

MINUTES

CITY OF DEKALB

DeKalb Firefighters Pension Fund

January 21, 2021

The Board of Trustees of the Firefighters Pension Fund held a regular meeting on January 21, 2021, at DeKalb Police Headquarters, 700 W. Lincoln Hwy., 2nd Floor, Training Classroom, DeKalb, IL 60115

CALL TO ORDER AND ROLL CALL

President Eriksen called the meeting to order at 8:09 AM and conducted roll call. Pension Board members present were Chief Jeff McMaster, Bill Kalal, Ray Krueger, Pat Eriksen, and Chris Ziola. No members were absent.

Guests in the attendance were attorney Tom Hartwell representing Collins Law, Administrative Assistant Natalie Nelson as recorder, and Firefighter/Paramedic Bob Terry. Financial consultant Craig Larsen attended remotely with audio only.

APPROVAL OF THE AGENDA

Chris Ziola motioned to approve the agenda as presented, Pat Eriksen seconded the motion, and a voice vote was conducted. The motion passed unanimously.

PUBLIC PARTICIPATION

Pat Eriksen announced the presence of guests Tom Hartwell and Bob Terry.

APPROVAL OF MINUTES

Chris Ziola motioned to approve the minutes from the special meeting held November 6, 2020, as presented, Bill Kalal seconded the motion, and a voice vote was conducted. The motion passed unanimously.

OLD BUSINESS

Seminars

Pat Eriksen reported that no seminars have been scheduled due to the pandemic. He has been in contact with Cary Collins and will share any developments with the members. He noted that the required number of annual training hours may be reduced due to the lack of training opportunities, but this has not yet been officially determined.

NEW BUSINESS

Investment Manager Report

Craig Larsen presented the DeKalb Firefighters Pension Fund Review and Analysis, Fourth Quarter 2020. He reported increases almost hitting benchmarks, the five-year return rate is on target, and the current strategies appear to be working.

Eriksen reported that consolidation of department pension funds is forthcoming, several at a time.

Larsen stated that the bond managers are performing as expected and asked the pension members if they would like to meet with the bond manager. Members decided not to meet with bond manager unless Craig Larsen recommends it is necessary.

Larsen stated that the 2020 market year was volatile, as can be seen in the report data and charts; however, gains were still realized by year-end and long-term.

Larsen discussed the changes that may occur upon fire pension fund consolidation. He asked the board to consider changing the distribution of stocks and bonds prior to consolidation. Discussion occurred related to raising funds to cover expenses. Craig Larsen stated that the least risky action would be to decrease funds in stocks and increase funds in bonds.

Chris Ziola motioned to raise \$1,000,000 from the equity portfolio. Pat Eriksen seconded the motion. A roll call vote was conducted. Aye votes were cast by McMaster, Kalal, Krueger, Eriksen, and Ziola. No nay votes were cast. The motion passed.

Review Current Investment Policy & Sustainability Addendum

Craig Larsen explained that when the Sustainability Addendum was approved in 2020, the signatures were placed on the investment policy instead of the addendum. This needed to be corrected.

Eriksen motioned that the Investment Policy from 2016 remains in place with the addition of the Sustainability Addendum. Ziola seconded the motion. A voice vote was conducted. The motion passed unanimously.

Eriksen will scan and email the newly signed addendum to Craig Larsen's office.

Diversifying Funds

Topic was discussed during the Investment Manager Report.

Required Investment Transactions

No discussion.

Approval of Financial Transactions and Financial Reports

Bill Kalal motioned to approve the financial transactions and financial reports as presented by Craig Larsen. Chris Ziola seconded the motion. A roll call vote was conducted. Aye votes were cast by McMaster, Kalal, Krueger, Ericksen, and Ziola. No nay votes were cast. The motion passed.

Review and Update Asset Allocation

Topic was discussed during the Investment Manager Report.

Accounts Payable – Review of Invoices and Expenses

None.

Retirements

No retirements have occurred since the last board meeting but may occur later this year. Discussion followed to address active duty personnel contacting the pension board's financial and legal consultants directly. The board members and consultants agreed that active personnel who directly contact consultants should be referred to pension board members first to discuss individual concerns; if necessary, the board will contact the appropriate consultant for guidance. Legal consultant Tom Hartwell stated he was not aware of any direct contacts from personnel.

New Members

No new members have joined, but they are anticipated in the spring.

Request for Benefits

None.

Military Service Time Buyback

None.

Service Breaks and Pension Funding

None.

Board Member Terms

Ray Krueger's new term began recently. Discussion followed regarding current members' term dates.

Discussion of Topics for Next Meeting Agenda

- New hires – automatically join on day one, no meeting required
- Trainings – will provide update on opportunities
- Member terms – Eriksen will contact Ruth for current dates
- Downstate pension consolidation – Eriksen will report updates as they occur; he has been in touch with Steven Zahn.

ADJOURNMENT

Ray Krueger motioned to adjourn the meeting, Chris Ziola seconded the motion, and a voice was conducted. The motion passed unanimously. The meeting adjourned at 8:48 AM.

Natalie Nelson, Recording Secretary

Minutes approved by DeKalb Firefighters Pension Board on April 8, 2021.