

REGULAR MEETING MINUTES OF THE BLOOMINGDALE  
POLICE PENSION BOARD MEETING HELD IN THE  
CONFERENCE ROOM OF THE BLOOMINGDALE  
VILLAGE HALL, DU PAGE COUNTY,  
201 SOUTH BLOOMINGDALE ROAD,  
JULY 27, 2020

---

1. **PROOF OF POSTING**

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

2. **CALL TO ORDER**

The meeting was called to order by President Fritz at 5:03 p.m.

3. **ROLL CALL**

Present: President Jeffrey Fritz, Vice President Vincent Bruett, Secretary Edward Levato, Trustee Stephen Abruzzo

Absent: None

Also Present: Finance Director/Treasurer Gary Szott, Fund Attorney Rick Reimer, Reimer & Dobrovolsky PC

**QUORUM PRESENT**

4. **ACCEPTANCE OF MEETING MINUTES**

Motion by Secretary Levato, seconded by Trustee Abruzzo, to waive a reading of the Minutes and accept the Minutes of the Bloomingdale Police Pension Fund Board Regular Meeting held on April 27, 2020, as presented.

AYES: President Fritz, Vice President Bruett, Secretary Levato, Trustee Abruzzo

NAYS: None

ABSENT: None

**MOTION DECLARED CARRIED**

5. **PENSION BOARD OFFICERS**

A. **Annual Appointment of Pension Fund Officers**

As required by statute, the Board discussed the appointment of its officers for the next year. The existing slate of officers was reviewed and discussion ensued.

Motion by Vice President Bruett, seconded by Secretary Levato, the Board appointed the following slate of officers for one (1) year: Jeffrey Fritz as President, Vince Bruett as Vice President, Edward Levato as Secretary, and Stephen Abruzzo as Asst. Secretary.

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

AYES: President Fritz, Vice President Bruett, Secretary Levato,  
Trustee Abruzzo

NAYS: None

ABSENT: None

**MOTION DECLARED CARRIED**

B. Annual Appointment of Pension Clerk

Motion by President Fritz, seconded by Asst. Secretary Abruzzo, to reappoint Patricia Perry as Clerk to the Police Pension Fund for one (1) year.

AYES: President Fritz, Vice President Bruett, Secretary Levato,  
Trustee Abruzzo

NAYS: None

ABSENT: None

**MOTION DECLARED CARRIED**

C. Designation of the Fund's Alternate FOIA Officer

It was noted that the Assistant Village Administrator, Barbara Weber, is the Fund's designated Primary FOIA Officer, and Vice President Bruett is currently serving as the Fund's Alternate FOIA Officer. Vice President Bruett volunteered to continue to serve the Fund in that capacity until the expiration of his term on May 10, 2021.

Motion by Asst. Secretary Abruzzo, seconded by Secretary Levato, to designate Vice President Bruett as the Fund's Alternate FOIA Officer until the expiration of his term on May 10, 2021.

AYES: President Fritz, Vice President Bruett, Secretary Levato,  
Trustee Abruzzo

NAYS: None

ABSENT: None

**MOTION DECLARED CARRIED**

D. Designation of the Fund's Open Meetings Act Officer

President Fritz is currently serving as the Fund's Open Meetings Act Officer, and he volunteered to continue serving in that position for one (1) year.

Motion by Secretary Abruzzo, seconded by Vice President Bruett, to designate President Fritz as the Fund's Open Meetings Act Officer for one (1) year.

AYES: President Fritz, Vice President Bruett, Secretary Levato,  
Trustee Abruzzo

NAYS: None

ABSENT: None

**MOTION DECLARED CARRIED**

E. Updating of Authorized Signatories of the Fund

The Board noted that four (4) positions, specifically those of President, Secretary, Assistant Finance Director and Finance Director/Treasurer, have been identified to be the signatories of the Fund. As a result of the reappointment of the Fund officers holding the positions of President (Fritz) and Secretary (Levato), no changes to the names for either of those two (2) positions are necessary. However, Finance Director/Treasurer Szott advised the Board of a personnel change in the position of Assistant Finance Director. Therefore, he requested the name of the newly hired Assistant Finance Director, Victoria Montbriand, be added as a signatory to replace Allen Altic, who recently resigned from that position.

Motion by President Fritz, seconded by Vice President Bruett, to keep the same names for the positions of President, Secretary, and Finance Director/Treasurer, and to add the name of the new Assistant Finance Director, Victoria Montbriand, as signatories of the Fund.

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

NAYS: None

ABSENT: None

**MOTION DECLARED CARRIED**

6. **NEW BUSINESS**

A. Application for a Regular Service Pension – Vincent Bruett

The application from Vincent Bruett for a regular service pension was reviewed.

Motion by President Fritz, seconded by Secretary Levato, to award a regular service pension to Vincent Bruett, aged 58, for his 27 years and 7 months of creditable service as a Tier 1 employee from 01/01/93 to 07/31/20 equal to 67.50% of his salary attached to his rank of \$122,392.00/year, for an initial annual pension of \$82,614.60/yr. effective 08/01/20, for an initial monthly benefit of \$6,884.55, 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, Secretary Levato, Asst. Secretary Abruzzo

ABSTAIN: Vice President Bruett  
NAYS: None  
ABSENT: None

**MOTION DECLARED CARRIED**

**B. Preliminary 2020 Police Pension Property Tax Levy**

Finance Director/Treasurer Szott provided a summary of the Preliminary Financial Statements regarding the fiscal performance of the Fund for the fiscal year ending April 30, 2020. He then stated the following: the actuary has calculated the annual amount of the Village contribution to the Pension Fund to be \$2,222,001, representing an increase of approximately \$185,000 (9%) over last year's contribution. He advised this is the amount that will be recommended to the Village Board.

He relayed one factor impacting the actuarial recommendation was the enhancement of the Tier 2 benefits. Other factors that could impact the actuarial recommendation would be if we used the Illinois Department of Insurance mortality tables, which would increase the required contribution by approximately \$75,000; and if we reduced the assumed actuarial rate of return from 7.38% to 7.25%, it would increase the required contribution, as well. The plan was to try to reduce the interest rate assumption when the opportunity existed in favorable years, but due to the influence of COVID-19's impact on the portfolio, that would have required a larger increase to the tax levy of another \$150,000, which was not acceptable. He advised the Village wanted to avoid that this year, but they would try to reduce the rate of return assumption next year. As a whole, the actuary calculated the portfolio returned about 3.50% last year, but the equity market performance in the 1<sup>st</sup> and 2<sup>nd</sup> quarters of 2020 is the reason why it is difficult to decrease the interest rate assumption this year.

**7. OLD BUSINESS**

**A. Approval of a Pension Adjustment for Retired Deputy Chief Timothy Roberts**

At the time of the retirement of Timothy Roberts on May 5, 2020, his final rate of earnings was not known. Since that date, the Village Board approved a 2.00% across-the-board hourly wage rate increase for all non-represented employees retroactive to May 1, 2020. Further, he earned a 2.50% merit hourly wage rate increase effective May 5, 2020. Therefore, his previously calculated service pension benefit needs to be revised accordingly to reflect the salary that he would have been earning on May 5, 2020, his last day of work prior to his pension benefits starting on May 6, 2020. He is also entitled to the additional amount of \$462.14, representing the retroactive service pension benefit or the difference in what he had actually received and what he should have received for the period May 6, 2020 through July 31, 2020 based on the

aforementioned wage rate increases.

Motion by President Fritz, seconded by Secretary Abruzzo, to approve the revised pension benefit for Deputy Chief Timothy Roberts equal to 62.50% of his salary attached to his rank of \$149,614.40/year, which is an initial annual pension of \$93,509.00/year, and an initial monthly benefit of \$6,535.58, pursuant to hourly wage increases retroactive to May 1, 2020 and May 5, 2020, respectively, to which he is entitled, and as calculated by the Department of Insurance Benefit Calculator; and to approve a retroactive pension payment of \$462.14 representing the retroactive service pension benefit or the difference in what he had actually received and what he should have received for the period May 6, 2020 through July 31, 2020, based on the aforementioned wage rate increases. Upon roll call, Clerk Perry recorded the following voice votes:

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

NAYS: None

ABSENT: None

**MOTION DECLARED CARRIED**

B. Clampit Refund – Info Only

Finance Director/Treasurer Szott advised the Board that correspondence sent via certified mail to former Officer Ljiljana Clampit regarding the process to receive a refund of her pension contributions was not claimed and the letter was returned.

8. **FINANCIAL REPORTS AND INVESTMENTS**

A. Treasurer's Report for the Period Ended 6/30/20

Finance Director/Treasurer Szott summarized the activity of the Fund for the period ended 06/30/20. He advised the Fund has \$1.8 million in available funds to invest. As of 6/30/20, the Fund's portfolio distribution was 70% in equities and 30% in fixed income. The Fund's mutual fund portion had a loss of \$2.4 million in the last quarter, but in this quarter, it broke even, so it is recovering. For the calendar year, the mutual funds are down just under 5%, which is close to the fiscal year-to-date decrease of 8% in the market's performance, which can be attributed to the turmoil as a result of the COVID-19 lock downs. He further advised that the investments into the variable annuities which the Board directed have been done. Lastly, all of the callable bonds in the Fund's portfolio have now been called, which is the reason the Fund has \$1.8 million in available funds to invest at this time.

Motion by Secretary Levato, seconded by President Fritz, to approve by voice vote the Treasurer's Report for the period ended June 30, 2020, as presented.

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

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

NAYS: None

ABSENT: None

**MOTION DECLARED CARRIED**

In accordance with IDOI, Department of Insurance requirements, a copy of the Treasurer's Report for the period ending June 30, 2020 is attached to these Minutes for the record.

**B. Potential Purchase or Sale of Securities**

As Finance Director/Treasurer Szott has advised, the Fund currently has \$1.8 million of available funds to invest. After discussion, the Board agreed to invest up to \$1 million of its available funds in fixed income securities.

Motion by Secretary Levato, seconded by President Fritz, granting Finance Director/Treasurer Szott the authority and discretion to invest up to \$1 million of available funds in authorized fixed income securities, excluding GICs, with a maximum maturity of up to seven (7) years.

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

NAYS: None

ABSENT: None

**MOTION DECLARED CARRIED**

Removal from the Roll – Finance Director/Treasurer Szott left the meeting at 5:50 p.m.

**6. NEW BUSINESS (Continued . . .)**

**C. Required Review and Reading of Sections I-109 and I-113.2 of the Pension Code**

To meet a statutory requirement, President Fritz asked the Board members to read Sections I-109 and I-113-2 of the Pension Code. Section I-109 concerning the duties of fiduciaries, and Section I-113.2 concerning the investment authority of pension funds established under Article 3 or Article 4.

**D. IPOPIF - Update**

The Illinois Police Officers' Pension Investment Fund (IPOPIF) interim Board has now been seated and is in the process of preparing rules and regulations governing the election for the permanent elected Board, which must be conducted by the end of 2020. The interim IPOPIF Board is in the process of developing a complete and

comprehensive procedure for the upcoming election, the first step of which is the creation of the database of eligible voters. IPOPIF has contracted with Foster & Foster to build the voter file, and they will be contacting all Illinois Article 3 pension funds to request member information. Failure of a Fund to provide the requested information by the due date will result in their participants and beneficiaries being ineligible and unable to vote in the election. Fund Attorney Reimer said that if anyone is considering running to become a member of the permanent Board, they would need to fill out a Statement of Candidacy, and that he would be available to answer questions regarding the process that anyone might have. Discussion ensued regarding several people who have already expressed an interest in being a candidate.

E. Attendance at Annual IPPFA Conference in Naperville, IL, 9/30/2020 – 10/2/2020

The Board previously approved four (4) people to attend the IPPFA Midwest Conference to be held September 30, 2020 through October 2, 2020 in Naperville, Illinois. However, due to the resignation of Aaron Machek, only two current board members, President Fritz and Vice President Bruett, will attend the IPPFA Conference. President Fritz advised he would attend in-person, and Vice President Bruett advised he will attend via virtual conference. Their participation in the IPPFA Midwest Conference will satisfy their 8-hour annual training requirement for fiscal year 2021. Clerk Perry will register both attendees for the conference; however, President Fritz will make his own room reservation.

Lastly, in addition to their 8-hour mandated training, due to the consolidation of Article 3 pension funds, Fund Attorney Reimer advised that all trustees holding office as of January 1, 2020 must take the mandated 4-hour consolidation transition training course which is offered through NIU.

Motion by Vice President Bruett, seconded by Asst. Secretary Abruzzo, to approve by voice vote the payment of costs for up to three trustees to obtain the mandated 4-hour consolidation transition training. Clerk Perry recorded the following voice votes:

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

NAYS: None

ABSENT: None

**MOTION DECLARED CARRIED**

There was a general discussion regarding the mandated annual trustee training requirements, and the status of compliance by our current trustees. Fund Attorney Reimer advised that all newly elected or appointed trustees must receive the mandated 16-hour initial trustee training, which can be obtained on-line or through a state

university or college, within one (1) year of their appointment or election, or within 18 months, if a one-time six (6) month extension is requested. Therefore, newly elected Asst. Secretary Abruzzo must complete the 16-hour initial trustee training by May 12, 2021, unless a 6-month extension to November 12, 2021 is requested. Secretary Levato, who receives comparable ethics/fiduciary training annually through his employer, will provide proof of the training he has completed for fiscal year 2021 to Clerk Perry for his file.

Motion by President Fritz, seconded by Secretary Levato, to approve by voice vote the registration fee, mileage reimbursement, and eligible per diem expenses for Asst. Secretary Abruzzo to complete the 16-hour Initial Trustee Training program no later than November 12, 2021. Upon roll call, Clerk Perry recorded the following voice votes:

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

**MOTION DECLARED CARRIED**

In addition to the 16-hour Initial Trustee Training, Asst. Secretary Abruzzo also must complete the required Open Meetings Act and FOIA training on-line via the State's Attorney General's website within three months of his election, specifically by August 12, 2020.

Motion by President Fritz, seconded by Secretary Levato, to approve by voice vote the fees for Asst. Secretary Abruzzo to complete the Open Meetings Act and FOIA training on-line via the State's Attorney General's website by August 12, 2020. Upon roll call, Clerk Perry recorded the following voice votes:

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

**MOTION DECLARED CARRIED**

**8. FINANCIAL REPORTS AND INVESTMENTS (Continued . . .)**

D. Approval of Payments

The Board reviewed the list of payments and expenditures dated 7/27/20 (a copy of the list of payments is attached to these Minutes). President Fritz observed that



wages and benefits for Clerk Perry for her attendance at the April 27, 2020 Pension Board meeting and other pension-related work were not included in the list. Clerk Perry advised she had not submitted a request for compensation due to working remotely during some of that period. After a brief discussion, the Board directed Clerk Perry to submit a request for compensation for the same number of hours (5 hours) for her meeting attendance and pension-related work equal to that which was approved at their last Pension Fund meeting in April, in addition to approving the expenditures totaling \$8,530.12, as shown.

Motion by President Fritz, seconded by Asst. Secretary Abruzzo, to approve the Fund's list of payments and expenditures in the amount of \$8,530.12, and to approve 5 hours of wages, benefits, and payroll costs for Clerk Perry for her attendance at the April 27, 2020 Pension Fund meeting and other Pension Fund related work performed during the last quarter in the amount of \$190.38, for an amended total of \$8,720.50.

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

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

NAYS: None

ABSENT: None

**MOTION DECLARED CARRIED**

**9. INFORMATION ITEMS**

A. Fund Attorney's Report (verbal)

Fund Attorney Reimer provided a summary of the amendments to the OMA per the Governor's Executive Order, which relaxed the requirement to meet in person. He advised that, if the Board would want to hold a remote meeting, the instructions the Board would have to follow for doing so are listed in the July 2020 issue of his quarterly newsletter. He further advised his secretary would sign us up to facilitate a meeting via Zoom. He then provided a brief summary of recent court rulings and other matters affecting Article 3 pension funds.

A. Updated Disclosure/Status #44 on the IMET FFF Repo Fraud Matter

IMET's Disclosure/Status #44 was previously distributed to all Trustees by Finance Director/Treasurer Szott.

**10. CORRESPONDENCE**

A. Letter to Lauterbach & Amen LLP / Reimer (5/21/120)

As requested by Finance Director/Treasurer Szott for audit purposes, Fund Attorney Reimer sent a letter to Lauterbach & Amen LLP advising that the Fund had no pending litigation, threatened litigation, claims, etc., and was not aware of any unasserted claims and assignments.

B. Statement of Cash Receipts and Disbursements for the Year Ended April 30, 2020

The Statement of Cash Receipts and Disbursements for the Year Ended April 30, 2020, a statutory requirement, was reviewed and duly noted; no Board action required.

**11. COMMENTS FROM THE PUBLIC**

None

**12. MEETING ADJOURNMENT**

On a Motion by Asst. Secretary Abruzzo, seconded by. Trustee Levato, the Regular Meeting of the Police Pension Fund held on July 27, 2020 was adjourned at 6:55 p.m.

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

NAYS: None

ABSENT: None

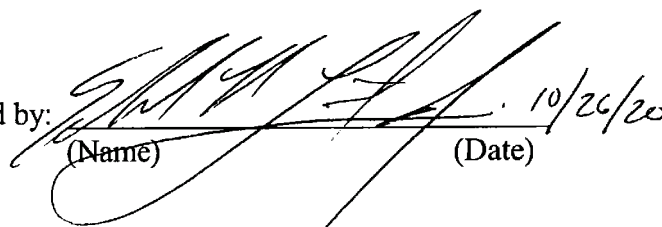
**MOTION DECLARED CARRIED**

Respectfully submitted,



Patricia Perry  
Police Pension Board Clerk

Minutes approved by:



(Name) 10/26/20 (Date)