

THE VILLAGE OF HAWTHORN WOODS
MINUTES OF THE SPECIAL FINANCE COMMITTEE MEETING
June 7, 2016

Meeting was called to order at 5:32 PM. Present were Trustee Kelly Corrigan, Jayne Kosik, Trustee Peter Ponzio, Trustee Steve Riess, and CFO Kristin Kazenas. Also present was Brian Le Fevre of Sikich, LLP.

Ms. Kazenas gave Mr. Le Fevre the floor, and he presented Draft Comprehensive Annual Financial Report and the Draft Auditor's Communication to the Board of Trustees. Mr. Le Fevre stated that while the audit was 30 days later than originally anticipated because of a new GASB 68 requirement that was waiting for IMRF, no deadlines were actually missed and we were in compliance. He also stated that Hawthorn Woods remains with an elite group of municipalities regarding an unqualified opinion on their Comprehensive Annual Financial Report. Mr. Le Fevre went on to explain that several items were now added to our audit because of GASB requirements. These included the reclassification of sewer fund from a special revenue fund to an enterprise fund and additional disclosures for the police pension fund. There was a general discussion of the pension fund including changes in actuarial assumptions. There were no questions or concerns regarding the audit or Mr. Le Fevre's presentation, and he departed the meeting at 6:02 PM.

A motion was made by Ms. Corrigan and seconded by Mr. Ponzio to approve the minutes from the April 11th Finance committee. On a roll call vote, that motion carried unanimously.

Ms. Kazenas gave a presentation regarding the April 2016 and May 2016 Financial Statements, stating that IMRF rates will be trending up. She also suggested bringing forward to the committee and the Village Board the appropriate level of fund balance in the Reserve Fund, the Capital Improvement Fund, and the Community Development fund.

A motion was made by Ms. Corrigan and seconded by Mr. Riess to approve the Financial Statements for March 2016. On a roll call vote, that motion carried unanimously.

A motion was made by Mr. Riess and seconded by Ms. Kosik to approve the Financial Statements for April 2016. On a roll call vote, that motion carried unanimously.

A motion was made by Ms. Kosik and seconded by Ms. Corrigan to Recommend Acceptance of the Draft Comprehensive Annual Financial Report as of December 31, 2015. On a roll call vote, that motion carried unanimously.

A motion was made by Mr. Riess, seconded by Ms. Corrigan to Recommend Acceptance of the Auditor's Communication to the Board of Trustees as of December 31, 2015. On a roll call vote, that motion carried unanimously.

A discussion was held regarding Water and Sewer Connection Fees. Ms. Kazenas reported that we were in discussion regarding Forest Lake connection fees and recapture agreements with Kildeer / Orleans / Pirtano. Staff did a 10 community analysis to determine what a competitive rate / pricing should be. After discussion of the survey, the committee determined that additional analysis was necessary to determine an appropriate connection fee. The committee suggested that staff contact Christopher Burke Engineering to assist with the analysis. A motion was made by Mr. Ponzio, seconded by Ms.

Corrigan to table the discussion regarding the adoption of an Ordinance Amending the Village Code of the Village of Hawthorn Woods—Title 4, Section 4-5-1—Water and Sewer Connection Fees. On a roll call vote, that motion carried unanimously.

Ms. Kazenas indicated that we had received our first property tax disbursement from Lake County in May, and that we now have the capital to make the current payment associated with SSA4. She also stated that SSA4 was now callable without penalty.

There being no further business to discuss, a motion was made by Ms. Corrigan and seconded by Ms. Kosik to adjourn, and that motion carried. Meeting was adjourned at 7:14 PM.

Ann J. Donaghy
7/11/16