

**MINUTES
CITY OF DEKALB
DeKalb Firefighters Pension Fund
July 9, 2020**

The Board of Trustees of the DeKalb Firefighters Pension Fund held a Regular Meeting on July 9, 2020, in the training room at DeKalb Police Headquarters, 700 West Lincoln Highway, DeKalb, Illinois.

President of the Board Pat Eriksen called the meeting to order at 8:13 AM.

ROLL CALL

Pat Eriksen called the roll. Members of the DeKalb Firefighters Pension Fund present included Pat Eriksen, Chris Ziola, and Fire Chief Jeff McMaster. Bill Kalal and Ray Krueger were absent.

Also present were David Mejia, attorney from Collins & Radja, and Recording Secretary Natalie Nelson. Investment adviser Craig Larsen was present remotely with audio only.

APPROVAL OF AGENDA

Chief McMaster motioned to approve the agenda, Chris Ziola seconded the motion, and the motion passed by unanimous voice vote.

APPROVAL OF MINUTES

Chris Ziola motioned to approve the minutes from January 9, 2020, Pat Eriksen seconded the motion, and the motion passed by unanimous voice vote.

Chris Ziola motioned to approve the minutes from March 3, 2020, Chief McMaster seconded the motion, and the motion passed by unanimous voice vote.

Chris Ziola motioned to approve the minutes from March 25, 2020, Chief McMaster seconded the motion, and the motion passed by unanimous voice vote.

PUBLIC PARTICIPATION

None.

OLD BUSINESS

Seminars

IPAC is cancelled and rescheduled tentatively for the second week of September. Remote attendance options being discussed. Attendees may be able to participate in real-time via Zoom or view recorded presentations.

NEW BUSINESS

Investment Manager Report

Sustainability addendum

David Meja distributed hard copies of proposed addendum language to be added to the Pension Fund's Investment Policy, per State of Illinois requirement. The Pension Fund will consider sustainability when making investment decisions. Craig Larsen recommended adopting the addendum as presented. The trustees present will sign a hard copy, which will be scanned and uploaded to the State of Illinois' website and stapled to the existing hard copy of the Investment Policy.

Mr. Larsen presented the Q2 investment report, providing an update on investment earnings and the effect of the Coronavirus pandemic. He stated that investments in technology have increase due to the demand for technology to continue operating businesses and schools. He discussed factors contributing to the current market volatility, including business shut-downs, increased unemployment claims, slow job recovery, reduced consumer spending, and decreased tax revenues, including from property taxes. The next quarter's property tax revenue will provide a fuller picture of the effect the pandemic has had on property tax payments. Additionally, if the \$600/week supplemental unemployment payments are allowed to expire on July 31, 2020, the market will be affected. Overall, investment performance has not been bad

Required Investment Transactions

No discussion.

Approval of Financial Transactions and Financial Reports

Mr. Larsen asked for guidance regarding increasing cash on hand to allow pension payments to continue. He suggested reallocating \$500,000 from cash to equity.

Chris Ziola motioned to approve the transfer of \$500,000 from the First National Bank account to the equity portfolio to be invested per allocation targets. Chief McMaster seconded the motion. A roll call vote was conducted. Aye votes were cast by Eriksen, Ziola, and McMaster. No nay votes were cast. The motion passed.

Review and Update Asset Allocation

A rebalancing of funds occurred at 59%, instead of the trigger of 63%.

Accounts Payable – Review of Invoices and Expenses

Chief McMaster stated that the former Assistant City Manager, Ray Munch, will be removed from all accounts. While the search for his replacement is conducted, City Manager Bill Nicklas will act in his place. Mr. Larsen will be notified of the name of the new Assistant City Manager upon his/her hire.

Discussion occurred regarding authorized signers for the First National Bank account. Mr. Larsen will email to Pat Eriksen and Chris Ziola the most recent bank statement, which they will print and present at the bank to inquire about the names of current authorized signers. They will report back to Mr. Larsen with the names.

Retirements

None.

New Members

None.

Request for Benefits

None.

Military Service Time Buyback

None.

Service Breaks and Pension Funding

A Fire Department employee on unpaid FMLA leave did not make pension contributions. During this period, pension contributions were made for days the employee secured trades and for Kelly days.

Pat Eriksen will inform Lauterbach & Amen of unpaid leave, if any, for two other Fire Department employees, which may also affect their pension contributions.

Discussion of Topics for Next Meeting Agenda

Topics will include

- The effects of reallocation of cash into Fidelity;
- Seminar review; and
- Meeting location options and ADA compliance issue.

ADJOURNMENT

Chris Ziola motioned to adjourn the meeting, Chief McMaster seconded the motion, and the motion passed by unanimous voice vote. The meeting adjourned at 9:05 AM.

The next regular meeting of the DeKalb Firefighters Pension Board is scheduled to occur on October 8, 2020, at 8:00 AM, in a location to be determined and announced later.

Natalie Nelson, Recording Secretary

Minutes approved by DeKalb Firefighters Pension Board on November 6, 2020.