

REGULAR MEETING MINUTES OF THE BLOOMINGDALE
POLICE PENSION BOARD MEETING
TRAINING ROOM OF THE BLOOMINGDALE POLICE DEPARTMENT
201 SOUTH BLOOMINGDALE ROAD,
APRIL 26, 2021

1. **PROOF OF POSTING**

This meeting was duly noticed and posted in accordance with State Statutes.

2. **CALL TO ORDER**

The in-person meeting with videoconference capability was called to order by Vice President Bruett at 4:32 p.m.

3. **ROLL CALL**

Present: President Jeffrey Fritz (via Zoom), Vice President Vince Bruett,
Asst. Secretary Stephen Abruzzo

Absent: Secretary Ed Levato (previously advised he would arrive late)

Also Present: Gary Szott, Finance Director/Treasurer, Asst. Finance Director Tori Montbriand, Fund Attorney John Gaw, Incoming Trustee Bruce Mason, and Greg Kieseewetter/Cook Castle Associates LLC

QUORUM PRESENT

4. **AUDIENCE PARTICIPATION**

No members of the public were participants in the meeting.

5. **ACCEPTANCE OF MINUTES**

Upon a Motion by Vice President Bruett, seconded by Asst. Secretary Abruzzo, to waive a reading of the Minutes and to accept the Regular Meeting Minutes of the Bloomingdale Police Pension Fund Board held on February 8, 2021, as presented

AYES: All Trustees Present

NAYS: None

ABSENT: Secretary Levato

MOTION DECLARED CARRIED

6. **ELECTION RESULT – ELECTION BY ACCLAMATION**

An election was held to fill one (1) trustee vacancy from the roster of current police department membership. During the candidate nomination period, only one person, Bruce Mason submitted their name for candidacy by the deadline of March 19, 2021; therefore, the Board deemed that Bruce Mason was elected by acclamation to the position of Pension Board Trustee.

Motion by Vice President Bruett, seconded by Asst. Secretary Abruzzo, to certify the election by acclamation of Bruce Mason to act as a representative of the

Bloomingdale Police Pension Board for a two-year term to commence on the 2nd Tuesday in May (May 11, 2021) and expire after Monday, May 8, 2023.

AYES: All Trustees Present
NAYS: None
ABSENT: Secretary Levato

MOTION DECLARED CARRIED

7. PENSION CLERK POSITION

A. Resignation of Clerk Patricia Perry

Clerk Perry submitted her resignation from the position of Clerk for the Bloomingdale Police Pension Fund effective May 31, 2021.

Motion by Vice President Bruett, seconded by Asst. Secretary Abruzzo to accept the resignation of Clerk Perry effective May 31, 2021 after serving as the Pension Clerk for 27 years.

AYES: All Trustees Present
NAYS: None
ABSENT: Secretary Levato

MOTION DECLARED CARRIED

B. Appointment of Pension Clerk Sara Van Winkle

The application and resume previously submitted by Sara Van Winkle for the position of Clerk for the Bloomingdale Police Pension Fund was reviewed.

Motion by Vice President Bruett, seconded by Asst. Secretary Abruzzo to appoint Sara Van Winkle to the position of Clerk for the Bloomingdale Police Pension Fund effective retroactively to April 7, 2021. The date is necessary for training purposes prior to Clerk Perry's resignation.

AYES: All Trustees Present
NAYS: None
ABSENT: Secretary Levato

MOTION DECLARED CARRIED

8. INFORMATION ITEMS

A. New IDOI Pension Statement Requirements

Finance Director/Treasurer Szott advised that the Illinois Department of Insurance, Public Pension Division, has added new required submissions for all Article 3 and Article 4 pension funds for annual statements filed with the Division after March 1,

2021. He said that, although the new interrogatories will require additional work, and as the Village completes the report we will comply.

B. FOIA Request #21-45 – Zack Czirak

Finance Director/Treasurer advised the Board the FOIA request received from Zack Czirak for quarterly investment reports for the Police Pension Fund from 12/31/18 through 12/31/20 were provided to him prior to the due date.

C. Fund Attorney Report (Verbal)

Fund Attorney John Gaw briefly summarized the cases referenced in his firm's quarterly newsletter, *Legal and Legislative Update, Volume 20, Issue 2, April 2021*, Cases he thought to be of particular interest to our Board were those involving the issues of mistaken benefit calculations, line of duty disability pensions, including PTSD, and insurance coverage for catastrophic injuries. He also provided an update on the lawsuit regarding the Consolidation, and advised that, as of this time, no date has been set for the transfer of funds to the Consolidated Pension Fund. He will continue to keep the Board informed of any court rulings that might affect our Fund.

9. FINANCIAL REPORTS AND INVESTMENTS

A. Treasurer's Report for the Period ended 03/31/2021

Finance Director/Treasurer Szott advised that the Fund had an estimated \$1.4 million in available cash to invest.

He then presented a summary of the pie chart representing the Fund's portfolio distribution allocation. He reported that 76% of the Fund's portfolio, or approximately \$35.5 million, was in equities (mutual funds and variable annuity separate accounts) which is above the Fund's target allocation of 65% by approximately \$5.2 million, due to the strong performance of the market, and 24% was in fixed income assets. He further stated the estimated fiscal year return through 3/31/21 on the Fund's mutual funds was 34.87% and on its variable annuity accounts, the estimated return was 40%.

Addition to the Roll – Secretary Edward Levato entered the meeting at 5:03 P.M.

Finance Director/Treasurer continued with a review of the Fund's bond ladder for discussion by the Board regarding the possible investment of the Fund's \$1.4 million of available cash, and with regard to the Fund's projected cash flow and future pension liabilities.

Motion by Vice President Bruett, seconded by Asst. Secretary Abruzzo, to accept by voice vote the Treasurer's Report for the period ended 3/31/21. Upon roll call, the Clerk recorded the following voice votes:

AYES: President Fritz, Vice President Bruett, Secretary Levato,
Asst. Secretary Abruzzo

NAYS: None

ABSENT: None

MOTION DECLARED CARRIED

In accordance with the Illinois Department of Insurance requirements, a copy of the Treasurer's Report for the period ending March 31, 2021 is attached to these Minutes for the record.

B. Potential Purchase or Sale of Securities

With regard to the Board's inability to invest in additional equity products, the Board discussed the limited investment opportunities for the Fund's \$1.4 million in available cash.

Motion by Secretary Levato, seconded by Vice President Bruett, to grant Finance Director/Treasurer Szott the authority and discretion to invest up to \$900,000 of available cash in authorized fixed income securities with a maximum maturity not to exceed ten (10) years;

Upon roll call by the Clerk, the following voice votes were recorded:

AYES: President Fritz, Vice President Bruett, Secretary Levato,
Asst. Secretary Abruzzo

ABSENT: None

NAYS: None

MOTION DECLARED CARRIED

Discussion continued regarding investment options for the remaining portion of available cash. A fixed income annuity with Oceanview Life Insurance Company, A.M. Best Rating A- was discussed.

Motion by Vice President Bruett, seconded by Asst. Secretary Abruzzo, to grant Finance Director/Treasurer Szott the authority and discretion to invest up to \$500,000 of available cash in a 4-year fixed annuity with a yield of 2.55% with Oceanview Life Insurance Company.

Upon roll call by Clerk Perry, the following voice votes were recorded:

AYES: President Fritz, Vice President Bruett, Secretary Levato,
Asst. Secretary Abruzzo

ABSENT: None

NAYS: None

MOTION DECLARED CARRIED

C Approval of Payments

The Board reviewed the list of payments and expenditures.

Motion by Vice President Bruett, seconded by Asst. Secretary Abruzzo, to approve by voice vote the payments and expenditures in the amount of \$1,812.63, per the itemized list dated April 26, 2021. Upon roll call by Clerk Perry, the following voice votes were recorded:

AYES: President Fritz, Vice President Bruett, Secretary Levato,
Asst. Secretary Abruzzo

ABSENT: None

NAYS: None

MOTION DECLARED CARRIED

10. **OLD BUSINESS**

A. FY22 Budget Review and Approval

The Board reviewed the final Pension Fund budget for Fiscal Year 21/22 submitted by Finance Director/Treasurer Szott to the Board for their approval. He advised that he updated the January preliminary budget previously submitted to the Board to reflect the several pension applications that are on the agenda tonight, with the assumption that the Board would approve the pension benefits. No other updates or changes were made to the preliminary budget.

Motion by Vice President Bruett, seconded by Asst. Secretary Abruzzo, to approve the final FY21/22 budget as presented. Upon roll call by Clerk Perry, the following voice votes were recorded:

AYES: President Fritz, Vice President Bruett, Secretary Levato,
Asst. Secretary Abruzzo

ABSENT: None

NAYS: None

MOTION DECLARED CARRIED

B. Update – Refund of Contributions to Ljiljana Clampit

Finance Director/Treasurer advised that the previously approved refund of contributions in the amount of \$1,871.35 has been issued to Ljiljana Clampit after she recently contacted him to advise her desired method of refund.

C. Status of QILDROS – Fund Attorney Gaw advised:

- 1) Hill vs Ambrosio –the \$50 processing fee was paid, and the Calculation Order has been completed;

- 2) Bonilla vs Bonilla – a copy of the QILDRO and the \$50 processing fee was received by the Fund on March 2, 2021. No further action is necessary until Officer Bonilla retires.

Motion by Vice President Bruett, seconded by Asst. Secretary Abruzzo, to accept and approve the court order regarding the Bonilla QILDRO; however, no payments will be made to the alternate payee until the member commences receipt of regular retirement benefits, and a certified copy of a calculation order is received, along with an additional \$50 processing fee.

AYES: President Fritz, Vice President Bruett, Secretary Levato,
Asst. Secretary Abruzzo

ABSENT: None

NAYS: None

MOTION DECLARED CARRIED

Removal from the Roll - Finance Director/Treasurer Szott left the meeting at 5:52 P.M.

10. OLD BUSINESS (Continued . . .)

D. Fiduciary Liability Insurance for FY22

President Fritz recently sought quotes for the Fund's Fiduciary Liability Insurance coverage for FY22. As a result, Greg Kiesewetter of Cook Castle Associates, LLC was invited to present a proposal for Fiduciary Liability Insurance coverage at tonight's meeting.

After the presentation, the Board asked Mr. Kiesewetter several questions regarding the coverage provisions, and reviewed the two quotes presented regarding claim limits and premium costs.

After their discussion, the Board unanimously agreed to accept option #1 for coverage in the amount of \$1m Limit for a total premium of \$5,355.00 from the Hudson Insurance Company, which is rated "A" Excellent Financial Size Category XV by A.M. Best. In addition to the policy covering the current Trustees and the Finance Director Szott, the Board wanted the policy to also include insurance endorsements for the positions of Asst. Finance Director and Pension Board Clerk.

Motion by Vice President Bruett, seconded by Asst. Secretary Abruzzo, to accept the proposal for Option #1 - \$1m Limit each claim from the Hudson Insurance Company for the Fund's Fiduciary Liability Insurance for FY22 that would provide coverage for the current Trustees, Finance Director/Treasurer, Asst. Finance Director, and the Pension Board Clerk; and to approve the premium payment in the amount of \$5,355.00, and to authorize President Fritz to sign the Binder.

AYES: President Fritz, Vice President Bruett, Secretary Levato,
Asst. Secretary Abruzzo
ABSENT: None
NAYS: None

MOTION DECLARED CARRIED

G. Status Update – Returned 2021 Annual Certification Forms From Beneficiaries

Clerk Perry reported that one beneficiary has not yet returned their notarized completed form. This matter was tabled until the next meeting of the Pension Fund Board.

11. **DISCUSSION ITEM – July Meeting Date – Future Meeting Start Time**

Because incoming Trustee Bruce Mason and newly appointed Pension Clerk Van Winkle will be unable to attend the next Pension Fund meeting scheduled for Monday, July 26, 2021, the Board discussed changing the date of the July meeting, as well as possibly setting an earlier starting time for the meeting.

After some discussion, the Board unanimously agreed to reschedule their July meeting to Monday, August 9, 2021 at 4:30 P.M., which, due to on-going COVID-19 distancing requirements, will have to be held in the Training Room in the lower lever of the Police Department. Clerk Perry was instructed to prepare the appropriate Public Notice regarding the change in meeting date, time and location for the next meeting of the Pension Fund.

12. **NEW BUSINESS**

A. Application for a Regular Service Pension – Jeffrey Hill

The application from Jeffrey Hill for a regular service pension was reviewed.

Motion by Vice President Bruett, seconded by Asst. Secretary Abruzzo, to award a regular service pension to Jeffrey Hill, aged 59, for his 20 years, 0 months, 1 day of creditable service as a Tier 1 employee from 3/26/2001 to 03/26/2021 equal to 50.0% of his salary attached to his rank of \$106,953.60/year, subject to a QILDRO (50% of \$106,953.60 = \$53,476.80/yr. initial annual pension) effective 03/27/21, for an initial prorated (5 days) monthly benefit of \$718.77, and as calculated by the Department of Insurance Benefit Calculator. Pension Clerk Perry conducted a roll call, and recorded the following voice votes:

AYES: President Fritz, Vice President Bruett, Secretary Levato,
Asst. Secretary Abruzzo
ABSENT: None
NAYS: None

MOTION DECLARED CARRIED

B. Application for a Regular Service Pension – Dawn Odoi

The application from Dawn Odoi for a regular service pension was reviewed.

Motion by Vice President Bruett, seconded by Asst. Secretary Abruzzo, to award a regular service pension to Dawn Odoi, aged 54, for her 28 years, 1 month, 2 days of creditable service as a Tier 1 employee from 3/29/1993 to 04/30/2021 equal to 70.0% of her salary attached to her rank of \$108,243.20/year for an initial annual pension of \$75,770.24/yr. effective 05/01/21, for an initial monthly benefit of \$6,314.19, and as calculated by the Department of Insurance Benefit Calculator. Pension Clerk Perry conducted a roll call, and recorded the following voice votes:

AYES: President Fritz, Vice President Bruett, Secretary Levato,
Asst. Secretary Abruzzo

ABSENT: None

NAYS: None

MOTION DECLARED CARRIED

C. Application for a Regular Service Pension – Juan Pagan

The application from Juan Pagan for a regular service pension was reviewed.

Motion by Vice President Bruett, seconded by Asst. Secretary Abruzzo, to award a regular service pension to Juan Pagan, aged 50, for his 22 years, 4 months, 4 days of creditable service as a Tier 1 employee from 01/04/1999 to 05/07/2021 equal to 55.0% of his salary attached to his rank of \$106,953.60/year for an initial annual pension of \$58,824.48/yr. effective 05/08/21, for an initial monthly benefit of \$3,795.13, and as calculated by the Department of Insurance Benefit Calculator. Pension Clerk Perry conducted a roll call, and recorded the following voice votes:

AYES: President Fritz, Vice President Bruett, Secretary Levato,
Asst. Secretary Abruzzo

ABSENT: None

NAYS: None

MOTION DECLARED CARRIED

D. Application for a Regular Service Pension – Jimmy Dallas Janes

The application from Jimmy Dallas Janes for a regular service pension was reviewed.

Motion by Vice President Bruett, seconded by Asst. Secretary Abruzzo, to award a regular service pension to Jimmy Dallas Janes, **upon attaining the age of 50 on June 6, 2023**, for his 20 years, 4 months, 7 days of creditable service as a Tier 1 employee from 06/29/2000 to 03/19/2021 equal to 50.0% of his salary attached to his rank of \$106,953.60/year for an initial annual pension of \$53,476.80/year effective 06/06/23, for an initial monthly benefit of \$3,713.67, and as calculated by the Department of Insurance Benefit Calculator. Pension Clerk Perry conducted a roll call, and recorded the following voice votes:

AYES: President Fritz, Vice President Bruett, Secretary Levato,
Asst. Secretary Abruzzo

ABSENT: None

NAYS: None

MOTION DECLARED CARRIED

E. Joanne Ambrosio – Designated Alternate Payee

The Pension Fund received the QILDRO naming Jeffry Hill as the member of the Pension, and Joanne Ambrosio as the alternate payee The Fund Attorney has advised that the QILDRO is acceptable and it is a valid court order.

Motion by Vice President Bruett, seconded by Asst. Secretary Abruzzo, to designate Joanne Ambrosio as the Alternate Payee per the terms of the acceptable QILDRO and valid court order, with payments to her to be implemented as soon as administratively possible. Upon Roll Call by Clerk Perry, the following voice votes were recorded:

AYES: President Fritz, Vice President Bruett, Secretary Levato,
Asst. Secretary Abruzzo

ABSENT: None

NAYS: None

MOTION DECLARED CARRIED

F. Unpaid Leave of Absence – Tara Pagan

Officer Tara Pagan suspended her required pension contributions during her unpaid Leave of Absence from 03/11/21 through 04/15/21. She has the option to retroactively make up her pension contributions after her return to work. No Board action is required at this time.

G. Fund's Letter of Protest to the IL Dept. of Insurance-- FY22 Compliance Fee

The Board discussed sending their annual letter of protest along with the fee payment to the Illinois Department of Insurance in the event that a lawsuit is filed in the future, which, if successful, only those funds who protested the fee would be eligible for remedy. Therefore, the Board agreed to send another protest letter along with the fee payment this year to the Illinois Department of Insurance.

Motion by President Fritz, seconded by Vice President Bruett, to authorize payment of the statutory annual compliance fee, and to send a letter of protest to the Illinois Department of Insurance along with the payment.

AYES: President Fritz, Vice President Bruett, Secretary Levato,
Asst. Secretary Abruzzo

ABSENT: None

NAYS: None

MOTION DECLARED CARRIED

13. **COMMENTS FROM THE PUBLIC**

None

14. **MEETING ADJOURNMENT**

President Fritz called for a motion to adjourn.

On a Motion by Vice President Bruett, seconded Secretary Levato, the Regular Meeting of the Police Pension Fund held on April 26, 2021 was adjourned at 6:26 P.M.

AYES: President Fritz, Vice President Bruett, Secretary Levato,
Asst. Secretary Abruzzo

ABSENT: None

NAYS: None

MOTION DECLARED CARRIED

Respectfully submitted,



Patricia Perry
Police Pension Board Clerk

Minutes approved by: _____

(Name)

08-09-2021

(Date)