

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT FIRE DEPARTMENT**

Minutes of the Regular Public Meeting of the Board of Trustees of the Frankfort Fire Protection District, Will County, Illinois, held at Fire Station Number One, 333 West Nebraska Street, Frankfort, Illinois, in said District at 5:00 P.M. on the 21st day of July 2015.

CALL TO ORDER:

The President called the meeting to order and asked for a roll call.

Upon the roll being called, the following Trustees answered present:
William F. Hoffmeister, Robert Jacobs, Michael Kavanagh, Larry Nice and Daniel Rossi.

Chief Grady, Asst. Chief Wilson and Eric Anderson (BMO Capital Markets) were also present.

PLEDGE OF ALLEGIANCE:

All present stood for the Pledge of Allegiance.

PUBLIC COMMENTS:

None.

APPROVAL OF THE MINUTES:

1. Regular BOT Meeting, June 16, 2015
2. Special BOT Meeting, June 24, 2015

A **Motion** was made by Trustee Robert Jacobs, seconded by Trustee William F. Hoffmeister, to approve the Regular Meeting Minutes dated June 16, 2015, as presented. President Jacobs called for a voice vote. All in favor. Motion carried.

A **Motion** was made by Trustee Daniel Rossi, seconded by Trustee William F. Hoffmeister, to approve the Special Meeting Minutes dated June 24, 2015, as presented. President Jacobs called for a voice vote. All in favor. Motion carried.

APPROVAL OF THE BILLS:

1. Board/Expenditure Report

A **Motion** was made by Trustee Larry Nice, seconded by Trustee Michael Kavanagh, to authorize the payment of the Fire Service and Ambulance Fund bills, totaling \$115,410.59, as presented. President Jacobs called for a roll call vote: upon the roll being called, the following Trustees voted aye: William F. Hoffmeister, Robert Jacobs, Michael Kavanagh, Larry Nice and Daniel Rossi. All in favor. Motion carried.

CHIEF GRADY'S REPORT:

Chief Grady's written report was submitted to the Board.

CHIEF GRADY'S REPORT: [Continued]

Chief Grady highlighted the following items:

- Explained Administrative Battalion Chief Sean Fierce's report and advised that he (Admin.BC Fierce) is doing a stellar job and providing numerous reports;
- Supports switching vendors regarding the Wireless Radio Canopy System;
- Provided updates regarding the recent Conference and noted the classes went well;
- Mentioned/recommended Eric Anderson's name to others at the Conference;
- In regards to the Coal City's disaster, Asst. Chief Wilson was part of the Command Staff and with the help of Lt. Jeff Otte, the Cadets also provided assistance. It was reported they all did a wonderful job and that several of the Chief Officers at Coal City were very impressed with our Cadets; and,
- Phil DeMitt (Naperville Fire Department and FSI) has been here for the last three (3) days conducting Tower Ladder Training.

Trustee Robert Jacobs mentioned that Jason Vaccaro was sworn-in yesterday (Monday).

Chief Grady noted that he is a "solid young man" and should fit in well.

CHIEF OFFICER'S UPDATE:

Asst. Chief Wilson's written report was submitted to the Board.

ADMINISTRATIVE BC'S UPDATE:

Chief Grady explained Admin. BC Fierce's written report earlier in the meeting.

PERSONNEL:

1. Discussion/Updates on Miscellaneous Personnel Items

Trustee Robert Jacobs reiterated that Jason Vaccaro, the new Firefighter, has been sworn-in.

Trustee Daniel Rossi stated there was nothing new to report.

FINANCE:

1. Discussion/Updates on Tentative Budget
2. Discussion/Possible Action on Renewal of 2015-2016 Wireless Radio Canopy Maintenance Contract
3. Discussion/Possible Action on Parameters of Refunding Ordinance

Trustee Robert Jacobs noted the Trustees have received the Tentative Budget packet and should be prepared for discussion/possible action at the August Board Meeting.

In reference to the Wireless Radio Canopy Maintenance Contract, Michelle advised the Board the current provider (CTC) is increasing the price \$1,000.00. Another bid was received from Convergence Technologies, an "award winning" company in this industry, for \$1,000.00 less than our current company has given us.

FINANCE: [Continued]

Michelle confirmed for Trustee Robert Jacobs the "IT" Contract would remain with CTC, except for the wireless radio canopy maintenance, which would be handled by Convergence Technologies. The bid from Convergence is a one-year contract for \$12,987.90.

A **Motion** was made by Trustee Daniel Rossi, seconded by Trustee Larry Nice, to transfer the Wireless Radio Canopy Maintenance Contract to Convergence Technologies, in the amount of \$12,987.90, as presented. President Jacobs called for a roll call vote: upon the roll being called, the following Trustees voted aye: William F. Hoffmeister, Robert Jacobs, Michael Kavanagh, Larry Nice and Daniel Rossi. All in favor. Motion carried.

Chief Grady advised the Board that Admin. BC Sean Fierce and Michelle worked together on this project and added that this is one example of how well Sean's new position is working out.

At 5:30 P.M., Chief Grady was dismissed from the meeting.

Trustee Robert Jacobs re-introduced Eric Anderson to the Board and requested he conduct the Refunding Ordinance discussion.

Eric made the following comments:

- 95% of the work is done;
- The "first draft" of the Ordinance has been reviewed by his organization and by Kristi, and will be at Shawn Flaherty's office tomorrow morning for his review;
- The "first draft" of the Preliminary Official Statement (P.O.S.) has been reviewed and revisions made. (The P.O.S. is a document that is sent to investors to aid in their investment decision.) A copy of the "second draft" will be sent to the District and Attorney Flaherty for comments;
- The Board needs to adopt the Refunding Ordinance at the August 18, 2015 Board Meeting;
- Obtain the final Bond rating; and,
- This transaction appears to be moving towards a "current" Refunding because we are waiting for decisions from Springfield.

Eric noted the following decisions to be made yet:

- Does the Board want to stipulate a minimum savings amount in the Ordinance;
- The Savings approach; (Eric stated that investors have commented that they are not really interested in Illinois);
- Wait for Springfield decisions or proceed; and,
- The number of Board "voting" representatives to represent the District.

Eric explained pages 5-7 of the "hand-out" which addressed the "Savings Approaches".

In answer to Trustee Michael Kavanagh's question, most units of government have immediate budget pressures, so the Accelerated Savings Debt Service Approach is best in today's economic climate. If the FFPD executes on the Accelerated Savings Approach, the District will receive budget relief over the next three (3) years.

Eric confirmed for Trustee Daniel Rossi that the "Approach" and the District representatives need to be chosen by the August 18, 2015 Board meeting.

FINANCE: [Continued]

Trustee Robert Jacobs also confirmed that by August 18, the Ordinance should be ready for approval.

Eric reiterated that the following decisions are needed:

- The “Approach” to be taken; and,
- Then based on the “Approach”, do you want to specify in the Ordinance a minimum savings amount – so if it is below that amount, we do not execute, if it is above that amount, we execute.

Eric stated that most of his clients do not set a minimum savings amount in the Ordinance.

In answer to Trustee Michael Kavanagh’s question, another “current” refunding option could take place in 2023, or if the rates are favorable in 2019, the “advanced” refunding option could be initiated.

Eric noted that since 1981 a “Bull” market has existed.

At 5:43 P.M., Asst. Chief Wilson was dismissed from the meeting.

Eric discussed the current Bond rates the District is paying and the yields.

In reference to Page 4 of the “hand-out”, Eric confirmed for Trustee Michael Kavanagh that the “solid line” of the graph is what the Investors are receiving now (4%) and the “dotted lines” of the graph are what the Investors will receive (lower rates), but at a “tax exempt” status.

Trustee Robert Jacobs stated the consensus of the Board is to not set a minimum savings requirement.

A **Motion** was made by Trustee William F. Hoffmeister, seconded by Trustee Michael Kavanagh, to not have a minimum savings requirement. President Jacobs called for a voice vote. All in favor. Motion carried.

The Board discussed the differences between the “Proportionate Savings Approach” and the “Accelerated Savings Debt Service Approach”.

Eric advised that the “Accelerated Savings Debt Service” is the better “approach” based on the opportunity for increased levies and the possible property tax freeze.

Trustee Robert Jacobs reiterated that the “Accelerated Savings Debt Service Approach” seems to be the way to go because of the possibility of future refundings.

A **Motion** was made by Trustee Michael Kavanagh, seconded by Trustee Larry Nice, to recommend the “Accelerated Savings Debt Service Approach”, as presented. President Jacobs called for a voice vote. All in favor. Motion carried.

Eric stated that if something changes before August 18, the Board could still reconsider their decision.

FINANCE: [Continued]

Eric advised the Board that in recent years the “IRS” and “SEC” (Securities & Exchange Commission) have taken more of an interest in the way municipal entities are maintaining records relative to their Bonds. Therefore, it is recommended the Board adopt “Policies and Procedures” regarding Bond Record Keeping and Continuing Disclosure Requirement. The “Continuing Disclosure Requirement” consists of “uploading” the annual Audit to a system called “EMMA” (Electronic Municipal Market Access). This allows anyone the ability to view the FFPD’s Audit electronically. The compliance date in this “requirement” changed in 2009, thus the FFPD is now automatically bound by the “CDU” (Continuing Disclosure Undertaking [Agreement]). Eric stated that he has discussed the “CDU” portion with Kristi and she has established an account with “EMMA”. Chapman & Cutler LLP (the FFPD’s Bond Counsel) will assist with the “upload” process and ensure the FFPD is in full compliance.

Eric confirmed for Trustee Robert Jacobs the following documents need to be adopted at the next Board Meeting:

- Ordinance;
- Policies & Procedures; and,
- Preliminary Official Statement

Eric continued by stating the “designated representatives” also need to be selected. He reminded the Board the representatives have the power to bind the District by accepting the final Note pricing.

The Board held an open discussion regarding the selection of representatives.

A **Motion** was made by Trustee Daniel Rossi, seconded by Trustee Larry Nice, to have Chief James Grady, Asst. Chief Robert Wilson, Board President Robert Jacobs and Board Treasurer Michael Kavanagh be the District’s “designated representatives”. President Jacobs called for a voice vote. All in favor. Motion carried.

On behalf of the Board, Trustee Robert Jacobs “thanked” Eric for all his assistance, enabling the Board to attain a better understanding of the refunding process.

At 6:25 P.M., Eric was dismissed from the meeting.

Trustee Robert Jacobs called for a short recess.

The Meeting reconvened at 6:28 P.M.

MOBILE EQUIPMENT:

Trustee William F. Hoffmeister advised the Board the new Ambulance is in service and is designated as “A73”. The old ambulance (735) is at Station 1 for “reserve”.

COMMUNICATION:

Trustee Michael Kavanagh reported a Contract with the Dispatchers, at the Lincolnway Center, is near completion.

REAL ESTATE:

1. Discussion/Possible Action on Dedication of Station

The Board discussed honoring Don Lorenz for his fifty-three (53) years of service to the Department by dedicating Station 3 to him.

A **Motion** was made by Trustee Larry Nice, seconded by Trustee Daniel Rossi, to dedicate Station 3 to Don Lorenz in honor of his fifty-three (53) years of service to the Department, with a Dedication Ceremony and plaque presentations. President Jacobs called for a roll call vote: upon the roll being called, the following Trustees voted aye: William F. Hoffmeister, Robert Jacobs, Michael Kavanagh, Larry Nice and Daniel Rossi. All in favor. Motion carried.

MUSEUM & FFD HISTORICAL COMMITTEE:

Trustee Larry Nice stated the hanging of plaques in the Museum is in the process of being completed, otherwise, nothing new to report.

APPROVAL OF PURCHASE ORDERS:

None presented.

CORRESPONDENCE:

None received.

TRUSTEE COMMENTS:

Trustee Larry Nice "thanked" the Board for voting for the Dedication to Don Lorenz.

Trustee Michael Kavanagh commented that the District is doing well.

POSSIBLE CLOSED SESSION PER STATUTE 5ILCS120/2C FOR THE PURPOSE OF DISCUSSING LITIGATION, COLLECTIVE BARGAINING, REAL ESTATE AND PERSONNEL:

None requested.

ADJOURNMENT/RECESS:

At 6:37 P.M., a **Motion** was made by Trustee Daniel Rossi, seconded by Trustee Larry Nice, that this meeting be adjourned. President Jacobs called for a voice vote. All in favor. Motion carried.

Michelle Selvaggio, Recording Secretary


Secretary Pro-Tem, Board of Trustees

Transcription by: Carolyn J. Williams, Administrative Receptionist