



Minutes of the Pension Meeting of the Board of Directors
Of the Wentzville Fire Protection District
July 25, 2024

The Pension Board Meeting of the Wentzville Fire Protection District was held on May 23, 2024, immediately following the Regular Meeting at 3:45 p.m. at Wentzville Fire District Headquarters, 502 Luetkenhaus Boulevard, Wentzville, MO 63385

Assistant Chief Scott called the meeting to order at 3:45 p.m.

Roll Call: Assistant Chief Scott called the roll; all five pension board members were present: Director Jennifer Houston, Director Frank Grassmuck, Director Chad Wilson, Trustee Captain Fred Hohenshell, and Trustee Firefighter Paramedic Pat Szarwinski.

Fire Marshal Chris Cuddihee, Shop Steward Max Mueller, Finance and Human Resource Manager Lisa Potts, as well as Loni Morrow from Abiven, Jonnie Carlo from Empower, and Dan Ladd from Foundation Wealth Management.

Director Grassmuck motioned to approve the agenda as presented. Director Wilson seconded it. Director Houston, Director Grassmuck, Director Wilson, Captain Fred Hohenshell, and Firefighter Paramedic Pat Szarwinski voted aye.

Director Grassmuck motioned to approve the Pension Board Meeting Minutes of May 23, 2024. Director Wilson seconded the motion. Director Houston-aye, Director Grassmuck-aye, Director Wilson-aye, Captain Fred Hohenshell-aye, Firefighter Paramedic Pat Szarwinski -aye.

Jonnie Carlo provided the 2nd Quarter report and stated Secure 2.0 is ready for clients. There are five options the district will need to approve. The employer match as a Roth option will be coming in early 2025. Ms. Carlo provided the second quarter summary stating that assets are going up. 95% of the employees are contributing. Over 40% of the employees contribute over 10% of their income. 27 people have converted to all Roth. 13 people are contributing to both. She stated the education meetings occurred in late June with a a good response. Ms. Carlo discussed the five provisions that could

be added to our plan from the Release of Secure 2.0. Ms. Carlo is looking for approval on these.

1. Terminal illness penalty tax exception
 - Distributions are exempt from the 10% early withdrawal penalty.
 - Participants must meet qualifications and submit doctor paperwork to Empower.
 - Empower will prepare and distribute any necessary tax documentation.
 - Jonnie and Dan did not see any reason for WFPD not to adopt this.
2. Qualified disaster recovery distributions
 - Distributions up to \$22,000 and no 10% excise tax.
 - Participants must meet qualifications and submit paperwork to Empower.
 - Empower will prepare and distribute any necessary tax documentation.
 - Jonnie and Dan did not see any reason for WFPD not to adopt this.
3. Increased catch-up limit for ages 60-63
 - Currently, participants aged 50+ can contribute an additional \$7,500/year to 457.
 - The increased limit for participants aged 60-63 is greater of \$10,000 or 150% of the regular annual catch-up limit for participants ages 60-63.
 - Jonnie and Dan did not see any reason for WFPD not to adopt this.
4. 3-year repayment for qualified birth or adoption distributions
 - Participants who have a baby or adopt an eligible person can take a distribution of up to \$5,000 for each child or adoptee.
 - Funds can be repaid within 3 years of the withdrawal if the participant chooses.
 - Jonnie and Dan did not see any reason for WFPD not to adopt this.
5. Domestic abuse distributions
 - Penalty-free withdrawals are capped at the lesser of \$10,000 or 50% of account balance.
 - Jonnie is confirming that Empower can approve these distributions without WFPD approval so that WFPD does not need to be made aware of this type of distribution.
 - Jonnie and Dan did not see any reason for WFPD not to adopt this.

According to Mr. Ladd, it allows flexibility for live events. Director Houston stated these options provide resources for the members. Trustee Hohenshell inquired about the adoption provision, asking if there is a 10% tax implication. Ms. Carlo would review and bring the information back. Director Houston motioned to adopt the additional five elections requested by Empower. Director Grassmuck seconded the motion. Director

Houston-aye, Director Grassmuck-aye, Director Wilson-aye, Captain Fred Hohenshell-aye, Firefighter Paramedic Pat Szarwinski -aye.

Loni Morrow from Abiven presented the second quarter summary on the retiree plan available for healthcare after retirement. She reported that eligible retirees had withdrawn from the plan. There are 67 participants in the plan. The majority of assets are in the stable fund, with the next largest group in target date funds. Six participants are claim-eligible, and most are using automatic claims.

Ms. Brown from Nyhart was not present, noting to update.

Dan Ladd from Foundation Wealth Management provided the report. There are a few funds on the watch list. He started with the election year there tends to be more volatility. He stated they will continue to monitor; they usually give 18 months on the watch list. The menus for all platforms mirror one another as best they can. The defined benefit utilization was reviewed. Mr. Ladd talked about the education piece and believes participants are thinking about things because they received nice emails after the meetings. Always looking at keeping fees low.

Director Grassmuck motioned to adjourn the Pension Board Meeting at 4:15 p.m.; Director Wilson seconded it. Director Houston-aye, Director Grassmuck-aye, Director Wilson-aye, Captain Fred Hohenshell-aye, Firefighter Paramedic Pat Szarwinski -aye.



Frank Grassmuck, Secretary



Stacy Krieger, Recording Secretary