

Fenton Fire Protection District
Meeting of the Board of Directors

August 26, 2020

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A meeting of the Board of Directors of the Fenton Fire Protection District (hereinafter called the "District") was held on Wednesday, August 26, 2020, via video conferencing originating at the Fenton Fire Protection District, 845 Gregory Lane, Fenton, Missouri 63026.

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

ROLL CALL:

The following Directors answered Roll Call:

Beth L. Viviano
Jennifer Grimes
Tom Ascherman

Also present was:

Tom Steitz	District Chief
Romona Kaminski	District Assistant Chief
Chris McCarthy	Deputy Chief of EMS
Chris Thiemann	District Fire Marshal
Joe Boushard	Shop Steward
Steve McKinney	Shop Steward
Daniel McLaughlin	District Legal Counsel
Aaron Schlipman	Fund Pension Consultant
Rick Rognan	District Accountant

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

PENSION REPORT

Mr. Aaron Schlipman of Lockton Financial Advisors reviewed the second quarter District Pension Plan performance. Mr. Schlipman first summarized the status of the economy. Both the unemployment and underemployment rate have increased over the last quarter. Interest rates from a Treasury Yield perspective are at historic lows and not expected to rebound for about 18 months. Volatility scores also doubled over the last quarter. Uncertainty surrounding the coronavirus pandemic is causing market volatility. Stock market losses that took place in the first quarter have almost all been recovered in the second quarter causing a V shaped market curve.

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The District's asset allocations versus the IPS shows investment returns well within range and even outperforming the benchmarks.

Mr. Schlipman then discussed two Large Cap Value Funds that are providing the same function within the investment portfolio and his recommendation to combine them into a different Large Cap Value investment. The DFA US Large Cap Value fund has been on the watch list for the last year and is still underperforming. The Invesco Diversified Dividend R6 fund is performing inconsistently. Mr. Schlipman recommends moving away from these two funds and investing the monies in the Putman Equity Income R6 Fund. The Putman fund is finishing in the top quantiles the majority of the time. Further discussion took place regarding the overall performance of the Putman Equity Income R6 Fund. Mr. Schlipman also advised within the next few weeks he will be evaluating the market and looking to move a portion of the Gains Equity Portfolio to the Fixed Asset portfolio in preparation for future market volatility.

Moved by Director Grimes, and seconded by Director Ascheman to approve the recommendation of the District's Pension Fund Manager to remove both the DFA US Large Cap Value and Invesco Diversified R6 from the investment portfolio and add the Putman Equity Income R6 fund. Motion approved and unanimously carried 3-0.

APPROVAL OF THE MINUTES

The minutes from the regular meeting held August 12, 2020 were presented and it was

Moved by Director Grimes, and seconded by Director Ascheman to approve the minutes of the regular meeting held August 12, 2020. Motion approved and unanimously carried 3-0.

APPROVAL OF BILLS

Chief Steitz presented the Board with the bills for review and payment, which totaled \$630,387.78. The list of bills is attached hereto and made a part hereof 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. Motion approved and unanimously carried 3-0.

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TREASURER'S REPORT

Chief Steitz presented the Board with the Treasurer's Report on balances of account, deposits, payments and transfers for the General, Ambulance, Dispatch, Pension, Capital Projects 2019, Debt Service, HRA, FSA and COVID-19 Funds. Balances since last meeting are:

Simmons

<u>Fund</u>	<u>Balance as of 8/12/20</u>	<u>Balance as of 8/26/20</u>
General	\$12,466,270.62	\$12,256,206.35
Ambulance	\$4,251,191.20	\$4,186,098.40
Dispatch	\$477,882.69	\$474,199.99
Pension	\$205,786.25	\$207,841.51
Capital Project		
2019	\$15,603,301.27	\$15,099,998.94
Debt Services	\$1,338,425.14	\$1,340,870.35
HRA	\$3,896.32	\$3,627.37
FSA	\$9,149.14	\$9,183.36
Covid-19	\$19,112.87	\$19,132.87

After discussion, it was

Moved by Director Grimes and seconded by Director Ascheman to receive the Treasurer's Report as presented. Motion approved and unanimously carried 3-0.

OLD BUSINESS

Chris Thiemann, Fire Marshal, provided a construction update for House 2 and House 3. During the excavation of the ground at House 2, they came across some bad soils that need to be replaced with good fill. The District will not incur any cost for the fill replacement. Shannon and Wilson continues to check the soil and ensure compaction requirements are being met. Their organization also tested the area where the replacement fill was being farmed for contaminants. The fill replacement should be completed within the next couple of weeks and ready for the survey. The survey is the last piece prior to starting the bid proposal process for the new House 2.

House 3 continues to progress ahead of schedule. The trusses are up, Lawlor has started applying plywood for the roof and the majority of block work is complete.

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Chris Thiemann had one follow up question from the last Board Meeting for the Board of Directors regarding the preferred layout for the Board Room. The Directors agreed they all favored the half door layout option. Chris Thiemann stated that he would have the plans updated with that design option.

NEW BUSINESS

ACCOUNTANT'S REPORT

Mr. Rognan discussed the Fire District Public Hearing Notice and confirmed the September 23, 2020 hearing date was agreeable to the Board. The purpose of the hearing is to discuss the tax rate set to produce revenues for the District. Mr. Rognan also expressed his concern to the Directors regarding less tax funding in the coming years as commercial businesses and retailers reinvent their business practices due to changes brought about by the pandemic. The strong reserve built up over the last couple of years will help to get the District through the funding short falls.

Rick Rognan presented the Financial Report and Statements as of July 31, 2020. He indicated that with timing items the District used (52.50%) of the general fund budget, or was (5.80%) under budget year to date, or (\$498,630.00); and (54.90%) of the ambulance fund budget, or was (3.50%) under budget year to date, or (\$122,708.00).

Mr. Rognan indicated that for the one (7) month period year versus last year, the District had \$277,694.00, or 3.02% more in tax revenue and miscellaneous and bond refinancing income. The District had revenue over expenditures in the amount of \$79,072.00. The District has a reserve of \$12,933,499.00 compared to \$10,137,018 last year.

The report is attached hereto and made a part hereof of the minutes to this meeting. After discussion, it was

Moved by Director Grimes, and seconded by Director Ascherman to accept and approve the Public Hearing Notice for September 23, 2020 and financial statements of the District as of July 31, 2020. Motion approved and unanimously carried 3-0.

Battalion Chief Anderson presented his quarterly update for C Shift. He discussed ways his crew is coping with the challenges brought on by the COVID-19 pandemic and civil unrest. Andy Anderson talked about the status of members of his crew who completed their probationary process, the retirement of an employee and the addition of a new person to his crew. He reported on his involvement in maintaining the District's hazmat equipment, overseeing the

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hazmat training of our personnel and working with the St. Louis County Hazmat Team. He finalized his report by explaining how the new 1329 was used in response to a fire incident.

CHIEF'S REPORT

Chief Steitz briefly reported about the continued positive progress of the CBA negotiations.

A discussion ensued regarding new equipment purchases, like the quick attack apparatus, along with the new engine houses and the possible positive effects on workers compensation renewal and ISO rating.

Chief Steitz informed the Board about the sale of the old 1329. Battalion Chief Watkins placed a reserve of \$15,000.00 and the apparatus sold for \$24,7000.00. The unit was purchased by a District in southern Arkansas who picked up the truck last Sunday. In 2020, the total amount received for the sale of older apparatus is approximately \$40,000.00.

Lastly, Chief Steitz discussed training with members of the Tri-County Training Consortium. The District's decided to restart training amongst the members of the Consortium via Zoom sessions.

SHOP STEWARD'S REPORT

Joe Boushard, Shop Steward, stated the majority of Community Outreach programs are on hold with PR events, business and schools having to close to deal with the pandemic. He also relayed that the CBA negotiations are moving in a positive direction.

NEXT MEETING DATE

Wednesday, September 9, 2020 at 4:00 p.m.

There being no further public comment or further business, at 5:23 p.m. a motion was made to suspend the regular meeting for purposes of going into Closed Session pursuant to Section 610.021 (9) RSMo. After discussion, it was

Moved by Director Ascheman and seconded by Director Viviano to go into Closed Session for purposes of privileged communications and personnel to Section 610.021 (9) RSMo. Motion approved and carried 3-0, Viviano – yea, Grimes – yea, Ascheman - yea.

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At 6:27 p.m., Director Ascheman moved to reopen the regular meeting of the Fenton Fire Protection District Board of Directors.

ADJOURNMENT

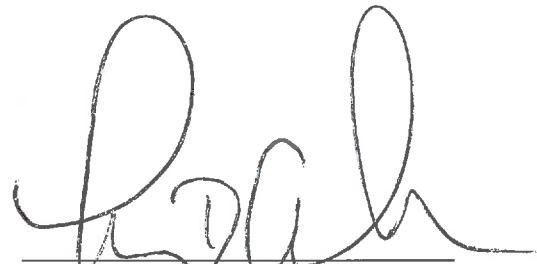
There being no further business before the Board of Directors, at 6:28 p.m., it was

Moved by Director Ascheman, and seconded by Director Viviano to adjourn the meeting. Motion approved and unanimously carried 3-0.

Respectfully submitted and attested to by,


Beth L. Viviano, Chairwoman


Jennifer Grimes, Treasurer


Tom Ascheman, Secretary