

Police Pension Board Minutes 04-29-91

Board Members Present:

Jim Hall, Paul Frey, Lynn Benoit,
Les Guttman, Bob Russell, Claudia Hazelhurst,
and Ron Lappi.

Board Members Absent:

None

Minutes

- #1) Minutes from the January 21, '91 meeting were read. There was a discussion relating to the accuracy of the minutes. Ron Lappi expressed a strong objection to the minutes indicating he felt the minutes were too specific relating to the discussion/information provided in section #4. Lappi indicated he felt the information was slanted in order to benefit the Boards position in attempting to obtain the forfeiture monies sent by F.P.P.A. to the City. Hall referred to section #4, the last sentence in the paragraph which reads, "nor has there been any notification from the City that the money is going to be distributed to the participants as originally expected." Hall indicated he did not recall making that portion of the statement. Claudia Hazelhurst also referred to the same section, last paragraph, and indicated she recalled Hall stating in general that an attorney would be contacted to look into the situation. Hazelhurst did not recall Hall specifically mentioning Susan Corle as being the attorney to be contacted and advised.

Frey made a motion to accept the minutes with changes relating to Hall's statement (the deletion of the last portion of the last sentence as quoted above) and to delete the name of attorney Susan Corle from the third paragraph, last sentence, of the same section. Benoit, seconded.

Those in favor:

Jim Hall, Paul Frey, Lynn Benoit, Les Guttman, Bob Russell,
and Claudia Hazelhurst

Those opposed:

Ron Lappi

The minutes, as amended, pass by a majority vote.

The minutes from the February 19, '91 meeting were read and approved by a unanimous vote.

Frey, motion to accept

Guttman, seconded

- #2) There was a discussion relating to whether the R.F.P. compiled by Paul Frey should be continued and sent out. Hall indicated he had talked with Susan Corle and in light of her work on the plan qualification has concerns relating to participant loans, fiduciary responsibilities of the board, offering investment options to the participants, and the possibility that the F.P.P.A. may still have some degree of control over the retirement plan (i.e. annual audits and notification of plan amendments). Ron Lappi indicated he was on the F.P.P.A. Board and he would check into the issue of annual audits.

Benoit, motion to table until the next board meeting.

Frey, seconded

Passed by a unanimous vote.

- #3) There was a discussion relating to whether or not a participant who has a current outstanding loan from his/her retirement funds could have the loan reclassified to a distribution and pay the penalties as a result. It was the consensus of the board that a distribution could not be approved by the board while the participant was still employed. Reference was made to sections 8.07 (Withdrawal of Deductible Employee Contributions) and section 4.05 (Deductible Employee Contributions).

- #4) There was a discussion relating to the letter sent by Susan Corle to the City requesting the forfeiture monies received from F.P.P.A. be returned to the participants of the current New Hire Pension Plan. During the discussion Ron Lappi indicated he met with members of the City Council during which he recommended the forfeited monies received from F.P.P.A. be used to amortize the Old Hire Retirement Plan and members of the council approved/concurred with the recommendation. Lappi indicated he sent a memorandum to Mike Gazdak of the Fire Department and thought a copy was received by the Police Department. Hall indicated a copy was never sent to the Police Pension board, and he as the current Pension Board Chairman has never received the memorandum. Hall requested a copy of the memorandum Lappi was referring to. Lappi indicated he would obtain a copy of the memorandum and provide it to the Police Pension Board.

Les Guttman made a motion relating to the retention of the Law Firm of Williams, Turner, and Holmes and to give them the authority to pursue the return of forfeiture monies for the benefit of the Grand Junction Retirement Plan. (See attachment "A" which is the motion Guttman presented)
Benoit, seconded.

There was discussion relating to the motion. Ron Lappi did not approve indicating the action/motion taken by the board is approximately three months late. Hall had concerns relating to the third paragraph of the motion relating to the recovery of costs incurred and thought at this point the issue shouldn't be addressed (i.e. should the City pay legal expenses for research already conducted and should the City pay if the issue is resolved prior to any court proceedings). There was also concern relating to covering/authorizing expenditures for past research/work completed by Susan Corle relating to the recovery of forfeitures.

Benoit made a motion to amend Guttman's original motion (see attachment "B") which reads:

"Move to retain the Law Firm of Williams, Turner, and Holmes P.C. for the purpose of obtaining Grand Junction Police forfeiture funds returned to the City of Grand Junction in 1990 from the F.P.P.A.. The Board approves the expenditure of Plan monies to cover any legal costs incurred as a result of such action.

Further that the firm of Williams, Turner, and Holmes P.C. shall be authorized the use of all legal means and remedies to effect control of the forfeiture funds for the benefit of the Grand Junction Police Retirement Plan, and that the distribution of the forfeiture monies shall be in accordance with the Grand Junction Police Retirement Plan."

Frey, seconded

Those in favor of amending the original motion:
Jim Hall, Paul Frey, Lynn Benoit,
Les Guttman, and Bob Russell

Those opposed of amending the original motion:
Ron Lappi and Claudia Hazelhurst

The amendments to the original motion pass by a majority vote.

Those in favor of the motion presented by Guttman with amendments:
Jim Hall, Paul Frey, Lynn Benoit,
Les Guttman, and Bob Russell

Those opposed of the motion presented by Guttman with amendments:
Ron Lappi and Claudia Hazelhurst

The motion, with amendments, passes by a majority vote.

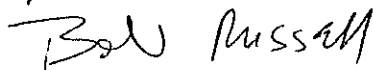
#5) The following loan applications were presented for approval:

- #1) Lynn Benoit - - - - \$6,000.00
- #2) Delmer Cordova - - - - \$8,000.00
- #3) Lester Guttman - - - \$3,000.00
- #4) Cliff Pringle - - - - \$9,000.00

#6) No new business

#7) Guttman, motion to adjourn.
Frey, seconded.
Passed by a unanimous vote.

Bob Russell
Secretary



" A "

MOTION

MOVE TO APPROVE THE RETENTION OF THE LAW FIRM OF WILLIAMS, TURNER, AND HOLMES P.C. FOR THE PURPOSE OF OBTAINING GRAND JUNCTION POLICE FORFEITURE FUNDS RETURNED TO THE CITY OF GRAND JUNCTION IN 1990 FROM THE F.P.P.A.

FURTHER THAT THE FIRM OF WILLIAMS, TURNER, AND HOLMES P.C. SHALL BE AUTHORIZED THE USE OF ALL LEGAL MEANS AND REMEDIES TO EFFECT CONTROL OF THE FORFEITURE FUNDS FOR THE BENEFIT OF THE GRAND JUNCTION POLICE RETIREMENT PLAN, AND THAT THE DISTRIBUTION OF THE FORFEITURE MONIES SHALL BE IN ACCORDANCE WITH THE GRAND JUNCTION POLICE RETIREMENT PLAN.

FURTHER THAT THE FIRM OF WILLIAMS, TURNER, AND HOLMES P.C. SHALL BE DIRECTED TO PURSUE THE COSTS INCURRED TO BE PAID BY THE CITY OF GRAND JUNCTION.

MOTION

(12) ~~REPRESENTATIONS~~ RETAIN

MOVE TO ~~APPROVE THE RETENTION OF~~ THE LAW FIRM OF WILLIAMS, TURNER, AND HOLMES P.C. FOR THE PURPOSE OF OBTAINING GRAND JUNCTION POLICE FORFEITURE FUNDS RETURNED TO THE CITY OF GRAND JUNCTION IN 1990 FROM THE F.P.P.A. ~~THE GRAND JCT POLICE PCT PLAN~~ ~~PLAN~~ ~~AWARDS ALL FEES INCURRED BY SUCH ACTION~~ WILL BE

FURTHER THAT THE FIRM OF WILLIAMS, TURNER, AND HOLMES P.C. SHALL BE AUTHORIZED THE USE OF ALL LEGAL MEANS AND REMEDIES TO EFFECT CONTROL OF THE FORFEITURE FUNDS FOR THE BENEFIT OF THE GRAND JUNCTION POLICE RETIREMENT PLAN, AND THAT THE DISTRIBUTION OF THE FORFEITURE MONIES SHALL BE IN ACCORDANCE WITH THE GRAND JUNCTION POLICE RETIREMENT PLAN.

~~FURTHER THAT THE FIRM OF WILLIAMS, TURNER, AND HOLMES P.C. SHALL BE DIRECTED TO PURSUE THE COSTS INCURRED TO BE PAID BY THE CITY OF GRAND JUNCTION.~~

THE BOARD APPROVES THE EXPENDATURE OF PLAN MONIES TO COVER ANY LEGAL COSTS INCURRED AS A RESULT OF SUCH ACTION.