



Minutes of the Pension Meeting of the Board of Directors
Of the Wentzville Fire Protection District
January 28, 2021

The Pension Board Meeting of the Wentzville Fire Protection District was held on January 28, 2021 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. and led the Pledge of Allegiance.

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, Deputy Chief Michael Scott, Fire Marshal Chris Cuddihee, Battalion Chief Willie Meyer and Shop Steward Max Mueller as well as Legal Counsel Dan McLaughlin, Jonnie Carlo, Empower, Pam Hardin and Dan Ladd, Foundation Wealth Management, Heath Merlak, Nyhart and Chris Williams, Aviben.

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, Captain Fred Hohenshell-aye, Firefighter Paramedic Pat Szarwinski -aye.

Director Hawkins motioned to approve the Pension Board Meeting Minutes of December 17, 2020. The motion was seconded by Director Houston. Director Hawkins-aye, Director Houston-aye, Director Grassmuck-aye, Captain Fred Hohenshell-aye, Firefighter Paramedic Pat Szarwinski -aye.

Chief Schneider stated under new Business there are two addendums to RHRA Plan being proposed for approval.

The first being Addendum #5, Chief Schneider explained, this addendum is to clarify language pertaining to proration of four years of service funding. Chief Schneider read the Addendum. He stated he and the committee received consultation from Legal Counsel McLaughlin and CPA Rognan when drafting the language and indicated this addendum gives space in the plan for middle of the year hires. This language clarification is a result of findings during the last audit.

The second being Addendum #6. This addendum clarifies language for the Employee's Committee, Currently the language includes names of board members names and committee members as elected by the members.

This addendum will remove the names and uses the titles of Seat A, B, C and two plan participants. Chief Schneider read Addendum # 6

There was no discussion on either Addendum.

Director Hawkins motioned to approve Addendum #5; Director Grassmuck seconded. Director Hawkins-aye, Director Houston-aye, Director Grassmuck-aye, Captain Fred Hohenshell-aye, Firefighter Paramedic Pat Szarwinski -aye.

Director Hawkins then motioned to approve Addendum #6; Director Houston seconded. Director Hawkins-aye, Director Houston-aye, Director Grassmuck-aye, Captain Fred Hohenshell-aye, Firefighter Paramedic Pat Szarwinski -aye.

The meeting then moved to quarterly reports from the various vendors:

Jonnie Carlo from Empower provided the quarterly report as well provided a Defined Contribution legislation initiative. She stated Empower has acquired Mass Mutual in a transaction approved earlier this month. Ms. Carlo indicated this does not impact their existing clients but does provides more benefits. She shared a new feature on the participants webpage that now shows a drawdown plan for those over 50, it tells you how long your money will last. She provided legislative update Secure 2.0, to pension reform. Ms. Carlo provided statics on the Defined Contribution plan and stated the lifetime score is up and so are the assets. She stated our members average balances are higher than the benchmark. The district has good participation. Stating 25% are using target date fund and 5% are using my total retirement. This keeps optimal guide high.

She stated the 457 is up slightly from last quarter. The members average balances are above the benchmark. She stated the investment strategies are good. The district has 97% participation with two people not participating. She indicated on average 27% of members are contributing more than 10% of salary.

Ms. Carlo indicated cash flow is up 14%. The special COVID distribution benefit is now exhausted. She stated 39% of members are using Target Date funds, the other have a nice allocation of funds as well. There were some fund additions that took place. However, the Morgan Stanley is not reflected in the report but took place in January. There is a 96% participation rate with a 9.36% average deferral. She stated the Roth option is more popular. Ms. Carlo indicted the plan amendment for in plan rollover and transfers has been completed. Members can now shift to Roth from pretax. She stated there was no change in the loan summary. There are 19 participants with loan, 27 total loans, she indicated a member may have loans in each plan. There was no change in advisory services five people are using this service. The proposed training schedule in the works with Mike Scott and Crystal. Crystal is still offering the in person zoom time. Personalized engagement is high, with a 17% act rate, in 169 communications sent. There was a 66% open rate. The plan is healthy even with the state of our economy. The board agreed this was a positive report and proud of members for taking responsibility.

Pam Hardin and Dan Ladd from Foundation Wealth Management provided their report indicating the defined benefit through January 25th had an ending balance is just over 10 million with a \$176,000 return. For 2020 the Defined Benefit summary indicated \$852,000 and 8% return. They stated the Investment plan is, 56% fixed 44% equity. The target will be 50/50 purchasing \$250,000 of equity each month. Mr. Ladd stated that for future contributions will be \$500,000 per year. He stated there is one fund on the watch list. Mr. Ladd explained the \$80 transaction fee was waived for the defined benefit plan. Overall, the plan is seeing an 8.7% return on investment.

Ms. Hardin and Mr. Ladd provided information on the Defined Contribution plan and completed a Due Diligence report indicating some changes to investments were made last year. They stated all was good and those same investment strategies were applied to the RHRA, making big strides last year to mirror Empower.


They provided a 2020 meeting summary and stated they would like to get on the calendar for 2021. Board was pleased with the report.


Chris Williams, from Aviben provided information on the change from Educators Benefit Consultant (EBC) to Aviben. He explained Educators Benefit Consults (EBC) is still the legal name however the acronym EBC has expanded across the county. Aviben is the DBA to help avoid confusion. Mr. Williams provided kudos to Wentzville for keeping up on the plan document language and providing slight changes, from seat names, to prorating. He stated he is happy to assist and keep up to date. He stated in his report there had been a withdraw plan, but assets had also increased. There are 52 participants in the plan. He stated the funds offered are well diversified. He indicated many are using the Target Fund. He also indicated the Target Funds have been set as the default based on age of participant. He also stated that 32 of 52 employees are still in standard stable.

Mr. Merlak from Nyhart did not have a report at this time but will present at the April meeting. He stated 1st quarter is very busy preparing reports. He indicated he need 20 minutes for the April meeting. Chief Schneider thanked Mr. Merlak for his participation in the budget strategy meetings for future contributions.

Board thanked all partners.

Director Hawkins motioned to adjourn the Pension Board Meeting at 6:39 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, Captain Fred Hohenshell-aye, Firefighter Paramedic Pat Szarwinski - aye.


Frank Grassmuck, Secretary


Stacy Krieger, Recording Secretary