



**BOARD OF DIRECTORS  
Meeting Minutes**

**Tuesday, December 15, 2020  
Zoom Meeting – 9:30 a.m.**

**I. CALL TO ORDER**

Chair Cedillo called the meeting to order at 9:31 a.m. Ely called the roll, and a quorum was declared.

Remote Declaration was given.

**II. PRESENTATIONS**

A. 10 Shared Principles

Presentation was given by Chief Black of the City of Crystal Lake Police Department and President of the Illinois Association of Chiefs Police with an overview of the 10 Shared Principles.

B. Body Worn Cameras

A short video clip on Body Worn Cameras was shown by Long and Garvey mentioned this would be available on the IRMA website.

C. Frontline Quality Assurance Tracker

Presentation was given by Ben Laird, President of Frontline Public Safety Solutions on the tracker.

**III. CONSENT AGENDA**

Cedillo mentioned these reports are for informational only.

**IV. EXECUTIVE DIRECTOR/STAFF REPORT**

Calendar of 2021 IRMA Meetings

Ely commented these are the meetings dates for 2021.

COVID Update

Ely gave an update on the number of COVID claims. Ely introduced Marisol Nuno, WC Adjuster and Jenny Porrevecchio, Senior Loss Control Consultant as new IRMA employees.

**V. CHAIR'S REPORT – CEDILLO**

A. **Changes in IRMA Delegates/Alternates**

Steve Evans, Delegate – Winfield FPD  
Andrew Martin, Alternate – Winfield FPD

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- ✓ Voice Vote
  - ✓✓ Roll Call Vote – Majority of Membership
  - ✓✓✓ Bylaw Vote – 2/3 of Membership

**B. Announcement of Formation of Nominating Committee for 2021 Officers (Immediate Past Chair – Frances)**

Frances thanked Gargano and Braiman for their assistance and introduced the 2021 Officers. Frances mentioned there are still some vacancies on several of the standing committees and encouraged those interested to reach out to IRMA to serve in the upcoming year. Cedillo mentioned at the Executive Board meeting it was discussed about participation and getting new folks onto some of the committees and encourages everyone to get involved.

**VI. ACTION ITEMS**

- A. Approval of Board of Directors Meeting Minutes of October 14, 2020  
There were no comments.
- B. Endorsement of 10 Shared Principles  
There were no comments.
- C. City of Elmhurst – IRMA Membership  
Ely reported subsequent to the last Board of Directors meeting, staff received updated information on Elmhurst's losses and their experience modifier debit went from 1.46% to 11.61%. Therefore, staff recommends that Elmhurst should not be invited to join IRMA at this time.
- D. Guy Carpenter Brokerage Agreement  
Halik reported staff and CCLC recommend approval of the brokerage agreement with Guy Carpenter for a 2-year term. Guy Carpenter is our existing broker. IRMA retained consultant Jenny Emery to help us assess the market and whether or not it was appropriate to do an RFP for broker services. Emery completed the analysis and staff made the determination that this is not the market to go out for an RFP and, in fact, that Guy Carpenter is an excellent brokerage firm. The recommendation is to renew this contract for a 2-year term for a flat fee of \$112,000.
- E. Lease Negotiation Update  
Helm gave an update on the lease negotiation and that staff has selected 3 properties for consideration, which is outlined in the memo. The next step will be to engage in negotiations with a goal to save approximately \$80,000 per year. Staff is requesting a motion concurring with the lease strategy outlined in the memo and the goal is to have a negotiated lease to the March 2021 BOD meeting. There was a concern about the conference room space for the BOD meetings. Ely commented we will be looking to rent space at nearby hotels for BOD meetings since none of the properties in consideration have sufficient space for the meetings.
- F. Remote Work Policy  
Helm commented this policy was reviewed and approved by the AFC and the Executive Board. Helm gave an overview of the policy with the requirements and expectations for IRMA employees to work from home. There was some discussion on remote work out of state, costs of telecommuting and reimbursing for internet and cell phone. The motion would be to approve the attached Remote Work Policy.

G. Marquette Contract Extension

Helm reported that IRMA has a contract with a financial consultant to manage its investment managers and portfolio. Since the contract is expiring, it is recommended that the agreement with Marquette Associates be renewed for a 5-year period with an annual increase of 1.5% or CPI-U, whichever is greater with a cap of 4%. The AFC and Executive Board approved extending this contract. The motion would be to authorize staff to accept the renewal proposal as requested in the packet with Financial Consultant, Marquette Associates.

H. 2020 Final Interest Income Credit

Helm reported it is recommended that IRMA return \$20 million of interest income to members in 2020. Each year the amount returned to members depends on a calculation that takes into account the funds needed for liabilities and the amount earned from investments. This year, approximately \$23 million is available, it is recommended that \$20 million be returned to the membership, \$1.975 million used for rate stabilization to keep the rate flat and \$1 million will be transferred to the Contingency Fund to account for expenses related to a recently filed reverse conviction case from 2002. A motion was made by Halik and seconded by Frances to concur with staff's recommendation to keep the rate flat by increasing the Rate Stabilization amount used to \$1.975 million and return \$20 million to the membership. Roll was taken with a vote of 58-4. The motion carried.

I. Contingency Fund Transfer

Helm reported this transfer is for a new reverse conviction case that occurred in 2002. It was recommended by the AFC and the Executive Board that \$1 million be transferred from the 2020 Interest Income Credit to the Contingency Fund and the subsequent transfer of up to \$1 million as needed from the Contingency Fund to the 2002 membership year to pay for the costs associated with this case.

J. 2021 Final Budget

Helm gave an overview of the changes to the preliminary budget and the overall finalized budget. To offset a potential rate increase to some of the expenses, it is proposed that \$1.975 million of the interest income credit be utilized toward rate stabilization for this year. Due to the financial impact of the COVID-19 pandemic on the IRMA member revenues, it is recommended that the amount be designated this year for rate stabilization to provide relief to the membership. The philosophy of using funds for rate stabilization in future years will be discussed next year by the AFC and the Executive Board to provide staff direction on future use of rate stabilization. After much discussion, a motion was made by Mertens and seconded by Carreras to approve the 2021 IRMA budget in the amount of \$39,018,801 with the use of \$1.975 million of interest income for rate stabilization this year, which would keep the IRMA rate flat at \$2.114. The City of Lake Forest, Village of Arlington Heights and the Village of Flossmoor are opposed to the rate stabilization at \$1.975 million and agreed to put this on the omnibus vote.

A motion was made by Irvin and seconded by Tanner to use the omnibus vote method. Roll was taken and the motion carried.

**VII. ADDITIONS TO AGENDA**

None

**VIII. CONFIRMATION OF NEXT MEETING**

Cedillo mentioned the next meeting will be Tuesday, March 16, 2021 at 9:30 a.m.

**IX. ROLL CALL AND ADJOURNMENT**

A motion was made by Tanner and seconded by Hoover to approve the omnibus Items V.B; VI.A.-G; I-J; & Adjournment. Roll was taken and the motion carried.

Submitted by:

Approved by:

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Margo Ely  
Executive Director

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Julia Cedillo  
IRMA Chair