



Minutes of the Pension Meeting of the Board of Directors
Of the Wentzville Fire Protection District
July 22, 2020

The Pension Board Meeting of the Wentzville Fire Protection District was held on July 22, 2020 via video conferencing due to the COVID-19 pandemic and current CDC restrictions at 6 p.m.

Chief Schneider called the meeting to order at 6:00 p.m.

Roll Call: Chief Schneider called roll; all five pension board members were present. Director Bob Hawkins, Director Jennifer Houston, Director Frank Grassmuck as well as Captain Fred Hohenshell and Firefighter Paramedic Pat Szarwinski

Also, in attendance were Assistant Chief John LeDoux, Fire Marshal Chris Cuddihee, Battalion Chief Joe Hutson, Shop Steward Max Mueller, and Administrative Assistants Lisa Potts. As well as Pam Hardin, and Dan Ladd from Foundation Wealth Management. Jonnie Carlo from Empower and Heath Merlak from Nyhart and Jeanne Dee and Sarah Mills from Anders CPA.

Director Hawkins made a motion to approve the agenda as presented it was seconded by Director Grassmuck Chairman Hawkins-aye, Director Houston-aye, Director Grassmuck-aye, Captain Fred Hohenshell-aye, Firefighter Paramedic Pat Szarwinski -aye.

Director Hawkins motioned to approve the Pension Board Meeting Minutes of April 16, 2020. The motion was seconded by Director Houston. Chairman Hawkins-aye, Director Houston-aye, Director Grassmuck-aye, Captain Fred Hohenshell-aye, Firefighter Paramedic Pat Szarwinski -aye.

Chief Schneider welcomed everyone to the meeting.

Jonnie Carlos from Empower presented the second quarter report. Ms. Carlos stated the fund change for target dates for the American funds are complete. The Target Date fund start at 2020 and go to 2065. A communication will go out to Target Date fund members to make sure they review the options. Ms. Carlos went through the second quarter report indicating changes to SEC regulation stating the SEC passed best interest provision. This is regulation to cover obligation to act in the best interest of participants. She shared some marketing pieces for the participants, everything is disclosed to the employee. Ms. Carlos discussed the executive summary. There has not been a lot of change from last quarter to this quarter. The market has improved since the first quarter. She stated there are few using the advisory services and there is no change

in statistics from last quarter stating 6.51% of participants are using advisory services. Ms. Carlos stated the 457 is doing well, the participants are above the benchmark for assets. She indicated there is a 97% participation rate for the 457 and 52% over the benchmark. She also stated 25% of employees are contributing over 10%. The participant emails are 99%. Plan assets are up 2% from December 31st. Participants have gained back what we lost in first quarter plus 2%. She stated there continues to be increases in Roth usage. Ms. Carlos stated the average loan balance is down from last quarter. She also stated onsite meetings have been suspended but has shared a link to share with members to schedule some time with Crystal if they want to sign up. There is also a call center available. Ms. Carlos also suggested webinars can be scheduled if desired. She indicated 110 emails have been sent, and 38 people acted on the suggestions, with an open rate of 85%. She stated our people are engaged with Empower. As a result of the CARE Act, a provision can be added for a 59.5 withdraw provision. Members would pay income tax on the withdraw. It would require an amended to the plan. Chief Schneider asked for an email regarding this.

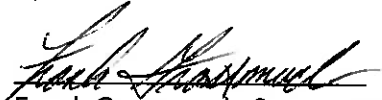
Pam Hardin and Dan Ladd from Foundation Wealth Management presented their Due Diligence reports for the second quarter. Ms. Hardin stated they love seeing the use of Roth, and like that the plan assets are rebounding. She stated the lifetime income score when combined for both accounts shows most everyone is at 108% of their goal. FWM will suggestion a fund change for the foreign large blend. They will be preparing document for Empower and HRA. Mr. Ladd stated the Defined benefit plan is 50/50 Target Asset Allocation, and they are currently investing, buying \$250,000 monthly. Mr. Ladd stated they will double up on equity purchases when market calls for it.

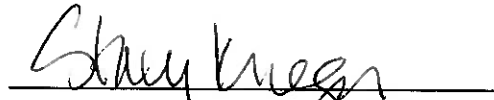
Heath Merlak Nyhart, stated his report is an annual report, but stated e has been helping Administrative Assistant Krieger with the JCPERS report. He has also communicated with Ms. Hardin and Mr. Ladd with projected contributions. Discussed further contributions. Ms. Hardin and Mr. Ladd stated if the Nyhart agrees an additional contribution can be made this year based on budget numbers, they would be happy to get the money working for the district. Chief Schneider will discuss with the board possibilities for future contributions.

Jeanne Dee from Anders CPAs introduced herself she is on the governmental side for Anders. Sarah Mills is the manager on the district's engagement. Ms. Dee went through the audit reports. She stated this was a successful audit process even through events of not being in person. Ms. Dee thanked the team for providing documentation and support. Ms. Dee stated the financials are not the auditor's financials and the auditors tested the financials and provided an opinion fairly, not on procedures. This is an unmodified, clean opinion. No material deviations, no problem with the scope of the audit and this is an important point. Difference in plans DB plan management discussion and analysis, managements commentary, discussed with Chief and Lisa. Compliance needs to be on DB plan but not the other plans but will assist in building other plans. The DB ended December 31, 2019 with just over \$4 million dollars, she stated with the new plan, there were six numbers on two statements. As part of the report risks and uncertainties were addressed, because of the pandemic and wild fluctuations, with such violate, it is an investment fund. This is templated language. She also discussed the other three plans, 401, 457 and the HRA. A letter will be presented for each for qualitative items, Ms. Dee indicated there were no disagreements when discussing, and no difficulties, and no audit

adjustments were made. The next steps are for Chief Schneider to sign a representation letter. It is a template and they will print the final reports. Ms. Dee asked if printed copies of the audit were need and Chief Schneider indicated electronic copies are fine and he will forward to the board.

Director Hawkins motioned to adjourn the Pension Board Meeting at 6:50 p.m., it was seconded by Director Grassmuck and unanimously approved by all Pension Board Members. Chairman Hawkins-aye, Director Houston-aye, Director Grassmuck-aye, Captain Fred Hohenshell-aye, Firefighter Paramedic Pat Szarwinski - aye.


Frank Grassmuck, Secretary


Stacy Krieger, Recording Secretary