

MINUTES OF THE REGULAR MEETING OF
THE O'FALLON FIRE PROTECTION DISTRICT
PENSION BOARD
March 19, 2019

A regular meeting of the O'Fallon Fire Protection District Pension Board was held on March 19, 2019, at the Administration Board Room, 111 Laura K Drive, O'Fallon, MO. Director Laughlin called the meeting to order at 7:00 p.m. Notice of said meeting had been provided at least 24 hours in advance of the meeting by posting the meeting time in the case on the outside wall of the Administrative Offices. Board Secretary Lucido conducted *Roll Call*: Present: Director Bill Laughlin, Director Matt Gober (by phone), Director Matt Simmons, and Pension Board Members Captain Mike Alcorn, and Fire Marshal Mark Morrison. The following staff member was present: Pension Board Secretary Karen Lucido.

The following guest was present: Attorney Rhonda O'Brien

A motion was made by Director Laughlin to approve the prior Regular Pension Board Meeting minutes of November 13, 2018, and Special Pension Board Meeting of February 28, 2019 as presented, seconded by Director Simmons. Upon roll call the vote was:

Ayes: 5 – Directors Laughlin, Gober, and Simmons
Pension Board Members Alcorn and Morrison
Nays: 0 – None
Abstain: 0 – None
Absent: 0 – None
Motion declared and carried

OLD BUSINESS

There was further discussion regarding the current Investment Policy Statement. Attorney O'Brien stated that RPA needs to give their thoughts and recommendations on the current Investment Policy. Attorney O'Brien will revise the Investment Policy to update the Advisor and Asset Allocation Advisor for review at the May Pension Board meeting.

A District employee was told by an outside investment company that they could roll over their retirement funds prior to leaving the District when they reached age 59 ½. Attorney O'Brien stated that the District's plans state that rollovers can only occur when the employee leaves the District or if determined a hardship request.

There was further discussion regarding Resolution #2019-001 – Procurement Action Plan. Attorney O'Brien stated that the Resolution was approved at the Special

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February Pension Board Meeting and by the Board of Directors at the Regular Board of Directors Meeting held that evening; all signatures completed. Chief Vineyard will prepare a report for the Agency and will need Affirmative Action Plans from RPA and Mass Mutual. RPA is drafting one for review at the May 2019 Pension Board Meeting. The District needs to ensure that each vendor they contract with for the Pension Plan has a written Affirmative Action Plan.

NEW BUSINESS

Captain Alcorn stated that AUL did not have a Roth IRA option, but Mass Mutual does. One of the advantages of offering a Roth IRA option through Mass Mutual is that the fees will be lower as it will be with the group plan, and employee's contributions can be direct-deposited (but not pre-taxed). Consensus to have Attorney O'Brien discuss this possible option with RPA, possibly attached to the current 457 Plan. Questioned whether the Roth IRA option could be accessed anytime by employees or if it would be under the same rules as the 457 Plan (regarding loans and/or withdrawing monies).

Director Laughlin stated he attended a pension meeting with Chief Vineyard held at the Firefighter Hall last December that discussed utilizing a 457 Plan as a group plan through the IAFF 2665, which would keep fees low. Director Simmons stated he understands that those in this program like it, but he was unsure of the plan's particulars. Captain Alcorn questioned if this program was considered a defined benefit; members were unsure. Director Laughlin's understanding was this was a voluntary plan for each employee. Discussion held about what the IAFF plan may entail. Captain Alcorn will talk with Chief Vineyard to obtain the particulars of the IAFF 2665 program, and then discuss with Attorney O'Brien whether this is something the Pension Board may want to pursue further.

Attorney O'Brien began the Pension Board Training at 7:15 p.m. She handed out a Board of Trustees Training Manual dated March 2019, and reviewed the handout. Discussion included:

- (1) Review of the Plan Summary for employees; all agreed the summary will enable employees to easily obtain answers to many of their questions. Page 9 explains the Loan Policy under the 457 Plan. Captain Alcorn questioned if an employee is on Long Term Disability are they exempt from repaying any loan they may have under the

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457 Plan. Attorney O'Brien will look at that and address it on page 10 of the Plan Summary.

(2) Review of the QDRO Procedures for both plans. Discussion held. Attorney O'Brien stated the QDRO can be one policy, after review, but it must identify each plan within the policy.

(3) Discussion that upon an employee's death or disability, their dollars would be considered 100% vested, per language contained in the Money Purchase Plan.

(4) The Match for new employees may begin as soon as they are eligible to participate in the 401A Plan, which is currently: After 1,000 hours of work they are eligible to enroll in the next open date, either July 1 or January 1.

(5) Captain Alcorn stated that employees are very satisfied with RPA, and questioned when the District needs to go out to bid for Pension Broker. Attorney O'Brien stated that usually every 3-5 years is reasonable and shows due diligence, but since the District recently signed a contract with RPA, it has time before pursuing that. Going out to bid does not mean you can't retain your current broker if you are happy with them.

The Board Training Session ended at 7:50 p.m.

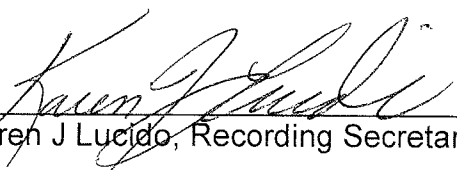
Director Simmons announced the next Pension Board Meeting is scheduled for Tuesday, May 14, 2019 at 7:00 p.m.

A motion was made by Director Simmons to adjourn the meeting, seconded by Pension Board Member Alcorn. Upon roll call the vote was:

- Ayes: 4 – Directors Gober, and Simmons
Pension Board Members Alcorn and Morrison
 - Nays: 0 – None
 - Absent: 1 – Director Laughlin (exited at 7:30pm)
- Motion declared and carried.

There being no further business, the meeting was adjourned at 7:51 p.m.


William Laughlin-Chairman

ATTEST: 
Karen J Lucido, Recording Secretary