FENTON FIRE PROTECTION DISTRICT

MEETING OF THE BOARD OF DIRECTORS

May 22, 2019

A meeting of the Board of Directors of the Fenton Fire Protection District (hereinafter called the “District”) was held on Wednesday, May 22, 2019, at the Fenton Fire Protection District, Firehouse #1, 845 Gregory Lane, Fenton, Missouri 63026.

Chairwoman Beth Viviano called the meeting to order at 4:00 p.m.

ROLL CALL:

The following directors were present for Roll Call:
Beth L Viviano
Jennifer Grimes
Tom Ascheman

Also present were:
Chief Tom Steitz  District Fire Chief
Gary Wolfe  District Legal Counsel
Joe Boushard  Shop Steward

Chairwoman Viviano ruled that a quorum was present and called the meeting to order.

PENSION PLAN

Initially, Chairwoman Viviano asked Mr. Aaron Schlipman from Lockton Financial Services to discuss the District pension plan. Mr. Schlipman reviewed some investment information from the 4th quarter of 2018 and discussed how this quarter was very poor. Mr. Schlipman went on to discuss the pension plan investments in 2019 which were significantly better. There were some changes made to the Plan’s mid-cap growth managers after two (2) bad quarters where (1) Victory Munder was replaced with Harford Mid Cap Growth; (2) American Beacon was replaced with American Century Mid Cap Value and DFA Core Equity was removed with assets transferred to the Vanguard 500 Index.

Mr. Schlipman discussed the Plan’s performance in 2019 as to all investments. He mentioned some litigation issues and that various states are beginning to examine government pension plans with several different approaches, but Missouri has not yet begun this work. Mr. Schlipman reviewed the state of the economy and first quarter of 2019 as far as market performance. He discussed briefly the state of emerging markets world-wide.

Finally, Mr. Schlipman reviewed the Plan’s asset summary as to employer contributions, withdrawals, fees, dividends and earnings. He also showed the Plan’s asset allocation to demonstrate it is within guidelines, specific investments made by the Plan and held a brief discussion on proprietary products and any impact on this Fund which is not apparent. After this
discussion and with no questions from the Board, Mr. Schlipman was thanked for his time and excused from the meeting.

The Board of Directors also discussed their Procurement Action Plan to ensure money managers, brokers or investment counselors employed or used by the Plan utilize minorities and/or women to participate and assist the Plan. The Board was asked to adopt the Action Plan which included information from Lockton Financial Advisors, LLC that it employed one (1) minority and two (2) women who provide professional assistance to the Plan. After discussion, it was

MOVED by Director Grimes and seconded by Director Ascheman to adopt the District’s Procurement Action Plan and to send this Plan to the Governor of Missouri’s Minority Advocacy Commission and the Joint Committee on Public Employee Retirement. The motion was approved and unanimously carried 3-0.

APPROVAL OF THE MINUTES

The minutes from the regular meeting held May 8, 2019 were presented for review. After discussion, it was

MOVED by Director Grimes and seconded by Director Ascheman to approve the minutes of the regular meeting held May 8, 2019. The motion was approved and unanimously carried 3-0.

APPROVAL OF BILLS

Chief Steitz presented the Board with the bills for review and payment, which totaled $312,471.20. This list of bills is attached hereto and made a part of the minutes to the meeting. After discussion, it was

MOVED by Director Grimes and seconded by Director Ascheman to approve the bills for payment and ratification. The motion was approved and unanimously carried 3-0.
TREASURER’S REPORT

Chief Steitz next presented the Board with the Treasurer’s Report on balances of accounts, deposits, payments and transfers for the General, Ambulance, Dispatch, Pension, 2019 Capital Project, HRA and FSA funds. Balances since last meeting are:

<table>
<thead>
<tr>
<th></th>
<th>Balance as of 5/8/19</th>
<th>Balance as of 5/22/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>$9,365,543.38</td>
<td>$8,996,161.84</td>
</tr>
<tr>
<td>Ambulance</td>
<td>$2,901,544.82</td>
<td>$2,848,282.63</td>
</tr>
<tr>
<td>Dispatch</td>
<td>$495,578.14</td>
<td>$494,245.19</td>
</tr>
<tr>
<td>Pension</td>
<td>$22,092.78</td>
<td>$26,645.01</td>
</tr>
<tr>
<td>Capital Project 2019</td>
<td>$19,144,180.38</td>
<td>$19,144,180.38</td>
</tr>
<tr>
<td>Debt Services</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>HRA</td>
<td>$1,251.41</td>
<td>$3,593.44</td>
</tr>
<tr>
<td>FSA</td>
<td>$9,761.07</td>
<td>$10,885.54</td>
</tr>
</tbody>
</table>

after discussion, it was

_Moved by Director Grimes and seconded by Director Ascheman_ to receive the Treasurer’s Report as presented. The motion was approved and unanimously carried 3-0.

OLD BUSINESS

Fire Marshal Chris Thiemann reported the District received the Phase 1 environmental report back on District House 2 and some contaminates were found to justify a Phase 2 examination of the site primarily due to some fill dirt which had been moved around on the site. Phase 2 will consist of core samples to determine if there are any contaminants in the dirt or ground water at the testing site and if some are found it will revert back to KP Development, which has the obligation to clean the area. This process will not cause a significant delay. House 3 was evaluated in Phase 1 testing and it was fine except for some fire foam that was found, but this is something that is regularly around the firehouses. Bids are being compiled for demolition of House 3 and the asbestos testing is to be done soon.

The Directors then discussed fire house environments as to light and green space areas, which are seen to be positive for stress and mental health.
Next, Ms. Ellen Witsberger of J.W. Terrill presented the District with various renewal bids for medical, dental and vision care for the District employees in 2019-2020. Initially, Ms. Witsberger presented the medical renewal bids and analysis from United Healthcare, Cigna and Aetna insurers. The analysis listed the benefit highlights and compared the current coverage benefits with options on coverage and price. The District is currently insured by United Healthcare, which presented a bid for the next one (1) year term at no cost increase to the District. After a thorough review and discussion of the medical options the Board was asked to decide which option to accept for the next term.

After the medical renewal analysis, Ms. Witsberger reviewed the same type of information for both dental and vision coverage for the next one (1) year term. Dental coverage included the current and renewal term for Delta Dental and Met Life Dental. There is an 8% premium increase from Delta Dental based on the dental claims history of the District in the last year. The Met Life quote was less than Delta Dental, but the in-network network of dentists was not as extensive as Delta Dental and the discount on charges is not as good as Delta. The Board and District employees discussed the choice and it was decided that Delta Dental provided a better option. Vision benefits from Eye Med were the same and guaranteed for 4 years. After discussion on the medical benefit coverage choices, it was

Moved by Director Grimes and seconded by Director Ascheman to keep medical coverage with United Healthcare for the next year. The motion was approved and unanimously carried 3-0. After discussion on the dental benefit coverage choices, it was

Moved by Director Grimes and seconded by Director Ascheman to keep dental coverage with Delta Dental for the next year. The motion was approved and unanimously carried 3-0. After discussion on the vision benefit coverage choices, it was

Moved by Director Grimes and seconded by Director Ascheman to keep vision coverage with Eye Med for the next year. The motion was approved and unanimously carried 3-0.

Next, District accountants Rognan and Associates reported on the April 2019 financial report presented by Mr. Rick Rognan. Mr. Rognan reported on the 2019 financials as compared to the 2018 numbers which showed the District was generally under budget on most line items and in very good financial shape. Analysis of the General Fund, Ambulance Fund and Dispatch Fund revenues and expenditures were discussed in detail for 2018 and 2019, as well as expected changes in the remainder of 2019. Mr. Rognan mentioned the District’s move of money to earn more interest away from Commerce Bank and the positive impact on Fund revenues as a result.
After review of the April 2019 financial report, Mr. Rognan presented the District 2018 Amended Budget and asked the District to accept this Amended Budget. Revenue dollars remained the same and the only adjustment was on total expenditures that went over budget to help understand how the District was doing. The differences were small and this Amended Budget was the same process as the District does each year for the General Fund, Ambulance Fund, Pension and Dispatch Funds. The Capital Project Fund was also represented on this Amended Budget.

after discussion, it was

Moved by Director Grimes and seconded by Director Ascheman to accept the 2018 Amended Budget. The motion was approved and unanimously carried 3-0.

Finally, Mr. Rognan presented the District with the option of assigning $4,379,316 of the 2018 general fund balance for the purpose of future appropriations and $3,000,000 for future pension obligations.

Moved by Director Grimes and seconded by Director Ascheman to assign $4,379,316 of the 2018 general fund balance for the purpose of future appropriations and $3,000,000 for future pension obligations. The motion was approved and unanimously carried 3-0.

Chief Steitz reported on the District audit which is in process by Keith Slusser of Fick Eggemeyer and Williamson. The auditor found no issues of concern and is waiting for the actuarial report to complete the audit.

Director Grimes asked the Board to discuss future meeting dates after her work schedule was changed. The Board discussed moving the meeting date to Mondays or at other times and days during the week, but none worked as well as Wednesdays. Director Grimes is scheduled to work every other Wednesday so her work schedule will conflict with District meetings unless the Board agreed to have Wednesday meetings every other Wednesday which would allow 3 meetings per month on occasions. Since this schedule worked for the District and the Board of Directors it was decided to make this change to meet every other Wednesday for Board meetings. The next Board meeting will be June 5, 2019 and every other week going forward.

After this discussion, it was

Moved by Director Ascheman and seconded by Director Grimes to move regular Board meetings to every other Wednesday. The motion was approved and unanimously carried 3-0.
CHIEF'S REPORT

Chief Steitz reported there were two (2) minor rescues for persons trapped in cars, which the District firefighters handled. No one was injured in either instance.

The District Steering Committee and the IT work is going well. A St. Louis County Police officer passed away and the District provided firefighters at a highway overpass to salute the officer. The District Open House was held and was a big success. The Chief and Board thanked all the District firefighters and employees involved in the process.

SHOP STEWARD REPORT

Joe Boushard reported he was elected shop steward, but had no specific report to make at this time.

PUBLIC COMMENT

There was no public comment at this time.

NEXT BOARD MEETING DATE

Wednesday, June 5, 2019 at 4:00 p.m.

ADJOURNMENT

There being no further discussion in the meeting, it was

Moved by Director Grimes and seconded by Director Ascheman to move to a closed session. The motion was approved and unanimously carried 3-0.

At the conclusion of the closed session of the Board of Directors and there being no further discussion in the meeting, it was

Moved by Director Grimes and seconded by Director Ascheman to adjourn the regular District meeting. The motion was approved and unanimously carried 3-0.
Respectfully submitted and attested to by:

Beth L Viviano, Chairwoman

Jennifer Grimes, Treasurer

Tom Ascheman, Secretary