

RECEIVED JUN 22 1988

PENSION BOARD MINUTES FORM 06-21-88

Members present;

L. Benoit, P. Frey, W. Gaskill, J. Hall, C. Hazelhurst, R. Larson

1. Minutes of the May 17, 1988 meeting were read and an amendment was needed to paragraph 8 to reflect Benoit's seconding of the motion by Hall and adding the fact that the motion passed without opposition.
2. The participant loan request form used by the Grand Junction Fire Department pension participants was reviewed and discussed. It was agreed that it contained some language in it that we thought should be included in our loan request forms. Hazelhurst agreed to contact Don Mazanic at Mercer-Meitinger for an opinion on the \$10,000 loan cap language used on the form. Pending that, Frey and Benoit agreed to amend the form to fit the Grand Junction Police Department pension participant loan and have it ready for review by Friday June 24th.
3. A loan request from Marvin DiPilato was approved, motion by Frey, second by Gaskill. No opposed.
4. Benoit agreed to write a memo to ALL plan participants explaining that;

-interest rates on all loans will go to prime plus 2% on August 1st, prime being quoted by Central Bank of Grand Junction.

-the maximum amount of dollars in a loan is capped at \$10,000

-the maximum amount of time money may be loaned out for will be based upon the type of loan being made.

-remodel or home purchase	-8 years
-new card loan	-5 years
-used car loan	-3 years
-personal loan	-3 years

4. A memo (88-062) from Bill Head to the Board was read and its contents noted.
5. Hazelhurst agreed to check on Steve King's original request for distribution to see if it was for the entire amount. If so, she will initiate the process to ensure that he receives any remainder in Central Bank that might be left over from the monies received from ICMA in the transfer to Central Bank as our plan administrator.

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6. Discussed a May 19, 1988 letter (88-051) from Doug Wengelin reference whether Central Bank or Smoot, Miller and Cheney should have the proxy votes for the plan. It was decided that Hall would write a letter to Doug Wengelin modifying our original custodial agreement so that Smoot, Miller and Cheney would have proxy vote power for the plan participants when voting for officers and the like of the corporations that plan money is invested in.

7. Decided to change the procedure for participant loan processing after it was realized that the last ten loans approved has not been under payroll deduction because of a "glitch" in the system. New process would involve;

-participant submitting loan request to Board of Trustees.

-Board acts upon request. If approved it is sent in its original form to Personnel where an amortization schedule is prepared and the payback amount then deducted from the employee's paycheck.

-the original and a copy of the amortization schedule would then be sent to Central Bank for processing.

-person requesting the loan would then contact Central Bank for a time and day to pickup the check, which would be at least 7 days from the date of the approval by the Board.

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end of minutes wog