

THE VILLAGE OF HAWTHORN WOODS
MINUTUES OF THE FINANCE COMMITTEE MEETING
September 8, 2015

I. Meeting was called to order by Chairman Ponzio at 5:33 pm. Members present were, Trustee Kelly Corrigan, Jayne Kosik, and Surinderpal Kalra. Also present was Chief Financial Officer Kristin Kazenas and Courtney Soesbe of PMA Financial Network, Inc. Trustee Steve Reiss and Chuck Schulte were absent.

II. No public present at the meeting

III. The chairman requested a change in the agenda to move item V(a) to item #3. Motion to move was made by Kelly Corrigan and seconded by Jayne Kosik. With a roll call vote, the motion carried unanimously.

V(a) Courtney Soesbe gave a presentation on Cash flow Management/Fixed Rate Investing with PMA Financial Network. Due to the Village's reserve balances we have an opportunity for investing beyond money market accounts.

IV. The chairman requested a change in the agenda to move item V(b) & V(c) to item #4. Motion to move was made by Jayne Kosik and seconded by Peter Ponzio. With a roll call vote, the motion carried unanimously.

V(b). A motion was made by Jayne Kosik and seconded by Peter Ponzio. Discussion: It has been 5 years since we last passed this resolution. We are updating for ease of banking & audit requirements and will plan to update the ordinance every 2 years. With a roll call vote, the motion carried unanimously.

V(c). A motion was made by Kelly Corrigan and seconded by Surinderpal Kalra. Discussion: In this market environment 110% collateralization is greater than industry norm. Inland Bank is charging a fee for the higher than market industry of 102%. GFOA recommends 102% collateralization. This is the only change requested in the investment policy. With a roll call vote, the motion carried unanimously.

III. Motion to approve the minutes from the July 14, 2015 meeting was made by Surinderpal Kalra and seconded by Jayne Kosik. With a roll call vote, the motion carried unanimously.

IV. CFO Kazenas presented her report.

V. New Business

D. A motion was made by Kelly Corrigan seconded by Jayne Kosik. Discussion: Legal counsel has reviewed and concurred that we adopt the ordinance to be compliant with state statues. With a roll call vote, the motion carried unanimously.

- E. Chairman Ponzio requested this item be tabled until the November 16, 2015 Finance Committee meeting. A motion was made by Kelly Corrigan seconded by Surinderpal Kalra. With a roll call vote, the motion carried unanimously.
- F. A motion was made by Kelly Corrigan and seconded by Peter Ponzio. Discussion: Changing all multifunction machines to Konica will improve efficiency and decrease costs. We will now be able to print & copy architect plans in house with the wide format printing and scan directly to laser fiche. Lease is 0% interest and includes unlimited service and all consumables (excluding paper). With a roll call vote, the motion carried unanimously.
- G. A motion was made by Kelly Corrigan and seconded by Surinderpal Kalra. No discussion. With a roll call vote, the motion carried unanimously.
- H. A motion was made by Jayne Kosik and seconded by Peter Ponzio. Discussion: Decrease in Telecom taxes due to AT&T litigation settlement resulting in refunds from previously collected taxes as well as a growing decrease in land lines. Therefore executive management will not be filling the Administrative Assistance position as budgeted. With a roll call vote, the motion carried unanimously.
- I. A motion was made by Kelly Corrigan and seconded by Peter Ponzio. Discussion: Auditors recommend using a new account to reflect the sales tax received from the IGA with Lake Zurich regarding the Mariano's plaza since the Village of Hawthorn Woods is not receiving the sales tax at point of sale. The income is a result of a revenue sharing IGA. The transfer is to reflect the clarified reporting. With a roll call vote, the motion carried unanimously.
- J. A motion was made by Jayne Kosik and seconded by Peter Ponzio. Discussion: Budget amendment to show the workers compensation policy grant for safety income received and offsetting expenses. Net zero effect on budget. With a roll call vote, the motion carried unanimously.
- K. No action

VI. Old Business

- A. No action – discussion: Road update – increase in resident inquiry/complaints about the status of road repairs & maintenance. Pavement management study is now 4 years old and it planned for \$1.2 million/year of repairs & maintenance. Funding Source – With a shortage of funding and no options for increased revenues due to non-home rule community concept financing options were discussed. (1) Levy - to finance roads at the same rate to all residents plus MFT revenue would equal an estimated \$1 million in revenue. Close to the amount noted per the Pavement Management Study. (2) G.O. Bonds – debt service would also pay off SSA road bonds keeping it as \$0.22/\$1,000 EAV. Current SSA has differing rates and isn't the best way to fund a road program. SSA1

\$0.24/\$1,000 EAV, SSA2 \$0.16/\$1,000 EAV. Goal is to give an updated report on discussions and research to the Board at the November 2015 meeting.

- B. No action – discussion: There has been a \$25,000 payment toward delinquent taxes by one parcel owner.

VII. Adjournment

With no further business to discuss, a motion was made by Kelly Corrigan and seconded by Surinderpal Kalra, to adjourn the meeting at 7:26 pm. The motion carried by unanimous voice acclamation.

Respectfully submitted by: Kelly Corrigan



11/16/15