

Southwest Home Equity Assurance Program
BOARD MEETING MINUTES
December 7, 2020

CALL TO ORDER:

Chairman Kurtovich began the meeting at 6:30 pm. Commissioner Tully took roll call. Chairman Kurtovich immediately introduced Mrs. Betsy Allen from Miller Cooper to present the annual audit.

COMMISSIONERS IN ATTENDANCE:

John Kurtovich
Chris Koczwar
Ray Nice
John Tully

ALSO PRESENT:

Betsy Allen, Miller Cooper
Elsa Bekele, CPA
Victoria Gaspar, Executive Director

APPROVAL OF MINUTES:

Chairman Kurtovich introduced the Approval of Minutes and asked fellow Commissioners if they had time to review the minutes. Commissioner Nice motioned to approve the minutes from the October meeting. Commissioner Tully second the motion. All in favor said “aye” and the Board approved the minutes from October.

GUEST SPEAKER:

Mrs. Betsy Allen explained the independent auditor's report page by page for the Commission. She reviewed basic financial statements, claim expense and Miller Coopers' letters to the Board. Mrs. Allen explained how the audit was performed and items to think about in the future as the program continues to evolve. She informed the Board that there were not any difficulties during the audit nor were audit adjustments made. Mrs. Allen continued her report mentioning the importance of 'segregation of duties' but explained that due to the small size of the office that was inevitable. She continued to say that as long as SWHEAP continues good internal controls, that would mitigate anything that could potentially go wrong. She also explained that it was routine for Miller Cooper to include the awareness of technology report. It is meant to ensure that the client is aware of the ever-changing technology and making sure clients are up to date. Mrs. Allen answered a few questions as she continued with her presentation. Once there were no further questions, she concluded her report. The Commissioners thanked Mrs. Allen for her time and presentation.

FINANCIAL REPORT

Commissioner Nice introduced the Financial report and deferred to Mrs. Bekele. Mrs. Bekele reviewed the Financial report's year-to-date. She started off with the profit and loss statement reporting for 5 months of the current fiscal year. Mrs. Bekele asked the Commission if they had any questions as she continued the report. Chairman Kurtovich asked about the discrepancy in tax revenue to which Mrs. Bekele explained the Cook County's 3-month extension given to taxpayers because of Covid-19. Mrs. Bekele again asked if there were any questions. Seeing that there were none, Chairman Kurtovich asked for a motion to accept the Financial Report as is. Commissioner Tully motioned to accept the Financial Report and Vice Chairman Koczwarra second the motion. All in favor, the Commission collectively voted "aye."

CHAIRMAN REPORT

Chairman Kurtovich began the Chairman's report by touching base on a recurring discussion of what SWHEAP could do to provide relief during the pandemic. Chairman Kurtovich offered an idea to forgo taxes for one year to provide relief to all taxpayers in the district. He presented the idea to the Board. The Commissioners offered their opinions. Commissioner Nice thought it was a good idea and that it showed the Board's concern with current times, but he questioned the authority the Board had to initiate that. Chairman Kurtovich agreed that initiation to propose an idea would require assistance from other entities like public officials. He asked Vice Chairman Koczwarra his opinion. Vice Chairman Koczwarra discussed his opinion. The Commissioners discussed the idea in more detail especially considering the future in relation to Covid-19 impacts. Commissioner Nice added to the discussion mentioning the program's payout. Chairman Kurtovich asked Commissioner Tully for his input. Commissioner Tully explained the importance of considering the uncertainty of current times. Chairman Kurtovich thanked the Commissioners for their input. He then reintroduced a discussion made in the previous meeting regarding changes to the program's payout based on the study from lead appraiser, Neil Renzi. Chairman Kurtovich asked the Commissioners for a vote on staying at 75% payout or increasing to 78% (based on the study presented in September). Commissioner Nice initially agreed to 75% but wanted to increase to 78%; to stay consistent with past actions. Vice Chairman Koczwarra preferred to stay at 75% due to the uncertainty with Covid-19, for at least this year. Commissioner Tully agreed to also stay at 75% because of the same reason. Chairman Kurtovich

also agreed that he would like to stay at 75% given the uncertainty of the pandemic and aftermath of the economy.

EXECUTIVE DIRECTOR'S REPORT

Ms. Gaspar began her report by reviewing general updates and statistics of the program. Ms. Gaspar informed the Board of new membership registrations and claims. She informed the Board that SWHEAP hit 100 registrations for the year of 2020 and noted that in the last few years with exception of last year, registrations have been over 100. Ms. Gaspar also updated the Board regarding Board membership and informed the Board of a recent meeting with a public official and the Chairman to begin the search. She also informed the Board of Commissioner Koczwar's recommendation of a candidate to consider. There was a brief discussion on the next steps that a candidate would have to take to get approved.

OLD BUSINESS

Ms. Gaspar briefly went over the strategic goals for next year. She asked if anyone had ideas for the Strategic plan for 2021. Chairman Kurtovich mentioned his idea that was discussed in the Chairman's report and that we should continue looking at ideas. He also mentioned Ms. Gaspar's idea of reducing the appraisal fee for members and Vice Chairman Koczwar's idea for reducing the appraisal fee even more. Chairman Kurtovich stated that we should continue exploring this further. Vice Chairman Koczwar agreed and that the Board should bring these ideas up at the subsequent meeting next year. Seeing that there were no more questions or discussions, Chairman Kurtovich asked for a motion to adjourn.

ADJOURNMENT

Commissioner Nice motioned to adjourn. Vice Chairman Koczwar second the motion.

John Tully
Secretary