

Southwest Home Equity Assurance Program

BOARD MEETING MINUTES

May 11th, 2020

6:30 pm

CALL TO ORDER

Chairman Nice thanked everyone for calling in to the meeting. He then asked Commissioner Tully to take roll call.

COMMISSIONERS IN ATTENDANCE:

Ray Nice
John Kurtovich
Chris Koczwara
John Tully

ALSO PRESENT:

Victoria M. Gaspar, Executive Director
Elsa Bekele, CPA

APPROVAL OF MINUTES

Chairman Nice introduced the approval of minutes for the December meeting and February meeting. First, the Commissioners reviewed the December meeting minutes. Vice Chairman Kurtovich motioned to approve the minutes, Commissioner Koczwara second the motion. Chairman Nice then called for the approval of the February meeting minutes. Commissioner motioned to approve, Chairman Nice second the motion. All in favor voted aye to approve both minutes.

FINANCIAL REPORT

Following the agenda, Chairman Nice introduced Commissioner Koczwara to introduce the financial report. Commissioner Koczwara deferred to Mrs. Elsa Bekele. Mrs. Bekele began by mentioning that a discussion needed to be made regarding any initiatives planned for the next fiscal year. She continued to explain that the budget drafted was based on the previous year except for the following items: an increase in interest by 20,000 and modified audit fees, based on the engagement letter received. Chairman Nice had a few questions about the operating budget. Mrs. Bekele explained that a discussion needed to be made for what we envision for 2021 programs in which case the numbers may change. Mrs. Bekele said that we will discuss this as we continue the next budget. As Mrs. Bekele reviewed the financial report, Vice Chairman Kurtovich noted that for the most part everything is the same, but that auditing fees were higher than last year. Mrs. Bekele also provided the Board with insight that we were ahead of budget because of our investment treasury bills. Mrs. Bekele continued her report by explaining the expense side and our alignment in the year-to-date budget. There was a variance because of payroll and timing but as time goes on, we will be in line. Overall, the year-to-date budget was favorable. There was a brief conversation surrounding when to vote for the budget. Mrs. Bekele continued to explain that any program introduced will modify the budget and therefore get approved next month. Vice Chairman Kurtovich made a motion to approve the financial report and it was second by Commissioner Tully. All in favor voted aye. Mrs. Bekele concluded her report by discussing the budget draft and talking about potential modifications. Commissioner Koczwara mentioned that salary raises would change the budget. Chairman Nice agreed and also added that so would health care plans and informed the Board of an employee wanting to put her husband on her insurance temporarily. He also explained that a policy regarding other employees and their dependents is needed. Those items would effect the new budget.

Ms. Gaspar mentioned that the new healthcare plan rates came in and that she would send them over to the Board, so the Board can decide what the appropriate measure would be. Chairman Nice asked the Board if they agree that employee dependents should be able to get covered somehow under the employees' health insurance. Commissioner Tully asked if this is the first time it ever came up. Mrs. Bekele explained that in the past an employee's daughter was covered 100% but expenses were very minimal. Vice Chairman Kurtovich wanted more information before deciding this. Commissioner Koczwara said he was okay with having children and spouses somewhat covered. Vice Chairman Nice insisted that SWHEAP have a policy, but the employee would have to bear more of the cost. Commissioner Tully agreed and said that it happens everywhere and in particular city employees are having to pick up more of the cost. And that it really comes down to the dollars involved. Mrs. Bekele reminded the Board of administrative costs and the need to spend more on program-related expenses. Vice Chairman

Kurtovich also reminded the Board of the audit report that indicated administrative costs were high and cautioned the Board on that. Chairman Nice agreed and said that the ratio point was well taken and will come into play when we continue to discuss the healthcare plans. Mrs. Bekele agreed and reiterated that the Board can adjust the budget for new initiatives/programs to implement or for home improvement loan subsidies.

CHAIRMAN REPORT

Chairman Nice began his report by informing the Board of NHS' "Thank You" letter received. He asked Mrs. Gaspar about the event. He continued his report by introducing the next nomination of officers. He deferred to Commissioner Koczwarra to handle that for the next meeting. Chairman Nice informed the Board that he would be stepping down from the Chairmanship position, but would continue to serve on the Board. There was a brief conversation regarding the terms of Commissioners. Chairman Nice concluded his report by complimenting Ms. Gaspar under these trying circumstances.

EXECUTIVE DIRECTOR'S REPORT

Ms. Gaspar thanked the Commissioners for their availability to be on call under the current circumstances. She updated the Board on SWHEAP claims, claim payments, new members, pending claims, new inquiries and current system in place with respect to teleporting. Ms. Gaspar also informed the Board that she spoke to the roof contractor regarding the timeline to begin the replacement of the roof. She explained that she is waiting back to hear from him. Ms. Gaspar also informed the Board that she would need approval to print out new home improvement loan brochures and the new mailing for this year. The Commissioners agreed that that would be tabled for a vote at the next meeting in June. Continuing on her report, Ms. Gaspar informed the Board her original plan to host open houses this year for real estate agents/brokers, residents and members. However, given the pandemic circumstance, she explained how those events would go virtual instead as a webinar. Ms. Bekele asked Ms. Gaspar if the mailing she was referring to would be out this year or next. Ms. Gaspar assured Mrs. Bekele it would be for this year. Chairman Kurtovich asked Mrs. Bekele and Ms. Gaspar if costs were budgeted. Both said it was already budgeted. Chairman Kurtovich also asked Ms. Gaspar for breakdowns in writing for expenditures before the next meeting. Ms. Gaspar said she will have that for the Board the following day. Chairman Kurtovich explained that he wanted to review them in writing before a vote. Ms. Gaspar agreed with the request. Ms. Gaspar continued her report by informing the Board of potential guest speakers for June 8th. She explained that she spoke with SWHEAP's Board of Review, Mr. Neil Renzi and that he could be available by zoom. Additionally, Ms. Gaspar conveyed to the Board on why she thought the Board should hear out Mr. Jim Wheaton from the Chicago Community Land Trust regarding the City's new program called the Affordable Housing Homeownership Program. She explained to the Board that while her and the Board briefly spoke about this before, the Board does not have to decide on involvement but that it is rather important to hear about the City's new program. Chairman Nice suggested we have Mr. Wheaton speak at the August meeting since June 8th had a plethora of items already set on the agenda.

OLD BUSINESS

Mrs. Gaspar informed the Board that any collaborations with Greater Southwest Development Corporation (GSDC), Back of the Yards Neighborhood Council (BYNC) and Garfield Ridge Chamber of Commerce (GRCC) are put on hold as of right now. She continued to speak about the health care plans and that the new healthcare plan rates came out earlier this week. Ms. Gaspar explained that should would compile a document for Commissioners to see a comparison of the old and new rates. Chairman Nice asked how much employees pay for healthcare plans. He also noted that unless something transpires, he would be in the office as long as we social distance. Vice Chairman Kurtovich also said he would be in June 8th unless the Governor says otherwise and as we continue to stick to the guidelines for all state offices. But, that we will wait and see.

NEW BUSINESS

Under New Business, Ms. Gaspar informed the Board how she was taking steps in addressing COVID-19 safety preparedness in the office. She explained the initiative of virtual webinars, teleporting and the skeletal schedule in place. She also spoke with the legal counsel regarding hold harmless waivers for their partners when servicing a member's home. Ms. Gaspar also explained the need of purchasing masks and gloves for employees. She cited a webinar provided by UNUM (their disability insurance) that offered tips and guidance on return-to-work accommodations that are in compliance with the Equal Employment Opportunity Commission (EEOC). If the Board had further questions, Ms. Gaspar would email the links to the resources. She left the Board with tips provided from UNUM's webinar: Covid-19 is a direct threat for those high risk, the recommendation for having conversations with employees regarding their health and safety, practicing social distancing using tape markers & barriers, providing masks and gloves, working in isolated locations, allowing employees to work different hours and to teleport. Ms. Gaspar explained that she is taking those precautions into account.

ADJOURNMENT

Chairman nice thanked everyone again and asked for a motion to adjourn. Commissioner Koczwarra motioned for adjournment and it was second by Chairman Nice. All voted aye. The meeting was adjourned at 7:23 pm.