

Southwest Home Equity Assurance Program
BOARD MEETING MINUTES
August 14, 2023

CALL TO ORDER

Chairman Koczvara immediately began the meeting at 6:30 pm. He asked Commissioner Tully to take roll call.

COMMISSIONERS IN ATTENDANCE

Chris Koczvara
John Kurtovich
Ray Nice
John Tully

ALSO PRESENT

Dominic DeLeo, Neil Renzi & Associates
Elsa Bekele, CPA
Victoria Gaspar-Brennan, Executive Director

GUEST SPEAKER

Mr. Dominic DeLeo from Neil Renzi & Associates presented on the annual Home Comparison Study. Mr. DeLeo explained that home prices continued to rise moderately in 2022 compared to the drastic increase in 2021. He added that last year sale prices were at a reasonable pace.

He continued to say that the inflation seen in early 2022 peaked mid 2022 which caused a raise in rates. These gains tempered home appreciation nationwide. The in-district prices are still above nationwide and about 50% above the 2006 peak. A discussion ensued on rising interest rates and the trajectory of mortgage rates in the future. Chairman Koczwarra mentioned that for SWEAP's purpose, the study still suggests 100% payout and no changes. Mr. DeLeo mentioned 2023 data to show that a modest decline could happen, but that the southwest side still remains affordable. He asked the Board if they had any questions. Mrs. Gaspar-Brennan mentioned some data that she found interesting for the neighborhoods in the district. A conversation ensued about the changes within the district in different neighborhoods and interest rates. Mr. DeLeo concluded that average home prices are still above 2006. Commissioner Nice made a motion to accept the report and keep the current payout at 100%. Commissioner Tully second the motion. All in favor voted "Aye". The Board approved to keep the 100% payout based on the study. The Board thanked Mr. DeLeo for his time and the presentation.

APPROVAL OF MINUTES

Chairman Koczwarra asked for a motion to approve the minutes of June 12th. Vice Chairman Kurtovich made a motion to accept the minutes presented from June 12th. Commissioner Tully second the motion. All in favor voted "Aye". The minutes of June 12th passed unanimously.

FINANCIAL REPORT

Chairman Koczwarra called on Commissioner Nice to introduce the Financial Report. Commissioner Nice deferred to Mrs. Bekele. Mrs. Bekele began by reviewing the profit and loss statement. She noted that the program has not received taxes from the County. She also highlighted that there is little activity because it is the first month of the fiscal year. She reviewed the total revenue and expenses and highlighted the repair and maintenance line item. She also suggested that program expenses were higher because people are continuing to take advantage of the \$25 discount and the new rates for the home improvement loan program. She did note that some line items did not have anything attached because they will be charged later in the fiscal year. Once she concluded, she asked the Board if they had any questions. Seeing that there were none, she moved onto the balance sheet. Mrs. Bekele provided the Board with a summary on the treasury bills, liabilities, and accrual of Marquette Bank invoices. She also informed the Board of the due to other government line item. Seeing that there were not any questions, Chairman Koczwarra asked for a motion to accept. Vice Chairman Kurtovich made a motion accept the financial report as presented. Commissioner Tully second the motion. All in favor voted "Aye" and the financial report was accepted.

CHAIRMAN TIME

During Chairman Time, it was mentioned that Marquette Bank was having a golf scholarship outing. Mrs. Gaspar-Brennan mentioned that last year's donation was \$1000. She suggested to donate the same amount and if not, in another form of contribution. She also informed the Board that their contribution also promoted the SWHEAP program. Commissioner Tully agreed that SWHEAP should give the same donation as last year to be a good partner. Commissioner Nice made a motion to contribute \$1000 as well because Marquette Bank is a great partner, and it is well invested. Commissioner Tully second the motion. All in favor voted "Aye". The Board approved the contribution of \$1000. It passed unanimously.

EXECUTIVE DIRECTOR'S REPORT

Mrs. Gaspar-Brennan began her report by highlighting updates such as: no pending claims, year-to-date memberships, overall active membership, open loans, and home improvement loan data. She also updated the Board on a member's before and after pictures that were used on social media. Mrs. Gaspar-Brennan informed the Board of the marketing design for this year as well as provided a recap of events that she attended. Events included Vittum Park Civic League meeting, quarterly SWHEAP Bank meeting, GSDC Homebuyer Workshop, LISC event and a homeownership preservation workshop. She concluded her report by updating the Board on the landscape that was also completed.

NEW BUSINESS

Under New Business, Mrs. Gaspar-Brennan mentioned commissioner recruitment and where the program stands. Names were submitted 3 years ago and SWHEAP is still waiting on approval. A conversation ensued about criteria, the questionnaire and the commissioner sponsorship must be from a community organization.

Subsequently, Mrs. Gaspar-Brennan requested legal consultation regarding Home Improvement loan applicants who do not comply with the required home inspection. While, it is not frequent, she wanted to begin exploring SWHEAP's options. The Board chose to hold off on consultation until a case emerges. Mrs. Gaspar-Brennan agreed.

ADJOURNMENT

Commissioner Nice made a motion to adjourn. Commissioner Kurtovich second the motion. The meeting of August 14th was adjourned.