

Minutes

DeKalb County Pension Board

June 5, 2025

The DeKalb County Pension Board met on June 5, 2025 at the Marriott Courtyard Hotel in Decatur. The following members were present: Mike Goff, Tracy Hutchinson, David Littlefield, Dianne McNabb, Robert Robertson, and Edmund Wall. Others present: Drew Beiger, Weston Lewis, and Brad Penter of Callan LLC, Terri Taylor of Benefits Law Group, Rachelle Christion, Larry Jacobs, and Kenny Pinkerton.

Mr. Wall called the meeting to order. Mr. Littlefield motioned, Mr. Goff seconded, and the Board approved the March 13, 2025 minutes with two spelling corrections.

Ms. Hutchinson asked about the time it takes to do pension estimates. Mr. Jacobs indicated that those calls asking for estimates one or two months out get their benefit faster than those who ask for benefits out further. Mr. Littlefield motioned, Ms. Hutchinson seconded, and the Board approved the June 5, 2025 expenses.

Vendor	Service	Period	Current Charges	Year to Date Charges
Advent Capital Mgt.	Investment Mgt.	1Q 2025	\$107,491.88	\$0
Earnest Partners	Investment Mgt.	1Q 2025	125,659.30	0
The Edgar Lomax	Investment Mgt.	1Q 2025	72,418.30	0
Frontier Capital Mgt.	Investment Mgt.	1Q 2025	176,105.14	0
GAMCO Asset Mgt.	Investment Mgt.	1Q 2025	139,586.00	0
Income Research + Mgt.	Investment Mgt.	1Q 2025	54,761.23	0
Jennison Associates	Investment Mgt.	1Q 2025	112,882.67	0
Loomis Sayles	Investment Mgt.	1Q 2025	131,844.37	0
Segall Bryant & Hamill	Investment Mgt.	1Q 2025	81,927.33	0
		Subtotal	\$1,002,676.22	\$0
Benefits Law Group	Legal Consulting	2Q 2025	\$2,240.00	\$3,920.00
Callan, LLC	Investment Consultant	1Q 2025	26,875.00	0
DeKalb County Pension	Pension Cost	1Q 2025	140,111.15	0
Decatur Marriott	Hotel Expenses	2Q 2025	1,399.46	1,452.59
Marsh & McLennan	Fiduciary Insurance	2Q 2025	67,010.00	0
ISSI	Software Support	1Q 2025	1,200.00	0
ISSI	Implementation Fee	2Q 2025	15,000.00	0
ISSI	Software Support	2Q 2025	1,200.00	0
Koenig Law Group	Legal Consulting	2Q 2025	645.00	1,350.00
Segal Consulting	Actuarial Consulting	2Q 2025	8,625.00	8,625.00
State Street	Custodial Fee	1Q 2025	44,777.21	0
		Subtotal	\$309,082.82	\$15,347.59
Total			\$1,311,759.04	\$15,347.59

Mr. Penter provided the investment update. Investment in U.S. equities were down while investment in non-U.S. equities and fixed income increased during the 1st quarter of 2025.

Mr. Wall indicated that interest rates increased after April 2nd. President Trump announced a 10% tariff on all imports and retaliatory items. From the lows experienced in the market during April, US equities have rallied since and are positive year-to-date. The bond market is down a little in Q2 given the uncertainty in how the FOMC will react to the tariffs. There remains a significant amount of uncertainty across all sectors going forward. Mr. Wall asked where do we go from here. Mr. Penter believes the fund is fine where it is today. Mr. Wall asked where will this fund be this time next year? Mr. Penter responded that companies are unlikely to make significant business investments given the uncertainty.

Mr. Beiger led the investment discussion. He indicated that the fund was down in the 1st quarter but has come back up year to date, down just \$5 million from year-end. The current return is 3.4%. For the last five years the fund has returned 13.5%. International stocks have performed very well this year, up about 6.5% at the end of March 2025. The small cap vendors lost more than the index due to not being invested in more defensive sectors like utilities. Edgar Lomax returned 6.53% in the 1st quarter, a very good return with many of its companies not bothered by the rise in tariff costs. Mr. Wall expressed concern over the active management performance for the last 15 and 20 years. More recently the focus has been on ultra high-quality mega companies driving the market. The Magnificent Seven is down over the last quarter with the challenge being how high can the multiples go in buying these stocks.

Mr. Lewis touched on the plan performance versus peers. For the last 5 years, the returns have been in the top percentile of public plans. He went on to say that we achieved this result due to the asset allocation which could have cycled the other way. Mr. Wall commented that past performance does not dictate future results.

Mr. Lewis provided comments on the recent investment committee meeting. The discussion involved was with Gabelli to hear from them about the strategy and gain clarity on their succession plan. Chris Marangi and Kevin Dyer will be taking over for Mario when he leaves the account. This gives Callan a little more comfort. The part that is a little more unclear is the business succession plan, with no change right now in top leadership. Callan suggests a vendor search in large cap value to replace some of the exposure to Gabelli. Mr. Littlefield motioned, Ms. Hutchinson seconded, and the Board approved paying \$30,000.00 for the vendor search. Mr. Wall asked Mr. Jacobs to set up an investment meeting to review the vendors before our next Board meeting.

Mr. Wall asked about funding for benefit payments. Mr. Beiger suggested taking \$9M the S&P 500 fund, \$2M from Jennison and \$2M from Loomis. Mr. Littlefield motioned, Ms. Hutchinson seconded, and the Board approved the \$13 million drawdown for paying benefits.

Mr. Jacobs discussed the ISSI relationship. He stated that fees are higher and service delivery has declined since the Bridgeway acquisition. Mr. Jacobs recommends not signing a new contract. Mr. Robertson suggested that we put performance clauses future contracts. Mr. Robinson suggested that we find someone other than Segal to assist with

a new vendor search. Mr. Jacobs will identify another consulting firm.

Mr. Wall reviewed the continued education hours. Mr. Lewis offered Callan webinars and seminars for CEU's.

Mr. Wall introduced the proposal to re-join GAPPT. The membership is only a couple hundred dollars. Mr. Robertson motioned, Ms. Hutchinson seconded, and the Board approved the cost to join GAPPT.

Mr. Robertson motioned, Mr. Littlefield seconded, and the Board approved the motion to buy back prior pension service for each applicant.

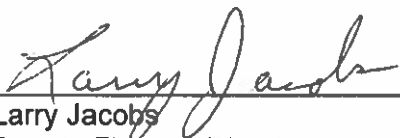
Mr. Wall stated that there were no disability applications.

Mr. Robertson stated the City of Atlanta has an annual retiree COLA and that DeKalb should consider an annual increase as well. A 1%-3% COLA would help all retirees tremendously. He also asked if there were any updates on improving the current pension plans. Mr. Wall stated that moving the Group 3 plan to the Group 2 plan would cost about \$14 million. This will all be presented to Mr. Seigler in the budget department to determine what the county could afford. Mr. Wall also stated that there is a new county attorney, and they should ask him what he thinks about the plan offering annual COLA's for retirees.

Mr. Robertson asked about the candidates who interviewed for the open pension seat. Mr. Wall stated that Eric Atwater, the assistant chief of police, Paul Wright, Ted McMullen, and Jeff Rader had applied. Mr. Robertson asked about the fact that Mr. Wright and the assistant chief of police are on staff so would that make them ineligible to serve. Mr. Wall said the only requirement is the seat that he holds and he must have approval of stock trading, paying benefits, etc. So, the seat in question is completely open.

Ms. Taylor provided an update on the case brought by Mr. Tony Hall's widow. Previous lawsuits against the plan have been dismissed. Now, she has filed a lawsuit on behalf of the estate.

With no further business, Mr. Wall adjourned the meeting.



Larry Jacobs
Deputy Finance Director