

THE VILLAGE OF HAWTHORN WOODS
MINUTES OF THE FINANCE COMMITTEE MEETING
June 19, 2017

Meeting was called to order at 5:50 PM by Trustee Kosik. Present were Trustee Corrigan, Trustee Kosik, Trustee Riess, and Surinderpal Singh Kalra. Also present was CFO Kristin Kazenas.

Motion was made to approve the minutes as published by Trustee Corrigan, seconded by Mr. Kalra. CFO Kazenas indicated a change was required to insert Finance Specialist Danette Russell's title and name. Roll call vote, motion carried unanimously.

CFO Kazenas Provided the CFO report, stating that she had expected public to be in attendance of finance because of Aqua increase, but thought the Board's passing of resolution in objection to the proposed Aqua rate increase might have diffused that. She invited everyone to use the formal legislative comment mechanism and encourage our friends to do the same. CFO Kazenas stated that Trustee Ponzio would be recognized at the June 26, 2017 Village Board meeting and he had invited Finance and others to a late Holiday party on July 15th. CFO Kazenas requested that we move the July meeting to July 17th @ 6 PM and there was a consensus that would work for everyone just fine.

Motion made to approve April 2017 Financial Statements by Trustee Riess, seconded by Trustee Corrigan. There being no further discussion, a roll call vote was taken and passed unanimously.

Motion made by Trustee Corrigan and seconded by Trustee Kosik to approve the May 2017 financial statements. CFO Kazenas reviewed statements and reminded the committee that May was the lowest cash balance point because we are waiting for June Real Estate tax deposits. Expenses were trending as expected except Legal because of ongoing issues and Technology because of recent purchase of 200 support hours. CFO Kazenas stated that the audit was mostly complete and that Audit Partner Brian Lefevre from Sikich would be presenting to the Village Board at the June 26, 2017 meeting. A discussion was held regarding the remaining CN funds, and CFO Kazenas indicated she would follow up with the Village's Consulting Engineer, Lee Fell. There being no further discussion, a roll call vote was taken and passed unanimously.

Motion was made by Ms. Corrigan and seconded by Ms. Kosik to approve the Treasurer's report as published. CFO Kazenas discussed where we will publish this year's announcement after the audit and it was agreed we would utilize the Lake County Chronicle. A discussion was held regarding our long term debt and how the bond at the Aquatic center and pension liabilities must now be shown. There being no further discussion, a roll call vote was taken and passed unanimously.

A motion was made by Trustee Kosik and seconded by Trustee Riess to approve the financing plan for the repair of the Darlington Road choker. It has been closed since May 26, 2017 and may remain closed for 6-9 months while we're waiting for Army Corps of Engineers permits and construction repairs. A discussion was held on alternative plans to finance these repairs. A consensus was reached regarding the PW truck request to finance as a lease. A consensus was also reached on the software purchase to finance it the same way and defer until 1Q -2018. Remaining dollars would be allocated from the Road portion of the CIP, which created the \$259K balance required. There being no further discussion, a roll call vote was taken and passed unanimously.

A motion was made by Ms. Corrigan and seconded by Mr. Kalra to approve the budget transfers. CFO Kazenas outlined that this was a result of the changes to the pricing of permits that had occurred in May

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and would move those line items from each of the individual accounts into one line item. There being no further discussion, a roll call vote was taken and passed unanimously.

A motion was made by Mr. Riess and Seconded by Ms. Kosik to change the number of Finance committee members from 7 down to 5. A discussion was held regarding the need for transparency and the desire to have several resident members rather and a Trustee majority on the committee. There being no further discussion, a roll call vote was taken and rejected unanimously.

A discussion was held under Old Business regarding the possible upcoming bond referendum and what needed to be accomplished. CFO Kazenas outlined how we need to find 20 HW residents to participate, and outlined what the possible agendas would be at each of the 3 bond committee meetings. CFO Kazenas reminded everyone that the committee members must be HW residents and must be registered voters. Trustee Corrigan commented that LZSD95 would be seeking a bond referendum at the same time, and a discussion was held regarding the possible impact of that.

A discussion was held regarding SSA4, and CFO Kazenas outlined the conference call she had with the bond holders and possible response to their requests. A consensus was reached that CFO Kazenas should reach out again to Village Attorney Patrick Brankin again and seek his counsel.

There being no further discussion, a motion was made to adjourn by Trustee Riess, seconded Trustee Corrigan and on a voice acclamation the meeting was adjourned at 8:04 PM

A handwritten signature in blue ink, appearing to read "Jaym Kosik". The signature is written in a cursive, flowing style.