coverage and mitigates risk
4. Reserve study has been contracted

Comments: This association no longer requires one-on-one guidance and SPC personnel will work with them strictly on an as-needed basis.

1103-1107 S Austin Condominium Association (11 Units)

Program Start Date: September 2017

Program End Date: Anticipated December 2019

<u>Association Objectives</u>	<u>Status</u>
1. Regularly meet with SCMP coordinator to reinforce formal training and establish and/or review action plans	On-going
2. Attend each of the twelve (12) formal training seminars	On-going
3. Clarification of governing documents regarding: <ol style="list-style-type: none"> A. Rentals 	Achieved

B. Annual Elections	Achieved
C. Rules & Regulations – violations & hearings	Achieved
D. Process for amending bylaws	Achieved
4. To understand board officers' duties and roles	On-going
5. To conduct meetings with proper notice, parliamentary procedure, and Proper minutes	On-going

Association Outcomes

1. Board secretary is participating in monthly training seminars
2. Formal Rules & Regulations have been drafted and approved
3. Board meetings are being regularly conducted and minutes are being kept
4. Association has amended bylaws to limit number of rentals

Comments: In formally limiting the number of rentals within the building, the property gains value and is more attractive to potential buyers and their lenders. The board secretary has reported the board is meeting regularly and taking action on a number of issues.

Ridgeland Station Townhome Owners Association

Program Start Date: September 2018

Program End Date: Anticipated October 2019

Association Objectives

	<u>Status</u>
1. Regularly meet with SCMP coordinator to reinforce formal training and establish and/or review action plans	On-going
2. Understand board officers' duties and roles	Achieved
3. To learn proper notice, parliamentary procedure, voting, and taking minutes for meetings	On-going
4. Hold regular meetings	On-going

Association Outcomes

1. Training on board duties and roles is completed
2. Board Treasurer has attended seven (7) of the monthly formal training seminars.
3. Treasurer is still struggling to engage other board members and owners in meeting regularly, making it difficult to take action on several pending issues.

Comments: Effective self-management and compliance with governing documents is difficult for this association because of lack of participation and engagement from owners and board members. Essentially, the current board treasurer is managing all aspects of the property.

Brickwood East Condominium Association (4 Units)

Program Start Date: January 2019

Program End Date: Anticipated January 2020

Association Objectives

Status

- | | |
|---|----------|
| 1. Regularly meet with SCMP coordinator to reinforce formal training and establish and/or review action plans | On-going |
| 2. Attend each of the twelve (12) formal training seminars | On-going |
| 3. Clarification of governing documents regarding: | |
| A. Limited Common Elements/Capital Improvements | Achieved |
| B. Insurance Coverage and Risk Mitigation | Achieved |
| C. Waiver of Subrogation | Achieved |
| 4. To conduct meetings with proper notice, parliamentary procedure, and recorded and approved minutes | On-going |
| 5. Conflict Resolution | On-going |

Association Outcomes

1. Entire board has regularly met with SCMP coordinator on various issues and has taken formal action as needed.
2. Board president is participating in monthly training seminars
3. Board has better understanding of governing documents
4. Board is conducting regular meetings with proper notice, following parliamentary procedure, and minutes are taken and approved as official records of the association.
5. Communication among board members is improving

Comments: The board president has indicated that the information and training she has received and related back to the rest of the board has strengthened communication within the board and it has become easier to make decisions and take action in the management of the association.

PROGRAM ENHANCEMENTS

Formal training has become a key component of the program, consisting of twelve (12) power-point training seminars on specific aspects of association management (see exhibit A). Written and designed by Program Coordinator, Beth Swaggerty; these presentations are updated on a regular basis to reflect current legislation and best practices. Many of the seminars include industry professionals as guest presenters. In addition, Ms. Swaggerty utilizes and distributes "Best Practice Guides" on specific areas pertaining to condominium association management. These "Best Practice Guides" are written by various professionals in the field of condominium management and are published by CAI – Community Association Institute. These enhancements have allowed the program to grow from a program of reactive crisis management to one emphasizing proactive training, support, and action.

Ms. Swaggerty also continues to expand and update the program's pages on OPRC's website to include current articles, written by association professionals, on relevant issues and changing legislation. There are also links to relevant documents, events, and organizations - such as the Illinois Condominium Property Act, the Association of Condominiums Townhomes and Homeowners' Association (ACTHA) and the Community Association Institute (CAI). Visit www.oakparkrc.com/small-condo.

Ms. Swaggerty continues to maintain her CMCA (Certified Manager of Community Association) and CAM (Certified Association Manager) licenses.

EXHIBIT A

SMALL CONDOMINIUM PROGRAM – FORMAL TRAINING SEMINARS 2020

SEMINAR 1

ASSOCIATIONS AS NON-PROFIT CORPORATIONS

Oak Park Residence Corporation

21 South Blvd., Oak Park, IL 60302

Thursday, January 16, 2020

7:00 pm – 8:30 pm

SEMINAR 2

GOVERNANCE - UNDERSTANDING YOUR GOVERNING DOCUMENTS, RELATED STATUTES, LEGISLATION, AND COMPLIANCE

Oak Park Residence Corporation

21 South Blvd., Oak Park, IL 60302

Thursday, February 20, 2020

7:00 pm – 8:30 pm

SEMINAR 3

ROLES AND FIDUCIARY RESPONSIBILITIES OF THE BOARD

Oak Park Residence Corporation

21 South Blvd., Oak Park, IL 60302

Thursday, March 19, 2020

7:00 pm – 8:30 pm

SEMINAR 4

FINANCIAL RECORD KEEPING

Oak Park Residence Corporation

21 South Blvd., Oak Park, IL 60302

Thursday, April 16, 2020

7:00 pm – 8:30 pm

SEMINAR 5

MEETINGS

Oak Park Residence Corporation

21 South Blvd., Oak Park, IL 60302

Thursday, May 21, 2020

7:00 pm – 8:30 pm

SEMINAR 6

RISK MITIGATION & INSURANCE

Oak Park Residence Corporation
21 South Blvd., Oak Park, IL 60302
Thursday, June 18, 2020
7:00 pm – 8:30 pm

SEMINAR 7

ASSESSMENTS & COLLECTIONS

Oak Park Residence Corporation
21 South Blvd., Oak Park, IL 60302
Thursday, July 16, 2020
7:00 pm - 8:30 pm

SEMINAR 8

RESERVES & RESERVE STUDIES

Oak Park Residence Corporation
21 South Blvd., Oak Park, IL 60302
Thursday, August 20, 2020
7:00 pm - 8:30 pm

SEMINAR 9

CAPITAL IMPROVEMENTS

Oak Park Residence Corporation
21 South Blvd., Oak Park, IL 60302
Thursday, September 17, 2020
7:00 pm - 8:30 pm

SEMINAR 10

ANNUAL BUDGET

Oak Park Residence Corporation
21 South Blvd., Oak Park, IL 60302
Thursday, October 15, 2020
7:00 pm - 8:30 pm

SEMINAR 11

AMENDING GOVERNING DOCUMENTS - DRAFTING RULES & REGULATIONS

Oak Park Residence Corporation
21 South Blvd., Oak Park, IL 60302
Thursday, November 19, 2020
7:00 pm - 8:30 pm

Memo

To: Cara Pavlicek – Village Manager
From: Beth Swaggerty, CAM, and CMCA - Small Condo Management Program Coordinator
Date: 07/28/2019
Re: Small Condo Management Program – Program and Performance Measures

The Small Condo Management Program (SCMP), administered by Oak Park Residence Corporation provides education, training and guidance to small (12 units or less) Oak Park condominium associations which are newly formed or experiencing difficulties in the management of the condominium property. This assistance, underwritten by the Village of Oak Park, is temporary with the ultimate goal of competent, successful self-management by the condominium association.

Under OPRC's current Agreement with the Village of Oak Park, the Small Condo Management Program is committed to working regularly and closely with 4 qualifying Oak Park condominium boards to establish effective self-management. In addition, program staff and resources are available - on an as needed basis - to any qualifying small Oak Park condominium association to address their immediate questions and management concerns. Information and resources for self-managed associations can also be accessed through the Oak Park Residence Corporation's website. Website pages, designated to the Small Condo Management Program, provide current information and articles written by association professionals on relevant issues and changing legislation. These pages also include links to relevant documents such as the Illinois Condominium Property Act and organizations such as ACTHA and CAI.

A key component of the SCMP is the formal training available to all board members and/or owners of Oak Park small condominiums. This formal training; designed and conducted by Beth Swaggerty consists of eleven (11) seminars on specific aspects of association management including basic governance, how to conduct and document board and owner meetings, board fiduciary roles and responsibilities, financial record keeping, regular and special assessments, collections, annual budgets, reserves, capital improvements, risk management, rules and regulations, and conflict management (see exhibit A).

Additionally, Ms. Swaggerty continues to maintain her CAM (Condominium Association Manager), & CMCA (Certified Manager of Condominium Associations) licenses.

Program performance measures include semi-annual reports, detailing the activities within the program, and written annual program evaluations from the participating boards. These reports and evaluations are submitted to the VOP Housing Programs Coordinator. Our latest semi-annual program activity/accomplishment report is included in this funding request for your review.

Memo

To: Jeff Prior
From: Beth Swaggerty, CAM, CMCA, Small Condo Management Program Coordinator
Date: 07/29/2019
Re: Small Condo Management Program – Scope of Work & Program Accomplishments through 06/30/2019

PROGRAM SERVICES

During this reporting period, Program Coordinator, Beth Swaggerty worked closely with five (5) associations to address specific concerns and issues and to reinforce the more formal monthly training offered by the program. A summary of the objectives, activities, and outcomes for each of the five (5) associations can be found starting on page 2 of this report.

Ms. Swaggerty has conducted to date seven (6) of the eleven (11) annual formal training seminars included in the SCMP. In attendance were various board members of the five (5) primary program associations and members from an additional twenty (20) associations listed below.

During this period, Ms. Swaggerty also met in person, by phone, or by email with representatives of the following twenty (20) Oak Park condominium associations regarding issues pertaining to restatement of declaration and bylaws, proper procedure for amending governing documents, hierarchy of state statutes and governing documents, fiduciary responsibilities of the board, change of registered agent, annual reports, open meetings, board vs. owners' meetings, effective record keeping and owners' rights to review association records, rental restrictions, rules and regulations, foreclosure process, disclosure of association information to potential buyers/banks, risk mitigation, reserve accounts, capital improvements, notice requirements, conducting meetings and rules of order.

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- ✓ Park Avenue Manor Condominium Association (10 Units)
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- ✓ 439-441 S. Taylor Condominium Association (10 Units)

Lastly, Ms. Swaggerty has attended five (4) association board meetings YTD to provide guidance in proper parliamentary procedure, clarification of pending issues, and/or to introduce the program to potential participants.

PRIMARY PARTICIPATING ASSOCIATIONS

The 100-104 South Austin Condominium Association (9 Units)

Program Start Date: July 2016

Program End Date: Anticipated December 31, 2019

Association Objectives

Status

- | | |
|---|------------|
| 1. Meet regularly with SCMP coordinator to reinforce formal training and establish and/or review action plans | On-going |
| 2. Establish proper financial recordkeeping and provide membership with regular financial reports | Achieved |
| 3. Achieve and maintain a positive cash flow in operating account | Achieved |
| 4. Establish separate operating and reserve accounts | Achieved |
| 5. Prepare and adopt annual operating budget(s) | Achieved |
| 6. Effective Board Transition | In-process |
| 7. Address deferred maintenance at building | In-process |
| 8. Initiate collections against delinquent owner(s) | In-process |

Association Outcomes

1. Meetings with new board members have been scheduled. One board member has completed several of the formal training seminars.
2. The association now has three (3) full years of detailed financial records. Owner assessment are being raised annually to effectively meet their on-going expenses. Membership is regularly provided with financial reports.
3. Proper record keeping has resulted in a positive cash flow in their operating account.
4. and a separate reserve account has been established and is being contributed to on a monthly basis in accordance with annual budget.
5. Association is working from its duly adopted annual operating budget.
6. New board has been elected.

7. The board established three (3) special assessments to cover the cost of correcting building violations as cited by the Village
8. Collection action has been initiated

Comments: This association is transitioning to a new board this year. Hopefully the new board will benefit from the training and experience the previous board received as participants in the program. One new board member is currently attending the program's monthly formal training seminars.

The George Condominium Association -713 Washington Blvd (6 Units)

Program Start Date: January 2018

Program End Date: Anticipated July 31, 2019

Association Objectives

Status

- | | |
|---|------------|
| 1. Regularly meet with SCMP coordinator to reinforce formal training and establish and/or review action plans | Achieved |
| 2. Board members to attend each of the 12 formal training seminars | In-process |
| 3. Correction of four (4) years of miscalculated and misallocated monthly assessments | Achieved |
| 4. Establish best practices and written protocol for bidding capital projects | Achieved |
| 5. Review of Board Officers' roles and fiduciary responsibilities | Achieved |
| 6. Review of current building insurance policy and risk mitigation | Achieved |
| 7. Review bylaws for needed updates/revisions | In-process |

Association Outcomes

1. Association is now managed through the board rather than by consensus of all owners. Decisions are made and action taken in compliance with the Illinois Condominium Property Act, therefore their liability and risk in their actions has been mitigated.
2. The appropriate allocation of assessments has been implemented and repayment has been made to the owner who was over paying.
3. Property insurance policy now provides appropriate coverage and mitigates risk
4. Reserve study has been contracted

Comments: This association no longer requires one-on-one guidance and SPC personnel will work with them strictly on an as-needed basis.

1103-1107 S Austin Condominium Association (11 Units)

Program Start Date: September 2017

Program End Date: Anticipated December 2019

Association Objectives

Status

- | | |
|---|----------|
| 1. Regularly meet with SCMP coordinator to reinforce formal training and establish and/or review action plans | On-going |
| 2. Attend each of the twelve (12) formal training seminars | On-going |
| 3. Clarification of governing documents regarding:
A. Rentals | Achieved |

B. Annual Elections	Achieved
C. Rules & Regulations – violations & hearings	Achieved
D. Process for amending bylaws	Achieved
4. To understand board officers' duties and roles	On-going
5. To conduct meetings with proper notice, parliamentary procedure, and Proper minutes	On-going

Association Outcomes

1. Board secretary is participating in monthly training seminars
2. Formal Rules & Regulations have been drafted and approved
3. Board meetings are being regularly conducted and minutes are being kept
4. Association has amended bylaws to limit number of rentals

Comments: In formally limiting the number of rentals within the building, the property gains value and is more attractive to potential buyers and their lenders. The board secretary has reported the board is meeting regularly and taking action on a number of issues.

Ridgeland Station Townhome Owners Association

Program Start Date: September 2018

Program End Date: Anticipated October 2019

Association Objectives

Status

- | | |
|---|----------|
| 1. Regularly meet with SCMP coordinator to reinforce formal training and establish and/or review action plans | On-going |
| 2. Understand board officers' duties and roles | Achieved |
| 3. To learn proper notice, parliamentary procedure, voting, and taking minutes for meetings | On-going |
| 4. Hold regular meetings | On-going |

Association Outcomes

1. Training on board duties and roles is completed
2. Board Treasurer has attended seven (7) of the monthly formal training seminars.
3. Treasurer is still struggling to engage other board members and owners in meeting regularly, making it difficult to take action on several pending issues.

Comments: Effective self-management and compliance with governing documents is difficult for this association because of lack of participation and engagement from owners and board members. Essentially, the current board treasurer is managing all aspects of the property.

Brickwood East Condominium Association (4 Units)

Program Start Date: January 2019

Program End Date: Anticipated January 2020

Association Objectives

Status

- | | |
|---|----------|
| 1. Regularly meet with SCMP coordinator to reinforce formal training and establish and/or review action plans | On-going |
| 2. Attend each of the twelve (12) formal training seminars | On-going |
| 3. Clarification of governing documents regarding: | |
| A. Limited Common Elements/Capital Improvements | Achieved |
| B. Insurance Coverage and Risk Mitigation | Achieved |
| C. Waiver of Subrogation | Achieved |
| 4. To conduct meetings with proper notice, parliamentary procedure, and recorded and approved minutes | On-going |
| 5. Conflict Resolution | On-going |

Association Outcomes

1. Entire board has regularly met with SCMP coordinator on various issues and has taken formal action as needed.
2. Board president is participating in monthly training seminars
3. Board has better understanding of governing documents
4. Board is conducting regular meetings with proper notice, following parliamentary procedure, and minutes are taken and approved as official records of the association.
5. Communication among board members is improving

Comments: The board president has indicated that the information and training she has received and related back to the rest of the board has strengthened communication within the board and it has become easier to make decisions and take action in the management of the association.

PROGRAM ENHANCEMENTS

Formal training has become a key component of the program, consisting of twelve (12) power-point training seminars on specific aspects of association management (see exhibit A). Written and designed by Program Coordinator, Beth Swaggerty; these presentations are updated on a regular basis to reflect current legislation and best practices. Many of the seminars include industry professionals as guest presenters. In addition, Ms. Swaggerty utilizes and distributes "Best Practice Guides" on specific areas pertaining to condominium association management. These "Best Practice Guides" are written by various professionals in the field of condominium management and are published by CAI – Community Association Institute. These enhancements have allowed the program to grow from a program of reactive crisis management to one emphasizing proactive training, support, and action.

Ms. Swaggerty also continues to expand and update the program's pages on OPRC's website to include current articles, written by association professionals, on relevant issues and changing legislation. There are also links to relevant documents, events, and organizations - such as the Illinois Condominium Property Act, the Association of Condominiums Townhomes and Homeowners' Association (ACTHA) and the Community Association Institute (CAI). Visit www.oakparkrc.com/small-condo.

Ms. Swaggerty continues to maintain her CMCA (Certified Manager of Community Association) and CAM (Certified Association Manager) licenses.