

MINUTES OF THE REORGANIZATIONAL MEETING
OF THE
PUBLIC BUILDING COMMISSION OF McLEAN COUNTY, ILLINOIS

Tuesday, October 4, 2016, 4:30 p.m. CDT

The Reorganizational Meeting of the Public Building Commission of McLean County, Illinois (the "Commission") was called to order by Chairman Novosad on October 4, 2016 in Room 404 of the Government Center, 115 East Washington Street, Bloomington, McLean County, Illinois.

Secretary Morel called the roll with the following members answering "present": Messrs. Novosad, Zeunik, Morel, Zimmerman, Funk, Harris, and Farnsworth. Chairman Novosad noted the presence of a quorum. Messrs. Good and Schultz were absent.

Also present were Commission Attorney Robert Porter; Commission Treasurer James Mulligan; McLean County Director of Facilities Management Jack Moody; and Project Manager John Bishop of the Farnsworth Group, Inc.

There were no members of the media, press, and/or radio present.

Chairman Novosad entertained nominations for a Chairman, Vice Chairman, Secretary, Assistant Secretary, and Assistant Treasurer. Hearing no discussion, Chairman Novosad asked for a Motion to elect the following slate of officers: Mr. Novosad as Chairman, Mr. Zeunik as Vice Chairman, Mr. Morel as Secretary, Mr. Zimmerman as Assistant Secretary, and Mr. Funk as Assistant Treasurer. It was moved by Mr. Harris and seconded by Mr. Funk that the slate of officers presented by Chairman Novosad be elected. Chairman Novosad called for a vote on the Motion to elect the slate of officers as presented and the Motion carried unanimously by voice vote.

Chairman Novosad then made the following report relating to insurance coverages:

- a. Commercial General Liability and Terrorism Policy for the properties located at 102 West Front Street (Abraham Lincoln Memorial Parking Deck), 104 West Front Street (Law and Justice Center), 115 East Washington Street (Government Center), and 200 North Main Street (Old Courthouse), 102 South Towanda Barnes Road (Highway Department Office Building and Garages), and 9279

North 1375 East Road (Animal Control Shelter) in Bloomington, Illinois as well as 901 North Main Street (Nursing Home), 902 North Main Street (Juvenile Detention Center), 905 North Main Street (Fairview Sanitarium Building), and 907 North Main Street (EMA Garage) in Normal, Illinois. This policy is issued by Columbia Insurance Group through the R.W. Gipson Agency, Inc.

Coverage: Commercial General Liability –
\$1 million each occurrence limit
\$2 million general aggregate limit
\$2 million products/completed operations aggregate limit
\$1 million personal and advertising injury limit
\$100,000 damage to premises rented to you limit (any one premises)
\$5,000 medical expense limit (any one person)

Cost: \$31,323.00

- b. Commercial Excess Liability Insurance Policy for the properties located at 102 West Front Street (Abraham Lincoln Memorial Parking Deck), 104 West Front Street (Law and Justice Center), 115 East Washington Street (Government Center), and 200 North Main Street (Old Courthouse), 102 South Towanda Barnes Road (Highway Department Office Building and Garages), and 9279 North 1375 East Road (Animal Control Shelter) in Bloomington, Illinois as well as 901 North Main Street (Nursing Home), 902 North Main Street (Juvenile Detention Center), 905 North Main Street (Fairview Sanitarium Building), and 907 North Main Street (EMA Garage) in Normal, Illinois. This policy is issued by Torus Specialty Insurance Company through the R.W. Gipson Agency, Inc.

Coverage: Umbrella/Excess Liability –
\$5 million each occurrence limit
\$5 million annual aggregate

Coverage in excess of General Liability limits of:
\$1 million each occurrence
\$2 million annual aggregate
\$2 million products/completed operations aggregate

Cost: \$5,143.00

- c. Business Auto Policy for the Public Building Commission. This policy is issued by Columbia Insurance Group through the R.W. Gipson Agency, Inc.

Coverage: \$1 million combined single limit for hired and non-owned auto liability.

Cost: \$250.00

- d. Public Officials' Liability Policy for the Public Building Commission. This Policy is issued by Darwin National Assurance through the R.W. Gipson Agency, Inc.

Coverage: Public Officials Liability –

\$1 million insurer's maximum limit of liability for all loss from each claim

Non-Monetary Coverage – Defense Only –

\$50,000 insurer's maximum limit of liability for all defense expenses under each claim

\$100,000 insurer's maximum limits of liability for all defense expenses for all claims

Employment Practices Liability and Third-Party Liability –

\$1 million insurer's maximum limit of liability for all loss from each claim

Policy Aggregate Limit of Liability –

\$1 million insurer's aggregate limit of liability for all loss from all claims

Public Officials Crisis Management Limit of Insurance –

\$25,000 insurer's maximum limit of insurance for all crisis management expenses

Cost: \$3,792.00

- e. Surety Bonds for Thomas W. Novosad, John M. Zeunik, John L. Morel, William A. Zimmerman, Adam R. Funk, and James E. Mulligan. The Surety Bonds are obtained through Capen, Frank, Proctor & Bowles.

Cost: \$2,855.00.

Hearing no discussion, Chairman Novosad asked for a Motion to ratify the Commission's purchase of general liability insurance, excess liability insurance, business auto insurance, public officials' liability insurance, and surety bonds, as presented. It was moved by Mr. Zimmerman and seconded by Mr. Zeunik that the Commission ratify the purchase of general liability insurance, excess liability insurance, business auto insurance, public officials' liability insurance, and surety bonds, as presented. Upon a roll call vote, all Commissioners voted in favor of the Motion.

The following Motions were then made by Mr. Farnsworth and seconded by Mr. Harris:

- a. That PNC, N.A., Bloomington, Illinois be renamed as depository for the General Fund, and that any two (2) of the Chairman, Vice Chairman, Secretary, Assistant Secretary, and Assistant Treasurer are authorized to sign or countersign all checks and orders on said account hereby affirming and readopting all prior resolutions annually passed on this matter.
- b. That J.P. Morgan Chase Bank, Bloomington, Illinois be renamed as depository for the Operation and Maintenance Accounts, and that any two (2) of the Chairman, Vice Chairman, Secretary, Assistant Secretary, and Assistant Treasurer are authorized to sign or countersign all checks and orders on said account hereby affirming and readopting all prior resolutions annually passed on this matter.
- c. That Heartland Bank and Trust Company, Normal, Illinois be renamed as depository for the Series 2010 and 2013 Public Building Revenue Bond Issue Debt Service Accounts and Office Building Project Fund, and that any two (2) of the Chairman, Vice Chairman, Secretary, Assistant Secretary, and Assistant Treasurer are authorized to sign or countersign all checks and orders on said account hereby affirming and readopting all prior resolutions annually passed on this matter.
- d. That Bloomington-Normal Community Bank, Bloomington, Illinois be renamed as depository for the Series 2015 Public Building Revenue Bond Issue Debt Service Account and Project Account, and that any two (2) of the Chairman, Vice Chairman, Secretary, Assistant Secretary, and Assistant Treasurer are authorized to sign or countersign all checks and orders on said account hereby affirming and readopting all prior resolutions annually passed on this matter.

Upon a roll call vote, all Commissioners voted in favor of the Motion.

Chairman Novosad then asked Commission Attorney Robert Porter to report on the Commission's Continuing Disclosure Undertaking Compliance. Mr. Porter reminded the

Commission that the 2013 and 2015 Bond Resolutions contained continuing disclosure undertaking requirements whereby the issuer and the obligors of the Bonds are required to publicly disclose their audited financial statements within two hundred ten (210) days of the close of their respect Fiscal Years. Mr. Porter indicated that this disclosure occurs by way of an upload to the Municipal Rulemaking Security Board's Electronic Municipal Market Access ("EMMA") site. Mr. Porter noted that this disclosure is required by Securities Regulation 15c2-12. Mr. Porter noted that First Midstate, Inc. had made all of the required disclosures on behalf of the Commission and County at the conclusion of their respective 2015 Fiscal Years as evidence by the EMMA screenshots included in the Commissioners' meeting packets.

Chairman Novosad then asked whether there were any questions for Mr. Porter on the Commission's Continuing Disclosure Undertaking Compliance. Hearing none, Chairman Novosad asked Mr. Porter to present a report on the Commission's Post-Issuance Compliance and Tax Matters for the Series 2015 Public Building Revenue Bond Issue. Mr. Porter reminded the Commission that it adopted a Post-Issuance Compliance Record-Keeping and Tax Matters at its July 5, 2016 meeting, which Policy pertained to the Series 2015 Public Building Revenue Bond Issue. Mr. Porter indicated that the Policy charged him with reporting to the Commission on an annual basis that he has been maintaining all pertinent records associated with the Series 2015 Issue, and the investment thereof, as well as whether the Commission is faced with any arbitrage liability. Mr. Porter noted that there are no arbitrage or yield restriction concerns for the Series 2015 Issue during the temporary period, which does not end until October 6, 2018. Mr. Porter stated that even if the temporary period had elapsed, the .8% that the Commission is receiving at the top end on its Project Fund dollars at Bloomington-Normal Community Bank does not come close to the 3.5% average interest rate on the Series 2015 Bonds. Mr. Porter further noted that the Commission was complying with the tax law's fair market value requirements on its Project Fund dollars at Bloomington-Normal Community Bank.

Chairman Novosad asked whether there were any questions for Mr. Porter on the Commission's Post-Issuance Compliance and Tax Matters for the Series 2015 Public Building Revenue Bond Issue. Hearing none, Chairman Novosad turned to the retention of the Commission's legal counsel, Treasurer, and auditor for the 2017 Fiscal Year.

Mr. Zimmerman then made the following Motion:

- a. That Robert W. Porter be retained as Commission Attorney for the Fiscal Year at an hourly rate of \$175.00.
- b. That James E. Mulligan be retained as Commission Treasurer for the Fiscal Year.

- c. That Sulaski & Webb, CPAs be retained to perform the Commission's Fiscal Year 2016 Audit and Annual Financial Report filing for \$11,000.00.

The motion was seconded by Mr. Farnsworth. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Mr. Porter noted that the Commission will meet again on Tuesday, November 1, 2016. Mr. Porter further noted that the remainder of the Commission's regularly-scheduled Fiscal Year 2017 meetings would be held on the following dates: December 6, 2016, January 3, 2017, February 7, 2017, March 7, 2017, April 4, 2017, May 2, 2017, June 6, 2017, July 11, 2017, August 1, 2017, and September 5, 2017. Mr. Porter stated that these meetings will be held at 3:30 p.m. in Room 404 of the Government Center, 115 East Washington Street, Bloomington, McLean County, Illinois.

There being no further business or items of reorganization to come before the Commission at this time, Mr. Harris moved that the meeting be adjourned. The Motion was seconded by Mr. Zeunik. The Motion carried unanimously by voice vote. Chairman Novosad then declared the Reorganizational Meeting adjourned at 4:55 p.m.

APPROVED:

November 1, 2016


JOHN L. MOREL,
Secretary, Public Building Commission