

MINUTES OF THE REGULAR MEETING OF  
THE O'FALLON FIRE PROTECTION DISTRICT  
PENSION BOARD  
May 19, 2020

Approved at 11-24-20 Board Mtg

A regular meeting of the O'Fallon Fire Protection District Pension Board was held on May 19, 2020, via Zoom video conference due to COVID-19. Director Laughlin called the meeting to order at 7:02 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, Director Matt Simmons, and Pension Board Members Captain Mike Alcorn (7:11pm), and Fire Marshal Mark Morrison. The following staff members were present: Chief Vineyard, Captain Johnston, Captain Daly, Firefighter Woodson, and Pension Board Secretary Karen Lucido.

The following guests were present: Attorney Rhonda O'Brien, and RPA Representatives Josh Schwartz, Andy Trachsel, Jim Ladlie, and Cori Tinker.

A motion was made by Director Laughlin to approve the prior Regular Pension Board Meeting minutes of November 19, 2019 as presented, seconded by Director Simmons. Upon roll call the vote was:

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|----------|---|
| Ayes:    | 5 – Directors Laughlin, Gober, and Simmons<br>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 about the Pension Committee. Chief Vineyard stated that the Pension Committee met to look at the possibility of switching to a defined benefit plan, and an Ekon actuary conducted a review which appears to show that switching to a defined pension plan is not financially feasible at this time. Mr. Trachsel stated RPA also reviewed the actuary report and met with District members; conclusion is that defined benefit plans are more expensive than the current defined contribution plan. Chief Vineyard stated that investigation into changing pension plans is still in its infancy and will be discussed further, including how we would increase the District's revenue stream to fund a defined benefit program.

NEW BUSINESS

Mr. Trachsel gave RPA's 401(a) and 457(b) Plan Review and Investment Due Diligence Report for period ending March 31, 2020, stating due to COVID-19 and the current financial situation, overall the plan lost 12%. OPEB Trust returns were reviewed, and discussion held regarding funding the Trust per the actuary's recommendations. Chief Vineyard suggested holding a portion of the actuary-recommended monies back from funding the Trust and use to pay current benefits, i.e., if \$160,000 funding is recommended, fund the Trust by \$120,000 and hold \$40,000 out to pay current benefits, so the District does not have to pull from the Trust yet. Mr. Trachsel stated that employee participation is increased; Mass Mutual's website had 262 visits and 28 calls to their service center, and RPA had 87 emails and 61 phone calls from employees. RPA held a video conference with each shift which was well received; and held eleven one-on-one meetings. There is full participation in the District's pension plan by employees. Mr. Schwartz reviewed the current markets and their fluctuations due to COVID-19; stating that about every 30 years the market drops approximately 30%, then usually recovers; Bear markets tend to last 5 months to one year. Mr. Schwartz said District employees did not panic, holding on to their investments which will allow them to bounce back as the market recovers.

Mr. Schwartz reviewed RPA's recommendations for changes in the line-ups. Discussion held on each recommendation. After review and discussion, a motion was made by Director Laughlin to accept RPA's recommended fund changes reflected in RPA's *May 2020 Menu Changes* recommendations (attached as Exhibit I), seconded by Director Gober. 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.

Chief Vineyard stated that the MACFPD conference has been rescheduled to the end of August, and will offer the needed annual Pension Board Training Hours. If that option is canceled due to COVID-19; Attorney O'Brien will have Board Training material for pension board members.

Director Laughlin announced the next Pension Board Meeting is scheduled for Tuesday, August 18, 2020 at 7:00 p.m.

Approved at 11-24-20 Board Mtg

A motion was made by Director Laughlin to adjourn the meeting, seconded by Pension Board Member Alcorn. 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

There being no further business, the meeting was adjourned at 7:47 p.m.

  
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William Laughlin-Chairman

ATTEST:   
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Karen J Lucido, Recording Secretary

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