

THE VILLAGE OF HAWTHORN WOODS
FINANCE COMMITTEE MEETING MINUTES
Tuesday, January 12, 2010
7pm

I. Call to Order and Roll Call

The meeting was called to order at 7:05pm. The following members were present: Chairman Peter Ponzio, Trustee Kelly Corrigan, Trustee Steve Riess, member Jayne Kosik, CFO Kristin Kazenas, and member Steve Weinstein.

II. Opportunity for the Public to address the Committee: None present.

III. Approval of the Minutes from the December 8, 2009 Meeting: correction to Jayne Kosik's name noted; motion to approve carried.

IV. New Business

A. 2010 Finance Committee Meeting Schedule

All committee work will be completed the first week of each month. Beginning in February, Finance Committee meetings will convene the first Wednesday of each month; moved, seconded and approved.

B. Review of November 2009 Financial Statements

1. *Income Statement*

As of November 30, 2009, sales tax revenue is trending down 76.9%. The use tax is 99.6% and is on track. State income tax – State of Illinois is delayed in distribution: \$30,000 received in December although the number is still down. There is concern that the State is not paying in a timely manner. Budget has trended down on State revenues; expenses are keeping in line with the lower revenue.

2. *Rental Income*

Rentals of the Barn: we raised rental fees and had increased activity in rental requests. Kelly Carlson started on February 8, 2009; she will work on increased utilization of the facility. She will also work on marketing, teaching classes, and the programming of activity schedules. There are two different price structures for residents and non-residents involved in the activities from pre-school to adult.

3. *Public Works/Building and Grounds/Other Professional Services*

- Mosquito Abatement: \$6750 in June/July/August and \$3500 aerial services for gypsy moths.
- Annexation Fees: Collections are higher since Owl Haven paid
- Fire Suppression Fees: Up 1200% and the dollar amount is \$5506. This is due to the fact that we are paying independent inspectors; previously, we did not collect 10% of their fees; we now do.

4. *Franchise Licenses*

We received \$26,000 from Comcast; we are paid 1% quarterly.

5. *Balance Sheet*

Allowance for uncollectible funds: In the current fiscal year, if property taxes are not collected; we will be reimbursed at the time of a property tax sale.

Golf Outing: When we determine what the profits from the golf outing will be, they will be transferred to the community development fund. Some funds were sent to the American Cancer Society from the prior year.

Long-term Receivables: \$426,000; this is a debt liability fund (Governmental Accounting). This is the village's long-term debt in a separate fund; the balances are updated annually by the village.

SSA Construction Funds: Retainage is the only item outstanding. We are making a transfer from the MFT money to close-out the funds.

Aquatic Center: Petty cash still exists. \$14,407 surplus. We still have bills to pay, many of which will be paid in January and posted in December.

Deposits: Suspense Account - \$2024 is the balance; this is the result of refunds or cancellations from household accounts (cancelled activities).

Adjusted Budget Line Items: We have a report that shows starred items. In 2010, we will need these budget line items infrequently.

Undefined Fund Code: Construction of Aquatic Center – closed out December 31, 2008.

C. 12/21/09 Audit Update

The schedule is attached to the minutes

D. Discussion of Anticipated Village Financial Obligations

We are going to be proactive with sound financial planning; we will look at future obligations and how we will meet them (financially and opportunity-wise). In the north section (Tim Town and High Point Developments Annexations), Aqua needs to provide water service. If not, the Village has a financial obligation to provide some part of the water connection which could amount to hundreds of thousands of dollars (lift station and a main line down Route 176).

- Roads: Village roads are not part of SSA I, II, III that have to be brought up to standards and maintained over the long term.
- Parks: Need funding to maintain the park system.
- Aquatic Center: We need to fund the debt. We will work with Wells Fargo to work with existing debt.
- Police Prevention Fund: An unfunded liability.
- Plan for Bike and Pedestrian Trails – plan is needed.
- Village Hall and Police Space Needs
- Health Insurance – renewal of Blue Cross plan is up 27%
- IMRF costs
- Pending litigation – financial risk
- Reserves – need to build up reserves

We will work on long and short-term obligations and dollar amounts for each category.

E. Potential Funding Opportunities

- Grants – interviewing for grant-writing interns
- Stimulus Package – Kristen will be attending a conference
- Park District – protecting our boundaries
- Possible Revenue Sources:
 - Real estate transfer stamp
 - Line items on tax bill
 - Food and beverage tax
 - Augmentation of liquor tax (e.g., caterer must purchase liquor license)
 - Implementation of utility tax.

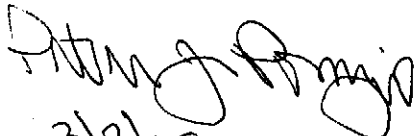
Kristen will research these possible sources of revenue and their requirements. She will determine what surrounding communities do. She will also attach a dollar amount to these possible sources of revenue.

V. Old Business

Status of the Park District – representatives from the Illinois Parks and Recreation Committee in Springfield will meet in March with the Finance Committee, Parks and Recreation Committee, and members of the interested public to discuss the formation of a local Park District.

VI. Adjournment

Motion to adjourn seconded and approved; all in favor.


3/23/10