

**MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES  
OF THE VILLAGE OF HARWOOD HEIGHTS  
HELD ON THURSDAY, MAY 13, 2010**

A. **CALL TO ORDER** at 7:30 pm by Mayor Arlene Jezierny

B. **PLEDGE OF ALLEGIANCE**

C. **ROLL CALL**

Mayor	Arlene C. Jezierny
Clerk	Marcia L. Pollowy
Deputy Clerk	Mary O'Connor
Trustees	Mark Dobrzycki (Absent) Michael Gadzinski Demetrios Mougolias Therese Schuepfer Lawrence Steiner (Absent) Lester Szlendak
Attorney	Mark Heinle

D. **PUBLIC COMMENT**

**Mike Holzer: 4337 N Newcastle;** Told the Mayor and Village Board to keep up the good work. The majority of the Village residents know this board is open, transparent, and honest. Is confident the accountant hired by Mayor Jezierny won't be stealing \$135, 000.00 like the previous accountant. Thanked the board for all they are doing to make Harwood Heights a great place to live.

**Roy Schmidt: 4336 N Rutherford;** Stated that although he was not at the last board meeting he did obtain a copy of the tape via a FOIA. If the accusations about the previous accountant are true, it is very sad for the Village. Has heard that the new Village accountant will be running for alderman for the City of Chicago and was wondering if this would take away from his time working for the Village? Wondered if the Mayor knew he was running for office when he was hired? Wondered to what ends the Village Board works together.

**Joan White: 7429 W Winona;** Asked for extension of 3 minutes. **Motion by Trustee Szlendak, seconded by Trustee Gadzinski. On a voice vote, all being in favor, the motion carried.** Thought that the last Committee of the Whole meeting went very well and wishes that residents could attend to hear the discussions and to ask questions afterwards because all those who were in attendance had ample opportunity to ask as many questions as they wanted. Thought the newspaper article in the paper regarding the past accountant was very good.

E. **REPORTS OF MAYOR, TRUSTEES, CLERK AND ATTORNEY**

**Mayor's Report**

**Mayor Jezierny**

My report tonight will address the recent issues that many of you may have heard through the TV News media and our local paper. So that everyone is aware, I will play the video from the Press Conference conducted with States Attorney Anita Alvarez on Tuesday, May 4<sup>th</sup> and will continue my comments afterwards.

**Mayor Jezierny played video shown on Fox News**

Upon taking office last year, it was important that we all know the financial condition of our Village. Proper accounting is the most important key aspect in order to conduct business and know what funds are available to us to make sound decisions for the day-to-day operations of our Village.

It was disturbing to find out what has transpired during the last several years. Besides the impact of the \$135,000 of alleged misappropriation of funds, we were faced with a tremendous financial mess. Just this amount alone could provide added police, pave a street or alley, provide lighting and support programs for our youth and seniors.

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The negligence of our prior accountant has led to a series of fund shortages and added expenses besides the \$135,000. This included costs due to the delays of our 2008 audit, a forensic audit that had to be performed and submitted to the States Attorney's office and Police Department, Attorney fees and the addition of professional accountants to examine and re-construct our accounting records and procedures and reconcile our bank account statements.

Our findings also discovered that \$250,000 of checks were not deposited dating back to 2005. These checks were found in boxes under his desk. They included SSA checks, 911 checks as well as checks from the state's Comptroller's Office along with a number of unopened letters from the Controller's office indicating that checks have not been processed and also included months upon months of unopened bank statements.

This past year has been challenging and very frustrating. It is situations like this that diminishes the peoples trust in government. However, I can assure you that this administration recognizes the importance of fiscal responsibilities to the residents of the Village.

We are working with our new accountant on continuing the efficiencies of the day-to-day operations, implementing additional changes in procedures for checks and balances with our staff and reviewing all payables to make certain that situations like this will never happen again. He is working with our Auditors to finalize the next audit for 2009 and will be gathering data for the 2010 audit due in a few months. The good news is that we are getting ourselves back on track.

Our priority is working on our current 2011 Appropriation Budget. He is working with each of our department heads, our Treasurer, our Finance Chair and myself collecting preliminary data to get ready for our Appropriation meetings.

One resident in today's paper alluded that we did not have open meetings to discuss finances. This is far from the truth! The Finance Committee held several open meetings to discuss the various budget line items. I, along with all Trustees were present except for one Trustee.

Due to the important of knowing the financial conditions of our Village, I am mandating that ALL Trustees attend these finance meetings and if you cannot for whatever reason, I strongly suggest you become aware of these meetings by listening to the recorded tapes from our Clerk and become knowledgeable of discussions that took place. This is far too important to just ignore.

Now that we have addressed the finances this past year, we have also been working with our Planners and Economic Development team to review our vacant properties and pursue open dialogues with interested developers. It is our goal throughout this year to focus on revenues by building our community and making financial decisions to make sure that the financial condition of our Village is sound; despite that fact that we struggle with the economy that has plagued all of us.

**Forestry & Green Initiatives**  
**Trustee Dobrzycki**

**No Report - Absent**

**Recreation**  
**Trustee Gadzinski**

Quality Care Plus will be at the Village Hall on Friday, May14th, from 10:00am – 1:00pm for free blood pressure and glucose screening. Also has arranged for the Illinois Secretary of State Mobile Unit to be at the Village Hall on Wednesday, June 2, 2010. Residents will be able to purchase license plate renewals, driver's licenses, state ID's, as well as take their written test and get their vision screening if necessary. Senior Citizens will be able to get their state ID's free of charge. Information will be going out to the community next week. Information will be posted on the website and the cable channel. He plans on having many more activities such as these in the near future.

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**Public Works  
Water & Sewer  
Trustee Steiner**

**No Report - Absent**

**Public Health & Safety/Building**

**Trustee Mougolias**

Will be meeting with Arc Disposal on Friday, May 14, 2010 and will be proposing a decrease in our fees due to a decrease in our revenue. Any savings we do get in the new contract he will recommend to the Board that it gets passed on to the residents. If Arc Disposal cannot lower the fees we will be going out to bid next month for a new garbage company.

The Village will have its 3<sup>rd</sup> annual Village wide Garage sale on June 25, 26, and 27. Anyone who would like to register their home should do so by calling the Village Hall. If you give the Village your permission, we will advertise your home on the Village website and in the Pioneer Press. The week after the garage sale the Village will hold its "Big Garbage" pick-up starting the week of June 28<sup>th</sup>. Arc will be picking up any large items you may have on your scheduled garbage pick up day. He will be posting signs in local businesses.

He indicated that village resident, Bill Heinzinger, has suggested that homeowners have their air conditioners checked, change their air filters each month and check their sump pumps to make sure they are working. These are cost saving ideas. Suggested getting a permit for any work you have done in your home and the village inspector will have come and inspect the job and if the inspector says they haven't done a good job, you don't pay them until the job is done properly and is up to code. It's a cheap way to make sure your job is done correctly. Thanked Mr. Heinzinger for his ideas and asked if the newspaper could put some of these ideas in the paper.

Asked for the Boards approval on Appointment for William Pelarenos as Coordinator of the Village of Harwood Heights Emergency Services and Disaster Agency. This is a volunteer position. This committee will be able to help the Police Department and Public Works to block roads that are flooding, and to help residents with what they may need during flooding. Is very grateful to Mr. Pelarenos for his services.

**Ordinance/License**

**Trustee Schuepfer**

Asked for the Boards approval on motion I16. This is an amendment to the Ordinance that will allow for the installation of the remotely read water meters. Beginning July 1<sup>st</sup>, the water department will create a plan where we will do sections of the Village at a time and continue across the entire Village. Water meters in single family homes will be replaced at no cost to the resident. By April 20, 2011, for buildings that are either multiple family buildings, commercial, or not for profit will have to purchase their own remotely read meters with the installation being done by the Water Department. In the last few weeks some events occurred in the Village where water meters were removed from abandoned properties and the buildings were filled with water. We have raised the penalty for tampering or removing the water meter to \$1000.00 for the first violation and then there's an increase for additional violations. If someone is trying to steal water and is caught, we have a much larger fine associated with that and it is subject to criminal prosecution as well.

Stated that the Ordinance Committee wants to discuss a tax called "Sin Tax." This could include a tax on cigarettes and alcohol. We are trying to look at other ways to bring in revenue to the Village.

**Finance**

**Information & Technology**

**Trustee Szlendak**

Met with Treasurer Joe Russo, Mayor Jezierny, and accountant Bruno Bellissimo and our expenses need to be cut by 18 ½% in order to have a balanced budget for next year. We are having a Committee of the Whole meeting on Thursday, May 20<sup>th</sup>. We are going to hear the recommendation by the Department Heads on how they propose to obtain that cut. I request that all the Trustees come up with three recommendations on how we are going to raise revenue and three recommendations on how we are going to cut our expenses. Every single expense is on the table. Every single idea on raising revenue is on the table. The only way we can lessen the burden on our Department Heads is to bring additional revenue to our Village.

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Hopes all residents, all Department Heads, and all the Trustees attend the Committee of the Whole meeting to work out this problem. His goal is to have the Appropriation Budget approved one month from today. We cannot spend money that we don't have and we need the Appropriation Budget as soon as possible.

**Clerk's Report**

No Report

**Attorney's Report**

No Report

**F. TRUSTEE COMMENTS**

**Trustee Gadzinski**

Had a tip that he received from Tom Wolfe, Superintendent of Public Works. We all know that we cannot throw away hazardous materials. There is a way to dispose of old paint. On a nice day, open the cans up, let them dry completely. It will harden up and it is a safe way to throw away old paint.

Armed Forces Day is Saturday. Wanted to say that he feels it is very important to recognize the men and woman who serve the military for our country. Urges all residents to pause a moment on Saturday and think about the services of the men and women in our Armed Forces.

**Trustee Szlendak**

The question he has is how was Martin Boyd able to steal \$135,000.00 from our Village? The way he was able to do it is the checks and balances that were in place for years were completely abandoned. Martin Boyd was able to do whatever he wanted. He said, and Mayor Fuller agreed, that the FundWare Software that we had did not work. The software worked, but it had to be disabled in order to make misappropriation of funds easy. Mayor Fuller forbid the employees to speak to the Trustees in written and verbal orders. We were not able to get any information on what was going on behind closed doors. Martin Boyd took advantage of that situation to walk away with the money. Mayor Fuller fought us tooth and nail that we should not change the auditors, yet those are the people that helped us find the problem. If we had the old auditors and still could not talk to each other, Martin Boyd would still be our accountant. This cannot happen again. So far, our Village account is doing a great job and is looking into everything possible. I look forward to cleaning up the mess.

**Trustee Mougolias**

What most people don't know about Martin Boyd stealing \$135,000.00, is that it probably cost us an additional \$150,000.00 to clean up his mess. Between the forensic audits, staff time, police time, extra accountants needed to get through all this paperwork, it cost us a lot more than the \$135,000.00. Now the other problem is that for 2 years this board was approving things with doctored documents and were digging ourselves into a hole without knowing it. For two years we have been misled by the accountant. The prior Mayor would not give us access to the accountant and everything had to go through the Mayor. As Trustee Szlendak said, our revenue is down 18 ½%. We have to still pay our bills so we have to look at ways to cut our expenditures. He does not want to borrow any money or settle more debt on future tax payers. We have to come up ways to cut our expenses or we will dig a bigger hole than Mr. Boyd put us in.

**G. SPECIAL COMMITTEE REPORTS**

None

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**H. APPOINTMENTS/REAPPOINTMENTS**

1. Motion to appoint William Pelarenos the Coordinator of the Village of Harwood Heights Emergency Services and Disaster Agency (HHESDA) for a 1-year term effective 5-14-10.

A roll call vote on Consent Agenda item Appointments/Reappointments resulted as follows:

A YES: Trustee Gadzinski, Mougolias, Schuepfer, Szlendak

NAYS:

ABSTAIN:

ABSENT: Trustee Dobrzycki, Trustee Steiner

Motion Carried

**I. CONSENT AGENDA**

Motion by Trustee Szlendak, seconded by Trustee Gadzinski on Consent Agenda Items I 1 – I 19

Motion I 1 pulled by Trustee Szlendak for a separate vote

Motion I 6 pulled by Mayor Jezierny for discussion at a later date

Motion by Trustee Szlendak, seconded by Trustee Gadzinski on Consent Agenda Items I 2 – I 5 & I 7 - 19

- 2 To approve expenditure, not to exceed \$1,438.81, payable to Payless Auto Body to re-core the radiator on the 1991 International Dump truck expensed to FY 09/10 line item 22-00-00-7044 – Water & Sewer.
3. To approve expenditure, not to exceed \$3,300.00, payable to Northern Illinois Police Alarm System for the 2010-2011 Emergency Services Team Assessment membership expensed to FY10/11 line item 11-05-00-7060- NIPAS.
4. To approve expenditure, not to exceed \$1,900.00, payable to Ray O'Herron for a ballistic entry shield and shield LED light expensed to FY 10/11 line item 11-05-00-7036 – Police.
5. To approve expenditure, not to exceed \$5,476.57, payable to Quill Corporation for ink cartridges for the Police Department expensed to FY 09/10 line item 11-15-00-4051 – Police COP Tech Grant Fund.
7. To approve the hiring of Carina Alvarado as part time records clerk for the Police Department at a salary of \$11.00 an hour with no benefits effective May 17, 2010 as recommended by Chief Mario Ricchio.
8. To approve expenditure, not to exceed \$400.00, payable to Illinois Government Finance Officers Association for job listing for Municipal Accountant posted to IGFOA Website expensed to FY 09/10 line item 11-03-00-7039 – Finance.
9. To approve expenditure, not to exceed \$2,300.00, payable to Miller Cooper & Co., Ltd. for the 1<sup>st</sup> progress billing for the April 30, 2009 audit in accordance with the audit agreement approved at the March 25, 2010 and for the drafting of the annual financial report for the State Comptroller's Office for the April 30, 2008 year end, expensed to FY 09/10 line item 11-03-00-7034 – Finance.
10. To approve expenditure, not to exceed \$377.80, payable to Scott Baker for refund of 10 days on the March 2010 health insurance premium for Regina Baker, expensed to FY 09/10 line item 11-03-00-7015 – Health, Dental, Life AD&D & EAP Insurance – Finance.
11. To approve expenditure, not to exceed \$6,678.75, payable to RGP Diversified Services, Inc. for accounting services for billing period of April 6, 2010 through April 29, 2010 as specified in the service agreement approved by the board at the March 25, 2010 Board meeting, expensed to FY 09/10 line item 11-03-00-7032 – Finance.

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12. To approve expenditure, not to exceed \$5,280.00, payable to Harry I. Sakai, CPA for professional accounting services rendered for April 1, 2010 through April 24, 2010 under new agreement dated March 25, 2010, expensed to FY 09/10 line item 11-03-00-7032 – Finance.
13. To grant permission to the Park Ridge Ladies Auxiliary representing the Veterans of Foreign Wars Post # 3579 to sell "Buddy Poppies" in the Village of Harwood Heights on Thursday & Friday, May 20<sup>th</sup> & 21<sup>st</sup>, 2010 pursuant to complying with all village ordinances and to authorize the Mayor to sign the proclamation.
14. Motion to Adopt PACE's Drug & Alcohol Testing Policy and Program for Service Provider's Employees Providing Transit Service to Pace revised August 31, 2009 and to authorize the Mayor to sign the acknowledgement form. (Policy/Program will replace any existing program applicable only to the village bus drivers.)
15. Motion to Adopt PACE's Systems Security and Emergency Preparedness Plan (SSEPP) regarding policies, procedures and requirements to be followed by management, maintenance and operating personnel in order to provide a secure environment for entities which operate PACE service and to support community emergency response efforts and to authorize the Mayor to sign the acknowledgement form.
16. To Adopt Ordinance 10-15, An Ordinance Amending the Harwood Heights Code of Ordinances to Provide for the Installation of Remotely Read Water Meters.
17. Transfer from Parkway General Savings Account in the amount of \$118,352.21 as they appear on check register #47945 thru #48018.
18. Transfer from Parkway General Savings Account in the amount of \$136,553.25 to Parkway Bank Payroll Account.
19. Electronic transfer from Parkway General Savings Account in the amount of \$12,890.02 for April 2010 IMRF Pension Fund.

A roll call vote on Consent Agenda items I 2-5 & I 7 -19 resulted as follows:

A YES: Trustee Gadzinski, Mougolias, Schuepfer, Szlendak

NAYS:

ABSTAIN:

ABSENT: Trustee Dobrzycki, Trustee Steiner

Motion Carried

**ITEMS PULLED FROM THE CONSENT AGENDA**

**Motion by Trustee Schuepfer, seconded by Trustee Gadzinski on Consent Agenda I 1.**

1. To approve the regular minutes of the Board of Trustees meeting held April 22, 2010.

A roll call vote on Consent Agenda items I 1 resulted as follows:

A YES: Trustee Gadzinski, Schuepfer, Mayor Jezierny

NAYS:

ABSTAIN: Trustee Mougolias, Trustee Szlendak

ABSENT: Trustee Dobrzycki, Trustee Steiner

Motion Carried

**J. NEW BUSINESS**

None

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K. OLD BUSINESS

None

L. CORRESPONDENCE

None

M. TRUSTEE COMMENTS

None

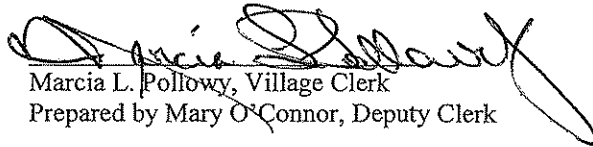
N. EXECUTIVE SESSION

None

O. ADJOURNMENT

Motion by Trustee Gadzinski, seconded by Trustee Mougoliasto adjourn. On a voice vote, all being in favor, the motion carried and the Regular Meeting of the Board of Trustees of the Village of Harwood Heights was adjourned by Mayor Arlene C. Jezierny, on Thursday, May 13, 2010 at 8:23pm.

Respectfully submitted,

  
Marcia L. Pollowy, Village Clerk  
Prepared by Mary O'Connor, Deputy Clerk