

BOARD MEETING
GRAND JUNCTION NEW POLICE DEFINED CONTRIBUTION PLAN
October 16, 1995

A meeting of the Board for the Grand Junction New Hire Police Defined Contribution Plan was called to order at 2:15 p.m. on October 16, 1995 in the Alpine Bank Building by Chairman Jim Hall. Present were Participant Members Jim Hall and Les Guttman; Mark Achen, Ron Lappi and Claudia Hazelhurst.

The minutes of the April 19, 1995 meeting were approved as submitted.

Upon a motion by Mark Achen and a second by Ron Lappi, the actions outlined in the "Summary of Vendor Selection Process for New Hire Police and Fire Retirement Plans" were officially approved by the Board.

Claudia Hazelhurst reported that she had not prepared a summary of loan activity since the last Board meeting but that said summary would be submitted at the next meeting.

Claudia Hazelhurst provided an update of the status of the transition from Colorado National Bank (CNB) to Norwest Investment Management and Trust. She informed the Board that the first and second quarter valuations were not yet complete and, being unable to reach the individual in charge of this work, did not know what the projected completion date was. She stated that the transfer of funds from CNB to Norwest was made on October 1, 1995 and all new contributions beginning with the last payroll in September were sent to Norwest. She explained the "black-out" period which was imposed as part of the transition to the new vendor. This six-week period during which no disbursements or loans can be made is imposed to allow for a clean accounting of assets on Norwest's part. She stated that participants had been informed via e-mail that all loan activity needed to cease during the month of September and that it was not until the contracts and other transition documents were received by her from Norwest that she knew that this "black-out" period would extend until mid-November. She stated that a loan request had been submitted by a participant after the month of September and in accordance with her earlier e-mail. She said that arrangements would be made through Norwest to accommodate this particular participant but that all other loan activity needed to cease until mid-November, 1995. Claudia Hazelhurst stated that she would again e-mail participants of the black-out period and its effect on loan activity.

Mark Achen suggested a letter be written to CNB's Trust Department managers to inform them of our displeasure with the handling of the valuation work. He suggested the mayor or attorney sign the letter. Ron Lappi agreed to handle the drafting of this letter.

The next meeting of the Board will be held on January 17, 1996.

There being no further business, the meeting was adjourned at 2:50 p.m.

Respectfully submitted,

Claudia Hazelhurst
Secretary

Attachments

**SUMMARY OF VENDOR SELECTION PROCESS
FOR NEW HIRE POLICE AND FIRE RETIREMENT PLANS**

On June 16, 1995, members of the Police and Fire Retirement Boards convened to review twenty-four proposals which had been submitted in response to a Request for Proposal for investment management and custodial services for the Grand Junction New Hire Police and Fire Defined Contribution Plans. This review resulted in the selection of four vendors who Board members believed had the strongest combination of the following selection criteria:

- * Experience in managing public retirement plans
- * Consistent, superior investment performance
- * Reasonable fees
- * Quality and attractiveness of investment options
- * Quality of custodial/administrative services
- * Thoroughness of proposal

On July 6, 1995, the Boards of the Police and Fire Retirement Plans interviewed the four finalists. They were:

ICMA Retirement Corporation
Norwest Investment and Trust
Great West
INVESCO

Again, based on the above criteria, the Boards selected Norwest Investment Management and Trust as the new investment manager and custodial for these two retirement plans.

Work on the transition from current vendors to Norwest began immediately after their selection. On July 27, 1995, the Boards met with Gary Bostwick of Norwest to discuss investment and service options under the plan. During the course of this meeting, both Boards agreed to offer the following investment options to participants.

- *Stable Return Fund
- *Total Return Bond Fund
- *Conservative Balanced Fund
- *Moderate Balanced Fund
- *Growth Balanced Fund
- *Growth Equity Fund

In addition, the Boards agreed to offer participants the new voice response option at a cost of \$10 per participant per year. The Board agreed to continue with quarterly valuation and reporting. Finally, the Boards agreed to allow participants the flexibility of monthly fund transfers.

It was agreed that the transfer of funds from Colorado National Bank (CNB) to Norwest would occur on October 1, 1995. On that date, all new contributions would be sent to Norwest as well. The Boards were informed that all loan activity needed to be held in abeyance for the month of September in order to allow for a cleaner transition of funds from CNB to Norwest.

A general schedule of meetings with participants was agreed upon between the Boards and Gary Bostwick. Bostwick was to prepare informational materials for participants to peruse prior to said meetings.

10/16/95