

GODFREY FIRE PROTECTION DISTRICT  
MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES

On November 29, 2022, the regular meeting of the Board of Trustees of the Godfrey Fire Protection District was held pursuant to published notice of the change in the regular meeting date from November 28, 2022. The meeting was held at the Liberty Bank Community Room, 3112 Godfrey Road, Godfrey, Illinois.

Present for the meeting were Trustees Ford, Fischer, and Horn. Also present were Fire Commissioners Cox and Clemons. Fire Chief Cranmer, NorthStar Management Representative Wojtkowski, members of the Fire Department, members of the public, Mr. Brock Hendricks of First State Insurance Agency, and Mr. Nick Meggos of Nyhart were also present.

Following the Pledge of Allegiance, the Chair called a moment of silence and remembrance in memory of Fire Commissioner Keith Sherman who passed away subsequent to the last Board meeting. Those present remembered Mr. Sherman for his dedicated service to the District as a member of the Board of Fire Commissioners.

Thereafter, the Chair called for a departure from the regular agenda to hear from Mr. Hendricks of First State Insurance regarding a worker's compensation insurance proposal by his firm. He reviewed the written proposal which had been submitted to the Board through Trustee Fischer prior to the meeting. He indicated that the premium quoted by the carrier proposed, Benchmark, of \$65,058 was substantially below the quotation for worker's compensation coverage through the District's current provider, the Illinois Public Risk Fund. Other aspects of the coverage were discussed including the application of the District's umbrella insurance coverage of \$10 million which Mr. Hendricks indicated should be applicable to the worker's compensation coverage through Benchmark. He noted that there is an additional available coverage through Benchmark for excess employer's liability in the event that the District's current umbrella coverage does not apply to the worker's compensation coverage. After further discussion, Mr. Fischer made a motion to place the District's insurance coverage for worker's compensation through First State Insurance with coverage through Benchmark Insurance Company. The motion was seconded by Mr. Horn, and unanimously approved. Mr. Fischer indicated that he would follow up with Mr. Hendricks regarding the placement of the coverage.

The Chair next called on Mr. Wojtkowski to present the NorthStar report regarding the new station construction. Mr. Wojtkowski presented a written report which included an update

of the recent activities with regard to the project with the Construction Manager and the Design Team; look ahead activities going forward including execution of a Guaranteed Maximum Price Contract with the Construction Manager, S.M. Wilson; and the finalization of a Long Term Stormwater Maintenance Agreement with the Village of Godfrey; and refinement of the Furniture, Fixture, and Equipment Listing. He also presented an updated project cost breakdown based upon three alternative project scenarios including construction of the building with all alternates; construction with only the additional bay alternate and deferral of the radio tower; and construction with no alternates and deferral of the radio tower. He reviewed with the Board the comparison of these cost projections which presented a total cost of between \$8,000,815 and \$8,624,905. It was noted that bond costs to date have totaled \$497,405 and that, in general terms, the building total project cost now stands at \$8.6 million with bond issue proceeds remaining of approximately \$6,844,929. This would result in a funding shortfall depending upon the version of the construction approved by the Board. In the case of a full completion with all alternates, the shortfall would be \$1,282,570; in the case of alternate version 2 it would be \$1,010,852; and in the event no alternates are taken and the radio tower is deferred, the shortfall would be \$658,480. There was discussion regarding the need for a radio tower based upon the plans of Madison County to move to a new digital communications system. Mr. Wojtkowski indicated that he had left the conduit for the tower in the project cost even with the deferral of the tower since that aspect of the construction would occur sooner in the project than construction of the tower itself. The cost is approximately \$5,200 for conduit inclusion. The furniture, fixtures, and equipment total cost for these items is currently estimated to be \$94,000. The fourth bay adds a cost of \$352,000. Upon approval of the project as presented using one of the alternatives, Mr. Wojtkowski indicated that the contractors are planning to enter into materials contracts with suppliers at this time due to supply chain delays and inflationary cost increases. He noted that owner supplied items are included in the budget and that the architect, FGM, had set its maximum fee based upon a \$6 million project as originally planned. There followed discussion with Mr. Horn suggesting that the District should proceed with version 1 of the project scenarios which would include all alternates and proceed with borrowing for the deficiency amount from local banks in the amount of approximately \$1 million. Mr. Fischer seconded the motion. There then ensued discussion regarding the use of designated funds from the General Fund which have been allocated for building and equipment purposes. Mr. Ford inquired regarding the cost of

borrowing and indicated his expectation that there would be a debt service expense of approximately \$100,000 year. There was further discussion and Mr. Horn brought forth information which he had obtained in speaking with local bankers in July of this year indicating that with a five year amortization of the construction deficiency loan, the debt service would run in the amount of approximately \$18,000 per month; for 10 years the monthly amortization expense would be approximately \$10,200; and for a 15 year loan the cost would be \$7,500 per month. It was noted that interest rates have increased since that initial estimate was obtained. Horn expressed a strong opinion that the District needs the fourth bay, and he suggested that Steve Thompson of Carrollton Bank be requested to attend the next meeting of the Board to discuss financing further. Thereafter, the Chair called the question and Mr. Horn and Mr. Fischer voted in favor of the motion and Mr. Ford abstained explaining that he was concerned about the need for future apparatus and the financing of that expense. It was noted that the District has applied for a zero interest apparatus loan through the Office of the State Fire Marshal and the Illinois Finance Authority which, if granted, would require additional supplemental financing for apparatus acquisition and would involve an additional debt service expense for a period of 20 years. There was a question regarding the guaranteed maximum price calculation for the project and Mr. Wojtkowski indicated this would be computed based upon the base bid plus the alternates and less the concrete work for the tower. Mr. Wojtkowski next addressed to the Board regarding the use of subcontractor default insurance as opposed to requiring performance bonds using a surety. He noted that taking this approach would cover all but approximately \$1 million for the construction manager for the project and that with the various bidders having submitted a bid bond, having the default insurance should be sufficient to protect the District. Thereafter, Mr. Wojtkowski departed the meeting with the thanks of the Board.

The Chair next called for a further departure from the agenda order of business to hear from Mr. Nick Meggos of the Nyhart firm regarding the District's Pension Levy funding computation. Mr. Meggos reviewed with the Board the recommendation made by his firm for the Pension Fund Levy for 2022. He explained that as a result of the establishment of the State Investment Fund (IFPIF), certain assumptions which had been made reduced the funding need. Specifically, the District had used an assumed rate of return of 5.75% in the past due to the limitations on the Fund regarding the investment in equities. With the establishment of the State Fund, those limitations are no longer in place and Nyhart is recommending the use of a

rate of return of 6.5%. He indicated that Nyhart had also looked at the other assumptions regarding the Fund, including projected retirement dates of participants, which may impact the funding process also. He noted that the State Fund now assumes a 7.125% rate of return and that the Department of Insurance is utilizing a rate of return of 6.25%. This has led the Nyhart firm to select a recommended rate of return of 6.5% with goal of 100% funding by 2040. He did note that the Fund sustained an asset value depreciation of approximately 5 1/2% following the assumption of investment authority by the State, however, this was attributed largely to market events. He noted that the liabilities of the Fund are about as had been expected based upon prior approval. Following further discussion, the Board thanked Mr. Meggos for his report and he departed the meeting with the thanks of the Board.

The meeting next turned to presentation and approval of the minutes of the meeting of the Board held on October 24, 2022. A motion was made by Mr. Fischer, seconded by Mr. Horn, and unanimously approved to approve the minutes as presented.

The meeting next turned to the Treasurer's Report. Mr. Fischer presented the Financial Statements of the District in the usual manner. He reported that, excluding bond funds, total cash on hand at October 1, 2022 stood at \$2,305,216.97; that there were receipts during the month of \$479,496.31; and that there were disbursements during the month of \$208,692.57 leaving a balance at October 31, 2022 of \$2,576,020.71. Of the foregoing amount, \$1,811,863.15 was held in the General Emergency & Rescue-FICA/Medicare Fund; \$100,643.86 was held in the Audit Fund; and \$663,513.70 was held in the Insurance Fund. He also presented the Cash on Hand Distribution Report which reflected the depository holdings of the District, and he presented the Fund Designation Report. With regard to bond funds, Mr. Fischer reported that the Bond Fund balance at October 1, 2022 was \$7,184,882.37 and that there were receipts of \$80,021.91 and \$5,652.32 in the form of real estate taxes and interest, respectively; that there were expenses from the Bond Fund of \$4,918.98 during the month leaving a balance at October 31, 2022 of \$7,265,637.62. Of the foregoing amount, \$420,607.84 was held in the Debt Service Account at Liberty Bank; bond proceeds were held at Liberty Bank in the amount of \$1,685,988.52; \$3,5881,679.05 at Carrollton Bank; and \$2,577,262.21 in CNB Bank. The Project Payment Fund at Liberty Bank had a balance of \$100.00. Mr. Fischer also noted that the Treasurer's Report included in the Board packet the General-Emergency & Rescue-FICA/Medicare Funds Report for October and Year to Date; the October 2022 Expenditure Report by Budget Line Item; the Audit Fund Financial Statement as

of October 31, 2022; the Insurance Fund Financial Statement as of October 31, 2022; the Pension Fund Financial Statement as of October 31, 2022; the Agency Fund Financial Statement as of October 31, 2022; the Tax Receipts and Disbursements Summary through October 21, 2022; the Receipts & Disbursements YTD Comparison Report for October 2022; and the Detail-Receipts & Disbursements Report for October 2022. The October Warrant Report was also presented. Thereafter, a motion was made by Mr. Horn, seconded by Mr. Fischer, and unanimously approved, to accept the Treasurer's Report as presented.

The meeting next turned to payment of bills and a motion was made by Mr. Horn, seconded by Mr. Fischer, and unanimously approved to approve the payment of bills as same come due during the normal course of business in accordance with the bill payment procedures of the District.

The Treasurer advised that the Audit Report from C. J. Schlosser & Company, L.L.C. Certified Public Accountants had been received for the fiscal year ending April 30, 2022. A motion was made by Mr. Horn, seconded by Mr. Fischer, and unanimously approved to accept the Audit Report as presented.

The meeting next turned to the President's Report. Mr. Ford advised that he had attended the Conference of the Illinois Firefighters' Association and that he was elected to the position of President for a two year term. He also indicated that he had participated in a ribbon cutting of the organization relating fire service cancer awareness.

The meeting next turned to the Fire Chief's Report. Mr. Cranmer presented his report in written form in the usual manner which he then reviewed with the Board.

The report included meetings attended and calls during the month of October which totaled 191 and of those, 146 were rescue/EMS calls.

Under Personnel matters, the Chief noted his vacation schedule for the months of November and December. He updated his report regarding Lieutenant Farmer who is off duty due to a back injury. While the Chief had initially understood that Mr. Farmer would be released to return to duty, a member of the Department stated that Mr. Farmer's return date has not been determined and that he has not been released for a return to duty by his treating physician. The Chief also reported regarding emails sent to POC members of the Department who have not been standing duty shifts or participating in training. He indicated that POC Firefighters Mitchell and Botterbush have indicated their desire to remediate their situation. POC members Prettyman and Kopsie have submitted resignation letters based upon their lack

of time to participate. The Chief advised that an oral reprimand had been issued to department personnel as a result of Unit 1452 being backed into the air trailer which resulted in a dent to the bumper of the apparatus. The Chief noted that he had submitted a letter to the Board regarding an amendment of the salary section of his contract with the District. The Chief reported that respiratory evaluations in compliance with applicable IL-OSHA requirements had been completed at a cost of \$15 per member.

Turning to Grants/Revenue/Donations, the Chief reported that the Edwardsville Community Foundation Grant which had been awarded for the purchase of rescue tools had been closed out. He advised that two applications had been submitted to the Office of the State Fire Marshal for a small equipment grant and for a zero interest revolving apparatus loan. He advised that the grant from Illinois American Water Company in the amount of \$1,000 had been received and would be applied to purchase water related equipment. The Chief advised that an application had also been submitted for a grant from Wal-Mart.

With regard to Stations/Apparatus/Equipment, the Chief called upon Mr. Hamburg who was present for the meeting to report regarding the status of refurbishment of Unit 1410. Mr. Hamburg indicated that the completion of the project is near. The Chief reported that Unit 1422 would be taken for paint work on December 16. He advised that FeatherShark had commenced work in connection with the new station. He indicated that training on the ESO High T System is moving forward with a live date of January 3, 2023 anticipated.

Under Training matters, the Chief reported that Lieutenant Elder had completed the Fire Investigation class and had passed the certification test. He indicated that departmental training for 2022 otherwise continues.

The meeting next turned to the Attorney's Report.

The attorney first advised the Board that the required reporting for the District's Bond Issue had been completed by the Gilmore Bell law firm. He advised that there is a new MABAS Master Agreement which would need to be approved by the Board in order for the District to remain a member of MABAS. This must be accomplished by January 1, 2024. The attorney recommended that this be put on the agenda for the December meeting. The attorney presented a report regarding the proposed 2022 tax levy which would involve a Pension Levy set in the amount recommended by the Nyhart firm and an overall 5% increase in the total tax levy amount over the 2021 total tax extension amount excluding the bond issue. A proposed

tax levy ordinance was presented and upon motion of Mr. Fischer, seconded by Mr. Horn, and unanimously approved, the 2022 tax levy was approved as presented.

The meeting next turned to public comments. There were no public comments.

The meeting next turned to other business.

The Chair noted that action had previously been taken regarding the District's worker's compensation insurance.

The meeting turned to a discussion regarding the POC Point Value determination. Mr. Fischer presented a recommendation to the Board regarding the computation of point payments to POC members which would be structured to provide \$5.00 per point for points below 160 in total for the year; \$9.00 per point for points between 161 and 300; and \$13.00 per point for points in excess of 300. There followed discussion about this proposal with the POC members who were present. Thereafter, upon motion of Mr. Fischer, seconded by Mr. Horn, and unanimously approved, the point calculation presented by Mr. Fischer was approved. There was discussion regarding the tax consequences of the point money and Mr. Fischer indicated he would follow up with Ms. Eccles of the Hughes firm regarding the tax withholding and payment on these amounts.

The meeting next turned to personnel matters. The Chair called for a closed session pursuant to Section 2(c) of the Illinois Open Meetings Act to discuss correspondence from the Fire Chief regarding his contract and the vacancy on the Board of Fire Commissioners occasioned by the untimely death of Commissioner Sherman. The motion was so made by Mr. Horn, seconded by Mr. Fischer, and unanimously approved.

Following the conclusion of the closed session, the Board returned to open session and the Chair announced that the Board had discussed the Chief's current contract and the compensation provided to the Chief in the contract and the vacancy on the Board of Fire Commissioners. Mr. Horn thereafter made a motion to increase the Chief's salary to \$91,000.00 per year. Mr. Fischer seconded the motion, and the motion was unanimously approved. A motion was made by Mr. Fischer, seconded by Mr. Horn, and unanimously approved, to appoint Chief Emeritus John Sowders to the Board of Fire Commissioners to complete the term of Mr. Sherman.

Thereafter, there being no further, or other, business to come before the meeting, upon motion duly made, seconded, and unanimously approved, the meeting was adjourned.

*Pete*

Secretary

Approved:

*10*  
*James Ford*

*Mark Jones*

*Pete*

Being All of The Trustees of the  
Godfrey Fire Protection District