

MINUTES OF THE WARREN-WAUKEGAN FIRE PROTECTION DISTRICT  
GURNEE STATION #2  
6581 Dada Drive, Gurnee, IL 60031

Wednesday September 16, 2015

**Call to Order:** President DeRuntz called the meeting to the Board of Trustees of the Warren-Waukegan Fire Protection District to order at 6:00 p.m.  
Attendance as noted:

Trustees Present: Phil DeRuntz, Brian Wattleworth and Martin Klauber.

Other Officials: Brian J. O'Connor of Ottosen Britz Kelly Cooper Gilbert & DiNolfo, Ltd.  
Doug Taveirne of Dam, Snell & Taveirne LLC

Others Present: Fred Friedl, Chief, Gurnee Fire Department, John Kavanagh, Deputy Chief, Gurnee Fire Department, Beverly S. Shannon, Recording Secretary

**Public Comment:** None

**Approval of Minutes:** Trustee Klauber made a motion to approve the July 15, 2015 meeting minutes as submitted. Trustee Wattleworth seconded the motion. A voice vote was taken. All in favor, motion carried 3/0.

**REPORTS**

**President's Report:**

President DeRuntz reported that the past two months had been very busy.

Meetings with Mr. Taveirne have produced a final financial audit for fiscal year 2015 which will be discussed later in this meeting.

President DeRuntz presided over a meeting attended by Mr. Taveirne and representatives from the Village of Gurnee and Paramedic Billing Service. This meeting was necessary due to billing issues that have gone unresolved for the past two years. The agenda from that meeting is available upon request. Recommendations for resolving the PBS billing issues will be discussed later in this meeting.

President DeRuntz will comply with requests for documents from the Illinois State Comptroller, Leslie Monger including the now complete Annual Financial Report. President DeRuntz is currently using his personal office equipment to quickly turn around documents requested from official entities. Office equipment such as this is crucial to the

proper administration of WWFPD business. This is an issue he would like to address in the future.

Present DeRuntz received a letter from the State Treasurer regarding a notice of requirement to file a Report of Unclaimed Property which he gave to Mr. O'Connor. President DeRuntz will also forward requests for tax ID numbers and certificates of insurance to Mr. O'Connor.

Three weeks ago President DeRuntz received a **second** letter from US Bank addressed to the wrong person. This occurred after he had gone into a branch of US Bank to correct the mistake when it happened initially. Due to their lack of attention to detail President DeRuntz recommend that the board close the existing US Bank account and reopen a new account with the correct information. This does not have to happen immediately but he recommended it should be done in the near future

President DeRuntz thanked Chief Friedl for the very nice and professional event presenting the new ambulance. It generated a lot of good media coverage for the WWFPD.

President DeRuntz thanked the board for allowing him to attend a Train the Trainers seminar regarding suicide prevention for firefighters. The event was held at the Chicago Fire Department. Firefighters are exposed to trauma on a daily basis. It is important to keep a watchful eye for any change in behavior and make help available. This is achieved through good leadership and management and having the right processes in place. President DeRuntz stated he will reach out to Rosecrans which is a facility known for its treatment of addiction but also has a suicide prevention program specifically for firefighters.

President DeRuntz brought up the importance of having an emergency plan in each household as well as in each community.

President DeRuntz participated in the Midwest Police Security Expo held in Tinley Park. His presentation was entitled "Senior Moments: Awareness to Action". Ten thousand Americans become senior citizens each day in America and it is important to know how to care for them in emergency situations within senior care and assisted living facilities.

### **Treasurer's Report:**

Trustee Klauber distributed and presented the Treasurer's Report.

Investments. Trustee Klauber stated that WWFPD began the last two months with 5.5M. There was a transfer of 1.6 M from Illinois Funds to invest in CDs where we are getting a high yield of interest. There were interest payments of 546.00 in July when two CD's matured and 61.00 in August. WWFPD made the July payment to the Village of Gurnee

and as of August 31, 2015 has 4.9M. Five hundred thousand of this is in Illinois Funds the remainder is in various financial institutions.

Trustee Wattleworth made a motion to approve the statement of investments as presented.

President DeRuntz seconded the motion. A roll call was taken,

Ayes: 3                                      Nays: 0                                      Motion carried 3/0

Expenses. The following expenses were submitted by Trustee Klauber for review.

<b><u>Proposed Expenditures</u></b>	<b><u>Date</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
Beverly Shannon	8/31/15	Recording Secretary	\$159.98
Phil DeRuntz	8/31/15	Training & Expenses	\$305.72
Ottosen, Britz Kelly Gilbert	8/31/15	Legal	\$4095.00
PBS	8/31/15	Collections	\$14,815.45
Dam Snell & Taveirne	8/31/15	Accounting	\$0
Village of Gurnee	8/17/15	Fire Service	\$750,080.50
NE Multi Regional Training	8/31/15	Training & Expenses	\$100.00
<b>Total</b>			<b>\$769,559.65</b>

A question was raised regarding the origin of our relationship with US Bank and why it is necessary since we have an account with Illinois Funds. President DeRuntz explained that a separation of services is now required by the SEC therefore Illinois Funds could no longer meet all of our banking needs i.e. a checking account. US Bank in Springfield was the default bank, but it does not necessarily have to be the bank that provides our banking services. President DeRuntz reiterated the need to close the account with US Bank and open a new account listing all of the correct names and current information. Trustee Klauber inquired as to whether the new account would be insured for any deposits over the 250,000 as is the normal protocol. This is important as it would be a violation of the WWFPD investment policy to have uninsured assets. Mr. Taveirne and Mr. O'Connor suggested the simplest thing would be to keep the account balance under 250,000.

President DeRuntz made a motion to approve the statement of expenditures as submitted. Trustee Wattleworth seconded the motion. A roll call was taken,

Ayes: 3                                      Nays: 0                                      Motion carried 3/0

Ambulance Billing. Trustee Klauber, with the help of Mr. Taveirne, presented an updated amount due to PBS totaling \$14,815.45 and recommended it be paid. This number is reflected in the above list of expenditures and would bring our PBS account up to date.

Trustee Wattleworth made a motion to approve the payment. President DeRuntz seconded the motion.

A roll call was taken:

Ayes: 3

Nays: 0

Motion carried 3/0

**Secretary's Report:**

Trustee Wattleworth stated that the Annual Renewal and ONA certificate had been taken care of and he also wanted to thank everyone for their promotion of the blood drive. Enough blood was donated to save 50 lives.

**Fire Chief's Report:**

Chief Friedl handed out conceptual drawings of the proposed WWFPD ladder truck. Some of the changes included are a capacity increase from 200 gallons to 300 gallons and the addition of 20 gallons of Class A foam. There would also be more compartment space and it would be compatible with the current EMS equipment. It would also have an easier hose bit connection which would make things easier for the firefighters.

**Attorney's Report:**

Mr. O'Connor passed out the site map for a property involved in property tax assessment dispute and stated that legal involvement by the WWFPD would be financially prohibitive and unnecessary as the Township Assessor's Office aided State's Attorney would already be representing our interests. If the case were to be lost the cost would be approximately 920.00, an amount far less than the attorney fees required to fight it.

Mr. O'Connor also stated that the case regarding tax assessment complaints dating from 2012 had been settled on August 20, 2015 in the amount of 18,000. That is not a lump sum payment. It will be deducted when the tax extensions are filed. Mr. O'Connor stated that it was the fiscally prudent decision as a loss would have cost \$40,000.00 plus attorney fees and now the WWFPD can state that there no pending actions when they submit the Annual Financial Audit .

**OLD BUSINESS**

**Ambulance Billing Complaints:** None

**Discussion of Annexations:** None

**Approval of Annual Audit:**

The final version of the annual audit was sent to the Board members last week. Hard copies were distributed to the board for signatures upon audit approval. Mr. Taveirne stated that we are in good financial shape with receipts being 546,000.00 over expenditures. The cost of the new ambulance is not included in this figure. This is due to the decision to enter the cost upon delivery. The 200,000.00 for the ambulance will be included in next year's report. Next year's property taxes are expected to stay the same or be less and revenues are expected to be flat. Future expenditures include the commitment to the Village of Gurnee for the proposed ladder truck.

Trustee Klauber made a motion to approve the 2015 fiscal year annual audit.

Trustee Wattleworth seconded the motion.

Discussion:

President DeRuntz thanked everyone for their hard work in creating the Annual Financial Report and stated how important it is to begin the process in May as it is a yearlong endeavor.

Mr. Taveirne acquired the proper signatures from the Board members on the Annual Financial Report as well as the Annual Treasurer's Report; signed copies will go to all necessary parties.

**NEW BUSINESS**

Truth in Taxation. Mr. O'Connor submitted papers pursuant to Ord. 2015-O-2 Truth in Taxation Determination.

This includes the determination that levies shall not exceed 105% of last year's extension. Mr. O'Connor will obtain signatures and give a hard copy to Trustee Wattleworth.

Motion to approve:   Ayes 3                   Nays 0                   Approved 3/0

Investment Policy. Motion to approve Ord. 2015-O-3 Amending the Investment policy.

Mr. O'Connor presented copies of policy changes with suggested amendments including a change of address and raising the collateral percentage from 100% to 102%.

Motion to approve:   Ayes 3                   Nays 0                   Approved 3/0

President DeRuntz stated that these changes were at the behest of WWFPD's investment firm, PMA through their representative Courtney Rios.

Levy Ordinance. Review of Ord.2015-O-4 Levy Ordinance.

Mr. O'Connor presented a draft. Board will review for the November board meeting.

Direction Resolution. Review of Res. 2015-R-3 Direction resolution.

Mr. O'Connor stated that a decision has been made to make the corporate account the default account in the event of any unforeseen circumstances.

Semi-annual Review of Closed Session Minutes. Attorney O'Connor confirmed that the Board has no closed session minutes not yet released for inspection.

Retention of CPA firm Dam, Snell & Taveirne LLC:

President DeRuntz made a motion to approve the retention of the services of Dam, Snell & Taveirne LLC on a monthly basis. The motion was seconded by Trustee Wattleworth.

Discussion: President DeRuntz stated that retention of a CPA on a monthly basis would be a way to correct the PBS billing issues that have been occurring over the course of the last two years. The firm would manage the books and create a spreadsheet of payables and receivables. President DeRuntz believes the output of money to secure these services will be offset by the reduction in fees incurred during the creation of the annual audit as all of the information will be current and readily available. Another advantage will be to easily see revenue trends as it pertains to PBS. It was noted Dam, Snell & Taveirne LLC cannot perform management functions, they can only prepare data. The original paperwork will continue to go to Trustee Klauber with copies going to Dam, Snell & Taveirne LLC. Mr. Taveirne will have a letter of engagement for review at the November board meeting. The letter will outline the services of Dam, Snell & Taveirne LLC and will include but are not limited to the following suggestions and/or duties:

A segregation of duties and protocols for record retention and monitoring of ambulance fees.

A monthly statement generated and any discrepancies addressed on a monthly basis.

Inspection fees would continue to go to Trustee Klauber.

Tracking the actions of a single bank account would simplify things; the monies could be split at the end of the year as needed. Mr. O'Connor stated that ideally there would be a separate ambulance fund account in the future.

President DeRuntz amended the motion to approve the retention of the services of Dam, Snell & Taveirne LLC on a monthly basis adding that the services of Dam, Snell & Taveirne LLC were to begin immediately.

Trustee Wattleworth seconded the amended motion:

All in favor: Aye: 3      Nay: 0      Motion passed 3/0

**Closed Session:** None

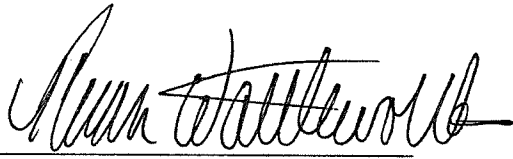
**Adjournment:**

Having no further business to come before the Board, Trustee Klauber made a motion to adjourn the meeting at 7:20 PM. President DeRuntz seconded the motion.

Ayes: 3      Nays: 0      Motion carried 3/0

Respectfully submitted,

Beverly Shannon  
Recording Secretary



Brian Wattleworth  
Secretary, Board of Trustees  
Warren-Waukegan Fire Protection District

11/18/15  
Date minutes approved