

Motor Vehicle Theft Prevention and Insurance Verification Council
GRANT REVIEW COMMITTEE

Thursday, October 24, 2019
10:30 a.m. – 12:00 p.m.

Illinois State Library
300 South Second St., Room 403/404
Springfield, IL 62701

Meeting Minutes

1. Welcome and Roll Call

Chairman Piazza called the meeting to order at 10:40 a.m. and asked Micah Miller to take the roll call. The following Grant Review Committee (GRC) members were present:

Name	Present	Telephone	Absent
Pete Piazza, Director, Secretary of State Police	X		
Kevin Martin (designee for Dana Severinghaus, Allstate Insurance)	X		
Todd Feltman, State Farm Insurance			X
Brian Fengel, Chief, Bartonville Police Department		X	
Larry Johnson, Farmers Insurance	X		

The following individuals were also in attendance:

Sgt. Ed Grizzle, TCAT
Dwayne Killian, TCAT
Lt. Elmer Garza, Deputy Director, Secretary of State Police
Sgt. Adam Broshous, Secretary of State Police
Doug Beckman, Village Administrator, Village of Thornton
Sherry Brticevich, Grant Monitor, Secretary of State
Lt. Matt Jany, St. Clair County Sheriff's Office
Lt. Gary Brewer, Jr., Cahokia Police Department
Bill House, Budget Analyst, Secretary of State
Amanda Trimmer, Budget Office, Secretary of State
Sgt. Keith Blair, Chicago Police Department
Gina Harrison, Legal Counsel, Secretary of State
Micah Miller, Program Manager, Secretary of State
Amy Williams, Legal Counsel, Secretary of State
Dave Fuchs, Program Assistant, Secretary of State

Chairman Piazza recognized that a quorum was present (3 members or more physically present).

2. Approval of Minutes

Chairman Piazza asked if there were comments on the minutes from the May 28, 2019 GRC meeting. Hearing none, Chairman Piazza asked for a motion to approve the minutes. Larry Johnson made the motion and Kevin Martin seconded the motion. Hearing no objections, the minutes from May 28, 2019 were approved.

3. Grant Reporting Requirements – Sherry Brticevich

Chairman Piazza asked Sherry Brticevich to brief the members. Ms. Brticevich reminded those in attendance that their first quarter reports were due on October 15, 2019. She also said that even if no money was spent, she still needs a report on file, which states that.

Ms. Brticevich also said that she had received recent communications inquiring about the possibility of additional funding. She stated that there would be no additional funding for the year, but reminded grantees that they will have to come back to the Council for funding in the second year and that would be the time to adjust the request if for some reason there was a miscalculation in the first year.

She also stated that there is some flexibility already built into the first year budget, since checks have gone out a little later than anticipated and said that money can transfer up to 10% from one line item to another, but it would need to be documented.

Lt. Elmer Garza asked what happens to the first year funding if it is not entirely spent. Ms. Brticevich said that she wasn't sure if it would be returned to the Council or be applied to the next year to offset the amount awarded, but said that she would follow up.

Ms. Brticevich also said that while the quarterly reports are focused on the financial expenditures for now, there will be additional information requested from units as they become more operational including the number of investigations conducted, number of arrests and convictions, recovered stolen vehicles and estimated value, etc...

Finally, she said that all checks have been issued except for St. Clair, due to a process with their Board of Directors that must first meet.

4. Quarterly Activity Summaries – Task Force Directors

Mr. Miller said that the meeting format for 2020 will be the same as 2019 and should work much smoother now that grants have been issued:

January, April, July and October –	GRC Meetings
February, May, August, and November –	FULL Council

He explained that this meeting format would give an opportunity for Task Forces to report on quarterly activity to the GRC, who would then be able to give an update to the FULL Council throughout the year.

TCAT

Sgt. Ed Grizzle spoke on behalf of TCAT. He said that with checks just starting to show up, they are following up with the full commitments from partnering agencies. He noted that they are also moving their unit into a new building. He acknowledged that they took possession of 3 Council-owned vehicles and got them titled. Sgt. Grizzle also noted that he is consolidating 20 years of historical documentation with the unit and anticipates increasing their operations considerably within the next few months.

ISATT

Lt. Garza spoke on behalf of ISATT and said they have selected a building in Thornton for their unit, are working on the build-out and anticipate completion in November. He said that 8 of the 12 vehicles have already been purchased for their fleet. He also said that one Auditor has been hired and another will be starting next week, they already hired an Administrator to run the office, and they have already met with most of the partnering agencies and have meetings set up for the coming weeks. Currently they have a task force officer from Thornton, but have several commitments from other agencies.

Lt. Garza said that there are four personnel already involved in the task force, including Sgt. Broshous as supervisor and they have had an operation for nearly 2 years now, which will be expanded with ISATT. He said that since July 1 they have recovered 42 stolen vehicles valued at \$900,000 and assisted with 10 additional recovered stolen vehicles valued at \$300,000, which has resulted in 27 criminal charges, 5 of which are felonies.

MEATTF

Lt. Matt Jany said that they are still waiting on their funding, but anticipate it showing up in the coming days. He said that Lt. Gary Brewer, Jr. from the Cahokia Police Department recently joined MEATTF and they have been going through the archived files for the unit, which was in existence since 1992. He also noted that their office is due to be completed in mid November and they anticipate training personnel in early December. He also noted that agencies who have committed personnel are enthusiastic and eager to participate in the task force.

Major Auto Theft Investigative Unit

Sgt. Keith Blair said that their unit has been in operation for over 10 years so unlike other task forces, there is no building of an office or startup issues for them to face, however they are still waiting on their funding. Mr. Miller noted that the grant was issued to Chicago, but it was redirected by the Comptroller to the City of Chicago's pension fund. He said that once the Secretary of State was aware of the situation, the MVTPIV's Legal Counsel Amy Williams

directed a letter to their office explaining that these were private funds, generated by the insurance industry, and cited the statute for which these funds may only be used. Mr. Miller said that an initial reply from the Comptroller's office indicated that offsetting the funding from Chicago to their pension fund did in fact comply with all statutory requirements as mandated by the Illinois Pension Code. Mr. Miller noted that he was discussing the issue with Kevin Martin at the Illinois Insurance Association to consider options moving forward.

Amanda Trimmer said that the Secretary of State recently had this issue with another grant and in that case, the Comptroller was not concerned that it was federal money being granted instead of state money. She noted that Chicago filed a lawsuit to try and prevent these involuntary withholdings, but was unsure how long that process would take. She also said in some cases she was aware of Chicago making up funds for some grantees who did not receive their funding.

Ms. Brticevich said that this will be a question that is added to the future grant applications to note if any applicants owe money to the state. Chief Fengel expressed his frustration in the funding for Chicago PD being rerouted and said that the Council, nor the insurance industry, was interested in funding pensions for any municipality. Ms. Trimmer said that she would like to know if Chicago plans on making up these funds, which should have gone to the grantee.

Larry Johnson asked if the grant money is distributed in the full amount or quarterly. Ms. Brticevich said that it is the full amount for the year. Mr. Johnson asked if the Council wanted to consider sending a quarterly payment in the future so that if this happens again, the Council won't lose the full payment. Ms. Trimmer said that ICJIA used to send payment on a reimbursement basis, but the Secretary of State's office chose to disperse grants in the same way the Library grants are issued (in the full amount, up front, and require quarterly reports). She noted that it would also cause the grantee to spend their money up front.

Chief Fengel also announced that he accepted a new job as the Director of the Central Illinois Police Training Center. Mr. Miller said that he asked Legal Counsel for a ruling on whether or not he could continue to serve as a representative of the MVTPIV Council and noted that he would be able to stay until a replacement appointee was made. The GRC congratulated him on his new position.

5. Vehicle Titling – Micah Miller

Mr. Miller noted that TCAT took possession of three Council-owned vehicles. He thanked Sgt. Grizzle for sending the titles in and verified that license plates were issued for those vehicles. He noted that he was still waiting for signatures from all of the units on the lease agreements, which outline the terms of use of the vehicles, and asked for them to be signed at the end of the meeting. Ms. Brticevich noted that the lease agreement would be included in future grant applications.

Sgt. Blair said that when his unit took possession of four Council-owned vehicles, he turned the titles over to the City. He indicated that he would have an issue getting the titles to say MVTPIV

Council as a Lessor. Lt. Garza said that there are some insurance issues and tax implications using the Lessor/Lessee arrangement and noted that if the vehicle gets in an accident there can be liability to the Council.

Mr. Miller said that he consulted with the Secretary of State’s Vehicle Services Department and Legal Counsel when determining the best way to title Council-owned vehicles, which would be used for a period of time by grantees. He noted that when titles were handed over to grantees in the past, it put the Council in a tough position to argue ownership and that this was the procedure that was outlined by the Secretary of State’s office.

Mr. Johnson asked why the vehicles couldn’t be titled to the particular task forces. Sgt. Broshous said that the Administrative Rules actually state that vehicles will be titled to the implementing agency. Mr. Johnson said that the paperwork already says that property purchased by the task force is to be returned to the Council if they cease to exist. Mr. Johnson made a motion to bring a vote to the FULL Council to allow Task Forces to title vehicles with the agency names on it. Kevin Martin seconded it (sitting as designee for Dana). Mr. Miller took a roll call vote, which passed 3-0.

Vote to allow FULL Council to consider Task Forces to title vehicles with agency names on them.

Name	Yes	No	Notes
Pete Piazza, Director, Secretary of State Police	X		
Kevin Martin (designee for Dana Severinghaus, Allstate Insurance)	X		
Todd Feltman, State Farm Insurance			Absent
Brian Fengel, Chief, Bartonville Police Department			Abstained - unofficial vote due to participation by phone
Larry Johnson, Farmers Insurance	X		

6. Old Business

Chairman Piazza asked if there was any old business. There was none.

7. New Business

Chairman Piazza asked if there was any new business. Dwayne Killian asked how each unit is valuing recovered stolen vehicles, so that they can be uniform in their recovery amounts. Mr. Johnson said that NADA would be the realistic value. Mr. Killian asked about totaled out and/or burnt vehicles with little value. Mr. Johnson noted that the recovery value could be inflated if they simply reference NADA without noting the condition of the vehicle. Sgt. Blair said that he would not want to be in a position of trying to value a vehicle with a host of mechanical issues.

Sgt. Broshous said that even vehicles that are damaged and worth very little will have been paid by the insurance company what the value of that vehicle was. Everyone agreed that the NADA value should be used when noting the recovered value of a vehicle, regardless of condition.

Mr. Killian also asked if their Task Force can purchase renters insurance or vehicle insurance. He said they are in a city owned building and the city gets reimbursed for the value of the building, but all of the contents that are owned by the Council and if they don't have insurance then it won't get replaced. Lt. Garza said that the Village of Thornton is providing their insurance. Sgt. Grizzle said that vehicles TCAT issued to Joliet are insured through the City of Joliet and vehicles issued to Kankakee are insured either by the city or county depending on who it is assigned to. Lt. Jany said that Fairview Heights PD covers insurance on the vehicle assigned to them.

Mr. Killian asked for clarification to bring back to his Policy Board. Mr. Miller noted that he would seek a response from Legal Counsel.

Sgt. Broshous had new business as a member of the Board of Directors for the Central Regional Council of the International Association of Auto Theft Investigators. He mentioned that at the Fall meeting in Peoria, they discussed the International Conference, which will be held in August 2020 in Rosemont, Illinois. He said that in years past, funds have been requested through grants to help supplement the costs of these conferences and asked if the Council would consider an off-cycle grant application for this conference. He anticipated approximately \$25,000 to cover the costs for all units to attend, plus additional costs to bring in speakers, etc...

Ms. Brticevich said that the only way to consider new grants would be to reissue the RFP, which would allow anyone statewide to submit applications again. Mr. Johnson asked if the cost could be submitted by ISATT for their next grant application. Sgt. Broshous said that his concern would be if the check showed up late, for instance in 2019 they received funding on September 9. Ms. Trimmer said that checks should be arriving much quicker next year since the process is in place, but added that the Central Regional Council may consider paying the costs up front and seeking reimbursement from the MVTPIV Council for next year.

Ms. Trimmer asked if the Council planned on opening up the grant application process in 2020 once again for anyone who wishes to apply. Ms. Brticevich said that would be a decision the Council needed to make. Lt. Garza asked if ISATT could cover the costs this year and seek an adjustment in their 2020 grant application. Ms. Brticevich said that would be allowable. She indicated that a 10% adjustment or higher would require a formal budget amendment, but if it is under 10%, it would only require an email notification to her.

8. Adjournment

Mr. Johnson made the motion to adjourn. Mr. Martin seconded the motion. The meeting was adjourned at 11:45 a.m.