

Southwest Home Equity Assurance Program
BOARD MEETING MINUTES
October 17, 2022

CALL TO ORDER

Chairman Kurtovich called the meeting to order at 7:00 P.M. and asked Commissioner Tully to take roll call.

COMMISSIONERS IN ATTENDANCE

John Kurtovich
Chris Koczwar
Ray Nice
John Tully

ALSO PRESENT

Elsa Bekele, CPA
Victoria Gaspar-Brennan, ED

APPROVAL OF MINUTES

Chairman Kurtovich introduced the minutes of August 15th. He asked the Board if there were any questions or changes that needed to be made. Seeing that there were none, Chairman Kurtovich asked for a motion to accept the minutes. Commissioner Nice made a motion to accept the minutes as presented. Commissioner Tully second the motion. The minutes of August 15th were approved.

FINANCIAL REPORT

Chairman Kurtovich asked Commissioner Nice to present the Financial Report. Commissioner Nice deferred to Mrs. Bekele. Mrs. Bekele began with the profit-and-loss statement. She reviewed the activity for the first quarter and informed the Board about a few highlights. She noted that registration was higher than budgeted mainly due to the on-going promotion. Lastly, she compared the total revenue to expenses and asked if the Board had any questions. Seeing that there were none, Mrs. Bekele began to review the balance sheet. One of the highlights, Mrs. Bekele noted was the total savings and treasury bills. Once she concluded the balance sheet and seeing that there were not any questions, Vice Chairman Koczvara motioned to accept the financial report as presented. Commissioner Tully second the motion. The Board accepted the financial report. Mrs. Bekele also informed the Board of the Audit start date.

CHAIRMAN TIME

Chairman Kurtovich introduced Chairman Time. He informed the Board that the office had received “Thank You” letters from two organizations. The first letter was sent from the Commander of the 8th district thanking SWHEAP for donating to “National Night Out.” The second letter was from Marquette Bank thanking SWHEAP for donating to their college scholarship fund.

EXECUTIVE DIRECTORS REPORT

Ms. Gaspar-Brennan began her Executive Director’s report by reviewing updates regarding registrations, open home improvement loans and the current standing of payouts. She also provided an update on the marketing piece and informed the Board that brochures will be mailed to about 53, 000 households in the district. She informed the Board that SWHEAP ended the month with 8 new memberships. She highlighted that March was the highest number of registrations created with a total of 28 for the month. Mrs. Gaspar-Brennan continued with her report by stating that SWHEAP had garnered 129 memberships this year and had 174 open home improvement loans. She also informed the Board that SWHEAP will be hosting a banking meeting the following Monday with representatives from Marquette and Hoyne Bank. This was meant to review and strengthen internal processes for the home improvement loan program and ensure the procedure is in order. She also informed the Board that SWHEAP had one person complete the paperwork for the “Intent to Sell.” The Board had some questions about the process and the potential claim. Mrs. Gaspar-Brennan explained that the member filed the paperwork, but the program would have to see what their current value is before proceeding with any potential claim. Mrs. Gaspar-Brennan also notified the Board about a new internal administrative procedure to address new member appraisal disputes. She explained that members must provide appraisal disputes within a certain time frame that still allows them to comply with arbitration, outlined in the state statute. She explained that there is now a document in which a member signs, if they are dissatisfied with the value of their appraisal. She explains that this process

accommodates members' concerns and protects the program. Following next, Mrs. Gaspar-Brennan spoke about the marketing piece for this year. She passed around a draft of the postcard that would be mailed out to the entire district. She said that the postcard was being printed now and that costs for the mailer this year were less in comparison to previous years. Mrs. Gaspar-Brennan concluded her report with a recap of events and upcoming events. She attended GSDC's Homebuyer Event in August and Kelly High school Back-to-School event that same month. She also attended the Spanish Coalition Housing network event in September and spoke at the Southwest Realty Board meeting too. Some upcoming events included a banking meeting in October and a Homeownership event sponsored by Chase Lending Services in November. She asked the Board if they had any questions. Seeing that there were none, the Board moved onto the next item on the agenda.

OLD BUSINESS

Mrs. Bekele informed the Board that Treasury Direct was halting action on state and local securities until November 29. She explained that changing the management of Treasury Bills will require a lot of paperwork and therefore should be explored extensively. Mrs. Gaspar-Brennan also shared her concerns of transitioning from Chase to Treasury Direct. She explained that the process may conflict with internal controls for future audits. She explained that when SWHEAP invests with Chase, there is a set process that requires authorization from other Chase affiliates. The additional eyes required for approval are a great security protocol. Mrs. Bekele thanked Mrs. Gaspar-Brennan for sharing her thoughts and agreed. She explained that in the past, one person handles Treasury Direct while at Chase, multiple people are needed to approve a transaction. Chairman Kurtovich thanked Mrs. Bekele and Mrs. Gaspar-Brennan for their opinion and said that the Board did not have to decide anything right away. He said that the Board can always resume conversation in the future.

NEW BUSINESS

Mrs. Gaspar-Brennan provided a summary of the New Member-Promotion that is set to expire at the end of the 2022 calendar year. The promotion garnered 136 additional new members throughout the 2-year period. The program spent an additional \$13,600 more for the promotion. Overall, she explained that it was successful. She received favorable feedback from community partners and new members. She concluded that it encouraged memberships, and it was a great opportunity for the program to give back to the community and its homeowners as well. She asked the Board what they thought about extending it or replacing it with another promotion for next year. The Board brainstormed some ideas and a brief discussion ensued. Subsequently, Mrs. Gaspar-Brennan asked the Board about asking members, who used our home improvement loan program, to write a testimonial. She explained that the "word-of-mouth" is powerful and that if we could encourage members and users of the home improvement loan program to write testimonials, then it would be more enticing for eligible applicants. Mrs. Gaspar-Brennan mentioned another idea to the Board and that was the possibility of a referral program. A brief discussion ensued, and it was tabled for a later time. Next, Mrs. Gaspar-Brennan asked the Board for approval to purchase marketing items like reusable bags with the SWHEAP logo. She explained that they were extremely useful to distribute at community events and speaking presentations. She explained that many people liked them. The last time, a huge bulk was purchased was in 2019 for 1200 bags. However, that bulk lasted longer than normal because of

covid in 2020, when in-person events halted. Mrs. Gaspar-Brennan provided the Board with options that included quantity and price. Commissioner Nice made a motion to purchase 2500 bags. Chairman Kurtovich second the motion. The Board approved the purchase of 2500 promotional bags. Mrs. Gaspar-Brennan thanked the Board for their approval. Lastly, Mrs. Gaspar-Brennan informed the Board of additional safety measures at the building like additional cameras on the 65th street side and installing a buzzer for the office door. A brief discussion ensued but no action was taken. Mrs. Gaspar-Brennan informed the Board about a member who had asked about the claims process. Finally, she explained to the Board that she requested an estimate on the tuckpointing of the façade that was missed in the repair last year. The Board decided to revisit that estimate next year when the weather is cooperative.

ADJOURNMENT

Chairman Kurtovich announced that the next Board meeting would be December 13. He asked for a motion to adjourn. Commissioner Nice made a motion to adjourn, and it was second by Vice Chairman Koczwar.