

THE VILLAGE OF HAWTHORN WOODS
MINUTES - FINANCE COMMITTEE MEETING
2 LAGOON DRIVE, HAWTHORN WOODS, IL 60047
March 14, 2022
6:00 P.M. – Via Zoom Teleconference

- I. Meeting was called to order at 6:05 PM by Chairperson Jayne Kosik. Members present were Trustee Jodi McCarthy, Kurt Kolseth, Trustee Cathy Bayer, and Anne Hurst. Surinderpal Kalra and Trustee Steve Riess were absent. Also in attendance was CFO Katreina York, COO Pam Newton, Chris Heinen, Director of Community Development, Danette Russell, Finance Manager, and Emily Shaw, NIU graduate student.
- II. Chairperson Kosik asked if there were any members of the public in attendance who wished to address the Committee. There were no members of the public present. Email and Zoom were monitored throughout the meeting.
- III. A motion was made to approve the minutes from the February 15, 2022 meeting by Trustee Jodi McCarthy, seconded by Chairperson Jayne Kosik, and on a roll call vote that motion carried unanimously. Trustee Cathy Bayer and Anne Hurst abstained from the vote.
- IV. Chief Financial Officer York provided her CFO report for January and February 2022. She noted that she has been working on the 2021 audit. She also provided an update on the road referendum as did COO Pam Newton. The referendum question will be on the ballot in June 2022 with regard to funding road repairs and maintenance of roads. A new recreation specialist for the Aquatics Center was hired.
- V. **New Business**
 - A. A motion to recommend approval of the food and beverage tax was made by Trustee Jodi McCarthy and seconded by Anne Hurst. Chris Heinen, Community Development Director, discussed the proposal regarding establishing a food and beverage tax in the Village. Mr. Heinen described how the tax works noting that the retailer collects the tax and remits it to the Village. Tax returns are prepared by the retailer and submitted to the Village with payment. Mr. Heinen indicated that surrounding municipalities are charging a 1% rate. The Committee asked Mr. Heinen questions regarding types of retailers and rate ranges. With a roll call vote, the motion carried unanimously. The Committee recommended that the minimum rate should be 1% and the Board should have further discussion on the rate.
 - B. The Village has enlisted the assistance of Northern Illinois University Masters of Public Administration students to provide a detailed analysis on the functionality of the Aquatic Center as a Village asset and present options to the Village for the facility or the land as part of a Capstone project. Emily Shaw, a member of the project team, outlined the scope of the project to the Committee. They will help to identify potential areas for improvement with the current revenue resources, prepare projections, as well as recommend a course of action based on the current financial information and research findings. The team will present the report at a future Finance meeting.

C. A motion to recommend approval of the January 2022 Financial Statements was made by Trustee Cathy Bayer and seconded by Kurt Kolseth. Revenue is 8.67% collected and expenses were 9.2% spent. Expenses were higher due to the timing of the payment of liability insurance in 2022. State income tax revenue (LGDF) continues to trend higher compared to 2021 due to taxes on unemployment and increased consumer spending due to fewer Covid restrictions. With a roll call vote, the motion carried unanimously.

Old Business

- VI. A. There was no update on SSA 4 debt.

- VII. With no further business to discuss, a motion was made by Anne Hurst and seconded by Kurt Kolseth to adjourn the meeting at 7:37 pm. The motion carried by unanimous voice acclamation.