



Minutes of the Pension Meeting of the Board of Directors
Of the Wentzville Fire Protection District
October 15, 2020

The Pension Board Meeting of the Wentzville Fire Protection District was held on October 15, 2020 via video conferencing due to the COVID-19 pandemic and current CDC restrictions at 6:00 p.m.

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

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

Also, in attendance were Assistant Chief John LeDoux, Fire Marshal Chris Cuddihee, Acting Battalion Chief Dave Krieger, Shop Steward Max Mueller, Legal Counsel Dan McLaughlin, CPA Rick Rognan, Jonnie Carlo from Empower, Hannah Leone and Dan Ladd from Foundation Wealth Management as well as Chris Williams from Aviben/Educators Benefits.

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

Director Hawkins motioned to approve the Pension Board Meeting Minutes of August 27, 2020. The motion was seconded by Director Houston. Director Hawkins-aye, Director Houston-aye, Director Grassmuck-aye, Firefighter Paramedic Pat Szarwinski -aye.

Approval of the Amendment Defined Benefit Plan. Couple changes to strengthen the language in Section 1.06, average compensation. Legal Counsel has rewritten and coordinated with payroll to identify average compensation. There was no discussion. Chief Schneider read Amendment #1 of the Defined Benefit Plan. The amendment will be effective 10-15-2020. Motion by Director Hawkins to approve the amendment to the Defined Benefit plan clarifying and strengthening Section 1.06, the motion was seconded by Director Grassmuck. Director Hawkins-aye, Director Houston-aye, Director Grassmuck-aye, Firefighter Paramedic Pat Szarwinski -aye

As result of previous seminar with Foundation Wealth Management and Empower, it was brought the district's attention members can make internal rollovers of pre-tax dollars to Roth within Empower. The document has been reviewed by Legal Counsel McLaughlin and Chief Schneider has asked permission to sign the document. The Board agreed to allow Chief Schneider to execute.

During budget talks there was discussion regarding pension audits. Chief Schneider indicated the committee would like to seek out bids for future audits, more will come this fall regarding this.

Quarterly reviews:


Jonnie from Empower went over the analytics. She indicated the lifetime score is at 57%, down from last year, but up from last quarter. Ms. Carlo stated she is not concerned. Plan assets are up 16.5% from last year and up 7% from last quarter. Plan averages are up 20 % from the benchmark. Ms. Carlo stated the participants have healthy average balances. She informed the board asset allocations are doing well and participants are diversified. 457 assets are up 18% from last year and 6.6% from last quarter. Average balances are higher than the benchmark as well. All members are in great position for retirement. 97% participation rate is good. Cash flow up 17% from a year ago. 38% of members are in target date or asset allocation models. This is a good mix of funds people are using. Chief Schneider inquired about average deferral, asking if it is broken down between pretax and Roth and it is. There was discussion regarding taking the opportunity to move fund from pretax to Roth within the platform. It was stated account balances can be converted however members will be responsible for paying the tax on amounts moved. Dan Ladd from Foundation Wealth asked if members could choose which investment funds to pull from, and was told yes it can be done that way or it can be prorated? Dan Ladd and Hannah Leone along with Jonnie Carlo will put together a sheet on what do. Paper forms must be completed to make these conversions. The opportunity could be in place by December and for this tax year. Chief Schneider would like to see an education piece prior to yearend. Loans are static from last quarter. Advisory services remain static as well. Due to the pandemic Empower has not been in person, but an invitation is out there to contact Crystal. Email communication has been good with a 79% engagement rate. Jonnie shared some changes at Empower Personal Capital-digital wealth, Service that will start using, Advisory tools through retirement to enhance. September Empower acquired Mass Mutual. Empower continues to grow, more tools in their arsenal to enhance members' experience.

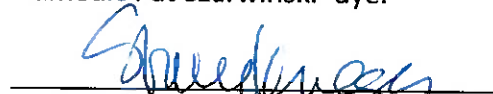
Foundation Wealth Management Investments look good, they have performed the due diligence review. Large Cap growth fund, looking to replace this fund at Empower and in the HRA plan. Fund replacement will be received from Jonnie, looking to see if EBC has the fund available. Funds will map over. In June of 2020 increased target funds to five-year increments. Defined benefit plan is seeing gains. It is a mix 50 fixed and 50 equities. March of 2021 plan to have plan built out. Legal Counsel would like a motion to accept the fund change requests. Director Hawkins motioned to take recommendation of Foundation Wealth to replace the Glen Meade fund with a Morgan Stanley Fund. Second Director Houston. Director Hawkins-aye, Director Houston-aye, Director Grassmuck-aye, Firefighter Paramedic Pat Szarwinski -aye

Chris Williams from Aviben explained the change in their name indicated there is another EBC. Educator Benefits LLC still out there but doing business at Aviben now. He stated there is a new platform for record keeping, and debit cards will be available for all participants. There is also a mobile ap that will help participants. The transition date to the new platform is 11/1/2020. Members will need to create username and password for new platform and a communication will go out. A presentation will be recorded for

disbursement to members regarding HRA's new platform. Mr. Williams went through the quarterly review. Dan Ladd asked if there is a way to make the default for initial investment be made as a target date fund based on age, this would have to be done as an amendment. Only defaults to standard stable for initial investment currently. Assistant Chief LeDoux would like to see the Target Date fund be the default. There is a \$50 amendment fee. The board asked to do the due diligence on looking at changing initial deposit to default to target date funds based on age. This will be circled back on. Mr. Williams will wait to hear from the district on preparing the amendment. Chief Schneider would like to see a draft amendment to be reviewed.

Director Hawkins motioned to adjourn the Pension Board Meeting at 6:49 p.m., it was seconded by Director Grassmuck and unanimously approved by all Pension Board Members. Director Hawkins-aye, Director Houston-aye, Director Grassmuck-aye, Firefighter Paramedic Pat Szarwinski -aye.


Frank Grassmuck, Secretary


Stacy Krieger, Recording Secretary