

Southwest Home Equity Assurance Program
BOARD MEETING MINUTES
February 10, 2020

CALL TO ORDER:

Chairman Nice began the meeting at 6:34 pm. Commissioner Tully was absent and therefore Chairman Nice asked Vice Chairman Kurtovich to take roll call.

COMMISSIONERS IN ATTENDANCE:

Ray Nice
John Kurtovich
Chris Koczwar

COMMISSIONERS ABSENT:

John Tully

ALSO PRESENT:

Elsa Bekele, CPA
Victoria Gaspar, Executive Director

APPROVAL OF MINUTES:

Given that there was not a quorum, minutes could not be approved. The minutes were tabled for the next meeting.

TREASURER'S REPORT

Commissioner Koczvara introduced the Treasurer's report and deferred to Mrs. Bekele to review the financials. Mrs. Bekele explained how certain line items were favorable. She gave an example by explaining that the utility fees were favorable because of the good weather we've had. She also explained how SWHEAP has had a savings from non-incurring expenses with legal fees and Neil Renzi appraisal reviews. Chairman Nice pointed out the reduction in claims being filed. In fiscal year 2019-2020, SWHEAP saw 6 claims while the previous year, SWHEAP ended with a total of 23 claims. A discussion emerged among the Board as to why the trend was occurring: property values going up, homeowners aren't selling, it's a seller's market and low inventory.

CHAIRMAN REPORT

Chairman Nice noted that he had nothing to report and continued to the Executive Director's report.

EXECUTIVE DIRECTOR'S REPORT

Ms. Gaspar began her report with the general updates of the program: 1 pending claim, 126 paid claims and current registration at 2,928. She also informed the Board of the upcoming NHS event on March 4th that SWHEAP donates and attends annually. SWHEAP has 5 tickets to fill. Vice Chairman Kurtovich said he would talk to his wife. Consecutively, Ms. Gaspar gave an overview on the marketing projects at hand: an update on the new Home Improvement Loan brochures being designed and the annual mailing that will soon be redesigned. She also updated the Board on the Realtor Open house that will take place this year in April. The Open House would give the realtors an opportunity to see what SWHEAP is about and provide them an opportunity to ask questions. Vice Chairman Kurtovich questioned the space of the office and if it would be able to hold the number of realtors that may attend. Ms. Gaspar responded that she did not anticipate a huge turnout but, if it would be, she would prepare accordingly. Chairman Nice also suggested that given the first time, the turnout might not be high.

NEW BUSINESS

Onto new business, Ms. Gaspar informed the Board of SWHEAP's partnership with Greater Southwest Development Corporation regarding the door hanger marketing and 2021 event. The door hangers would be distributed to 10,000 residents in the Chicago Lawn and West Lawn area. SWHEAP shared half the cost with GSDC for the design, production and distribution. Ms. Gaspar also told the Commissioners of discussions and talks regarding a potential event for 2021.

Ms. Gaspar informed the Board of a recent issue that was brought to her attention regarding personnel and health insurance. Ms. Gaspar informed the Board that SWHEAP does not have an established policy for health insurance on dependents. No policy exists if an employee would like to add a dependent. A discussion ensued on various factors that the Board would have to keep in mind while deciding on a policy to establish. Mrs. Bekele stated that if someone wants to add a spouse, that would increase SWHEAP's expense. She wanted to keep the Board aware of the potential in rising administrative costs. Chairman Nice added that it would also increase the employee portion as well and he wanted to make sure we continued to follow the state guidelines. Vice Chairman Kurtovich wanted to check for less expensive rates and ensure SWHEAP saves money. Overall, the commission agreed on following the state guidelines, checking for less expensive rates and making sure to save money while being able to provide the coverage the state does. Ms. Gaspar informed the Board she called CMS and is awaiting a response. She will update the Board with a follow-up.

OLD BUSINESS

Ms. Gaspar gave an update on the City's Affordable Housing & Homeownership Program (AHHP). She informed the Board that they had a turnover in administration at the City's department and that she had also reached out to SWHEAP's legal counsel regarding the plausibility of the program with SWHEAP. The legal counsel presented some concerning things that Ms. Gaspar explained to the Board. In particular, to adopt AHHP's value over SWHEAP's would be in direct violation of the Home Equity Assurance Act. She explained the importance of wanting to stay connected and partnered with AHHP entities, but within SWHEAP's legal capacity. It was important to everyone at the meeting not to change the statute but to ensure a good rapport with the entities.

Continuing under Old Business, Ms. Gaspar brought up past business regarding the outdoor lighting bids. The outdoor lights on the façade do not function and are in need of repair. In the previous meeting in December, Ms. Gaspar was directed to call the 2nd bidder and ask for a more detailed invoice. Ms. Gaspar informed the Commission that she did, and they never responded back. Ms. Gaspar hoped to proceed with the 1st bidder who provided a detailed report and has been in communication with the office. Especially, given that the other bidders did not return calls or submit a detailed invoice. The Board discussed and the 1st bidder seemed the best way to go. Final acceptance of the 1st bid offer is subject to full Board approval at the next Board meeting. Vice Chairman Kurtovich pointed out that at this point it was a safety issue and important to protect the staff and office.

ADJOURNMENT

The February meeting adjourned at 7:09 pm. Ms. Gaspar informed the board that she would follow-up with Board regarding CMS Health insurance.