

## **MINUTES**

### **CITY OF DEKALB**

#### **DeKalb Firefighters Pension Fund**

**January 20, 2022**

#### **ROLL CALL**

At 8:05 a.m., President Bill Lynch called the roll. Members present were Ray Krueger, Acting Chief Mike Thomas, and Bill Lynch; members absent were Bob Terry and Bill Kalal. Bob Terry arrived to join the meeting at 8:19 a.m. Bill Kalal arrived to join the meeting at 8:25 a.m.

City employees in attendance were Finance Director Carrie, by phone, until 8:27 AM when she arrived in person, and Administrative Assistant Natalie Nelson, as recording secretary.

Also in attendance were Attorney Tom Hartwell of Collins Raja & Hartwell, in person; Financial Advisor Craig Larsen of Mission Wealth, by phone; and Michael May of Lauterbach & Amen, who joined the meeting by phone at 8:40 AM.

#### **APPROVAL OF AGENDA**

Acting Chief Mike Thomas moved to approve of the agenda with the alteration of tabling items before E. 1. b., as requested by Financial Advisor Craig Larsen. Ray Krueger seconded the motion. A voice vote was conducted. Aye votes were voiced by all present members. The motion passed.

#### **PUBLIC PARTICIPATION**

City Financial Director Carrie Dittman was introduced. DeKalb City Council will appoint her as Treasurer of the Firefighters Pension Fund Board of Trustees, a voting member, at the regular meeting on January 24, 2022.

#### **APPROVAL OF MINUTES**

Acting Chief Mike Thomas moved to approve the regular meeting minutes from October 12, 2021, as presented. Ray Krueger seconded the motion. A voice vote was conducted. Aye votes were voiced by all present members. The motion passed.

#### **OLD BUSINESS**

##### Review of topics from prior meeting

Bill Lynch reviewed the adoption of Exhibits A, B, and C and letters of direction to financial custodians, which were finalized and submitted to FPIF. The funds transfer to FPIF was

accomplished, although the account does not yet show funds present. Craig Larsen will compare the balance on the books at the time of the transfer with the FPIF audit.

Bill Lynch and Bob Terry will complete the required four-hour pension consolidation training, in addition to their regular required annual training hours.

Craig Larsen reported that two accounts remain open. He explained the benefits of closing the Schwab account after the remaining funds are transferred and keeping the Fidelity account open. If the Pension Board authorizes this action, Mr. Larsen will contact Segall Bryant and Hammel (SB&H) to initiate the final funds transfer and close the account. City Finance Director Carrie Dittman agreed that keeping a local account open is practical.

Acting Chief Mike Thomas moved to keep the Fidelity account open. Ray Krueger seconded the motion. A roll call vote was conducted. Aye votes were cast by Kalal, Krueger, Lynch, Terry, and Thomas. No nay votes were cast. The motion passed.

Bill Kalal moved to authorize the closure of the Schwab account during the first quarter of 2022 and Finance Director Carrie Dittman to determine where the remaining funds shall be placed. Ray Krueger seconded the motion. A roll call vote was conducted. Aye votes were cast by Kalal, Krueger, Lynch, Terry, and Thomas. No nay votes were cast. The motion passed.

## **NEW BUSINESS**

### Investment Advisor's Report from Mission Wealth

Craig Larsen presented his last investment report to the Pension Board. He thanked the members for working with him. He mentioned he might attend the April meeting as a member of the public. He provided a summary of the report, stating that the total market value of investments has increased, and one- and five-year performance rates of return were favorable. He discussed the effect inflation and jobs figures have on investments.

Mr. Larsen will provide to the Pension Board written notification to end Mission Wealth's advisory relationship after the first quarter of 2022. He reported that most other pension fund boards are retaining their financial consultants through the first quarter after consolidation. He discussed the logistics of allowing access to accounts and balances.

Bill Lynch moved to approve ending the Pension Board's relationship with Mission Wealth, effective April 1, 2022. Bob Terry seconded the motion. A voice vote was conducted. All members present casted aye votes. The motion passed.

Ray Krueger moved to end the Pension Board's relationship with SB&H effective upon the date the Schwab account is closed. Bill Kalal seconded the motion. A voice vote was conducted. All members present casted aye votes. The motion passed.

### Approval of Financial Transactions, Financial Reports, and Accounts Payable

Michael May of Lauterbach & Amen (L&A) presented the November 2021 Financial Report. He summarized the balances in each type of income and expenses. He explained that L&A cuts all retiree benefits and expense checks on behalf of the Fire Pension, drawing funds from the local FNB bank account. Mr. May will ensure Carrie Dittman receives future communications regarding expense payments.

Acting Mike Thomas moved to approve the financial transactions and financial report as presented. Ray Krueger seconded the motion. A roll call vote was conducted. Aye votes were cast by Kalal, Krueger, Lynch, Terry, and Thomas. No nay votes were cast. The motion passed.

### Approval of Lauterbach & Amen (L&A) Representative as FPIF Authorized Agent

Bill Kalal moved to approve Kelly Calgaro from L&A as authorized agent to access the FPIF portal to request funds transfers. Mike Thomas seconded the motion. A voice vote was conducted. All members present cast aye votes. The motion passed.

### Approval of COLA Pension Benefit Increases for Retirees

Mike Thomas moved to approve the COLA pension benefit increases for retirees. Ray Krueger seconded the motion. A roll call vote was conducted. Aye votes were cast by Kalal, Krueger, Lynch, Terry, and Thomas. No nay votes were cast. The motion passed.

### Status Report on Pension Records

Bob Terry and Bill Lynch reported continuing to become more familiar with pensioner files and recordkeeping.

## **RETIREMENTS**

None

## **NEW MEMBERS**

Five (5) new personnel were hired during the last four months of 2021 and several new hires are anticipated early in 2022. Bill Lynch stated that during new hire orientation, all operations personnel complete pension paperwork that is forwarded to L&A.

## **DISCUSSION OF TOPICS FOR NEXT MEETING AGENDA - THURSDAY, APRIL 21, 2022**

Carrie Dittman requested an agenda item for discussion of the Annual Actuarial Valuation. The firm Foster & Foster (F&F) has performed this service before and can continue. Ms. Dittman will work with F&F to set a date and inform L&A of the same. Michael May confirmed that L&A will send required information to F&F upon notification of the date.

Attorney Tom Hartwell requested an agenda item to approve a retiree's QILDRO calculations. Mr. Hartwell will contact the retiree's legal representation to discuss this matter.

Discussion followed regarding the ongoing lawsuit filed against the State of Illinois by several local Fire Pension Boards, many of which have not complied with consolidation requirements. A larger portion of local police pension boards have not complied as well.

## **ADJOURNMENT**

Bob Terry moved to adjourn the meeting. Bill Lynch seconded the motion. A voice vote was conducted. All members present voiced aye votes. The meeting adjourned at 9:17 a.m.

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Natalie Nelson, Recording Secretary

Minutes approved by the DeKalb Firefighters Pension Board on April 21, 2022.