

BOARD MEETING
GRAND JUNCTION NEW HIRE POLICE DEFINED CONTRIBUTION PLAN

February 17, 2000

A meeting of the Board of the Grand Junction New Hire Police Defined Contribution Plan was called to order by Chairman Ron Lappi at 9:35 a.m. on February 24, 2000 in the Police Administration Conference Room. Board Members in attendance were Ron Lappi, Larry Bullard, Claudia Hazlehurst, Marty Currie, Mike Nordine, Scott Stoneburner, and Mark Achen. Also present were Dave Varley, Gary Bostwick, and Les Guttman.

Minutes of the June 10, 1999 meeting were approved as submitted.

New Participant loans from June 10, 1999 to present were approved on a motion by Larry Bullard and seconded by Mark Achen. This passed unanimously.

Gary Bostwick presented a summary on the 1999 Market. He provided a Market Status for the first part of 2000. A performance history for the Retirement Plan and an Investment Overview was provided to board members.

Claudia Hazlehurst inquired about providing additional financial planning for participants. Discussion lead to providing mandated financial planning for participants. This was requested to better educate participants in investment options, risk/benefit factors, considerations before taking out a participant loan, and overall financial planning. Gary Bostwick stated he would be available for this training. Mike Nordine will prepare a proposed schedule for April, 2000. Larry Bullard will prepare a curriculum for Gary's consideration. Both the schedule and curriculum will be forwarded to Claudia for coordination purposes.

Larry Bullard inquired why participants were not being informed of potential long-term loan costs when they applied for a loan. The Board had been previously providing a form with this information, which required the participant's signature. Larry was aware of some recent loans where this information was not provided. Gary Bostwick stated that within 2-3 weeks this would be included in the loan papers sent to the participant. Until this programming is complete board members should inform participants of the potential long-term costs associated with a new loan.

Larry Bullard also presented an inquiry from Jerry Hill concerning the designation of beneficiary form. Jerry was concerned with section 4 of the form : *Neither this Designation nor any future change of Designation will be effective for any purpose unless filed with the Employer prior to the death of the participant.* Gary explained this requirement was to prevent a Designation being presented after a death occurred. If no beneficiary is designated the surviving spouse receives the account. If there is no surviving spouse the account will be distributed according to applicable probate of the

estate. This is outlined in the Defined Contribution Plan document.

Jerry also inquired about section 5 of the Designation of Beneficiary Form, specifically: *The employer has the right to amend the Plan in any manner that may affect the Designation without notice to, or consent of, any Participant or Beneficiary.* Claudia and Gary both clarified that the board administers the Plan. The Plan is administered in accordance with the Plan document. The plan allows mandated changes be made without participant approval in order to maintain compliance with controlling laws and regulations.

This wording is included in the beneficiary form to cover these required changes only. Any changes in law will be brought to the Board's attention.

Les Guttman requested the Board consider the 100% Treasury Money Market Fund as an investment option.

Gary Bostwick presented information on Small Cap Growth Fund, Large Company Growth Fund, Equity Income Fund, International Fund, and International Equity Fund. Mike Nordine inquired about opening up all the Wells Fargo investment options. Discussion followed concerning the pros and cons, fiduciary responsibility of the board, liability and other issues of opening up additional funds.

Larry Bullard made a motion to open up the 100% Treasury Money Market Fund, Small Cap Growth Fund, Large Company Growth Fund, Equity Income Fund, and International Fund to members after the training proposed during April is completed. Seconded by Scott Stoneburner. Motion passed unanimously.

There being no further business, the meeting was adjourned at 11:00 a.m.

Respectfully submitted,

Larry Bullard
Board Secretary