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**BOARD MEETING  
GRAND JUNCTION NEW HIRE POLICE DEFINED CONTRIBUTION PLAN**

**April 24, 1998**

A meeting of the Board of the Grand Junction New Hire Police Defined Contribution Plan was called to order by Chairman Les Guttman at 9:08 a.m. on April 24, 1998 in the Police Administration Conference Room. Board members in attendance were Les Guttman, Larry Bullard, Steve King, Gary Konzak, Ron Lappi and Claudia Hazelhurst. Mark Achen was absent.

Minutes of the February 27, 1998 were approved as submitted.

Claudia Hazelhurst explained that, under the current loan provisions, a participant who rolls assets into the Plan from the plan of a former employer cannot take a loan against those funds without having been employed by Grand Junction for two years. One employee with a considerable rollover balance requested a loan against these assets. After ensuring that other Board members did not object, Hazelhurst proceeded with the processing of the loan. However, an official plan amendment is required. Hazelhurst moved that the loan provisions of the Plan be amended to allow for loans on rollover contributions without regard to length of service with the City of Grand Junction but subject to the maximum loan amounts stipulated in the current loan provisions. Ron Lappi seconded the motion and it passed unanimously.

Claudia Hazelhurst stated that the Plan document calls for the approval of 65% of participants in order for the Plan to be amended. The Plan doesn't differentiate between those amendments which are prompted by changes in law and those that are discretionary. She stated that two plan amendments went to the City Council in 1997 without receiving an affirmative vote from participants. Those amendments were the lifting of equity investment restrictions and access to plan assets via a Domestic Relations Order. Both amendments were required by law. Ron Lappi made a motion that plan changes required by changes in federal or state law not be voted on and approved by participants. Larry Bullard seconded the motion and it passed unanimously.

The foregoing plan changes will be taken to participants for a vote and, if favorable, then to the City Council for an official amendment to the Plan.

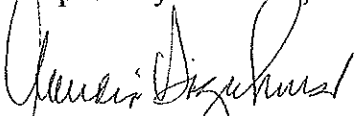
Larry Bullard discussed lifting any limitation on how frequently a participant may change investment allocations through the voice response system. Changes are currently restricted to one time per month. Bullard stated that research shows the number of changes a participant makes actually decreases when limitations are lifted. Larry Bullard made a motion that participants be able to change their asset allocation without limitation. Ron Lappi seconded the motion and it passed unanimously.

Bullard shared with the Board the reasons behind the selection of the current investment options.

Board members discussed the importance of participants being educated about investments, diversification, distribution options at retirement, etc. It was suggested that a mandatory 4-hour training session on investments and retirement-related topics be part of the annual in-service training program with the department. It was also suggested that employees be informed as to how to access fund performance via computer. Written educational materials were also felt to be useful. These educational efforts will be discussed further at future meetings.

There being no further business, the meeting was adjourned at 10:15 a.m.

Respectfully submitted,



Claudia Hazelhurst  
Personnel Manager/Board Secretary