

**MINUTES OF THE WARREN – WAUKEGAN FIRE PROTECTION DISTRICT
GURNEE STATION #2
Wednesday, March 16, 2011**

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: Steve Carlson, Lake County Board Member
Linda Wisch, Recording Secretary
Fred Friedl, Fire Chief, Gurnee Fire Department
Kathy Haage

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

Approval of minutes: Trustee Klauber made a motion to approve the January 19, 2011 regular meeting minutes as submitted. Trustee Badtke seconded the motion.

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

REPORTS

President's Report: President DeRuntz noted that there was a wonderful dedication ceremony for the new ambulance. The Village of Gurnee Mayor, Village Manager, and the Village trustees were in attendance. President DeRuntz thanked Chief Friedl for arranging the ceremony and also Mrs. Friedl for the incredible cake she made. The Fire Protection District received some very nice press for the event.

President DeRuntz advised that a three-year contract was negotiated with the Village of Gurnee and will be presented tonight for approval. President DeRuntz stated that there was a great collaborative effort with the Village Board.

President DeRuntz noted that he had attended advanced trustee training through the Northern Illinois Alliance of Fire Protection Districts.

Treasurer's Report: Trustee Badtke presented the Treasurer's reports for January 2011 and February 2011 (see attached).

President DeRuntz made a motion to approve the Treasurer's Reports. Trustee Badtke seconded the motion.

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

Trustee Badtke listed deposits for January 2011 in the amount of \$10,934.26; withdrawals in the amount of \$107,158.42; and an ending balance of \$4,362,766.24. Trustee Badtke noted that in February there was \$62,194.90 received for paramedic billing service making the total deposits \$62,902.26. Total income for February was \$64,958.97; and an ending balance of \$3,753,891.37.

President DeRuntz made a motion to approve the Treasurer's Report. Trustee Badtke seconded the motion.

Documentation from the financial institutions was reviewed. Discussion followed.

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

Trustee Badtke presented the proposed expenditures for review. Trustee DeRuntz noted that there were two additions at the bottom. One for the Illinois Department of Revenue filling out Form 941A for payroll deduction for \$180; and one to the United States Treasurer for deductions for payroll Form 944B which was for \$1,818. Discussion followed.

Secretary's Report: No report.

Fire Chief's Report: Chief Friedl reported that the new ambulance is being used here at Station #2 this month; it will go to Station #1 next month. Chief Friedl noted that the Lake County Fire Chiefs will be hosting a Fire Safety Expo on Saturday, May 21, from 10:00 a.m. – 2:00 p.m. at Gurnee Mills.

OLD BUSINESS

Ambulance Billing Complaints: There are none at this time.

Annexations: There are none at this time.

District Investments: Trustee Klauber advised that rates have gotten worse and the district could probably only get 1% on investments. Trustee Badtke noted that this is better than the .02% we are currently receiving. Trustee Klauber suggested that nothing be done at this point. President DeRuntz stated that he is working with Doug Traveirne, our auditor, and one of the things that he noted is that we have these investments scattered over so many institutions that it has reduced our transparency. Mr. Traveirne recommended going back to something similar to Illinois Funds. Trustee Klauber suggested that we check on Max Safe CDs; that might be the place to put our investments. Discussion followed. Trustee Badtke will check on the dates that the CDs mature and check with Max Safe CDs to see if they can give 1%; if so, we will move everything there for the next 12 months.

Approve Contract With the Village of Gurnee: Linda Spring presented the proposed contract with the Village of Gurnee noting that the terms are the same as the previous contract. Ms.

Spring advised that Page 3 contains the contract prices that were negotiated for the next three years. They were as follows:

May 1, 2011 – April 30, 2011:	\$2,723.775
May 1, 2012 – April 30, 2013:	\$2,778.251
May 1, 2013 – April 30, 2014:	\$2,883,816

If the contract is approved, originals would need to have today's date and need to be signed and then sent over to the Village of Gurnee.

Trustee Klauber made a motion to approve the contract. Trustee Badtke seconded the motion. A roll call vote was taken.

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

Update and Possible Action on Status of Audit: Linda Spring presented a summary of the annual audit and noted that certain documents were received including the Annual Financial Report, the Annual Treasurer's Report, the Annual Financial Report that gets filed with the State, the letter addressed to the Trustees, a copy of an invoice from Paramedic Billing, and a separate letter to the Trustees that goes into the audit and letter to the Trustees regarding the services that they performed. The audit shows that the assets increased \$811,488 over the previous year. The audit compared the income and assets and expenses for the past year and the year before. In 2009 total assets were \$2,802,500 and \$3,613,988 this past year. Ms. Spring suggested that when the district thinks about the levy, they may want to consider not levying for a year and take advantage of the averaging possibility. Trustee Klauber felt that the District needs to think about developing a capital plan. President DeRuntz noted that we are currently experiencing erosion in our EAV. Mr. Carlson, Lake County Board Member, noted that the County is down another 16% this year. Trustee Klauber suggested that Chief Friedl develop some kind of plan for capital needs. Ms. Spring highlighted the results of the audit and the deficiencies that were noted and recommendations for improvement. Ms. Spring read the three letters which the auditor provided to the District that detailed problems during the audit and the recommendation that the services of a professional bookkeeper be retained. Ms. Spring advised that the auditor asked that the Treasurer sign the letter to confirm that these were the representations that were made during this audit. President DeRuntz noted that the audit was very problematic.

Trustee Klauber made a motion to approve the audit. Trustee Badtke seconded the motion. A roll call vote was taken.

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

NEW BUSINESS

Approval of Increased Bond Coverage for Trustees: Ms. Spring noted at the last meeting the Trustees approved an increase in bond coverage to \$3Million for each position and the additional \$720 premium. The increase in coverage has been completed by the carrier and Ms. Spring asked for approval of the \$720 expenditure.

Trustee Klauber made a motion to approve the increase in bond coverage and the \$720 expenditure. Trustee Badtke seconded the motion. Discussion followed. A roll call vote was taken.

AYES: Badtke, DeRuntz, Klauber

NAYS: None.

Motion carried.

Draft 2011-2012 Budget and Appropriation Ordinance: Ms. Spring distributed the current version of the budget and noted that she has not received the EAV information from the County and when that is received, she will finalize the income. Ms. Spring estimated that tax revenue is the same as last year's number. Ms. Spring highlighted tax revenues. Ms. Spring noted that expenditures remained the same except for the insurance premium. Ms. Spring took questions from the Trustees. Discussion followed. Ms. Spring asked the Trustees to review the budget and let her know if any of the numbers need to be changed. When the EAV is received, Ms. Spring will update the draft and present it at the next meeting.

Spring Newsletter: Trustee Klauber stated that there would be no spring newsletter; he would prepare a newsletter for the fall.

Consider Hiring a Professional Bookkeeper: Ms. Spring introduced Kathy Haage who is currently the bookkeeper for the Northern Illinois Alliance of Fire Protection Districts. President DeRuntz asked the Board to consider hiring Ms. Haage as a bookkeeper for the Fire Protection District at a salary of \$300 per month. Discussion followed. It was noted that Ms. Haage would prepare reports electronically to send to the treasurer as well as hard copies to present to the Board. The Treasurer will still hold the checkbook. Part of her duties will include interfacing with the CPA to prepare the audit. Ms. Spring noted that this was based on a recommendation from the auditor.

Trustee Klauber made a motion to accept the services of Kathy Haage. President DeRuntz seconded the motion.

AYES: Badtke, DeRuntz, Klauber

NAYS: None.

Motion carried.

Ms. Spring suggested that Ms. Haage's duties be discussed. Ms. Spring highlighted the duties and discussion followed. Trustee Klauber felt that when she is required to attend Board Meetings, she should be compensated; he suggested \$150 per meeting. Ms. Spring made handwritten changes to the contract. Trustee Badtke recommended that Ms. Haage attend all meetings.

Trustee Klauber amended his motion and added that Ms. Haage's start date would be May 19, 2011. Ms. Spring added Section 15 to the contract stating that Ms. Haage's start date would be May 19, 2011.

President DeRuntz made a motion to send a formal letter to Kathy Moran, by certified mail, letting her know that after May 10, 2011 her services were no longer required. Motion fails for lack of a second.

Public Comment: None.

Closed Session: None.

Next Meeting: The next meeting of the Warren-Waukegan Fire Protection District will be May 19, 2011 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 8:54 p.m. Trustee Badtke seconded the motion.

AYES: Badtke, DeRuntz, Klauber

NAYS: None.

Motion carried.

Secretary of WWFPD

Date minutes approved