

**MINUTES OF THE WARREN – WAUKEGAN FIRE PROTECTION DISTRICT
GURNEE STATION #2
Wednesday, January 20, 2010**

President DeRuntz called the meeting of the Board of Trustees of the Warren-Waukegan Fire Protection District to order at 7:30 p.m.

Trustees Present: John Badtke, Phil DeRuntz, Martin Klauber

Other Officials Present: Linda E. Spring, Attorney

Others Present: Angela Moreno, Recording Secretary
Fred Friedl, Fire Chief, Gurnee Fire Department
John Kavanagh, Deputy Fire Chief, Gurnee Fire Department
Al Oller, Grandwood Park Park District
Steve Carlson, Lake County Board
Doug Taveirne, Dam, Snell & Taveirne, Ltd.
J. Kenneth Rosko, JKR Financial Consultants, Ltd.
Gerald Crews, JKR Financial Consultants, Ltd.

THESE MINUTES ARE NOT A VERBATIM ACCOUNT, EXCEPT WHERE OTHERWISE NOTED.

Approval of minutes:

Trustee Klauber made a motion to approve the November 18, 2009 Truth-in-Taxation Hearing and regular meeting minutes as submitted. Trustee Badtke seconded the motion.

AYES: Badtke, DeRuntz, Klauber NAYS: None. Motion carried.

NEW BUSINESS

Consider Proposals from JKR Financial: President DeRuntz asked the Board to move New Business to the beginning of the agenda and the Board agreed. Mr. J. Kenneth Rosko, President of JKR Financial Consultants, Ltd., and Mr. Gerald Crews, Partner with JKR Financial Consultants, Ltd. appeared before the Board to make a present an investment proposal. Mr. Rosko provided the Trustees with a written proposal for review. He stated that JKR Financial Consultants, Ltd. (“JKR”) works with SEI, a privately held investment group headquartered in Philadelphia, PA that manages more than \$3 billion in investments. He summarized their proposal as offering lower costs, less volatility and greater return, stating that he reviewed the district’s investment policy and he would like to broaden it within the restrictions of the public funds investment act.

Mr. Rosko stated that investing with JKR costs a fixed rate of \$3,000, with additional costs outlined in the proposal provided to the Board. He stated that during the last few years SEI has

performed well and has been unscathed by the economic downturn as a result of their constant review and research.

Trustee Klauber stated that he is not interested in changing the Board's current investment policy, but would be interested in hearing more about how they could assist them with investments within their current investment policy. Mr. Rosko offered to put together a proposal by next week that works within the current investment policy.

Trustee Klauber made a motion to authorize Trustee Badtke to invest up to \$1 million with JKR Financial, Ltd. following their recommendation. Trustee Badtke seconded the motion.

AYES: Badtke, DeRuntz, Klauber

NAYS: None

Motion carried.

The Board returned to the regular agenda.

REPORTS

President's Report: There was no report.

Treasurer's Report: Trustee Badtke noted that the payment to Tim Spyridon should be \$250 per quarter; however the report states \$500 in proposed expenditures.

The Treasurer's Report of December 2009 reflected the following: the operating account with Illinois Funds reflected deposits in the amount of \$362.31 for interest income; \$20,784.38 in Property Tax income; and \$27,069.74 from Paramedic Billing Services. The Libertyville Bank and Trust MaxSafe CD reflected a beginning balance of \$1,005,559.21 and interest income of \$2,109.47. The Private Bank account reflected a CD (#940604) with a beginning balance of \$252,314 and deposit of \$472.30; CD (#94305) with a beginning balance of \$251,868.64 and deposit of \$47,207.00; and bank account (#3127110) with a beginning balance of \$20,939.82 and a deposit of \$5.17. Total expenditures were \$2,318.70 in approved payments, with an ending balance of \$5,364,803.65.

The Treasurer's Report dated January 20, 2010 reflected the following: the operating account with Illinois Funds reflected deposits in the amount of \$354.48 for interest income; \$6,082.16 in Permit Fees & F.F.I. Tax; \$48,130.10 in Property Tax income; \$879.60 from Paramedic Billing Services; and \$1,348.79 in Personal Property Replacement Tax. The Libertyville Bank and Trust MaxSafe CD reflected a beginning balance of \$1,007,668.68 and interest income of \$2,113.89. The Private Bank account reflected a CD (#940604) with a beginning balance of \$252,786.30 and a deposit of \$457.92; CD (#94305) with a beginning balance of \$299,075.64 and a deposit of \$458.30; and bank account (#3127110) with a beginning balance of \$20,944.99 and a deposit of \$5.34. Total expenditures were \$651,842.65 in approved payments, with an ending balance of \$4,766,709.42.

Trustee Badtke listed proposed expenditures in the amount of \$653,809.60.

Trustee Klauber made a motion to approve the Treasurer's Reports for December 2009 and January 20, 2010. President DeRuntz seconded the motion.

AYES: Badtke, DeRuntz, Klauber NAYS: None. Motion carried.

Trustee Klauber made a motion to approve the proposed expenditures. President DeRuntz seconded the motion. A roll call vote was taken.

AYES: Badtke, DeRuntz, Klauber NAYS: None. Motion carried.

Trustee Badtke made a motion to pay the Village of Gurnee by check requiring two signatures. Trustee Klauber seconded the motion.

AYES: Badtke, DeRuntz, Klauber NAYS: None. Motion carried.

Secretary's Report: There was no report.

Fire Chief's Report: Chief Friedl provided the Trustees with the Fire Department's 2009 Annual Report.

Attorney's Report: There was no report.

OLD BUSINESS

Ambulance Billing Complaints: There are none at this time.

Annexations: There are none at this time.

Consider request for contract increase from Tim Spyridon: Tim Spyridon, the website administrator, has requested a contract increase.

Trustee Klauber made a motion to increase the stipend to \$300.00 per quarter. The motion failed for lack of a second.

President DeRuntz made a motion to consider proposals from other website managers. Trustee Badtke seconded the motion.

AYES: Badtke, DeRuntz, Klauber NAYS: None. Motion carried.

Trustee Badtke made a motion to retain Tim Spyridon for the first quarter of 2010 at \$300.00 per quarter, and then consider proposals from other website administrators. Trustee Klauber seconded the motion.

AYES: Badtke, Klauber NAYS: DeRuntz Motion carried.

NEW BUSINESS

Audit Report: Mr. Taveirne provided the Trustees with the audit report and provided an overview of the report. Mr. Taveirne suggested some procedural changes, including the annual risk assessment and regarding wire transfer controls. Trustee Badtke noted a discrepancy between the village contract price and payments, which Mr. Taveirne stated could be a result of annexation credits.

Trustee DeRuntz made a motion to approve the audit as presented. Trustee Badtke seconded the motion.

AYES: Badtke, DeRuntz, Klauber NAYS: None. Motion carried.

Trustee DeRuntz made a motion to hire Dam, Snell & Taveirne, Ltd. to review the contract with the Village of Gurnee for \$1,000. Trustee Klauber seconded the motion.

AYES: Badtke, DeRuntz, Klauber NAYS: None. Motion carried.

Closed session minutes: There were none at this time.

Insurance premium payment issue: There is nothing to discuss regarding this issue.

2010-2011 Meeting Dates: President DeRuntz made a motion to adopt the 2010-2011 meeting dates as presented. Trustee Badtke seconded the motion.

AYES: Badtke, DeRuntz, Klauber NAYS: None. Motion carried.

Consider consultant to review Village contract: Trustee Klauber made a motion to consider approving up to \$5,000 to have a consultant review the contract with the Village of Gurnee. Trustee Badtke seconded the motion.

Discussion: Trustee Badtke stated that he would like to engage Karl Ottosen for a fee of \$5,000 to review the current contract with the Village of Gurnee and to identify opportunities for the District. Trustee Klauber would like to review a written proposal at the next meeting since there was no proposal prepared for this evening's meeting. Trustee Badtke expressed concern that the next meeting would be too late. He stated that the motion is intended to allow every opportunity for a fair contract and that he highlighted the benefits of this service five years ago.

AYES: Badtke NAYS: DeRuntz, Klauber Motion failed.

Trustee Klauber made a motion to request a proposal and hold a special meeting in two weeks. Motion failed for lack of a second.

Consider proposals for legal representation from other law firms: Trustee Badtke made a motion to entertain proposals for legal representation in order to receive a better rate. Motion failed for lack of a second.

Procedure for addition items to the agenda: Trustee Klauber made a motion that the Trustees can inform Ms. Spring of anything they would like on the agenda and she will add it, no consensus from the Board is necessary. Trustee Badtke seconded the motion.

AYES: Badtke, DeRuntz, Klauber NAYS: None. Motion failed.

Public Comment: Trustee Badtke stated that he feels he has a handle on being Treasurer and would suggest consideration of hiring a bookkeeper.

Al Oller, resident and Grandwood Park Park District Board Member, thanked the Fire Department for use of the fire truck for Santa, stating that the residents truly enjoyed it.

Closed Session: None.

Next Meeting: The next meeting of the Warren-Waukegan Fire Protection District will be March 17, 2010 at 7:30 p.m. Ms. Spring reviewed the agenda items with the Trustees.

Adjournment: Having no further business to come before the Board, Trustee Klauber made a motion to adjourn at 9:10 p.m. Trustee DeRuntz seconded the motion.

AYES: Badtke, DeRuntz, Klauber NAYS: None. Motion carried.

Secretary of WWFPD

Date minutes approved