

MINUTES OF AN OPEN MEETING OF THE PENSION PLAN

BOARD OF TRUSTEES

AND WELFARE BENEFITS PLAN

BOARD OF TRUSTEES

OF THE MONARCH FIRE PROTECTION DISTRICT

OF ST. LOUIS COUNTY, MISSOURI, HELD ON

TUESDAY, SEPTEMBER 10, 2019

Volume I

Pages 1-106

VIRGINIA L. LONG

Court Reporting Services

314.603.2287

email: vlong38@yahoo.com

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

I N D E X

VOL/PG

- A. OPEN MEETING
- B. TO DISCUSS ANY OF THE APPROPRIATE CATEGORIES
- C. NEW BUSINESS:
 - a. Approve Meeting Minutes **Vol. I/ 6**
 - b. LeafHouse
 - i. Investment process
 - ii. Performance monitoring
 - c. Empower
 - i. Pending matters - record keeping,
Administration, etc.
- D. Loan Language - unforeseeable
circumstances
- E. ATTORNEY REPORT:
 - a. LeafHouse Agreement
 - b. Genex Agreement
 - c. Empower Agreements
 - i. Other related documents
 - d. Investment Policy Statement
 - e. Ekon Agreement
 - f. SDBA
- F. OLD BUSINESS

25(Index continued on page 3)

1(Index continued from page 2)

2

VOL/PG

3 (F. Old Business con't.)

4 a. Plan Restatements

5 b. Loan Policy

6 c. Revised VEBA

7 d. Participant Meeting

8 i. Sept. 17 & 18 Chesterfield

9 City Hall/8:30 to 11:30 am

10 CLOSED MEETING

11 a. Closed meeting to follow

12 G. ADJOURNMENT

13

14

15

16

17

18

19

20

21

22

23

24

25

MINUTES OF AN OPEN MEETING OF THE PENSION PLAN

BOARD OF TRUSTEES

AND WELFARE BENEFITS PLAN

BOARD OF TRUSTEES

OF THE MONARCH FIRE PROTECTION DISTRICT

OF ST. LOUIS COUNTY, MISSOURI, HELD ON

TUESDAY, SEPTEMBER 10, 2019

Chesterfield, Missouri

September 10, 2019

BE IT REMEMBERED, that the Pension Board of Trustees and the Welfare Benefit Plan (VEBA) Board of Trustees of the Monarch Fire Protection District of Saint Louis County, Chesterfield, Missouri, met at the Administration Building, of said District, 13725 Olive Boulevard, in the City of Chesterfield, County of Saint Louis on Tuesday, September 10, 2019, in a Pension Board of Trustees and a Welfare Benefit Plan (VEBA) Meeting.

At the aforementioned time and place there were present the following Officers, Directors and Trustees:

Rick Gans - Director/Trustee & President
Jean Millner - Director/Trustee & Secretary
Robin Harris - Director/Trustee
Adam Stack - Trustee

(Con't on page 4)

(Con't from page 3)

Also present: Jamie Zveitel Kwiatek, Atty.
 Michelle DePew, Controller

Absent: Trustee Joe Rallo

A quorum being present, Trustee and Director Gans called the meeting to order and announced the Board of Trustees meeting to be in session for the transaction of any and all business to be brought before it at this time.

1 P R O C E E D I N G S

2 4:30 P.M.

3 TRUSTEE/DIRECTOR GANS: Call to
4 order the Open Meeting of the Monarch Fire
5 Protection District's Pension Board of
6 Directors.

7 We have a full agenda for today and
8 let's start with the approval of Meeting
9 Minutes.

10 TRUSTEE/DIRECTOR MILLNER: All
11 right. Thank you.

12 TRUSTEE/DIRECTOR GANS:
13 Microphone's on. Including mine.

14 TRUSTEE/DIRECTOR MILLNER: I'll
15 just make sure.

16 TRUSTEE/DIRECTOR HARRIS: Test.
17 Test.

18 MS. DEPEW: Mine's on.

19 TRUSTEE/DIRECTOR MILLNER: I call
20 for the approval of the Minutes of the Open
21 Meeting of the Pension Plan Board of Trustees of
22 Wednesday, August 14th, 2019.

23 TRUSTEE/DIRECTOR GANS: I will
24 second the motion.

25 Any discussion?

1 (No response.)
2 TRUSTEE/DIRECTOR GANS: All in
3 favor?
4 TRUSTEE/DIRECTOR MILLNER: Aye.
5 TRUSTEE/DIRECTOR HARRIS: Aye.
6 TRUSTEE STACK: Aye.
7 TRUSTEE/DIRECTOR GANS: Aye.
8 Motion passes four to nothing.
9 Anything else?
10 TRUSTEE/DIRECTOR MILLNER: That is
11 all I have.
12 TRUSTEE/DIRECTOR GANS: All right.
13 Now for the fun part.
14 I'm going to ask Jamie to lead us
15 through a significant portion of the meeting
16 today.
17 The order on the agenda does not
18 necessarily have to be followed.
19 Jamie, I'll leave that to your
20 discretion.
21 ATTORNEY KWIATEK: Yes. Okay.
22 (Inaudible.)
23 TRUSTEE/DIRECTOR GANS: It should
24 be quieting down. They're closing.
25 ATTORNEY KWIATEK: (inaudible)

1 MS. LONG: I can not hear Jamie.
2 TRUSTEE/DIRECTOR GANS: Jamie, is
3 your mic on? Green button, at the bottom?
4 ATTORNEY KWIATEK: (inaudible) It
5 says it's not.
6 There we go.
7 TRUSTEE/DIRECTOR GANS: Okay.
8 ATTORNEY KWIATEK: Sorry about
9 that.
10 Got it now?
11 MS. LONG: (Indicated in the
12 positive manner.)
13 ATTORNEY KWIATEK: All right.
14 Right. First I want to thank Brad
15 Kelly for coming in from Austin, Texas.
16 And I want to thank Fred from --
17 coming for -- coming from Empower.
18 Hi, Connie. You're behind me, so
19 hi.
20 (Indicating Connie Rettig who is in
21 attendance via video.)
22 ATTORNEY KWIATEK: For joining in,
23 as well.
24 TRUSTEE/DIRECTOR GANS: All right.
25 Let me ask.

1 Connie, can you hear us?
2 MS. RETTIG: (no response.)
3 ATTORNEY KWIATEK: Maybe not.
4 TRUSTEE/DIRECTOR GANS: Connie, can
5 you see us?
6 MS. RETTIG: (No response.)
7 TRUSTEE/DIRECTOR GANS: Okay.
8 ATTORNEY KWIATEK: Maybe --
9 TRUSTEE/DIRECTOR GANS: Okay. So,
10 Les, if you'll work on that and tell us when --
11 ASSISTANT CHIEF CREWS: Connie, can
12 you hear us?
13 MS. RETTIG: I can hear you, but I
14 can't hear anybody else who's talking.
15 TRUSTEE/DIRECTOR GANS: How about
16 now?
17 MS. RETTIG: (inaudible)
18 TRUSTEE/DIRECTOR GANS: Connie, can
19 you hear me?
20 MS. RETTIG: (No response.)
21 TRUSTEE/DIRECTOR GANS: Can you see
22 me?
23 MS. RETTIG: (No response.)
24 TRUSTEE/DIRECTOR MILLNER: (Not
25 audible.)

1 TRUSTEE/DIRECTOR HARRIS: All
2 right. What about this one? Do you hear this?
3 MS. RETTIG: (No response.)
4 TRUSTEE/DIRECTOR GANS: All right,
5 Les. You've got your work cut out for you.
6 (General chuckles.)
7 TRUSTEE/DIRECTOR MILLNER: I'm
8 guessing you're not hearing me, either.
9 ASSISTANT CHIEF CREWS: Michelle,
10 give me her phone number. I'm gonna talk to --
11 MS. DEPEW: (Inaudible.)
12 TRUSTEE/DIRECTOR GANS: All right.
13 Go ahead, Jamie. We'll get her text in.
14 ATTORNEY KWIATEK: All right.
15 Okay.
16 So, I -- we sent out Resolutions.
17 There's one set, with a ton of different
18 documents, which you're approving.
19 And I'm gonna walk through where we
20 are with everything and make sure no one has any
21 remaining questions on the documents, other than
22 the ones that I'm aware on.
23 And the way we set it up was so
24 that some of the documents are already in final
25 and some of the documents are not quite in

1 final, yet.

2 So, we have it -- a blanket
3 Resolution that -- that they can be signed --
4 they should be adopted, substantially, in the
5 form they can be signed by Mister Gans, subject
6 to legal review and approval.

7 So, if anybody has a problem with
8 that kind of structured authorization, speak
9 now.

10 TRUSTEE STACK: Nope.

11 ATTORNEY KWIATEK: Okay. So we
12 will adopt the Resolutions once we get done
13 going through, a bit later in the meeting.

14 So, I wanted to first start with
15 documents that are final-final, at this point.\

16 And we have circulated everything
17 to you all and incorporated you comments.

18 And I believe you all got
19 comfortable with where we were on the documents
20 and how they were structured.

21 The first ones are the -- that are
22 completely final, are the Empower ASA, which is
23 their service agreement and the custodial
24 agreement for (not clear).

25 So, those are done.

1 There's a loan policy, which Josie
2 updated, revised, and that came back final, as
3 well, recently.

4 The VEBA, at the last meeting, we
5 agreed to change the retirement date age, so
6 that it was just 50 in that document.

7 Those changes have been made, were
8 incorporated, and that was sent out to you, as
9 well.

10 So that document should be in
11 final-final now.

12 TRUSTEE STACK: Okay.

13 ATTORNEY KWIATEK: The self-
14 directed brokerage agreement policies and
15 guidelines. So, when we think comments to
16 those, the -- their response back was, well,
17 those are standard documents, pretty much, they
18 don't change them.

19 The only thing we were really
20 concerned about, what we tried to do was remove
21 any place that there would be discretion on the
22 part of the Board and the Trustees; took us back
23 to matters related to the self-directed
24 brokerage account.

25 The one area of concern was if

1 there are not sufficient funds to pay any
2 expenses over on the -- the self-directed
3 brokerage account side, or over on the core
4 investment fund side, that we could -- and the
5 participants will get multiple notices.

6 We need money for these expenses.

7 We need money. You need to
8 liquidate something.

9 So, it's not like it's from the
10 get-go.

11 And then if they don't liquidate,
12 the question was, "How do we force them out of
13 something to generate the cash?"

14 And there was basically -- we came
15 up with a number of alternatives and -- but, we
16 were told no.

17 Nothing is -- there were only two
18 alternatives. And one was for you all to
19 designate which ones would be liquidated, or, to
20 just say, "We're gonna have a blanket rule.
21 We're going to liquidate everything in that
22 self-directed brokerage account.

23 "You can re-buy, if you want, but
24 we're liquidating it all on --"

25 And that was the one way to avoid

1 any sort of discretion on the part of the
2 Trustees.

3 So, that was what we elected to do.

4 Under the terms of the guidelines,
5 it said you were supposed to give notice of what
6 you wanted to do each time.

7 And so to avoid that need -- and we
8 believe Empower is -- is the gravel to this and
9 you will just give a blanket instruction that
10 that's what they are to do.

11 If there's ever a situation where
12 funds are needed and they cannot get a response
13 from the participants, --

14 TRUSTEE STACK: Okay.

15 ATTORNEY KWIATEK: -- then they
16 are authorized to just liquidate everything.

17 So that will avoid a need for you
18 to go back to them on a regular bases and each
19 year say, "Here are the instructions."

20 TRUSTEE/DIRECTOR GANS: And, is --
21 is that something that is done by anyone else?

22 Is that standard, at all?

23 Or, are we inventing something
24 here?

25 ATTORNEY KWIATEK: To -- well, it's

1 standard for a --

2 TRUSTEE/DIRECTOR GANS: I guess I

3 --

4 ATTORNEY KWIATEK: And --

5 TRUSTEE/DIRECTOR GANS: -- could

6 ask --

7 ATTORNEY KWIATEK: And Fred --

8 TRUSTEE/DIRECTOR GANS: -- Empower

9 that.

10 ATTORNEY KWIATEK: -- Fred, or --

11 Connie can't hear us. Right?

12 ASSISTANT CHIEF CREWS: Not hooked

13 up.

14 ATTORNEY KWIATEK: Connie still

15 can't hear us.

16 So, Fred, I don't know if you're

17 able to -- you'll need to come to the mic and

18 introduce yourself.

19 TRUSTEE/DIRECTOR GANS: Yeah.

20 ATTORNEY KWIATEK: And speak --

21 TRUSTEE/DIRECTOR GANS: And each

22 --

23 ATTORNEY KWIATEK: -- from the --

24 TRUSTEE/DIRECTOR GANS: -- of you,

25 --

1 ATTORNEY KWIATEK: -- mic.

2 TRUSTEE/DIRECTOR GANS: -- when

3 you speak, you do have to come up to the podium

4 so you're recorded.

5 It's -- it amplify's, also, but

6 it's mainly recording.

7 MISTER MINOT: Frederick Minot,

8 with Empower Retirement.

9 And, excuse me -- my voice. I lost

10 it a couple of days ago.

11 Anyway, beyond, I don't know, but

12 I've been trying --

13 TRUSTEE/DIRECTOR GANS: Connie, --

14 MISTER MINOT: -- to --

15 TRUSTEE/DIRECTOR GANS: -- can you

16 --

17 MISTER MINOT: -- communicate --

18 TRUSTEE/DIRECTOR GANS: -- hear

19 us?

20 ATTORNEY KWIATEK: She --

21 MISTER MINOT: -- with her --

22 ATTORNEY KWIATEK: She --

23 MISTER MINOT: -- through texts.

24 ATTORNEY KWIATEK: She's on. She

25 just can't hear us.

1 TRUSTEE/DIRECTOR GANS: All right.
2 TRUSTEE/DIRECTOR MILLNER: (Not
3 clear.)
4 TRUSTEE/DIRECTOR GANS: So, go
5 ahead.
6 ATTORNEY KWIATEK: You've been
7 texting her the whole time?
8 MISTER MINOT: Well, okay.
9 Repeat the question, because I was
10 trying to communicate with her --
11 ATTORNEY KWIATEK: Okay.
12 MISTER MINOT: -- since --
13 ATTORNEY KWIATEK: So, --
14 MISTER MINOT: -- technology --
15 ATTORNEY KWIATEK: So, the question
16 is on the self-directed brokerage account, when
17 -- but, is it very often that funds are
18 necessary to pay to the expenses where you have
19 to go back to the participants to tell them you
20 need more money to pay expenses and ask them to
21 liquidate something from the self-directed
22 brokerage account?
23 And, how -- I think your question
24 -- was your question, also, --
25 TRUSTEE/DIRECTOR GANS: Your

1 question --

2 ATTORNEY KWIATEK: -- how do most

3 --

4 TRUSTEE/DIRECTOR GANS: -- is, is

5 that --

6 ATTORNEY KWIATEK: -- employers

7 deal with it?

8 TRUSTEE/DIRECTOR GANS: Is that

9 something you have in any other agreements that

10 that's a standard way of doing it, or, are we

11 making -- are we make -- blazing new territory

12 here?

13 MISTER MINOT: To pick up on the

14 conversation from before, my understanding is

15 you guys are allowing 100 percent to be -- to be

16 into the --

17 ATTORNEY KWIATEK: We're not sure

18 about that, yet.

19 MISTER MINOT: Okay.

20 ATTORNEY KWIATEK: That's a "to be

21 determined" later in this meeting, decision.

22 MISTER MINOT: Okay. So, I think

23 it would be that if you're wanting access to

24 funds, typically, what we have seen in the past,

25 is only 50 percent of the total balance can go

1 into self-directed brokerage accounts.

2 So that kind of resolves that issue
3 of anything in the self-directed brokerage
4 account needing that access to money to pay for
5 stuff.

6 Because it would have the other
7 money in the regular accounts in the mutual
8 funds and that's an easier way to do it, versus
9 100 percent going into the self-directed
10 brokerage account.

11 TRUSTEE/DIRECTOR GANS: So, it's
12 tied -- two things tied together.

13 If we go to the hundred percent of
14 the -- if we allow a hundred percent, then we
15 could end up not having that same access.

16 MISTER MINOT: What do you mean by
17 not having the --

18 TRUSTEE/DIRECTOR GANS: Well, if we
19 allow them to -- to go a hundred percent self-
20 directed, then the only way -- and there's fees
21 that are due and we can't get it any other way,
22 what we're talking about here is, we would have
23 the ability to liquidate the entire self-
24 directed account, take our money and then say --
25 and it'd all be cash, at that point; if they

1 want to reinvest, that's fine.

2 MISTER MINOT: If that's the way
3 you guys determine that you want to move forward
4 with it.

5 TRUSTEE/DIRECTOR GANS: And, have
6 -- do you have any clients that have ever had
7 that --

8 MISTER MINOT: I have not. I mean,
9 this is very rare, by the way.

10 TRUSTEE/DIRECTOR GANS: Okay.

11 MISTER MINOT: I haven't had any
12 clients to do this, so I would have to defer to
13 Connie.

14 And she and I talked about it, but
15 we don't have any clients, together, that do it
16 this way.

17 ATTORNEY KWIATEK: That allow a
18 hundred percent self-direction, or that do what,
19 what way?

20 MISTER MINOT: That allow the
21 hundred percent self-direction.

22 TRUSTEE/DIRECTOR GANS: Okay. But,
23 --

24 MISTER MINOT: And it's possible,
25 because we checked up on it and you can do it

1 that way, but none of us -- none of our other
2 clients do it that way.

3 TRUSTEE/DIRECTOR GANS: Well, then,
4 the question of liquidating it to get fees isn't
5 even relevant, because you don't ever have that
6 come up.

7 MISTER MINOT: Correct.

8 TRUSTEE/DIRECTOR GANS: Okay. Got
9 it.

10 TRUSTEE STACK: How often is there
11 a shortage of money for fees?

12 MISTER MINOT: I don't have an
13 answer for that.

14 TRUSTEE STACK: Hm-hm.

15 ATTORNEY KWIATEK: Well, they've
16 never had to deal with it, because they don't
17 have anyone else who allows a hundred percent
18 self-direction.

19 So, if you don't allow the hundred
20 percent self-direction, there's money there to
21 pay the fees and it's not -- it's not an issue
22 with -- this problem is only arising -- it's
23 standard in their policy to say that if there's
24 not money that either we'll liquidate the whole
25 account, or you'll get direction as to what

1 should be liquidated.

2 But, for the practical standpoint
3 and what they're saying is, they've never had to
4 deal with this, because no one allows a hundred
5 percent self-direction.

6 At least, --

7 TRUSTEE STACK: How many do they
8 deal with?

9 (Speaking over each other.)

10 ATTORNEY KWIATEK: That they deal
11 with.

12 TRUSTEE STACK: Hm-hm.

13 ATTORNEY KWIATEK: But, this --
14 they're pretty -- how many plans do you have?

15 MISTER MINOT: I don't know how
16 many plans, total, but we're taking a large --
17 the largest record keeper in the company.

18 We're number one in the government
19 market.

20 Nobody does more 457 plans than we
21 do.

22 TRUSTEE/DIRECTOR GANS: All right.
23 Well, my question's answered.

24 ATTORNEY KWIATEK: Okay. Good.

25 I thank you.

1 MISTER MINOT: Thank you.

2 ATTORNEY KWIATEK: I won't promise
3 you there won't be more questions, but, thank
4 you.

5 Okay. The -- the loan policy, we
6 talked about that.

7 The self-directed brokerage
8 accounts, I think those were -- that was the
9 only issue, for that.

10 We have a question. We need to
11 resolve this question.

12 Do you want to address that now, as
13 to what we're going to allow --

14 TRUSTEE/DIRECTOR GANS: "Charles"
15 says --

16 ATTORNEY KWIATEK: -- the partic-
17 ipants --

18 TRUSTEE/DIRECTOR GANS: -- yes,
19 and --

20 ATTORNEY KWIATEK: -- to do?

21 TRUSTEE/DIRECTOR GANS: -- I agree.

22 ATTORNEY KWIATEK: Okay. I didn't
23 know if Joe was still coming --

24 TRUSTEE/DIRECTOR GANS: No.

25 ATTORNEY KWIATEK: -- and whether

1 you wanted to wait.

2 He's not coming?

3 TRUSTEE/DIRECTOR GANS: Brent told

4 me he's not coming.

5 Right?

6 A VOICE: (not audible)

7 TRUSTEE/DIRECTOR GANS: I saw Brent

8 earlier. He told me Joe wasn't coming.

9 (Speaking over each other.)

10 TRUSTEE STACK: Oh, I don't know.

11 A VOICE: (inaudible from the

12 audience.)

13 TRUSTEE STACK: Appreciate it.

14 TRUSTEE/DIRECTOR GANS: Okay. So,

15 -- so the answer is no.

16 Actually, Brent was coming.

17 Brent's the shop steward, but he's

18 -- anyway, he said he would maybe be here, but

19 he told me Joe would not be here.

20 ATTORNEY KWIATEK: Okay.

21 TRUSTEE/DIRECTOR GANS: So, every-

22 one needs to get keyed in on this, because this

23 is a decision this Board has to make now.

24 So, maybe, Jamie, briefly describe

25 what we're talking about here?

1 ATTORNEY KWIATEK: So, here's --
2 here's -- here's the situation.

3 Les, could you do me a favor and
4 just move that -- does it have to be up there?

5 (Referring to the video camera.)

6 ATTORNEY KWIATEK: Could it be down
7 here?

8 MS. DEPEW: That's Connie, I
9 believe. He's -- Connie's on --

10 TRUSTEE/DIRECTOR GANS: It --

11 ATTORNEY KWIATEK: Okay.

12 ASSISTANT CHIEF CREWS: (not
13 audible)

14 ATTORNEY KWIATEK: No -- no
15 problem. I just can't see her.

16 MS. DEPEW: Do you want to (not
17 clear.)

18 ATTORNEY KWIATEK: No, that's
19 alright.

20 Thank you. Sorry.

21 So, the issue is, the -- it -- it
22 took a -- like forever for us to get some
23 latitude.

24 The documents we've been asking
25 for, for months, that describe the structure of

1 your current self-directed brokerage account
2 structure. Right?

3 And, for some reason, when I
4 started sending them emails, she started the
5 (one word not clear) so I apologize. I
6 should've done that months ago.

7 But, the answer was, you've been
8 allowing a hundred percent self-direction
9 through them.

10 However, you've not, interestingly,
11 you were not allowing advisors to have access to
12 the accounts and trading them and, too, you were
13 not allowing, obviously, the fees to come out to
14 the advisors, because they weren't being allowed
15 to have any access.

16 And when we talked, before, and I
17 don't know where the 50 percent came from,
18 originally. It was the understanding that it
19 was already limited to 50 percent.

20 TRUSTEE STACK: Hm-hm.

21 ATTORNEY KWIATEK: There were a lot
22 -- a lot of reasons that we discussed where we
23 thought that would be a good idea.

24 Among them, the fact that they
25 wouldn't have quite as much at risk.

1 And, also, among them, the fact
2 that you all would not be as much at risk,
3 because Genex and LeafHouse are not taking
4 responsibility for the self-directed brokerage
5 accounts.

6 That's clear.

7 And I don't blame them, because
8 they're not the ones doing the advising and --
9 and assisting the client -- the participants
10 with that.

11 On the other hand, there is no way
12 for you all to be fully protected against the
13 participants' bad choices, when they're making
14 that.

15 There's also no way for us to
16 structure this to require them to have a
17 registered investment advisor, or broker, doing
18 the transactions for them.

19 That's just not something that can
20 be accommodated with Empower's platform.

21 And if they can't accommodate it,
22 nobody can accommodate it.

23 So, that was ruled out, because I
24 thought that might be a good way to further
25 limit your liability.

1 So, flip side, participants got --
2 (one word not clear) to some of the letter of
3 the 50 percent rule and there was, almost
4 immediately, -- not quite that bad, but there
5 were -- a lot of people were upset that they
6 would not longer be able to self-direct a
7 hundred percent of their account.

8 During one of the recent calls, we
9 discussed, if we decide to eliminate the 50
10 percent, do they have to move immediately, or
11 can we grandfather them?

12 So the people who are in there --
13 so you can grandfather, which means no new money
14 can go in until they're below that 50 percent
15 level, but they could keep a hundred percent,
16 whatever it is, in there now.

17 So, that's one possible way of
18 kinda mitigating and maybe making that a little
19 bit easier for them.

20 So, their, you know, posed to it,
21 to allowing them to do the hundred percent, just
22 because they're used to it.

23 And, how many -- do you know how
24 many participants --

25 MS. DEPEW: I think there was less

1 than ten percent on either one of the -- the top
2 (not clear) that we let for the 457 or the 401A.

3 ATTORNEY KWIATEK: Wow.

4 MS. DEPEW: Less than ten percent
5 of all the participants are --

6 TRUSTEE/DIRECTOR GANS: We have --
7 we have statistics and they were low.

8 MS. DEPEW: They were low. That is
9 correct.

10 TRUSTEE STACK: Yeah, I was going
11 to say --

12 MS. DEPEW: Yeah.

13 TRUSTEE STACK: -- maybe ten --

14 MS. DEPEW: Yeah.

15 TRUSTEE STACK: -- ten players.

16 MS. DEPEW: Yeah. They were low.

17 ATTORNEY KWIATEK: And -- and is
18 that at a hundred percent, Michelle, or is that
19 through the self-directed brokerage accounts?

20 MS. DEPEW: There was total self-
21 directed brokerage. The ones that appear to be
22 close to a hundred percent were less than that,
23 clearly.

24 And I want to say they were less
25 than five percent.

1 But, I did get the phone calls.

2 I (not clear) some -- (name not
3 clear) in my office spoke.

4 Some of the questions from the
5 individuals that called me directly were -- if
6 you limit to the 50 percent when you do this
7 rollover and you do this transition, who -- and
8 I allocate a hundred percent, who decides that
9 50 percent stays and who decides that 50 percent
10 goes?

11 So, that's all good questions posed
12 that I'm -- I clearly don't know the answer to.

13 But, there's the crux of the
14 concern. It's been led to the grandfather
15 conversations of, do we potentially allow them
16 to keep that hundred percent "stay" and then any
17 new money -- because the 401A money only comes
18 once a year after we do the corrections and do
19 the drop.

20 The 457's are 26 -- a 26 pay
21 period. So, --

22 TRUSTEE/DIRECTOR GANS: All right.
23 I'm interested in Adam's answer.

24 The whole Board is going to have to
25 vote on this.

1 TRUSTEE STACK: Hm-hm.

2 TRUSTEE/DIRECTOR GANS: But, your
3 -- your take on it means a lot to how I would
4 want to vote.

5 TRUSTEE STACK: Well, I think, just
6 considering the small sample pool of people
7 doing it, is one thing to consider.

8 I do think the grand-fathering for
9 the hundred percent is -- is a good compromise.

10 You know, I -- I don't -- I think
11 all the things that Jamie brought up regarding
12 our protection, their protection, you know,
13 there's no way of making sure that they're
14 actually getting advised by someone, you know,
15 licensed.

16 I think that's a big deal.

17 I mean, as far as the -- the eight
18 or ten people who called me, wondering, their
19 main focus of a hundred percent is, is valid,
20 because they're doing really well right now.

21 MS. DEPEW: Correct.

22 TRUSTEE STACK: Yeah. So, --

23 ATTORNEY KWIATEK: Well, if they're
24 not, there's a real problem, because everybody's
25 doing real well right now.

1 MS. DEPEW: Right.

2 TRUSTEE STACK: So, you know, I
3 took everything kind of in, digested it, and,
4 you know, we were always told 50 percent. But,
5 --

6 MS. DEPEW: Correct.

7 TRUSTEE STACK: -- I -- I went on
8 KTrade and I went to the self-directed and there
9 was a drop down for a hundred percent. So, --

10 ATTORNEY KWIATEK: So, when -- when
11 you say, "We were always told 50 percent," who
12 was telling that?

13 MS. DEPEW: It -- it was coming
14 from -- may I answer?

15 TRUSTEE STACK: Go ahead.

16 MS. DEPEW: We do the transition
17 from Scudder when I came on in 2009, it was (one
18 word not clear) from the Scudder.

19 In 2014, we moved to KTrade
20 Compass, so we've done this -- done the
21 transition before.

22 The makeup of the Board was
23 different.

24 Trustee's Shoop and Briscoe did the
25 recommendation for the self-directed brokerage

1 accounts.

2 Director Harris, I think you were
3 the only Board Member then.

4 It was my understanding, during
5 those conversations, conversations of 50 percent
6 is where that transpired from.

7 So, the --

8 TRUSTEE/DIRECTOR HARRIS: We
9 actually --

10 MS. DEPEW: -- self-directed
11 brokerage accounts were only since 2014, for
12 that matter and we have never done them prior to
13 that.

14 And then they brought that
15 recommendation on, so, it was back in that
16 transition period.

17 So, for the last five years, we've
18 had --

19 TRUSTEE STACK: And --

20 MS. DEPEW: -- those --

21 TRUSTEE STACK: And when --

22 MS. DEPEW: -- discussions?

23 ATTORNEY KWIATEK: That's -- that's
24 when the "FDCA" accounts were allowed?

25 MS. DEPEW: Were allowed.

1 ATTORNEY KWIATEK: In that time --

2 MS. DEPEW: Yes. And we had the
3 discussions that -- to have them available.

4 TRUSTEE STACK: And you said you
5 got the information from Latitude? Is that the
6 company you said, Jamie?

7 ATTORNEY KWIATEK: The -- yes.

8 TRUSTEE STACK: Does that --

9 ATTORNEY KWIATEK: I got --

10 TRUSTEE STACK: -- have any
11 wording, or, contractually in there that said 50
12 percent?

13 ATTORNEY KWIATEK: No.

14 TRUSTEE STACK: Nothing at all?

15 ATTORNEY KWIATEK: I checked it.

16 It -- it didn't even have a price
17 for it, honestly, on their directed brokerage
18 account structure form.

19 It -- it did, however, like -- and
20 -- and it allowed some -- I think some weird
21 things, like margins and stuff like that, that
22 there's no way, --

23 TRUSTEE STACK: Right.

24 ATTORNEY KWIATEK: -- I would
25 recommend and that we've already made those

1 decisions for. And I don't recommend --

2 TRUSTEE STACK: Right.

3 ATTORNEY KWIATEK: -- revisiting
4 those decisions.

5 But, it was interesting to finally
6 see them.

7 I wouldn't have made my
8 recommendations any differently, but it was good
9 to know what, at least, people were used to
10 seeing, --

11 TRUSTEE STACK: Yeah.

12 ATTORNEY KWIATEK: -- now.

13 TRUSTEE/DIRECTOR HARRIS: We
14 actually discussed a much lower percentage,
15 because of the potential that the Board would
16 bear the brunt of blame for someone who opted to
17 get rich quick and then say, "You were supposed
18 to protect me."

19 I think we -- and I had actually
20 thought we had had it, earlier, but at 25
21 percent and then we bumped it to 50 at the
22 behest of our two shop members, but were un-
23 comfortable going beyond 50 percent, because of
24 the liability potential to the entire Board.

25 TRUSTEE STACK: I mean, and -- and

1 I guess the other part of me says, well, it's
2 their money. They can do whatever they want
3 with it.

4 ATTORNEY KWIATEK: That's sort of
5 the (not clear) that I had --

6 ATTORNEY KWIATEK: Well, yes, --

7 ATTORNEY KWIATEK: -- (not clear)

8 ATTORNEY KWIATEK: -- it --

9 TRUSTEE STACK: And --

10 ATTORNEY KWIATEK: (not clear)

11 (Speaking over each other.)

12 ATTORNEY KWIATEK: -- it -- it

13 their -- well, it is and there isn't --

14 ATTORNEY KWIATEK: Right.

15 ATTORNEY KWIATEK: -- in the 401A
16 plan, you know, the employer's putting -- the
17 District's putting all the money in. Right?

18 TRUSTEE STACK: Sure.

19 ATTORNEY KWIATEK: But, even if you
20 say it's their money, they can do -- that would
21 be great, if you weren't the one that they're
22 gonna sue if they do something stupid --

23 TRUSTEE STACK: Yeah.

24 ATTORNEY KWIATEK: -- with it.

25 And it, you know, and it all goes down the

1 tubes.

2 Where the economy turns, which,
3 eventually, --

4 TRUSTEE STACK: Likely.

5 ATTORNEY KWIATEK: -- it most
6 likely will, --

7 ATTORNEY KWIATEK: Correct.

8 ATTORNEY KWIATEK: -- and all of
9 a sudden, you know, or we had a catastrophic
10 situation, God forbid, like 9/11 again, where,
11 you know, the markets just tanked right after
12 that.

13 No one knew that was coming.

14 No one would've gotten out of
15 stocks before that. Right?

16 So, you just -- and then the
17 housing bubble. Some people saw that coming and
18 most people did not.

19 And shoes dropped by the third or
20 more.

21 ATTORNEY KWIATEK: Hm-hm.

22 ATTORNEY KWIATEK: And if you're
23 60, 55, whatever, when one of those happen, a
24 drop like that can be really bad.

25 TRUSTEE STACK: Sure.

1 ATTORNEY KWIATEK: Catastrophic.
2 So, -- and, people, when things go
3 poorly, --
4 TRUSTEE STACK: They --
5 ATTORNEY KWIATEK: -- they --
6 TRUSTEE STACK: -- look --
7 ATTORNEY KWIATEK: -- look --
8 TRUSTEE STACK: -- for --
9 ATTORNEY KWIATEK: -- for --
10 TRUSTEE STACK: -- somebody --
11 ATTORNEY KWIATEK: -- somebody --
12 TRUSTEE STACK: -- to blame.
13 ATTORNEY KWIATEK: -- to blame.
14 And you all are fiduciaries for the plan and
15 that's --
16 TRUSTEE STACK: And then --
17 ATTORNEY KWIATEK: -- who they're
18 --
19 TRUSTEE STACK: -- some sort of
20 legal disclaimer saying that --
21 TRUSTEE/DIRECTOR GANS: Doesn't
22 matter.
23 TRUSTEE STACK: It doesn't matter.
24 TRUSTEE/DIRECTOR GANS: 'Cause what
25 -- 'cause I've been through this.

1 ATTORNEY KWIATEK: Hm-hm.

2 TRUSTEE/DIRECTOR GANS: Having the
3 history I've had, where the Board was blamed.

4 Even investment conditions were
5 different, the type of ones that we had and so-
6 on.

7 But, there were -- nobody ever
8 ended up suing, but there were accusations and
9 threats and responses from the Board.

10 And we're talking even before there
11 was a Pension Board. We're talking about when
12 the Board of Directors ran the pension.

13 It wasn't even this Board. It was
14 before '08.

15 And we had to deal with it and
16 fight it off, which we did.

17 But, I'll never forget that.

18 And I've brought this up, before,
19 to our Board, that I fear that.

20 I'm looking to insulate us as best
21 we can from accusations, much less having to --
22 to prove what we did and how we did it and why
23 we did it and still run the risk of losing.

24 So, insulating us as best we can.

25 I do have a question, Robin. You

1 said that at that time, you settled on 50
2 percent.

3 When do we get to a hundred
4 percent?

5 ATTORNEY KWIATEK: I don't know
6 that we did.

7 And my concern would be --

8 TRUSTEE/DIRECTOR HARRIS: I don't
9 think that we did.

10 ATTORNEY KWIATEK: My concern,
11 during that time, would be, one, probably the
12 pension attorney that was present, or not.

13 I mean, I believe that we've had
14 some moments of not having a pension attorney.
15 I don't know that these Minutes necessarily
16 translated when we made that record-keeper
17 transfer.

18 It's sort of what I'm --

19 TRUSTEE/DIRECTOR GANS: Are you
20 thinking it's possible that it really was never
21 --

22 ATTORNEY KWIATEK: That is correct.

23 TRUSTEE/DIRECTOR GANS: -- allowed
24 and happened anyway?

25 ATTORNEY KWIATEK: Never -- never

1 really --

2 ATTORNEY KWIATEK: I --

3 ATTORNEY KWIATEK: -- communicated

4 --

5 ATTORNEY KWIATEK: -- think -- I
6 think what happened is that it's one of the many
7 things that slipped through the cracks that the
8 Board approved a 50 percent limit and that
9 either KTrade, Latitude, whomever, was never
10 advised of that limit.

11 Or, they couldn't impose that limit
12 in their system, which is also possible and just
13 never said anything to anybody, that -- that we
14 can't do the 50 percent. So.

15 But, I wasn't around back then, so
16 I can't tell you, for sure.

17 And just to remind you in the self-
18 directed brokerage account application, there is
19 a representation that you've made the decision
20 that the -- that your participants are
21 sophisticated enough investors to be allowed to
22 do the self-directed brokerage accounts.

23 They won't open those accounts
24 without you agreeing to that.

25 So, if I was a participant and I

1 was ever going to sue you, I would say --

2 TRUSTEE/DIRECTOR GANS: Grab that.

3 (General chuckles.)

4 ATTORNEY KWIATEK: -- I would say,

5 you know, -- I would say, here's the document.

6 You said -- and how could you have felt that

7 about me? You know me.

8 (General laughter.)

9 ATTORNEY KWIATEK: Right?

10 (General chuckles.)

11 ATTORNEY KWIATEK: Now, that

12 doesn't mean that you would lose, but, as you

13 know, litigation legal costs are extremely

14 expensive.

15 TRUSTEE/DIRECTOR GANS: It costs us

16 to win.

17 ATTORNEY KWIATEK: It'll cost you

18 a lot to win.

19 TRUSTEE/DIRECTOR GANS: Okay.

20 ATTORNEY KWIATEK: Yeah.

21 TRUSTEE STACK: I think, as far as

22 coming from the -- the members who invest, I --

23 I think moving forward, the 50 percent seems

24 completely reasonable for all the reasons that

25 we talked about.

1 If we can grandfather those hundred
2 percent's and then moving forward, the next
3 pension drop, like you said, that money then
4 goes into the other funds until we reach that
5 50/50 mark.

6 ATTORNEY KWIATEK: I have a -- I
7 have just a comment, thinking through that, and
8 then the conversation that Empower had had.

9 If that's the case, and say
10 something happens, like a (one word not clear)
11 which would be a divorce come through and then
12 it requires the 50 percent, then the
13 conversation in regards to the fee --

14 TRUSTEE STACK: What 50 percent?

15 ATTORNEY KWIATEK: -- is no longer
16 necessarily -- it's not 50 percent in the next -
17 - in the FDDA account and 50 percent in the
18 money market.

19 You potentially have an uneven
20 level of funds, so you would need to have a
21 disclaimer about the grand-fathered people.

22 Am I making sense?

23 ATTORNEY KWIATEK: No.

24 ATTORNEY KWIATEK: Okay.

25 ATTORNEY KWIATEK: Run that by me

1 again, so I --

2 MS. DEPEW: Let's say that we have
3 the new QDRO -- (not clear) over and he's at a
4 hundred percent and then he gets his drop for
5 2019 and it's -- it's 20,000.

6 He is getting a divorce.

7 He's got a hundred thousand that we
8 move over at a hundred percent.

9 We need to get half of it for his
10 divorce.

11 ATTORNEY KWIATEK: But, that's no
12 different than people who's got it right now.
13 Right?

14 I mean, you're -- you're in that
15 situation. They'll just be required to
16 liquidate, or they'll segregate it.

17 MS. DEPEW: Okay.

18 ATTORNEY KWIATEK: So, --

19 MS. DEPEW: Right. So they're --

20 ATTORNEY KWIATEK: -- I don't know
21 whether Connie can --

22 (Speaking over each other.)

23 MS. DEPEW: (not clear)

24 ATTORNEY KWIATEK: Their standard
25 is -- go ahead.

1 MS. DEPEW: Well, I guess my
2 concern is, is when we have this discussion, his
3 standard was you -- you -- we don't have that
4 current situation.

5 So, you guys will need to make a
6 decision so those who grandfather in, if there's
7 a potential of there being 50 percent in both
8 places, --

9 ATTORNEY KWIATEK: So, let me --

10 MS. DEPEW: -- and we liquidate
11 the --

12 ATTORNEY KWIATEK: -- let --

13 MS. DEPEW: the (not clear) be a
14 hundred percent?

15 TRUSTEE/DIRECTOR GANS: Well, we
16 only care about --

17 ATTORNEY KWIATEK: (not clear)

18 MS. DEPEW: (not clear)

19 (Three people speaking over each
20 other.)

21 ATTORNEY KWIATEK: Well, first of
22 all, you're gonna to talk to the -- the
23 participant's gonna know that something has to -
24 -

25 MS. DEPEW: Well, agree.

1 ATTORNEY KWIATEK: So, --
2 MS. DEPEW: Right.
3 ATTORNEY KWIATEK: So, this could
4 happen even with a 50 percent split. Right?
5 MS. DEPEW: Hm-hm.
6 ATTORNEY KWIATEK: So, Connie --
7 can Connie hear us, yet?
8 (No response.)
9 ATTORNEY KWIATEK: Connie, can you
10 hear me, now?
11 (No response.)
12 ATTORNEY KWIATEK: Yes?
13 MS. RETTIG: (No audible response.)
14 ATTORNEY KWIATEK: Okay, but we
15 can't hear you.
16 Are you on mute?
17 TRUSTEE STACK: It looks like it.
18 MS. RETTIG: (No audible response.)
19 ATTORNEY KWIATEK: No?
20 I cannot hear Connie.
21 Hold on for one second.
22 (Pause)
23 TRUSTEE/DIRECTOR GANS: This is our
24 new improved system.
25 ATTORNEY KWIATEK: Okay. Try

1 again.

2 Say something now.

3 Connie?

4 TRUSTEE/DIRECTOR GANS: Connie, can

5 you hear us?

6 MS. RETTIG: I can hear you.

7 TRUSTEE/DIRECTOR GANS: Okay.

8 ATTORNEY KWIATEK: So, what --

9 MS. RETTIG: Can you hear me?

10 ATTORNEY KWIATEK: Yes.

11 TRUSTEE/DIRECTOR GANS: Yes.

12 MS. RETTIG: Okay.

13 ATTORNEY KWIATEK: What would

14 happen in this situation where somebody -- you

15 don't have to have a 50/50 split where there's a

16 QDRO and it's an equal split.

17 Let's just say they've been married

18 from the get-go, goes after a 50/50 split of

19 what's ever in the retirement account.

20 How would you -- how would you

21 handle that, the setting up of the -- of the

22 employee account?

23 (Speaking over each other.)

24 ATTORNEY KWIATEK: When they --

25 MS. RETTIG: I guess I'm not

1 understanding when you refer to the self-
2 directed brokerage.

3 Are you just asking in general if
4 somebody has an account, how -- how would we set
5 up our alternate fees for a QDRO?

6 ATTORNEY KWIATEK: Yeah.

7 MS. RETTIG: Is that what you're
8 asking?

9 ATTORNEY KWIATEK: Well, if they --
10 if they have a self-directed brokerage account
11 and they have (not clear) -- let's just assume
12 they have both, how would you set it up?

13 Do you do it just with a 50 -- a
14 50/50 interest, or how do you do that?

15 MS. RETTIG: Well, I mean, I guess
16 it would depend on exactly what was in the QDRO
17 and what we were instructed to do.

18 We're going to do whatever we're
19 instructed to do.

20 But, assuming it was 50/50, are you
21 asking how that work with the self-directed
22 brokerage?

23 ATTORNEY KWIATEK: Yes.

24 MS. RETTIG: Okay. So, then, my
25 understanding and I can verify it, but, is that

1 they would be required to liquidate whatever was
2 required from the self-directed brokerage to --
3 to fill that QDRO.

4 ATTORNEY KWIATEK: And -- and if
5 they didn't, is that one of the situations where
6 the direction under the policy guidelines that
7 if there's not enough cash, even though this
8 isn't for expenses, if there's not enough cash,
9 you can liquidate the whole thing for them?

10 MS. RETTIG: Yeah. I think --

11 ATTORNEY KWIATEK: And take --

12 MS. RETTIG: -- that that would
13 fall under that, because I did read through that
14 policy and -- and so, yes, if there was not
15 enough, you know, to cover the expenses, then
16 you would give us direction, or -- or, approval
17 to go ahead and liquidate to fill that QDRO.

18 TRUSTEE/DIRECTOR GANS: A hundred
19 percent liquidation.

20 ATTORNEY KWIATEK: Be -- if that's
21 our standing, right, because you all don't wanna
22 -- I don't think --

23 TRUSTEE/DIRECTOR GANS: We don't
24 wanna pick and choose what --

25 TRUSTEE STACK: No, --

1 ATTORNEY KWIATEK: Well, I --
2 TRUSTEE STACK: -- no.
3 ATTORNEY KWIATEK: -- wouldn't
4 want to pick and choose, so I wouldn't think you
5 would want to pick and choose.
6 TRUSTEE/DIRECTOR GANS: Right.
7 ATTORNEY KWIATEK: Okay.
8 TRUSTEE/DIRECTOR GANS: Okay. So,
9 I agree with Adam, on the 50 percent with the
10 grand-fathering of those over 50 to eventually
11 work them down to 50.
12 ATTORNEY KWIATEK: It -- Connie,
13 will the -- I know that Empower's standard is a
14 \$2500.00 minimum in the core fund lineup.
15 So how will we deal with that for
16 those who (not clear) in a hundred percent in
17 the SCBA account?
18 Are we -- are we to still require
19 them to do that and will it liquidate sufficient
20 amounts to put the 2500 over there, or, are you
21 weighting that for those accounts?
22 MS. RETTIG: All right, no, I
23 wouldn't think. I would think that -- and I can
24 verify this, again, we haven't really come
25 across it, because we always use 50 percent.

1 But, I would think that they would
2 require that \$2500.00 right up front, whether
3 that means, you know, liquidating some of what
4 is in the FTB's -- I can confirm that, but --
5 but that would be -- that would certainly be my
6 -- my opinion and -- and what I think that they
7 would do, just because they need to have that
8 core.

9 And I don't know of any plan that
10 there's no core minimum.

11 You know.

12 All plans have some core minimum in
13 case the amount of fees and that sort of thing
14 does come up.

15 TRUSTEE/DIRECTOR GANS: Okay. Our
16 next drop --

17 ATTORNEY KWIATEK: And that --

18 TRUSTEE/DIRECTOR GANS: -- won't
19 be 'til March. Right?

20 MS. DEPEW: (no oral response.)

21 TRUSTEE/DIRECTOR GANS: Ish?
22 March? March-ish?

23 Md: (Indicated by nodding her head
24 in the affirmative manner.)

25 TRUSTEE/DIRECTOR GANS: So, they'd

1 have to come up with \$2500.00.

2 ATTORNEY KWIATEK: Will that be per
3 plan, or a total between the two?

4 Connie, how does that apply?

5 MS. RETTIG: I believe it's per
6 plan.

7 ATTORNEY KWIATEK: Yeah, they're
8 just gonna have to --

9 MS. RETTIG: I can -- I can verify
10 that. I'm jot -- I'm jottin' down the notes,
11 right now.

12 I can verify it.

13 So, we're kinda -- from -- from my
14 perspective and probably Fred's, too, we're
15 kinda dealing with unknowns, from our
16 perspective, because we don't have any plans
17 that operate this way.

18 So, I don't wanna tell you
19 something and then have it not be correct.

20 So, I will definitely follow-up
21 with our "FTB" team and say, if this is the
22 scenario, how would this be handled?

23 And then I can get back to you on
24 that.

25 But, my sense is gonna be they're

1 gonna require the \$2500.00 for each one of --
2 each one of the plans.

3 TRUSTEE/DIRECTOR GANS: So,
4 employers are gonna have to be notified of that.

5 ATTORNEY KWIATEK: Yep.

6 TRUSTEE/DIRECTOR GANS: What we're
7 -- what we're doing.

8 It's gotta be part of it.

9 ATTORNEY KWIATEK: Will that be
10 part of the -- once we know the answers to that,
11 will that be part of the education session?

12 MS. RETTIG: Yeah.

13 ATTORNEY KWIATEK: Is explaining
14 all of that?

15 MS. RETTIG: But, -- yes. Because
16 both Fred and I -- and that's why we're -- we
17 wanted to be here and -- and I wanted to be
18 present, too, is because even though it may not
19 be in writing, in the presentation we will
20 definitely make sure to cover that, if that's
21 what is decided upon.

22 ATTORNEY KWIATEK: Okay. Great.

23 Perfect.

24 So, Board, are you all comfortable
25 with all of that?

1 TRUSTEE/DIRECTOR GANS: Yes.

2 ATTORNEY KWIATEK: I mean, I think
3 that's the most flexible that you can be.

4 TRUSTEE/DIRECTOR GANS: Can -- can
5 I -- under the situation, yes.

6 ATTORNEY KWIATEK: And -- and I
7 think, Adam, from a -- a -- well, this is not a
8 legal thing, it's more a morale thing.

9 I would explain it under -- we're
10 not sure how the hundred percent was ever
11 allowed, because that was not what --

12 TRUSTEE STACK: I have.

13 ATTORNEY KWIATEK: -- what --
14 (General chuckles.)

15 ATTORNEY KWIATEK: Okay.
16 (General chuckles.)

17 ATTORNEY KWIATEK: Good.

18 TRUSTEE/DIRECTOR GANS: All right.
19 So, do you need a Board action?

20 ATTORNEY KWIATEK: Yes.

21 TRUSTEE/DIRECTOR HARRIS: A quick
22 --

23 ATTORNEY KWIATEK: Yes?

24 TRUSTEE/DIRECTOR HARRIS: Okay, a
25 quick question, for the sake of argument, we

1 have Joe, who is 100 percent self-directed.

2 The new rule is, where you're
3 grand-fathered in and just to keep everything
4 simple, there's \$100,000.00 in that self-
5 directed account.

6 Every year, for five years, you're
7 putting a \$20,000.00 drop into your other
8 account, but now you're self-directed over that
9 five years has grown 50 percent, because you're
10 really good.

11 So, now you have 150.

12 At what point, and I think we have
13 to delineate it, will you now be able to split
14 your monies?

15 Because, eventually, they'll be
16 roughly even and then the monies going in --

17 TRUSTEE/DIRECTOR GANS: The answer
18 is, --

19 TRUSTEE/DIRECTOR HARRIS: -- can
20 go --

21 TRUSTEE/DIRECTOR GANS: -- when
22 they --

23 TRUSTEE/DIRECTOR HARRIS: -- into
24 both.

25 TRUSTEE/DIRECTOR GANS: -- get to

1 50/50.

2 ATTORNEY KWIATEK: Yeah, it --
3 based on the debt and current value.

4 TRUSTEE/DIRECTOR HARRIS: Okay.

5 ATTORNEY KWIATEK: We're not gonna
6 say the value is based on what it was in 2019.

7 TRUSTEE/DIRECTOR HARRIS: Okay.

8 TRUSTEE/DIRECTOR GANS: It could be
9 four years, if things go bad. It could be six
10 years.

11 ATTORNEY KWIATEK: Yep.

12 TRUSTEE/DIRECTOR GANS: Seven
13 years.

14 ATTORNEY KWIATEK: Yep. Yep.

15 And -- and that is subject to the
16 requirement that they have to put 2500 over in
17 the core fund.

18 TRUSTEE/DIRECTOR GANS: Right.

19 TRUSTEE/DIRECTOR HARRIS: Now, I
20 don't have a problem doing it that way. I just
21 --

22 TRUSTEE/DIRECTOR GANS: Yeah.

23 TRUSTEE/DIRECTOR HARRIS: --
24 wanted to --

25 TRUSTEE/DIRECTOR GANS: No, that's

1 a --

2 TRUSTEE/DIRECTOR HARRIS: -- make

3 sure --

4 TRUSTEE/DIRECTOR GANS: -- good --

5 TRUSTEE/DIRECTOR HARRIS: -- we

6 covered --

7 TRUSTEE/DIRECTOR GANS: --

8 question.

9 TRUSTEE/DIRECTOR HARRIS: -- that.

10 And then the -- the follow-on to that, now we

11 have somebody, they finally even-out and at this

12 point they have 300 -- a hundred thousand, well,

13 150 and 150.

14 Now, we're letting them split their

15 monies.

16 Do we say, for the sake of

17 argument, the 150 in the self-directed account

18 is growing twice as fast, so do they have to

19 continually shift money the other way, so that

20 they never exceed the 50 percent?

21 ATTORNEY KWIATEK: I -- I don't --

22 I don't think we'd make 'em move it back.

23 Right, Connie?

24 We can -- we can let each of them

25 grow, but they can't put new deferrals, or

1 employer contributions over on the SCBA account
2 unless there is at least 50 percent, or more,
3 over on the core investment side. Correct?

4 MS. RETTIG: I mean, that's the way
5 I'm understanding.

6 I was gonna -- I wanted to -- to
7 make sure I was understanding correctly that
8 that's what you were saying.

9 So, if somebody's got a hundred
10 percent right now, they wouldn't be allowed to
11 put any new money in there until they reached
12 for that amount -- there's only 50 percent of
13 their account balance for each of the accounts
14 separately. Correct?

15 ATTORNEY KWIATEK: Yep.

16 TRUSTEE STACK: Yes.

17 MS. RETTIG: Okay. So, I mean,
18 again, this is something, you know, --

19 ATTORNEY KWIATEK: So, --

20 MS. RETTIG: -- let me think of
21 (not clear) thing and say this is what they're
22 proposing. You know. They're going to
23 grandfather the self (not clear) a hundred
24 percent and then how would it work from there?

25 ATTORNEY KWIATEK: So, what -- but,

1 his question actually goes to -- even you
2 clients that have -- just have a 50/50 rule.

3 So, let's -- let's assume it's a
4 normal client where you're not dealing with all
5 this stuff. Right?

6 And the SCB account -- SCBA account
7 is growing faster than the core account side.
8 Right?

9 Maybe it's because they put (not
10 clear -- speaking away from the microphone) on
11 the SCBA because they like certain companies and
12 they want them over there and they have their
13 fixed investments, more conservative invest-
14 ments over in the core line-up.

15 So, -- so, then, you're gonna have
16 this on-going, right, imbalance between -- you
17 don't make them continue and move money over.
18 Right?

19 With -- do you just limit, no more
20 -- no more new money can go on the SCBA account
21 until it comes back up, until the core account
22 comes back up?

23 Or, how do you handle that?

24 Just with your normal clients.

25 MS. RETTIG: Yeah, typically, we

1 just see that -- we're not gonna make people
2 move their money back from the self-directed
3 brokerage to achieve the 50 percent.

4 But, yeah, we would probably not
5 allow them to move it, you know, once they've
6 exceeded that 50 percent until they were back
7 down to that threshold.

8 TRUSTEE/DIRECTOR HARRIS: Thanks.
9 I just wanted to broach the topic so we did not
10 -- so we were well informed and prepped for
11 those questions that ultimately will arrive.

12 ATTORNEY KWIATEK: Right.

13 TRUSTEE/DIRECTOR GANS: I'll take
14 a stab at this, Jamie, unless you wanted to do
15 it and we'll make your comment a motion.

16 ATTORNEY KWIATEK: Sure. So, I
17 would recommend that you adopt a Resolution that
18 self-directed brokerage accounts in the (one
19 word not clear) plan be limited to 50 percent of
20 investments provided that for those accounts
21 that currently exceed the 50 percent limit,
22 those will be grand-fathered subject to any
23 limits and a requirement to have a core fund
24 imposed by Empower, they will be limited to what
25 they -- they -- all new funds will need to go

1 into the core investment side until a 50/50
2 balance is attained.

3 TRUSTEE/DIRECTOR GANS: Based on
4 the current --

5 ATTORNEY KWIATEK: Based on the
6 current structure and the recommended on-going,
7 or, the currently intended --

8 TRUSTEE/DIRECTOR GANS: The -- the
9 --

10 ATTORNEY KWIATEK: -- structure.

11 TRUSTEE/DIRECTOR GANS: -- that --
12 the then current --

13 ATTORNEY KWIATEK: Right.

14 TRUSTEE/DIRECTOR GANS: Okay.

15 ATTORNEY KWIATEK: The then current
16 asset balance.

17 TRUSTEE/DIRECTOR GANS: Okay.

18 ATTORNEY KWIATEK: Yes.

19 TRUSTEE/DIRECTOR GANS: I think
20 that covers everything that we just talked
21 about.

22 Anything missing?

23 (No oral response.)

24 TRUSTEE/DIRECTOR GANS: All right.

25 So moved.

1 Do I hear a second?
2 TRUSTEE STACK: I second.
3 TRUSTEE/DIRECTOR GANS: Discussion?
4 (No response.)
5 TRUSTEE/DIRECTOR GANS: All in
6 favor?
7 TRUSTEE STACK: Aye.
8 TRUSTEE/DIRECTOR MILLNER: Aye.
9 TRUSTEE/DIRECTOR HARRIS: Aye.
10 TRUSTEE/DIRECTOR GANS: Aye.
11 Motion passes four to nothing.
12 All right. That was easy.
13 (General chuckles.)
14 ATTORNEY KWIATEK: Well, the good
15 news is that was one of our very few difficult
16 issues.
17 Okay. So, now, I want to talk
18 about the documents that have been reviewed and
19 for which we have provided comments, but we have
20 not yet gotten the responses.
21 And, Brad, this would probably be
22 a good time for you to take the podium and
23 announce yourself, because I'm going to ask you
24 some questions.
25 TRUSTEE/DIRECTOR GANS: Welcome.

1 MISTER KELLY: Thank you.

2 TRUSTEE/DIRECTOR GANS: And then
3 you need to start by stating your name and who
4 you're with.

5 MISTER KELLY: Perfect.

6 TRUSTEE/DIRECTOR GANS: And the
7 name of your children, where you went to high
8 school --

9 (General laughter.)

10 MISTER KELLY: (not audible)

11 (General chuckles.)

12 MISTER KELLY: Brad Kelly with
13 LeafHouse Financial.

14 TRUSTEE/DIRECTOR GANS: Welcome.

15 ATTORNEY KWIATEK: Okay. So, we
16 have sent out our comments to both the
17 investment policy statement that came from
18 LeafHouse and to the -- the LeafHouse agreement,
19 itself.

20 We are waiting for comments back on
21 those.

22 Do you have any idea when we --
23 those will be returned to us?

24 MISTER KELLY: I do not, but I'll
25 certainly look into it and get back to you.

1 ATTORNEY KWIATEK: Okay.

2 TRUSTEE/DIRECTOR GANS: Virginia,
3 can you hear him if he doesn't lean over?
4 (Referring to leaning into the
5 microphone.)

6 MS. LONG: I'm sorry?

7 TRUSTEE/DIRECTOR GANS: Can you
8 hear him if he doesn't lean over to talk?

9 MS. LONG: I'm sure I can, yes.

10 TRUSTEE/DIRECTOR GANS: So you
11 don't have to lean over to talk. You're fine.

12 MS. LONG: Yes, you're fine.

13 MISTER KELLY: Okay.

14 TRUSTEE/DIRECTOR GANS: You don't
15 have to do that.

16 MISTER KELLY: Okay. Okay.
17 Perfect.

18 MS. LONG: Thank you.

19 ATTORNEY KWIATEK: Okay. So those
20 are out. We're waiting for comments back.
21 Don't go anywhere, because some of
22 this -- I will get back to you in a moment.
23 The -- the lettered instruction,
24 which was just -- I -- I think, pertaining --
25 Connie, correct me if I'm wrong, pertains to the

1 instructions regarding payments to LeafHouse, or
2 the -- what -- the letter of instructions.

3 Didn't that pertain to the
4 LeafHouse expenses?

5 MS. RETTIG: Yeah, I believe so.

6 ATTORNEY KWIATEK: Okay. So, we
7 provided comments on that and those we have not
8 yet gotten back from Empower, so we're waiting
9 for those.

10 The plan restatements, we provided
11 comments on those, that -- we received them back
12 at three -- the re -- the revised one.

13 Oh, good.

14 The revised documents came back at
15 3:09 this afternoon.

16 Josie has reviewed them and
17 confirmed that the updated documents are
18 consistent with the changes requested in a memo.

19 And are -- let's see.

20 I think those are those.

21 Yeah.

22 Right. I just want to make sure
23 I'm talking about the right --

24 Those and the loan policy are ready
25 for signature, provided that -- we have one open

1 issue in there and I'm gonna come back around to
2 that, because I'm not making --

3 TRUSTEE/DIRECTOR GANS: Well, you
4 -- you got that. We didn't.

5 We -- I'm looking now.

6 So, you --

7 ATTORNEY KWIATEK: Yes. We got it.

8 TRUSTEE/DIRECTOR GANS: Okay. You
9 --

10 ATTORNEY KWIATEK: Josie --

11 TRUSTEE/DIRECTOR GANS: -- got --

12 ATTORNEY KWIATEK: -- and --

13 TRUSTEE/DIRECTOR GANS: -- it --

14 ATTORNEY KWIATEK: -- I.

15 TRUSTEE/DIRECTOR GANS: -- from
16 Josie --

17 ATTORNEY KWIATEK: We. Josie and
18 I got it.

19 TRUSTEE/DIRECTOR GANS: Okay.

20 MS. DEPEW: I got it.

21 ATTORNEY KWIATEK: And -- and
22 Michelle got it.

23 TRUSTEE/DIRECTOR GANS: Okay.

24 ATTORNEY KWIATEK: So, --

25 TRUSTEE/DIRECTOR GANS: Not that

1 we're gonna sit here and read it now, but, --

2 ATTORNEY KWIATEK: No. No.

3 And, so, I will make sure that
4 Josie sends to the Board.

5 TRUSTEE/DIRECTOR GANS: Okay.

6 ATTORNEY KWIATEK: Okay. So, I'm
7 -- I'm gonna circle back around to the one issue
8 that we have under those documents, which will
9 be the final thing that we need to decide on
10 before we can finalize those.

11 But, as long as we have Brad
12 standing there, let me look to questions that I
13 had.

14 As I was telling you, out in the
15 hall, I'm just not used to writing (not clear)
16 to dealing with having sort of two advisors.
17 Right?

18 One who's on-site and doing the
19 day-to-day interaction with the participants and
20 one who's really making the -- the basic lineup
21 decisions.

22 So, if we could get -- just get a
23 little bit of guidance and information about how
24 you see that relation -- you've done it before,
25 so how that relationship usually works, how

1 often do we hear from you?

2 I mean, obviously, the -- the
3 Trustees have a duty to monitor you. Right?

4 MISTER KELLY: Right.

5 ATTORNEY KWIATEK: As well as
6 monitoring just Genex.

7 I assume you don't monitor Genex,
8 so that --

9 MISTER KELLY: No.

10 ATTORNEY KWIATEK: Okay. So that's
11 one question.

12 And I don't know -- sometimes I've
13 seen some 338's provide guidelines and guidance
14 to the -- the other fiduciaries who are
15 monitoring them on what they should be doing
16 from a monitoring standpoint, what they should
17 be looking at.

18 So, one of my questions is, do you
19 have anything like that, that you can provide to
20 myself and Michelle and the Board, for them to
21 review, so they know what -- because this is new
22 for them.

23 MISTER KELLY: Hm-hm.

24 ATTORNEY KWIATEK: So they know
25 what they should be doing.

1 MISTER KELLY: Hm-hm.

2 ATTORNEY KWIATEK: Do you have
3 anything like that, or you --

4 MISTER KELLY: So, in regards to
5 the process of monitoring, also the 338, or, the
6 other --

7 ATTORNEY KWIATEK: Really, --

8 MISTER KELLY: -- other --

9 ATTORNEY KWIATEK: -- anybody, --

10 MISTER KELLY: -- other --

11 ATTORNEY KWIATEK: -- that you --

12 MISTER KELLY: -- service
13 providers.

14 ATTORNEY KWIATEK: -- know.

15 MISTER KELLY: Hm-hm.

16 ATTORNEY KWIATEK: Right. Other --

17 MISTER KELLY: Hm-hm.

18 ATTORNEY KWIATEK: -- other
19 service providers.

20 But, in particular, you use the
21 338.

22 MISTER KELLY: Sure. So, in
23 regards to other service providers, we don't
24 provide guidance, how to appropriately monitor
25 them.

1 But, in regards to monitoring the
2 338, I can provide a little more information and
3 (one word not clear) on that when it goes to
4 liability it still lays with you all.

5 Because we're, as the investment,
6 manager, we are the ones who are responsible for
7 picking and monitoring the investment lineup on
8 an on-going bases, so we take that -- and we
9 take that -- that task and, also, the
10 responsibilities and the liability that (not
11 clear) with it.

12 What still remains with you is
13 monitoring (one word not clear) the 338.

14 And the big -- the next question
15 is, "Well, how do we go about doing that?"

16 And the answer to that is,
17 monitoring our process.

18 And what I mean that, there is --
19 understanding what we do as a 338 and then
20 essentially making sure that we're doing what we
21 said we're gonna do.

22 You all are not held responsible
23 for the outcomes of our process.

24 It's just understanding -- it's
25 just making sure that are following our process.

1 So, for instance, an example of
2 that is we have our own scoring methodology to
3 determine how a fund -- whether a fund should be
4 removed from the investment lineup due to under
5 performance or maybe some other factor that is
6 impacting the plan and then make it (one word
7 not clear).

8 If we do not remove that fund and
9 we're not providing details of to why we're not
10 making that decision, then that would be kinda
11 of a sit -- that -- that'll be a situation where
12 we're not following our process.

13 And if you all, as the plan
14 sponsor, did not bring light to that situation,
15 where, you know, "LeafHouse, you said you were
16 gonna make changes when -- and this situation
17 occurred, but you did not" and then you all did
18 not make a (one word not clear) of it, then you
19 still -- then you would hold that
20 responsibility.

21 But, say we pick a fund and we
22 follow our investment, or that -- or, we follow
23 our IPS to the letter and that fund under-
24 performs, and maybe the benchmark returns X and
25 the fund that we chose returned X minus one,

1 you're not held responsible that -- for that.

2 You not held responsible for that
3 outcome. You're just held responsible for
4 making sure that we follow our process that we
5 stated we would, when we originally signed our
6 service agreement and our investment policy
7 statement.

8 So how you really go about just
9 covering yourself from that standpoint is taking
10 your quarterly reports that we provide you guys,
11 having -- doing your diligence close, having
12 situations like this where you have somebody
13 come out, explain who we are, what we do, what
14 our process is and, really, just making sure
15 that we're sticking to what we said we would --
16 what we originally would do.

17 ATTORNEY KWIATEK: So, in your
18 quarterly report that we all know, because we
19 haven't seen a sample --

20 MISTER KELLY: Yeah.

21 ATTORNEY KWIATEK: -- of those,
22 will you go through the score card and do you
23 do, like this is on a watch-list, this is red,
24 this is green, so just kinda tell us a little
25 bit more about exactly how you structure --

1 MISTER KELLY: Hm-hm.

2 ATTORNEY KWIATEK: -- those
3 reports, so that -- they are not used to seeing
4 anything like that, which is one of the reasons
5 why we're changing advisors.

6 So, just kinda walk them through
7 the actual process, if you don't mind.

8 MISTER KELLY: Absolutely.

9 So, what we use is an on-line drop-
10 off system, where on a quarterly bases we'll go
11 in and just drop the report of all the funds
12 that are currently in your investment line-up.

13 And, in that report, it's going to
14 contain the recent performance, the metric's
15 that we're scoring those funds on and,
16 basically, whether there is any option (two
17 words not clear) based on that fund's
18 performance.

19 So it's gonna fall into either --
20 it's going to fall into three different types
21 here.

22 He's gonna pass, it's gonna be on
23 our watch list, or it's going to be on our
24 "fail."

25 And the first couple of quarterly

1 meetings, we're happy to hop on the call and
2 kinda help you guys walk through how to read the
3 reports, just so you feel comfortable with it.

4 (Not clear) the case, as you
5 mentioned, you know, you haven't seen 'em
6 before. We want to make sure that you feel
7 comfortable and you understand where you're --
8 what -- what you're looking at when we drop the
9 reports on a quarterly bases.

10 ATTORNEY KWIATEK: So, and will you
11 have somebody available when -- like, we know
12 our meetings pretty far in advance.

13 Will you have somebody available,
14 where, if we have questions, even during the
15 meeting, or should we be submitting questions
16 before the meeting?

17 How -- how does that process
18 usually work?

19 MISTER KELLY: For the first
20 couple of meetings, if you just give us notice,
21 we can make sure that someone is available to,
22 you know, Skype in, or join on a call, a
23 conference call, or something along those lines.

24 But, of course, if you guys have
25 questions in advance, you know, certainly send

1 those to us and then we can address them then,
2 or at the -- at the committee meeting.
3 Whichever you guys prefer.

4 So, we're happy. You know. We --
5 we want to work with the guys. We want to make
6 sure you feel comfortable.

7 Just really let us know what would
8 -- what would work best for you guys.

9 ATTORNEY KWIATEK: In your
10 guidelines, are those -- are those -- just
11 remind me.

12 Are those laid out in the service
13 agreement, in the advisor agreement or in the
14 IPS, or is it something else that -- so that we
15 know what we're supposed to be holding you to
16 and -- and monitoring you on?

17 MISTER KELLY: So, for instance,
18 in -- in regards to when we would change a fund
19 and kinda what triggers that process, that's
20 included in the IPS.

21 ATTORNEY KWIATEK: Okay.

22 MS. DEPEW: And just to -- for all
23 the emails that everybody got today, number
24 seven on your emails is the investment policy
25 statement like he's discussing.

1 And on page 15 you can see --
2 TRUSTEE/DIRECTOR GANS: When you
3 say "number seven" --
4 MS. DEPEW: They're all -- they're
5 all number, if you look at that, --
6 TRUSTEE/DIRECTOR HARRIS: So, which
7 email?
8 MS. DEPEW: Probably, number two.
9 But, in each email from Josie and Jamie today --
10 TRUSTEE/DIRECTOR HARRIS: So, email
11 --
12 MS. DEPEW: So, there --
13 TRUSTEE/DIRECTOR HARRIS: --
14 number --
15 MS. DEPEW: -- would've --
16 TRUSTEE/DIRECTOR HARRIS: -- two?
17 MS. DEPEW: -- been three separate
18 ones.
19 Yes.
20 TRUSTEE/DIRECTOR HARRIS: Okay.
21 MS. DEPEW: They're numbered.
22 ATTORNEY KWIATEK: Actually, it's
23 --
24 TRUSTEE/DIRECTOR HARRIS: Oh, I
25 see.

1 ATTORNEY KWIATEK: It's actually,
2 email number three. They were -- they came out
3 of order.

4 MS. DEPEW: Okay.

5 ATTORNEY KWIATEK: Yeah.

6 MS. DEPEW: But, number seven on
7 there is the LeafHouse investment policy
8 statements for 401A and the 457.

9 Page 15 does give you a -- a sample
10 scorecard and things like this to --

11 TRUSTEE/DIRECTOR GANS: I see that
12 on email number three.

13 (General chuckles.)

14 ATTORNEY KWIATEK: It -- it is.
15 It's --

16 TRUSTEE/DIRECTOR GANS: I -- I --

17 ATTORNEY KWIATEK: -- part of the
18 attachments.

19 TRUSTEE/DIRECTOR GANS: Yeah, I --
20 I saw --

21 ATTORNEY KWIATEK: So, the --

22 TRUSTEE/DIRECTOR GANS: I -- I see
23 --

24 ATTORNEY KWIATEK: So, the --

25 TRUSTEE/DIRECTOR GANS: -- the

1 VEBA restatement, the option restatement for
2 457, --

3 ATTORNEY KWIATEK: The -- the --

4 TRUSTEE/DIRECTOR GANS: These
5 aren't the right --

6 ATTORNEY KWIATEK: The one came in
7 at 11:35.

8 TRUSTEE/DIRECTOR GANS: All right.
9 This isn't it.

10 ATTORNEY KWIATEK: The third one --
11 oh, they're all at 11:35.

12 From Josie.

13 TRUSTEE/DIRECTOR GANS: That's not
14 the one.

15 ATTORNEY KWIATEK: It says, -- it
16 says, dot items five through eight of the
17 Resolutions that are attached.

18 TRUSTEE/DIRECTOR GANS: No, I'm
19 gonna find it here.

20

21 Thanks, though.

22 Because I want to make sure I have
23 it to take home and read -- read, tonight.

24 MS. DEPEW: Right. I believe we
25 had a total of 12 different documents that were

1 sent today.

2 TRUSTEE/DIRECTOR GANS: So does it
3 say LeafHouse in it on the title?

4 ATTORNEY KWIATEK: It says -- so
5 there are two versions of it attached.

6 One is the original one that we got
7 from LeafHouse and it says "Investment Policy
8 Statement 401A --

9 TRUSTEE/DIRECTOR GANS: Okay.

10 ATTORNEY KWIATEK: -- paren --

11 TRUSTEE/DIRECTOR GANS: I see that.

12 ATTORNEY KWIATEK: -- LHFA's --

13 TRUSTEE/DIRECTOR GANS: So, that --

14 ATTORNEY KWIATEK: -- prepared --

15 TRUSTEE/DIRECTOR GANS: -- that's
16 in the number two.

17 That's number two.

18 ATTORNEY KWIATEK: Okay.

19 MS. DEPEW: And it --

20 ATTORNEY KWIATEK: And mine --

21 MS. DEPEW: -- it says --

22 ATTORNEY KWIATEK: -- says --

23 MS. DEPEW: -- seven --

24 ATTORNEY KWIATEK: -- seven-three.

25 MS. DEPEW: -- on it.

1 TRUSTEE/DIRECTOR GANS: It does.
2 MS. DEPEW: Correct?
3 ATTORNEY KWIATEK: Isn't that --
4 TRUSTEE/DIRECTOR GANS: It does --
5 MS. DEPEW: You --
6 TRUSTEE/DIRECTOR GANS: -- say --
7 ATTORNEY KWIATEK: -- weird?
8 TRUSTEE/DIRECTOR GANS: -- sev --
9 yeah.
10 MS. DEPEW: -- should have the
11 number seven.
12 TRUSTEE/DIRECTOR GANS: Okay.
13 That's it.
14 MS. DEPEW: Document seven.
15 TRUSTEE/DIRECTOR GANS: It does say
16 seven. Yeah.
17 ATTORNEY KWIATEK: And then
18 underneath it, it says seven and eight,
19 "Polsinelli requested IPS changes"?
20 MS. DEPEW: Right.
21 TRUSTEE/DIRECTOR GANS: Well, I'm
22 just trying to find it.
23 Okay. I see what you just read to
24 me.
25 MS. DEPEW: That he was --

1 ATTORNEY KWIATEK: Right.

2 MS. DEPEW: -- referencing?

3 TRUSTEE/DIRECTOR GANS: Yes.

4 MS. DEPEW: Correct. Correct.

5 ATTORNEY KWIATEK: Right. So, in
6 there -- and -- and, again, that's still a
7 working document.

8 We have not --

9 TRUSTEE/DIRECTOR GANS: (not clear)

10 ATTORNEY KWIATEK: -- finalized
11 that.

12 So, if you have other comments to
13 the IPS, let us know, --

14 TRUSTEE/DIRECTOR GANS: So, I --

15 ATTORNEY KWIATEK: -- as soon as
16 possible.

17 TRUSTEE/DIRECTOR GANS: I have a
18 question about what Brad just talked about what
19 you were asking him.

20 And that is our monitoring that you
21 do what you say.

22 And my question is, does Genex also
23 do that?

24 Does Genex also help us do that?
25 If Genex wants to answer, come up

1 to the mic.

2 Michael.

3 MISTER SLUHAN: Mike Sluhan.

4 Yes.

5 TRUSTEE/DIRECTOR GANS: Okay. Good.

6 (General chuckles.)

7 TRUSTEE/DIRECTOR GANS: Thank you.

8 (General laughter.)

9 TRUSTEE/DIRECTOR GANS: We'll need

10 that help.

11 So, go ahead, Jamie.

12 ATTORNEY KWIATEK: Okay. So, have

13 you received, yet, the list of the self-directed

14 brokerage account investments?

15 MISTER KELLY: We have not.

16 ATTORNEY KWIATEK: Connie, have you

17 gotten that, yet, from Latitudes KTrade?

18 MS. RETTIG: (response not audible)

19 ATTORNEY KWIATEK: Wait. I can't

20 hear you again. Hold on. Hold on.

21 MS. RETTIG: Sorry. That was my

22 fault.

23 ATTORNEY KWIATEK: Okay.

24 MS. RETTIG: I was mute. Can you

25 hear me now?

1 ATTORNEY KWIATEK: Yep.

2

3 TRUSTEE/DIRECTOR GANS: Yes.

4 MS. RETTIG: Okay. Carol was gonna
5 contact them again this afternoon and I did not
6 hear anything further from her, so I don't know
7 if she got ahold of them.

8 I would think she would've let me
9 know if she had.

10 ATTORNEY KWIATEK: Okay. Would you
11 like me to see what I can do, if I can get my
12 good friend Shelly to ask her to provide that to
13 you?

14 MS. RETTIG: Absolutely. That
15 would be great.

16 ATTORNEY KWIATEK: Okay.

17 TRUSTEE/DIRECTOR GANS: So, explain
18 to me what contacts that has to do with
19 LeafHouse.

20 ATTORNEY KWIATEK: I'm going to
21 explain that to you, in just a moment.

22 TRUSTEE/DIRECTOR GANS: Okay.

23 ATTORNEY KWIATEK: But let me write
24 a note here.

25 (Pause.)

1 ATTORNEY KWIATEK: Okay. So, what
2 it has -- the reason I'm asking that, is in your
3 agreement, it says that any fund that is a -- a
4 self-directed
5 brokerage account fund becomes -- that is in
6 your core lineup, is not treated as a self-
7 directed brokerage account investment.

8 It moves over, because it's a core
9 fund.

10 MISTER KELLY: Hm-hm.

11 ATTORNEY KWIATEK: So, someone
12 needs to review those (not clear) account --
13 (not clear) accounts and see, because they -- so
14 somebody whose a hundred percent invested, --

15 TRUSTEE/DIRECTOR GANS: Yes?

16 ATTORNEY KWIATEK: -- in a (not
17 clear) but they happen to be in a fund that's
18 now in your core lineup, --

19 TRUSTEE/DIRECTOR GANS: It counts?

20 ATTORNEY KWIATEK: -- it moves --
21 exactly. It's treated -- it -- it moves from
22 the SCB account over to the core lineup.

23 TRUSTEE/DIRECTOR GANS: What is the
24 chance of that?

25 ATTORNEY KWIATEK: I don't know.

1 It's got some pretty good funds.
2 Oh. Meaning they don't pick good
3 funds, --
4 TRUSTEE/DIRECTOR GANS: No, there's
5 --
6 ATTORNEY KWIATEK: -- by their
7 selves?
8 (Generous laughter.)
9 TRUSTEE/DIRECTOR GANS: -- there's
10 lots of funds.
11 ATTORNEY KWIATEK: I don't know.
12 TRUSTEE/DIRECTOR GANS: There's
13 lots of funds.
14 ATTORNEY KWIATEK: But, somebody
15 needs to make that review, because it could have
16 an impact.
17 And, so, maybe it's unlikely.
18 On the other hand, it -- it needs
19 to be done, so that they know what in the core
20 lineup and what's in the SCBA account.
21 TRUSTEE/DIRECTOR GANS: Okay.
22 ATTORNEY KWIATEK: So, --
23 TRUSTEE/DIRECTOR GANS: Fair
24 enough.
25 ATTORNEY KWIATEK: -- hopefully we

1 will get that to you soon, so that that analysis
2 can actually be done.

3 TRUSTEE/DIRECTOR GANS: So who will
4 do that? Because we have the list of core. We
5 have -- but we don't have the list of self-
6 directed.

7 ATTORNEY KWIATEK: Well, nobody
8 has, other than KTrade and "TD" has the list of
9 self-directed, at the moment --

10 TRUSTEE/DIRECTOR GANS: And when --

11 ATTORNEY KWIATEK: -- and despite
12 --

13 TRUSTEE/DIRECTOR GANS: -- we get
14 it, who will do that?

15 ATTORNEY KWIATEK: When we get it?

16 I assume that Empower and LeafHouse
17 will coordinate to review those.

18 MISTER KELLY: Yep.

19 ATTORNEY KWIATEK: Yeah.

20 TRUSTEE/DIRECTOR GANS: Okay.

21 ATTORNEY KWIATEK: Yeah.

22 TRUSTEE/DIRECTOR GANS: Good.

23 ATTORNEY KWIATEK: Yeah.

24 Not you. That's not a Board
25 responsibility.

1 TRUSTEE/DIRECTOR GANS: I was gonna
2 appoint Robin to do that.

3 MISTER KELLY: Hm-hm.

4 ATTORNEY KWIATEK: Yeah. Right.

5 MISTER KELLY: Hm-hm.

6 (General chuckles.)

7 ATTORNEY KWIATEK: Okay. So, --

8 TRUSTEE/DIRECTOR GANS: Okay.

9 ATTORNEY KWIATEK: So one more
10 question that I had for you all, in your
11 agreement you provide that you don't have any
12 responsibility with respect to the stable value
13 --

14 MISTER KELLY: Hm-hm.

15 ATTORNEY KWIATEK: -- so, we want
16 you to have responsibility for everything that's
17 over in the core lineup.

18 MISTER KELLY: Hm-hm.

19 ATTORNEY KWIATEK: So, our question
20 is, did you pick it for the core lineup?

21 And, if so, shouldn't that be your
22 responsibility?

23 And, if not, then make a decision
24 should it be that stable value, or should it be
25 another stable value or similar investment?

1 MISTER KELLY: So, in regards to
2 stable value, or fixed accounts assets and as we
3 talked about the self-directed brokerage, we
4 don't cover those.

5 And, often-times, it's because we
6 don't -- we can't control if those funds -- if
7 there -- if there's -- specific funds do make it
8 into the lineup, they were given the platform
9 they were operating on, they may get -- take
10 which -- whether there's a fixed account or
11 stable value put in there.

12 So, that's the reason why LeafHouse
13 does not act as a -- as a discretionary
14 investment manager on those funds, just because
15 there's a lot of other factors at play that may
16 impact the plan that we just can't simply
17 control.

18 ATTORNEY KWIATEK: So, how do they
19 get out of liability for the -- for that fixed
20 account?

21 MISTER KELLY: So, for -- well, I
22 -- I -- I'm not gonna -- I'm not gonna say how
23 they could get out of liability for it,
24 necessarily.

25 I mean, it's -- it's something that

1 we simply just can't cover, because it's --
2 there's -- there's a lot of factors at play for
3 why that fund -- why that stable value fund gets
4 itself in there.

5 That are simply just -- I just
6 don't --

7 ATTORNEY KWIATEK: So, would it --

8 MISTER KELLY: -- I don't know --

9 ATTORNEY KWIATEK: -- is it --

10 MISTER KELLY: -- what to --

11 ATTORNEY KWIATEK: -- possible to
12 not have that particular stable value, but to
13 have a -- a different one in there?

14 MISTER KELLY: Um, it -- it -- it
15 depends. It's -- it's really just on a case-by-
16 case bases, depending on which platform that
17 we're working with.

18 Because, it really comes down to
19 what's available. And if there's --

20 ATTORNEY KWIATEK: So, what is
21 available?

22 MISTER KELLY: Um, I'm not -- I'm
23 -- right off the top of my head, if there are
24 other alter -- alternatives that we could
25 explore.

1 ATTORNEY KWIATEK: But, I --
2 MISTER KELLY: That's --
3 ATTORNEY KWIATEK: -- think --
4 MISTER KELLY: -- something --
5 ATTORNEY KWIATEK: -- that the --
6 MISTER KELLY: -- I can --
7 ATTORNEY KWIATEK: -- point is, --
8 MISTER KELLY: -- look into.
9 ATTORNEY KWIATEK: -- we want you
10 to be making the decision if there are
11 alternatives that are available as to what is --
12 whether this is the best one, or something else
13 is a better stable value, for a fixed investment
14 account --
15 MISTER KELLY: Hm-hm.
16 ATTORNEY KWIATEK: -- fund.
17 They would like you to be making
18 that decision.
19 So, will you take on the
20 responsibility of checking with Empower and --
21 and working with Michael and Quint and figuring
22 out if that is something that can be put in your
23 (not clear) or not and their's -- or, if it's
24 something required by --
25 And, maybe, Connie -- maybe you

1 know it -- whether that --

2 MISTER KELLY: (not audible)

3 ATTORNEY KWIATEK: -- stable value
4 is required in the lineup, just being -- that if
5 they want to have a fixed investment that's the
6 one they have to have.

7 MS. RETTIG: Well, the pricing for
8 the plan is based on the agreement to use that
9 stable value product.

10 So, you can change it, but if you
11 do change it, depending on what you change it to,
12 it would effect the pricing of your plan for the
13 record keeping portion.

14 ATTORNEY KWIATEK: Okay. So, what
15 I would like LeafHouse, unless you all, the
16 Trustees have a different idea, I would like you
17 to come back, look at what is available, right,
18 what you would recommend and then we'll find out
19 what the difference in the pricing is.

20 MISTER KELLY: Hm-hm.

21 ATTORNEY KWIATEK: So that they can
22 make an informed decision.

23 MISTER KELLY: Okay.

24 ATTORNEY KWIATEK: Yeah.

25 MISTER KELLY: I mean, it's --

1 it's -- we'll certainly see what the other
2 alternatives are.

3 Again, I can't say that we'll act
4 as the fiduciary on it, just because that's
5 something -- a standard that we don't give,
6 because it does -- it -- changing the fixed
7 account or a stable value does have implications
8 such as impacting record keeping (not clear) are
9 simply just out of our control. So.

10 But we can certainly explore the --
11 the other alternatives for the plan.

12 ATTORNEY KWIATEK: But, if they're
13 telling you it's okay to -- so, I guess they're
14 still directing you with respect to that.

15 But, at least you're making -- they
16 would be making an informed decision, rather than
17 just taking, you know, what's there, because it's
18 there. Right?

19 They need to be able to weigh the
20 recommendation and then that would be one that
21 would still be within -- that you would still
22 have liability for, because it would be -- it
23 would be (not clear) for the 341 -- a 321 with
24 respect to that -- that advice. Right?

25 Because you're saying, here it is.

1 We're not making that decision, but here's our
2 advice. Here's what's available. Here's what we
3 think.

4 TRUSTEE/DIRECTOR GANS: So, --

5 ATTORNEY KWIATEK: Ultimate
6 decision.

7 You'd be back in the situation you
8 were before, or that you would've been if you had
9 -- had -- just had Genex.

10 TRUSTEE/DIRECTOR GANS: Okay. So,
11 --

12 ATTORNEY KWIATEK: But, that's
13 better than right now, where you're just taking
14 it, because it goes along with the platform and
15 you're not making an informed decision based on
16 costs and -- and performance and all that.

17 TRUSTEE/DIRECTOR GANS: So, just to
18 make sure I'm clear, right now Empower's picking
19 that. Correct?

20 Empower's picking that?

21 ATTORNEY KWIATEK: Pretty much. It
22 goes with your platform, unless you want a higher
23 administrative cost.

24 TRUSTEE/DIRECTOR GANS: Okay. Then
25 that's -- I just want to make sure that's what

1 Connie said.

2 ATTORNEY KWIATEK: I think so.

3 Right, Connie?

4 Basically, --

5 MS. RETTIG: I didn't hear --

6 ATTORNEY KWIATEK: -- it goes -- it
7 goes with your platform and -- and if we want
8 something else, it'll, --

9 TRUSTEE/DIRECTOR GANS: It'll cost
10 us.

11 ATTORNEY KWIATEK: -- you know, go
12 -- yeah, the cost. It'll be at a higher cost.
13 Correct?

14 MS. RETTIG: I mean, most likely.

15 So, we need just -- just to clarify
16 it.

17 So, Jamie, you're not -- you're not
18 expecting LeafHouse to come up with these
19 recommendations before a transfer out. Correct?

20 ATTORNEY KWIATEK: Well, I --

21 MS. RETTIG: It's gonna be
22 something -- a going --

23 ATTORNEY KWIATEK: I don't think
24 there's any way that they can do that, given
25 today's the 10th.

1 So, no, you can start breathing
2 again.

3 (General chuckles.)

4 MS. RETTIG: Okay.

5 (General laughter.)

6 MS. RETTIG: So, let me just say,
7 so, like we had -- one of my other plans, they
8 have their advisor that they work with to kinda
9 do a deep dive into the different stable value
10 fund options that were available.

11 And, then, you know, we provided --
12 it was the same situation where their pricing,
13 you know, was dependant upon inclusion of that
14 stable value fund in the lineup.

15 So, we would be able to provide the
16 advisor with, okay, this is how the pricing would
17 change and then they did just a review.

18 And, then, they provided the -- the
19 Board with, okay, this is what we, you know, this
20 is the ones that we reviewed and based on all
21 your criteria, you know, we -- we still felt that
22 the, you know, the one that was in the fund
23 lineup still met their, you know, met their
24 requirements, what have you.

25 So, it's not that it's uncommon,

1 but, yeah, I mean, most likely if you decide to
2 change that, most likely the pricing would go up.

3 ATTORNEY KWIATEK: Okay. But, if
4 we -- you'll be informed about, is there
5 something better that you should be doing, taking
6 into account those costs and returns and without
7 you all having to do the research on that.

8 So, does that work for you, Brad?

9 MISTER KELLY: Yes. I guess that
10 we're -- we're happy to provide the alternatives
11 and -- and see what it is, but, you know, like --
12 like I said, it's not something that we cover
13 from a fiduciary standpoint, just because it does
14 impact other aspects of the plan.

15 But, we're happy to provide the
16 other alternatives.

17 TRUSTEE/DIRECTOR GANS: All right.

18 ATTORNEY KWIATEK: Okay.

19 Any other questions for Brad, or
20 can we let him sit down, now.

21 TRUSTEE STACK: I do. I'm just
22 curious, as far as -- can you give just kind of
23 a background of LeafHouse's relationship to
24 Genex?

25 And -- and I -- and I'm asking

1 mainly because what we left, formally financial
2 advisors, we had, basically, a set of fellows
3 that guided us, or helped guide us to another set
4 of fellows who were talking to another set of
5 fellows and there was nobody ever really to talk
6 to, to ask why are these decisions being made
7 this way, or that way?

8 So, one, being your relationship
9 with Genex and then two, the second question
10 being, if I have a question about LeafHouse's
11 decision, ultimately, do I talk to LeafHouse?

12 Do I talk to Genex?

13 Who do I talk to?

14 MISTER KELLY: Sure. Sure. I'll
15 be happy to answer those questions.

16 TRUSTEE STACK: Okay.

17 MISTER KELLY: So, just -- I think
18 it might be helpful to just provide a little bit
19 of background on how LeafHouse just operates, in
20 general and how we work with Quint and his team
21 and other firms like Genex.

22 So, we're -- we're an investment
23 manager and we provide fiduciary services to
24 advisors and plan sponsors.

25 Because as we (four words not

1 understood) there's a lot that goes into
2 constructing a retirement plan.

3 And, you know, to do so
4 appropriately, it takes a lot of time and it
5 takes a lot of resources. Right?

6 And, for instance, the -- in
7 creating an investment lineup, is one of the more
8 -- was one of the areas that takes a considerable
9 amount of resources and -- and time to be able to
10 create a process where you can select funds that
11 are suitable for the participants and be able to
12 monitor them on an on-going bases.

13 So, what LeafHouse has done, is we
14 decided to really just specialize in being an
15 investment manager to the retirement plan.

16 We're not somebody who comes in and
17 does participant education, or really focuses on
18 plan designs, just because that's not really
19 where our value is.

20 So, whether -- so, the way that
21 we're able to add value is by partnering with
22 Genex and firms like them who really do have --
23 they really have specialities and doing that
24 participant education, creating a plan design and
25 having those one-on-one meetings, so that the

1 participants can have a successful retirement
2 experience.

3 And then they really just -- they
4 leverage our -- basically, they -- they leverage
5 a lot of technology that we develop so that they
6 don't have to.

7 And they're able to get that time
8 back.

9 So, we're really just able to marry
10 the specialties of the two firms, so that their
11 participants are able to have a more dignified
12 overall experience.

13 And I think something that's really
14 important, in regards to our relationship with
15 Genex, or any others -- or any of the other
16 service providers, is that we're a completely
17 independent firm.

18 The only contracts, or agreements
19 we have, is with you.

20 The plan sponsor.

21 So, there is no conflict of
22 interest whatsoever.

23 LeafHouse is a completely
24 independent company.

25 We're not part of a larger

1 financial institution that has proprietary
2 products that are trying to put -- put into
3 investment lineups.

4 Our -- we get played -- we get
5 payed directly out of plan assets.

6 And our agreements are only with
7 you.

8 So, our only incentive is to truly
9 act in the best interest of the plan, itself.

10 And, like I mentioned, we enjoy
11 working with firms like Genex.

12 We work with -- we -- we manage
13 over five billion dollars in assets, so we have
14 an extensive amount of experience doing so.

15 And we've done it for a number of
16 years, now.

17 So, it's -- like I said, it's
18 really marrying those specialties, so that, you
19 know, the -- the participants are able to
20 leverage the resources of those funds in a more
21 fruitful way.

22 Now, if a participant has questions
23 about plan design, or, you know, they're working
24 -- or, they -- they have questions about (two
25 words not clear), what are the benefits? That's

1 really going to be with Quint's team.

2 Now, he's -- he's really going to
3 be their main point of contact for all questions
4 regarding the plan.

5 We're really just the engine that
6 powers the investment lineup, so that his firm
7 doesn't have to do that work, so that they can
8 focus more on working with you guys.

9 And, also, so that you guys don't
10 have to worry about that liability.

11 We're acting as a 338, so a full
12 dis -- discretionary manager and we want to be
13 able to work with you guys and create a lineup
14 that you feel is suitable for your participants.

15 But, at the end of the day, it's up
16 to our discretion, because we're the ones who are
17 held responsible in the event that the plan may
18 find itself in hot water, so to speak.

19 So, did -- did that answer your
20 question, pretty much?

21 TRUSTEE STACK: (not clear)

22 ATTORNEY KWIATEK: Just look --
23 something else that just occurred to me that's
24 probably of interest to you, Adam, too.

25 So, let's say that you've been

1 watching, you know, you're -- you're monitoring
2 the funds and -- and you decided you need to take
3 one out and replace it with something else.

4 Describe to them; because I know
5 the participants are gonna want to know this,
6 what the process is, how much notice participants
7 are given and just --

8 MISTER KELLY: Hm-hm.

9 ATTORNEY KWIATEK: -- how they're
10 informed?

11 Does Genex help you discuss it with
12 the participants?

13 So, if you could just discuss that
14 a little bit.

15 MISTER KELLY: Sure. Absolutely.

16 So, we monitor our funds on a
17 quarterly bases.

18 And, basically, what would trigger
19 a fund change is if the fund is under-performing
20 for multiple quarters, in a row.

21 You know, they're -- we -- in our
22 -- in our IPS it says if it's -- if it's under-
23 performing its peer group three out of four
24 quarters, it normally would trigger a fund
25 change.

1 But, at the same time, we may not
2 change the fund, just based on any external
3 factors that could impact the plan and changing
4 the plan would actually do more harm than good.

5 So, we're extremely thoughtful in
6 just taking in all of the trade-offs and the cost
7 benefit analysis on what's best for the plan.

8 But, if we do choose to change a
9 fund, we're gonna be working with Empower, as
10 well as informing the advisor and the plan
11 sponsor, so that everybody's aware, so that
12 there's no surprises in regard -- and if you pull
13 up your lineup one day and realize, like, oh, all
14 my assets in this fund got mapped over here.

15 We're -- we're very transparent.
16 We -- we focus on communicating effectively with
17 the various service providers so that there's no
18 surprises.

19 ATTORNEY KWIATEK: And then how
20 much time -- how much notice do the participants
21 get that -- basically, you're mapping. Right?

22 MISTER KELLY: Hm-hm.

23 ATTORNEY KWIATEK: You're -- you're
24 taking them out of one fund and moving them over
25 to another.

1 MISTER KELLY: In regards to a
2 date, I don't know if Empower --

3 Connie, perhaps you might have a
4 little bit more information in regards the number
5 of days that --

6 MS. RETTIG: Yeah.

7 MISTER KELLY: -- a participant
8 is notified and --

9 MS. RETTIG: So, we'll provide them
10 with notification. Whether they were in that
11 fund -- let's say, you're just moving a couple of
12 funds or mapping a couple of funds.

13 Whether they were in the fund, or
14 not, all participants will receive a letter in
15 the mail 30 days prior to the fund change.

16 ATTORNEY KWIATEK: Right.

17 MS. RETTIG: With instructions.

18 It would say if you don't want to,
19 if you have funds in these, you know, -- you
20 know, money in these funds and you don't -- you
21 don't like where they're being mapped to, you
22 have until this day to make that change, or else
23 they'll be mapped.

24 So, they -- they're given 30 days
25 notice.

1 ATTORNEY KWIATEK: Good.

2 TRUSTEE STACK: Okay.

3 ATTORNEY KWIATEK: That's great.
4 Perfect.

5 MS. DEPEW: I just want to make
6 sure, just so I'm perfectly clear, if one of the
7 participants, that is, I see that might -- might
8 call, at no point should the participants be
9 calling LeafHouse directly. Correct?

10 Like, LeafHouse is not a
11 participant for -- for the participants. It's
12 Genex and then Empower.

13 But, just so we're perfectly clear.
14 I understand your role, --

15 MISTER KELLY: Hm-hm.

16 MS. DEPEW: -- for the Board and
17 for the information that we have here, but it's
18 gonna be in the Minutes and when they see that
19 LeafHouse is somehow a player in this, for the
20 participants and the people getting the
21 information and asking the questions, the
22 questions are to be asked directly to Genex.

23 The Board has direct communication
24 with LeafHouse.

25 ATTORNEY KWIATEK: With LeafHouse.

1 MS. DEPEW: Okay.

2 ATTORNEY KWIATEK: Right. Right.

3 And I think that should be -- I
4 don't even know that LeafHouse needs to be
5 mentioned in the participants meetings, but I
6 think it should be stressed that if there are
7 questions, if fund changes the fund core -- the
8 core fund lineup changes, that Genex is who they
9 need to contact.

10 MS. DEPEW: Yes. I believe that
11 needs to be stressed. Absolutely.

12 ATTORNEY KWIATEK: Yes.

13 MS. DEPEW: But that -- I
14 understand your participation and you guys
15 understand the role they play and how the
16 responsibilities from them to you and how that --

17 But, if somebody reads these
18 Minutes, or LeafHouse suddenly starts to
19 circulate among the participants, we need to be
20 perfectly clear.

21 Once again, you're not taking
22 participants phone calls.

23 MISTER KELLY: Right.

24 MS. DEPEW: They all need to go
25 directly to Genex.

1 MISTER KELLY: Right.

2 ATTORNEY KWIATEK: Okay. Any other
3 questions for Brad?

4 TRUSTEE/DIRECTOR GANS: I have no
5 other questions.

6 ATTORNEY KWIATEK: Adam, do you?

7 TRUSTEE STACK: (no oral response)

8 ATTORNEY KWIATEK: Adam?

9 TRUSTEE STACK: No.

10 ATTORNEY KWIATEK: Great.
11 Thank you so much.

12 TRUSTEE/DIRECTOR GANS: Where --
13 where did you travel here from?

14 MISTER KELLY: Austin, Texas.

15 TRUSTEE/DIRECTOR GANS: Oh, great.
16 Well, thank you for coming in.

17 MISTER KELLY: Yeah. Absolutely.
18 No, we're -- we're --

19 ATTORNEY KWIATEK: It's very
20 helpful.

21 MISTER KELLY: Not a problem, at
22 all.

23 *(Minutes continued in Volume II. Any and*
24 *all attachments contained in Volume I. Recorded*
25 *by MFPD - Transcribed by Virginia L. Long.)*

MINUTES OF AN OPEN MEETING OF THE PENSION PLAN

BOARD OF TRUSTEES

AND WELFARE BENEFITS PLAN

BOARD OF TRUSTEES

OF THE MONARCH FIRE PROTECTION DISTRICT

OF ST. LOUIS COUNTY, MISSOURI, HELD ON

TUESDAY, SEPTEMBER 10, 2019

VOLUME II

Pages 108-187

VIRGINIA L. LONG

Court Reporting Services

314.603.2287

email: vlong38@yahoo.com

Virginia L. Long
Court Reporter

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I N D E X

VOL/PG

- A. OPEN MEETING
- B. TO DISCUSS ANY OF THE APPROPRIATE CATEGORIES
- C. NEW BUSINESS:
 - a. Approve Meeting Minutes **Vol. I/ 6**
 - b. LeafHouse
 - i. Investment process
 - ii. Performance monitoring
 - c. Empower
 - i. Pending matters-record keeping, Administration, etc.
- D. Loan Language - unforeseeable circumstances
- E. ATTORNEY REPORT:
 - a. LeafHouse Agreement
 - b. Genex Agreement
 - c. Empower Agreements
 - i. Other related documents
 - d. Investment Policy Statement
 - e. Ekon Agreement
 - f. SDBA
- F. OLD BUSINESS

(Index continued on page 110)

1 (Index continued from page 109)

2

VOL/PAGE

3

(F. Old Business con't.)

4

a. Plan Restatements

5

b. Loan Policy

6

c. Revised VEBA

7

d. Participant Meeting

8

i. Sept. 17 & 18 Chesterfield

9

City Hall/8:30 to 11:30 am

10

CLOSED MEETING

11

a. Closed meeting to follow

12

G. ADJOURNMENT

13

14

15

16

17

18

19

20

21

22

23

24

25

MINUTES OF AN OPEN MEETING OF THE PENSION PLAN

BOARD OF TRUSTEES

AND WELFARE BENEFITS PLAN

BOARD OF TRUSTEES

OF THE MONARCH FIRE PROTECTION DISTRICT

OF ST. LOUIS COUNTY, MISSOURI, HELD ON

TUESDAY, SEPTEMBER 10, 2019

Chesterfield, Missouri

September 10, 2019

BE IT REMEMBERED, that the Pension Board of Trustees and the Welfare Benefit Plan (VEBA) Board of Trustees of the Monarch Fire Protection District of Saint Louis County, Chesterfield, Missouri, met at the Administration Building, of said District, 13725 Olive Boulevard, in the City of Chesterfield, County of Saint Louis on Tuesday, September 10, 2019, in a Pension Board of Trustees and a Welfare Benefit Plan (VEBA) Meeting.

At the aforementioned time and place there were present the following Officers, Directors and Trustees:

Rick Gans - Director/Trustee & President
Jean Millner - Director/Trustee & Secretary
Robin Harris - Director/Trustee
Adam Stack - Trustee

(Con't on page 4)

(Con't from page 3)

Also present: Jamie Zveitel Kwiatek, Atty.
 Michelle DePew, Controller

Absent: Trustee Joe Rallo

 A quorum being present, Trustee and
Director Gans called the meeting to order and
announced the Board of Trustees meeting to be in
session for the transaction of any and all
business to be brought before it at this time.

1 **(PROCEEDINGS CONTINUED FROM VOLUME I PAGE 107)**

2

3 ATTORNEY KWIATEK: Okay. I'm gonna
4 go back to where we left off.

5 We've already talked about the
6 investment policy statement. You all have that
7 for review. Comments are out on that.

8 On the education presentations, we
9 do a couple of open items.

10 Connie, I sent you my comments on
11 Sunday. You're welcome.

12 (General chuckles.)

13 MS. RETTIG: I appreciate it.

14 ATTORNEY KWIATEK: No problem.

15 Okay, so, the -- the two things
16 that were open there, one was the self-directed
17 brokerage account percentage. And now we know
18 that.

19 And the other is the hardship
20 withdrawals. And that is a plan document
21 decision and a -- and a -- an education
22 presentation decision.

23 TRUSTEE/DIRECTOR GANS: Didn't we
24 decide Michelle's going to decide that?

25 MS. DEPEW: I quit.

1 (Generous laughter.)

2 ATTORNEY KWIATEK: So, let's --
3 let's -- let's talk about this for a minute.

4 You -- the current plan document,
5 I'm not talking about the restatements that
6 Empower's been working up, but the current plan
7 documents allow an unforeseeable emergency or
8 hardship withdrawal.

9 Those have to be approved.

10 Empower's not going to approve
11 them.

12 Genex is not going to approve them.

13 LeafHouse is not going to approve
14 them.

15 On the other hand, they are only
16 allowed for very limited events.

17 And, Connie, where was your email
18 about these? Because I'm not going to remember
19 them all off the top of my head.

20 If I can find your --

21 TRUSTEE STACK: And just to be
22 clear, what we're talking about is an
23 unforeseeable event.

24 MS. DEPEW: (not clear)

25 TRUSTEE STACK: Something happens

1 in your life and you basically need to take all
2 of your money.

3 ATTORNEY KWIATEK: No, or some.

4 (Speaking over each other.)

5 TRUSTEE STACK: Is that what you're
6 saying?

7 ATTORNEY KWIATEK: Or, some.

8 TRUSTEE STACK: Just some.

9 ATTORNEY KWIATEK: Just some.

10 TRUSTEE STACK: Without paying a
11 penalty? Without paying --

12 ATTORNEY KWIATEK: Eh, --

13 TRUSTEE STACK: -- tax?

14 ATTORNEY KWIATEK: Yeah, you may be
15 taxed on it.

16 But, it allows you to take the
17 money out when you otherwise would not be able
18 to.

19 Let me see if I can get -- oh, I
20 can get -- I can do it. There's more than one
21 way.

22 But, it's very limited
23 circumstances and I will find that in just a
24 second.

25 MS. DEPEW: I will speak to this

1 briefly while she does the report.

2 I will know -- I note, in the past,
3 that I have asked this and more questions, based
4 upon unforeseen circumstances for some of our
5 employees.

6 I have asked the attorney's. I
7 have it in writing.

8 We did not functionally allow this,
9 even if the -- the language may be potentially
10 dead.

11 I'm -- I was surprised to hear that
12 it does.

13 All that being said, --

14 ATTORNEY KWIATEK: Well, it may be
15 that none of what -- none of the requests that
16 came to you qualified.

17 So, there are a couple of -- of
18 requirements.

19 One is that it be for an event, a
20 qualifying event.

21 A qualifying event, because we
22 would follow the rules on the -- the IRS, even
23 though you're not a -- you're a governmental
24 plan, we would follow the same rules.

25 So, it would be for medical care

1 expenses for the participant, his or her spouse,
2 dependants or beneficiaries, costs directly
3 related to the participants purchase of a
4 principal residence and not including mortgage
5 payments.

6 Say you're buying a new house and
7 you need some money for the down payment.

8 A primary residence. Not your
9 vacation home, or your cabin up some place.

10 And now it's necessary to prevent
11 eviction from, or a foreclosure on your primary
12 residence.

13 Funeral expenses for the
14 participant, his or her spouse, dependants or
15 beneficiary.

16 Tuition and related expenses, fees,
17 room, board for the next 12 months only.

18 A post-secondary education for the
19 participant, his or her spouse, dependants and
20 beneficiaries, (not clear) is incurred to repair
21 damage to their principal residence.

22 They are subject to income tax.

23 They may be subject to the ten
24 percent withdrawal liability, or withdrawal
25 penalty. Sorry.

1 If you're under age 59 and a half.

2 But, the difference between these
3 and loans is that there's no dollars on it, other
4 than it not exceed the amount of the financial
5 needs.

6 So, if you need \$10,000.00 for the
7 down payment, you can't get 20. Right?

8 And, -- but, other than that -- and
9 they do have to provide some evidence, prove that
10 it's for the funeral, for educational -- so,
11 education's easy.

12 There's a tuition bill. Right?

13 Or there's a board thing. A
14 brochure from the board. You get all of that
15 from the college.

16 The house. There's a closing
17 statement that's prepared. You know what the
18 amounts are.

19 So, it's -- it's not -- there's no
20 discretionary decisions being made there.

21 Then the ques -- the other thing
22 that they have to show is that they actually have
23 financial needs.

24 In the past, the IRS has required
25 that they have taken all loans from plans before

1 they can get a hardship withdrawal.

2 That requirement went away
3 effective January One, 2019, if the employers
4 didn't want to provide it anymore.

5 In addition, the only -- and the
6 IRS allows you to just accept a certification
7 from the participants, "I don't have any other
8 money to pay this with." Right?

9 You don't have to get their tax
10 returns and their investment statements and
11 everything else.

12 You can take that.

13 Or, there's even a Dean's Rule.

14 And I --

15 TRUSTEE/DIRECTOR GANS: What rule?

16 ATTORNEY KWIATEK: A -- a Dean's,

17 --

18 TRUSTEE/DIRECTOR GANS: Okay.

19 ATTORNEY KWIATEK: -- where they
20 don't even have to give the certification.

21 Let me find --

22 MS. RETTIG: Hey, Carol?

23 I'm sorry. Jamie?

24 ATTORNEY KWIATEK: Yep?

25 MS. RETTIG: Can I jump in here?

1 So, now, my understanding, and if
2 this is not correct, let me know, but that the --
3 the language currently allows for hardship in the
4 457, but not the 401A.

5 Is that accurate?

6 ATTORNEY KWIATEK: So sorry. I'm
7 sorry. I should've said that.

8 MS. RETTIG: Okay.

9 ATTORNEY KWIATEK: Absolutely.
10 Absolutely.

11 So, when they go to --

12 TRUSTEE/DIRECTOR GANS: Next --

13 MS. RETTIG: Okay, so, --

14 ATTORNEY KWIATEK: -- where they
15 put their own money in, so it's not the District
16 money --

17 (Speaking over each other and
18 interference on the recording.)

19 ATTORNEY KWIATEK: Yeah. Thank
20 you, Connie. That was very important.

21 MS. RETTIG: The 457 (one word not
22 clear) actually the requirements are -- are
23 different.

24 And, so, like, education is not one
25 of them. That's not considered an unforeseeable

1 emergency.

2 That would be for like a 401K or a
3 401A that would.

4 But on the 457 they're a little bit
5 stricter with regard to the guidelines.

6 And, basically, it's foreclosure,
7 eviction, a national disaster, the roof -- you
8 know, the roof gets blown off their house, or
9 something of that nature.

10 You know. Expenses.

11 But, like, education and primary
12 residence, where those would apply on the 401A
13 side, they don't apply on the 457.

14 ATTORNEY KWIATEK: Thank you.

15 MS. RETTIG: And we can get some
16 more clarification, you know, like from our
17 legal, so some kind of guidelines when -- when
18 the -- when approving those -- those hardships.

19 Because the 457 is pretty --
20 they're pretty strict on it. So.

21 ATTORNEY KWIATEK: Yeah. The IRS.

22 So, it's -- it's even more limited
23 than I said it was. Because I was looking at the
24 wrong --

25 TRUSTEE/DIRECTOR GANS: So, I like

1 what you already said about the -- us -- us only
2 being obligated to accept the employees
3 certification.

4 And I was under the impression, in
5 reading everything that we had to verify, need
6 funds that they had otherwise available, a pretty
7 big burden on somebody here having to do that.

8 If they can simply sign a
9 certification and that's all that's needed to
10 release us from any liability -- because you know
11 how I am on liability for the Board, --

12 ATTORNEY KWIATEK: But, Connie,
13 does the Dean -- the Dean's Need Rule, which
14 applies to 401K plans, also apply to the 457,
15 where the Dean -- is Dean necessary to satisfy
16 the immediate and have a financial need, if
17 they've gotten everything else out of the plan
18 that they can take out of the plan?

19 Is that where -- or do you need a
20 certification for 457?

21 Do you know?

22 MS. RETTIG: Do you mean, do you
23 have certify that -- that they're exhausted all
24 other --

25 ATTORNEY KWIATEK: Does --

1 MS. RETTIG: -- resources?

2 ATTORNEY KWIATEK: Does the
3 participant have to say, "I don't have any other
4 money available?"

5 Or, is it sufficient just that
6 nothing else is available under the plan?

7 MS. RETTIG: Yeah, I mean, they
8 would have to basically self-certify and they --

9 ATTORNEY KWIATEK: Okay.

10 MS. RETTIG: -- and just say they
11 -- they can't get the -- the money from any other
12 sources, you know, even outside of the plan.

13 And then it would just be up to the
14 plan to review those and just make sure that they
15 meet one of the criteria with regards to, you
16 know, the hardship withdrawal.

17 And as long as there is
18 documentation and that sort of thing, then it's,
19 you know, the plan was never audited and you
20 should, you know, -- you know I can't speak for
21 the auditors, but you'll probably be okay as long
22 as it was documented.

23 So, I mean, one thing, and I know
24 we're getting a little bit ahead of ourselves,
25 but Marilyn Colister, (phonetic spelling) who's

1 our senior regulatory and legislative affairs
2 advisor -- she's fantastic and she does fiduciary
3 training for all of my plans.

4 And, so, that would be something
5 else (one word not clear) for the fact, if you
6 guys would be interested in spending about an
7 hour with Marilyn.

8 She's quite the expert in the field
9 and she could address all of those topics with
10 you and what you need to be doing, just to make
11 sure, you know, you're -- you're covering your
12 bases.

13 ATTORNEY KWIATEK: I --

14 MS. RETTIG: With regard to
15 documents and --

16 ATTORNEY KWIATEK: I think that
17 would be great and by this, under Missouri Law,
18 they have some education requirements, --

19 TRUSTEE STACK: Yeah.

20 ATTORNEY KWIATEK: -- fiduciary
21 and education requirements, so that would help
22 them satisfy that.

23 So, once we're up and running, if
24 you would have her reach out and let's schedule
25 a time for her to do some --

1 TRUSTEE/DIRECTOR GANS: We need to
2 do it by the end of the year.

3 ATTORNEY KWIATEK: Right.

4 MS. RETTIG: Absolutely.

5 ATTORNEY KWIATEK: Before the end
6 of the year.

7 MS. RETTIG: Yeah. Absolutely.
8 Not a problem.

9 MS. DEPEW: I was of the
10 understanding that there is a slide and some of
11 the employee education that did address that
12 unforeseeable circumstances and it could've
13 created some degree of a gray area.

14 Is that also what we're attempting
15 to address right here?

16 ATTORNEY KWIATEK: Well, all the
17 slide said is that it's allowed under the plan
18 and it didn't really create a -- a gray area.

19 It just -- it said they're allowed
20 but they would talk about when it's allowed,
21 which is for almost nothing. Right?

22 MS. RETTIG: Yes. Basically, it
23 says we have a slide that says which all in it,
24 you know, and it -- and it says one of the
25 options, or one of the criteria, suffer a

1 financial hardship and we have in parentheses,
2 457 only. You know.

3 And that's about all we go into
4 with regard to the hardship, is just the fact
5 that it's available under the 457 only.

6 ATTORNEY KWIATEK: And -- and the
7 FCD's are in more detail. Right?

8 MS. RETTIG: (no response.)

9 ATTORNEY KWIATEK: For some
10 employee assistance?

11 MS. RETTIG: Oh, yes. Okay.

12 ATTORNEY KWIATEK: Yeah.

13 MS. RETTIG: Yeah.

14 ATTORNEY KWIATEK: So, --

15 MS. RETTIG: Yeah.

16 ATTORNEY KWIATEK: -- they'll have
17 information.

18 So, it's likely, Michelle, that the
19 request you got before didn't fit into any (not
20 clear) three things. Right?

21 Natural disaster, like the
22 hurricane stopping over your house for days?

23 Things like that?

24 So, it's very possible that none of
25 those fit into that.

1 And do you have a -- a self-
2 certification form, Connie, if they decide to
3 allow the -- to continue to allow the hardship
4 (one word not clear)?

5 Or, is that something that we would
6 need to provide to them?

7 MS. RETTIG: Um, you know what? I
8 can check. Not to my knowledge, but I can see if
9 we have a self-certification form for
10 participants.

11 ATTORNEY KWIATEK: Thank you.

12 MISTER MINOT: (Not audible)

13 ATTORNEY KWIATEK: Yeah, but you
14 have to step up to the mic.

15 MISTER MINOT: I've been texting
16 Connie back and forth through this.

17 This is Frederick Minot with
18 Empower Retirement, again.

19 So, some of the questions that we
20 hear, that I think you need to think about, you
21 are going to be the ones that are going to sort
22 of (one word not clear) whether that person can
23 get an unforeseeable emergency -- is that one of
24 the topics?

25 ATTORNEY KWIATEK: Well, just say,

1 yea or nay, alright, on it.

2 They don't certify.

3 They just either approve or
4 disapprove the request.

5 MISTER MINOT: So, most people
6 don't, but you want to make sure that you're
7 going within the IRS code guidelines of that
8 unforeseeable emergency.

9 As Connie had mentioned, that there
10 are times, very rare, that you could get audited
11 and if it's not done accurately and correctly,
12 your people taking money out of the -- the --
13 their funds, out of the plan, you could get
14 fined, censored, or even dissolve your plan.

15 Now, that -- I've never seen that
16 part happen, but most of the time, it's just (one
17 word not clear) when they come in.

18 ATTORNEY KWIATEK: So, are you
19 saying most of your clients do not allow the
20 financial hardship from the 457 plan?

21 MISTER MINOT: Most do not do it
22 themselves.

23 ATTORNEY KWIATEK: Well, who would
24 do it?

25 Because you all aren't going to do

1 it.

2 Genex isn't doing it.

3 And LeafHouse isn't doing it.

4 So, what are our options, for
5 somebody else to approve it?

6 MISTER MINOT: Connie, this may be
7 where you jump in on that, that side of it, as to
8 answering the question, why or why we don't
9 certify it for this plan.

10 Is that something they didn't want
11 to do?

12 MS. RETTIG: Yeah, because there
13 are certain thresholds for -- for the plan sizes,
14 where we will and where we're -- we're not able
15 to.

16 And, unfortunately, they don't meet
17 the threshold, so, --

18 MISTER MINOT: So what's the other
19 plans that don't get to this threshold? They'll
20 have a committee on board that will be able to
21 have and -- and look at the information, as
22 opposed to maybe just one person?

23 MS. RETTIG: Exactly.

24 MISTER MINOT: Because I do
25 remember, years ago, it was like one person.

1 MS. RETTIG: So, we --
2 MISTER MINOT: A lot of --
3 MS. RETTIG: -- would --
4 MISTER MINOT: -- stress --
5 MS. RETTIG: -- provide, --
6 MISTER MINOT: -- on that --
7 MS. RETTIG: -- you know, --
8 MISTER MINOT: -- one --
9 MS. RETTIG: -- like --
10 MISTER MINOT: -- person.
11 MS. RETTIG: -- we can provide
12 some guidelines, like Marilyn, you know, that
13 type of thing.
14 But, if the plan actually, you
15 know, -- we have some plans that do it
16 themselves, regardless.
17 They like to be the ones that
18 review those to make sure that they meet all the
19 criteria.
20 TRUSTEE/DIRECTOR GANS: All right.
21 How often are we talking about this happening?
22 ATTORNEY KWIATEK: The -- how often
23 have you gotten those requests -- a financial
24 needs request?
25 MS. DEPEW: It depends on what

1 circumstances it -- it -- it's applied for.

2 If it's for medical care, or a
3 funeral, I -- those are probably the most --

4 TRUSTEE/DIRECTOR GANS: And they --

5 MS. DEPEW: -- frequent.

6 TRUSTEE/DIRECTOR GANS: -- come to
7 you.

8 MS. DEPEW: Two times a year, at a
9 max.

10 TRUSTEE/DIRECTOR GANS: Okay.

11 MS. DEPEW: And I don't know that
12 tuition applies, or not.

13 ATTORNEY KWIATEK: No.

14 MS. DEPEW: Okay. Because they do
15 that through their VEBA. But, if they need for
16 (not clear) children, or something, then --

17 TRUSTEE/DIRECTOR GANS: So, it's
18 our responsibility.

19 MS. DEPEW: But, the medical care
20 and the funeral leave are definitely ones that
21 have come across my office and at that point they
22 are -- they are desperate, but, --

23 TRUSTEE/DIRECTOR GANS: And -- and
24 --

25 MS. DEPEW: -- I guess there's

1 always a no.

2 TRUSTEE/DIRECTOR GANS: So, if this
3 Board has to meet to approve it, desperate is --
4 probably means they want it right now and we
5 don't meet regularly.

6 So, is -- are -- are we going to be
7 in violation of anything, Jamie, if we -- the
8 Board agrees that we're the deciding body, but we
9 can't decide any more quickly than the four weeks
10 notice?

11 TRUSTEE STACK: And if we don't
12 decide in their favor, do they have any recourse
13 towards us?

14 I mean, it's --

15 ATTORNEY KWIATEK: Well, I mean,
16 they can -- they can -- it's -- they're -- I'm
17 sure the plans have language in them that there's
18 a discretion in it.

19 You know, your decisions to
20 interpret the plan and all of that, you have the
21 full right to use your discretion.

22 And as long as you're not arbit --
23 you know, you're not making the decision because
24 you don't like Joe, but you do like Adam, like,
25 things like that you can't take into account.

1 There shouldn't be -- you -- where
2 you have more exposure is if you approve
3 something that isn't really qualifying for the
4 457 --

5 TRUSTEE STACK: Hmm.

6 ATTORNEY KWIATEK: -- hardship.
7 And -- and -- and you can -- you can take it back
8 out and not allow it if you're so concerned about
9 the liability.

10 I -- my point was that you should
11 understand what is involved, what isn't involved,
12 how difficult it is, before making the decision
13 to not have it in the plan.

14 MS. DEPEW: I would be interested
15 to know if you're going to consider it, where do
16 the tax consequences lie, too.

17 Like, if it's a taxable item and
18 they take the funds out, does Empower provide the
19 taxing documents at the end of the year?

20 ATTORNEY KWIATEK: Sure.

21 MS. DEPEW: Not for the (not clear,
22 due to speaking over)

23 ATTORNEY KWIATEK: But, you provide
24 a -- when there's a hardship, it's just one of
25 your -- you -- you do the 1099's, always.

1 Right? For it?

2 Connie, if there's a hardship --

3 MS. RETTIG: Yes.

4 ATTORNEY KWIATEK: Yes.

5 MS. DEPEW: Okay. It's a --

6 (Speaking over each other.)

7 MS. RETTIG: (not clear) process --

8 ATTORNEY KWIATEK: Right.

9 MS. RETTIG: And it would just be

10 up to the plan, the plans discretion of who (not

11 clear) you know, the ones we process, or don't.

12 Usually.

13 TRUSTEE/DIRECTOR GANS: All right.

14 So, everyone here who knows my experience here,

15 have seen me get burned by discretionary

16 decisions.

17 And I'm never in favor of being

18 involved in them.

19 So, I go from there.

20 So, my comment would be, I don't

21 want to allow it, at all.

22 TRUSTEE STACK: Hm. I -- I --

23 you're looking at me to comment, so I will.

24 TRUSTEE/DIRECTOR GANS: Well, yeah,

25 and --

1 TRUSTEE STACK: Yeah.

2 TRUSTEE/DIRECTOR GANS: -- and
3 because you're being put in the same position
4 that you watched me in.

5 TRUSTEE STACK: Sure.

6 TRUSTEE/DIRECTOR GANS: And if you
7 make a decision with the best interest of
8 everything and try and make it objective, you can
9 sometimes still end up the target of action, or
10 --

11 TRUSTEE STACK: Yeah.

12 TRUSTEE/DIRECTOR GANS: --
13 situations.

14 TRUSTEE STACK: I mean, based on
15 what Jamie has said, it sounds like if we
16 corroborated on something like this, we would
17 still be pretty protected.

18 That said, I guess I think of
19 myself in the circumstance, if I got into a
20 hardship and my last resort was borrowing money
21 from, or taking money from somewhere I don't want
22 to take it from, then I reached then I've reached
23 the bottom of the barrel hardship.

24 So, I would -- part of me would
25 like to still have that option in there.

1 I don't like the fact that the five
2 of us decide on that, but it also sounds like the
3 -- the requirements to -- to meet these hardships
4 are pretty strict.

5 That's correct, Jamie?

6 ATTORNEY KWIATEK: Yeah. I mean,
7 they're very -- they're very limited.

8 Really, your responsibility is for
9 -- for making sure they provide you with proof of
10 the need, whether it's illness, or a property
11 loss, or whatever it is.

12 They can't just come and tell you,
13 my life is (one word not clear) and -- and you go
14 with that.

15 I mean, they need to present you
16 with bills, or something like that, that shows
17 that you need to make sure that you're not
18 authorizing more than the dollar amount.

19 In other words, if they're saying
20 they need 100,000 and they're providing you with
21 a bill for 5,000, you say, oh, no. You can have
22 five but you can't have a hundred --

23 TRUSTEE STACK: Yeah.

24 ATTORNEY KWIATEK: -- out of the
25 plan.

1 Things like that.

2 And when I had a -- you're not the
3 only -- lots of companies have hardship
4 withdrawal provisions.

5 A lot of companies make the
6 decision, themselves.

7 They will either do it just
8 internally, for the bigger companies that have
9 in-house legal, or, they'll also ask their legal
10 advisor. Here -- here are the facts. Here the
11 doc -- whatever documents do we need and what do
12 you think on this?

13 So, I -- I wouldn't recommend that
14 you do it without some sort of legal guidance on
15 it.

16 TRUSTEE/DIRECTOR GANS: Mike, you
17 want to talk about this?

18 MISTER SLUHAN: Mike Sluhan, with
19 Genex.

20 This is in no way to influence you
21 in any way, shape, or form.

22 It's just to provide you with
23 information from experience, 'cause we've dealt
24 with other plans before that have not had
25 hardship withdrawals.

1 And what we've seen is when it
2 really is a hardship and someone's not able to
3 (one word not clear) what's happening in the past
4 and it's been very, very, very, very few that
5 that person quits.

6 Because then that's what allows
7 them to get access to their money when they're in
8 that des -- desperate situation.

9 That's what our experience is,
10 we've seen in the past.

11 So, that's just something that you
12 have to prepare for.

13 TRUSTEE/DIRECTOR GANS: Okay.

14 MISTER SLUHAN: Again, I'm not
15 saying that you should, or shouldn't, but just --

16 ATTORNEY KWIATEK: That's a good
17 point.

18 MISTER SLUHAN: -- to --

19 MS. DEPEW: I have a question.

20 Are you allowed more than one
21 hardship in a year?

22 And, my -- my reasons for this is
23 in my office I've seen that where the spouse is
24 sick, so they feel that they have medical bills
25 there's an immediate hardship.

1 And then the spouse potentially
2 dies. And the death becomes the hardship.

3 That's some of the circumstances
4 that have come across my office and some of the
5 phone calls have occurred.

6 But, can they make two --
7 potentially two requests?

8 ATTORNEY KWIATEK: Do you have any
9 limits in your documents on the number of
10 hardship withdrawals in a year, Connie?

11 MS. RETTIG: No. No.

12 ATTORNEY KWIATEK: Okay.

13 MS. RETTIG: That's not -- no.

14 TRUSTEE/DIRECTOR GANS: But, so --

15 MS. RETTIG: If they have a
16 hardship, they can -- they can take it out.
17 There's not a limit.

18 TRUSTEE/DIRECTOR GANS: So, my
19 concern is saying yes.

20 I'm sorry.

21 Saying no. Not saying yes.

22 And maybe that's obvious, but -- so
23 I was assailed for, in good faith saying, yes.
24 And then having to answer to why I said yes.

25 And I don't have to explain.

1 Everyone up here knows what I'm talking about.

2 It was -- it went very far.

3 I probably don't -- I don't --

4 ATTORNEY KWIATEK: Was that with
5 respect to the plan, though, or District money?

6 TRUSTEE/DIRECTOR GANS: It was
7 District money.

8 ATTORNEY KWIATEK: District money.

9 So, not --

10 TRUSTEE/DIRECTOR GANS: But, --

11 ATTORNEY KWIATEK: -- through the
12 retirement plan.

13 TRUSTEE/DIRECTOR GANS: Right.

14 ATTORNEY KWIATEK: So, probably
15 something where there was more discussion
16 involved than -- than here, maybe?

17 TRUSTEE/DIRECTOR GANS: We're -- we
18 were making medical decisions.

19 ATTORNEY KWIATEK: Well, that's not
20 appropriate.

21 TRUSTEE/DIRECTOR GANS: Oh, no,
22 it's --

23 ATTORNEY KWIATEK: I mean, and that
24 --

25 TRUSTEE/DIRECTOR GANS: -- it's

1 not appropriate and --

2 ATTORNEY KWIATEK: -- and that --

3 TRUSTEE/DIRECTOR GANS: -- there's
4 no -- there was no choice.

5 ATTORNEY KWIATEK: Yeah. And
6 that's not going to be the case here.

7 And it's, you know, again, once the
8 money goes into the plan, it's really plan
9 assets. It's allocated to that participant.

10 They're the ones entitled to that
11 money, at some point.

12 We're only talking about monies
13 that come out of their own salary. Right?

14 So, it's not a question of have you
15 misused District funds.

16 Now, there are legal requirements
17 in as -- either Michael made a point, somebody --
18 or, somebody, Fred, alluded to, there are IRS
19 requirements on these and you don't want to
20 disqualify the plan.

21 But, I -- I haven't seen, you know,
22 things happen, but I -- I have not seen a
23 disqualification over a hardship withdrawal.

24 Typically, when it's something
25 that's allowed, when you have the evidence and

1 the proof to back it up, then you should be able
2 to get through an audit, if you've got the proper
3 documentation.

4 TRUSTEE STACK: So, it sounds like
5 --

6 MS. RETTIG: No, sir. That's like
7 Marilyn. I've -- I've -- I've listened to
8 fiduciary presentation with plans and discussions
9 and that's her main point, is the fact that, you
10 know, as long as you document it, you follow the
11 process, you know, you check the boxes and you've
12 done those things, if you do get audited, as long
13 as you can show that you've done that and not in
14 this case, but in many, then -- then you're
15 probably going to be just fine.

16 So, just stick to your point.

17 TRUSTEE/DIRECTOR GANS: Well, let
18 me say to my fellow Board Members, that in the
19 end, here I sit.

20 In the end, we had the
21 documentation.

22 We went through the wringer and a
23 half.

24 But, in the end, we prevailed.

25 It was no fun.

1 Getting to the end was a nightmare,
2 but, here I am.

3 So, it -- it -- it ended up okay
4 and -- and what Connie just said was the reason.

5 You know, we, behind closed doors,
6 had everything we needed.

7 So, I'm gonna stop there and go
8 along with doing it.

9 I'm con -- I'm -- I'm satisfied
10 that the risk here is different, that the
11 opportunity for something bad to happen is less.

12 And, I like what's been said, so
13 far, about the protections that are there.

14 And I don't know that we won't go
15 to -- to Jamie and ask her to review, --

16 TRUSTEE STACK: Absolutely.

17 TRUSTEE/DIRECTOR GANS: -- when we
18 get a request.

19 TRUSTEE STACK: I --

20 TRUSTEE/DIRECTOR GANS: Unless it's
21 real obvious.

22 TRUSTEE STACK: I -- I would.
23 Yeah.

24 TRUSTEE/DIRECTOR GANS: Okay.

25 ATTORNEY KWIATEK: So, is there a

1 -- do you need a Resolution to --

2 TRUSTEE/DIRECTOR GANS: Yeah.

3 ATTORNEY KWIATEK: -- to your --

4 TRUSTEE/DIRECTOR GANS: Well,

5 you're the attorney, go with --

6 (General chuckles.)

7 ATTORNEY KWIATEK: Okay.

8 TRUSTEE/DIRECTOR GANS: -- go with

9 the --

10 ATTORNEY KWIATEK: Probably.

11 So, the -- the Resolution would be

12 to continue to allow hardship withdrawals from

13 the 457 plan only.

14 TRUSTEE/DIRECTOR GANS: All right.

15 I make that motion.

16 Do I hear a second?

17 TRUSTEE STACK: I second.

18 TRUSTEE/DIRECTOR GANS: Discussion?

19 (No response.)

20 TRUSTEE/DIRECTOR GANS: All in

21 favor?

22 TRUSTEE STACK: Aye.

23 TRUSTEE/DIRECTOR MILLNER: Aye.

24 TRUSTEE/DIRECTOR HARRIS: Aye.

25 TRUSTEE/DIRECTOR GANS: Aye.

1 Motion passes four to nothing.

2 ATTORNEY KWIATEK: Connie, just out
3 of curiosity, how far off is the appropriate time
4 for the -- to -- to get Empower to take that
5 responsibility on?

6 MS. RETTIG: We typically only
7 offer the service to plans that are fifty million
8 and -- and up.

9 TRUSTEE/DIRECTOR GANS: We're not
10 close.

11 (General chuckles.)

12 ATTORNEY KWIATEK: Never-mind.

13 TRUSTEE/DIRECTOR GANS: We thought
14 we were really big until just now.

15 (Generous laughter.)

16 MS. RETTIG: I'm sorry.

17 ATTORNEY KWIATEK: All right.
18 Okay. We're getting there.

19 Connie, some questions for you on
20 the presentation.

21 I just want to make sure.

22 Will you be covering the mapping of
23 those model funds and how that's working since
24 there are -- there's no equivalent and -- and
25 what you're doing is looking through those and

1 mapping from those, based on the funds that are
2 in each of the -- the model and the (one word not
3 clear) invest -- you know what I'm talking about,
4 --

5 TRUSTEE STACK: Tax co-management?

6 ATTORNEY KWIATEK: Yeah.

7 TRUSTEE STACK: Hm-hm.

8 ATTORNEY KWIATEK: Yeah.

9 So, will you --

10 MS. RETTIG: Yeah, I did --

11 ATTORNEY KWIATEK: -- be expecting
12 that?

13 MS. RETTIG: Well, first of all, I
14 need a clarification, because I asked Carol about
15 it and she wasn't certain.

16 So, I said, "I'll just ask them at
17 the meeting."

18 So can you clarify exactly, like,
19 when I'm looking through the current fund
20 lineup, which ones are you referring to as model
21 funds?

22 ATTORNEY KWIATEK: You -- you won't
23 see those in the current -- in the lineup.
24 That's part of the problem.

25 They call them and I'm -- I cannot

1 remember.

2 Do you -- Adam, do you remember
3 what those, or, Michelle, do you --

4 MS. DEPEW: I don't (not clear)

5 ATTORNEY KWIATEK: So, there are --
6 there's certain investments where the -- the
7 current advisor has taken the funds that are
8 available and grouped them together.

9 And, basically, provided model
10 portfolios that they can go in to.

11 So it's a proprietary thing.

12

13 And when we talked this through
14 with Genex, they said, well, we -- we're not
15 going to provide anything like that. We're not
16 going to mark that to the target date, because
17 it's not similar, but it's just made up of the
18 other funds that are allowed.

19 So we're gonna look through and
20 transfer, so if that model fund contains A, B,
21 and C, and A, B, and C, are mapping to G, E, and
22 F, then they're gonna break apart that model and
23 put it in that.

24 So, what are those called?

25 Where are those?

1 MS. RETTIG: Excuse me?

2 ATTORNEY KWIATEK: Oh, like the --

3 (Speaking over each other.)

4 ATTORNEY KWIATEK: -- the --

5 MS. RETTIG: They're probably --

6 ATTORNEY KWIATEK: It's -- it's --

7 there's Compass, the model options. Compass with

8 growth moderate balance, conservative income.

9 And then there's CMS advisors that

10 is risk managed, high equity, risk managed,

11 medium equity, risk manage, --

12 MS. RETTIG: Okay.

13 ATTORNEY KWIATEK: -- low equity,

14 I don't even know what any of that means.

15 MS. RETTIG: So, they're just --

16 ATTORNEY KWIATEK: (not clear)

17 Seriously.

18 MS. RETTIG: They're --

19 ATTORNEY KWIATEK: Sorry.

20 (Continued to speak over each other.)

21 MS. RETTIG: So, where did -- (not

22 speaking clearly) No, they're just custom (not

23 clear) al -- al -- that's what I want -- that's

24 what I assume they were, but I haven't seen

25 anything so I didn't -- because a lot of funds

1 will have -- the Monarch Fire Protection
2 District, you know, custom target date fund, or
3 things like that.

4 And I didn't see that, so I just
5 wanted to verify it.

6 So, -- so, I guess, the question I
7 would have, and it sounds like you already -- you
8 already talked to Genex is that for every -- for
9 every core option that they currently have a fund
10 lineup that those are made up out of, we have
11 already determined, you know, where that's gonna
12 to be mapped to.

13 And, so, yes. Now that we
14 understand that, when we're -- when we're, you
15 know, (recording cuts out) to them, we can -- we
16 can -- we can address that and just pay that.

17 But they won't be -- they will not
18 longer be like custom "FNL" (one word not clear)
19 funds, but all the funds that they're invested
20 within those, the monies gonna transfer to, you
21 know, to, you know, a -- a life fund, basically.

22 ATTORNEY KWIATEK: Perfect.

23 MS. RETTIG: So, --

24 ATTORNEY KWIATEK: Okay. And, so,
25 a question that -- oh, I'm sorry, Michael. I'm

1 so sorry. Go ahead.

2 MISTER SLUHAN: No, that's okay.

3 I just wanted to make sure.

4 Connie, these are -- since they are
5 proprietary, they are buying and selling at a
6 regular bases, primarily ETF's, so we just need
7 to make sure that when the blackout period
8 happens and there's no further changes, that we
9 have the most recent version of the positions
10 that are in these accounts, so that the mapping
11 takes place correctly.

12 MS. RETTIG: Okay. Was that Quint?

13 MISTER SLUHAN: That's Mike.

14 MS. RETTIG: Or, Michael?

15 Oh, Michael. Sorry. Okay.

16 All right.

17 So, and of course that would be --
18 that would be our intent.

19 So it would just, you know, --
20 let's -- maybe we can take that off-line just to
21 make sure that that happens.

22 It's my understanding, we can bring
23 Carol into the conversation.

24 It's, you know, we're gonna -- when
25 we get that last reporting, that's what we're

1 gonna use when we map it over. So.

2 MISTER SLUHAN: Yeah.

3 MS. RETTIG: But, can we take that
4 off-line, just to make that that happens?

5 MISTER SLUHAN: Sure.

6 MS. RETTIG: We're on the same page
7 there?

8 MISTER SLUHAN: Sure.

9 TRUSTEE/DIRECTOR GANS: The Board
10 was given -- I've been looking for it. Was given
11 the map.

12 MS. DEPEW: Correct.

13 TRUSTEE/DIRECTOR GANS: I can't
14 find it.

15 ATTORNEY KWIATEK: Yes, but, we
16 were given the mapping, but what Michael was
17 saying is that these model funds, the makeup
18 within in the model keeps changing.

19 TRUSTEE/DIRECTOR GANS: Okay.

20 ATTORNEY KWIATEK: So, for them --

21 TRUSTEE/DIRECTOR GANS: I
22 understand that.

23 ATTORNEY KWIATEK: For them to be
24 able to look through and do the mapping, they
25 would have to know what the last iteration of

1 that option was.

2 You just can't find the -- the fund
3 lineup?

4 TRUSTEE/DIRECTOR GANS: I -- yeah,
5 I can't find it.

6 Who'd it come from?

7 ATTORNEY KWIATEK: You need it
8 right now?

9 TRUSTEE/DIRECTOR GANS: Who'd it
10 come from?

11 MS. DEPEW: It came from Genex.

12 TRUSTEE/DIRECTOR GANS: Okay.

13 ATTORNEY KWIATEK: Yeah.

14 TRUSTEE/DIRECTOR GANS: How long --

15 ATTORNEY KWIATEK: We can --

16 TRUSTEE/DIRECTOR GANS: How long
17 ago?

18 ATTORNEY KWIATEK: It was
19 distributed at one of the last two meetings.

20 TRUSTEE/DIRECTOR GANS: Okay.

21 ATTORNEY KWIATEK: I think the last
22 meeting.

23 TRUSTEE/DIRECTOR GANS: All right.
24 Thanks.

25 ATTORNEY KWIATEK: But, will you

1 all just --

2 TRUSTEE/DIRECTOR GANS: I thought
3 it came more recently.

4 ATTORNEY KWIATEK: No.

5 TRUSTEE/DIRECTOR GANS: I thought
6 we got it more recently.

7 ATTORNEY KWIATEK: No, no.

8 TRUSTEE/DIRECTOR GANS: Okay.

9 ATTORNEY KWIATEK: We had it at the
10 last meeting, --

11 TRUSTEE/DIRECTOR GANS: Okay.

12 ATTORNEY KWIATEK: -- or maybe even
13 the July meeting and reviewed it.

14 TRUSTEE/DIRECTOR GANS: Okay.

15 ATTORNEY KWIATEK: I think.

16 TRUSTEE/DIRECTOR GANS: Okay.

17 ATTORNEY KWIATEK: Yeah. So, if
18 you still can't find it, I'm sure that --

19 TRUSTEE/DIRECTOR GANS: I'm not --

20 ATTORNEY KWIATEK: -- Quint --

21 TRUSTEE/DIRECTOR GANS: -- looking
22 back far enough, then. Okay.

23 ATTORNEY KWIATEK: Okay. Quint or
24 Michael, I'm sure, will -- will provide it.

25 I know it was handed out in. I'm

1 assuming it was also emailed.

2 MS. DEPEW: Correct.

3 ATTORNEY KWIATEK: Okay.

4 TRUSTEE/DIRECTOR GANS: Got it.

5 ATTORNEY KWIATEK: And then one --
6 one last question on here, Connie, -- oh, no, not
7 one last, because I haven't asked the next one.

8 So what happens to the deferrals
9 that are being made during the blackout period,
10 from an investment standpoint?

11 MS. RETTIG: Okay. So, -- so, I'm
12 assuming you mean that if you got a payroll
13 that's happening during that blackout period,
14 that will be sent in, so that will be -- I asked
15 Carol about that, exactly how that (one word not
16 clear) would work.

17 And her response was that -- let me
18 make sure that I'm quoting it correctly, the
19 investment elections are going to be mapped, but
20 the ques -- if the question also relates to
21 pending payroll these can be processed
22 immediately following the blackout.

23 ATTORNEY KWIATEK: So, they're just
24 -- so what kind of a calendar, or whatever, are
25 they held in, during the blackout?

1 MS. RETTIG: Uhm, you know what?
2 I would think they would be held in -- in trust,
3 just like it would be if you send in
4 contributions on a payroll file and, you know,
5 you send 'em in and it's after a close of market
6 and, you know, it's not going to happen until
7 Monday, or, you know, that's what I would assume,
8 but I can verify that.

9 ATTORNEY KWIATEK: Yep. Just --

10 MS. RETTIG: Okay.

11 ATTORNEY KWIATEK: -- because I
12 think the participants might wanna know that.

13 So, either it could be -- I -- I
14 think it actually should be discussed at the --
15 the meeting, just so they -- they know.

16 And -- and they'll know, also, that
17 as soon as the blackout is listed, we're going to
18 invest it per your investment election and that
19 we're mapping your investment election.

20 MS. RETTIG: Okay.

21 TRUSTEE STACK: We're making --

22 MS. RETTIG: Yep.

23 TRUSTEE STACK: -- this up, but I
24 -- I thought I read that it went to the -- what
25 would be the stable fund.

1 ATTORNEY KWIATEK: I don't know.
2 TRUSTEE STACK: Okay.
3 ATTORNEY KWIATEK: Let's -- let's
4 have Connie --
5 TRUSTEE STACK: Sure.
6 ATTORNEY KWIATEK: -- verify it.
7 MS. RETTIG: Well, I would think
8 that -- I'm sorry. I should've said -- went a
9 step further.
10 I mean, they're held in trust, but,
11 yes, I believe they're put in the (one word not
12 clear) and stable value, but let me verify that.
13 Okay?
14 And that's for payroll, of pending
15 payroll contributions.
16 ATTORNEY KWIATEK: Yep.
17 MS. RETTIG: Okay. I'll clarify.
18 ATTORNEY KWIATEK: And then one
19 last question for you on the -- on the
20 presentation.
21 Are you going to be discussing --
22 how much are you gonna go into on the -- the
23 self-directed brokerage account?
24 And, I -- I guess I'd like input
25 from -- we don't wanna promote it, which is why

1 I gave you the one comment, it's like, let's not
2 tell 'em that (one word not clear) are advantages
3 to it. That's all we need is more liability.

4 TRUSTEE/DIRECTOR GANS: Right.

5 ATTORNEY KWIATEK: But, do we -- at
6 some point we need to tell them that, that if
7 they have one, they can now have their advisors
8 have access to those funds and make investments
9 in those funds and have their fees paid out of
10 the plan.

11 So, I guess I'm looking to you all
12 for recommendations on how we do that, without
13 giving people the idea that this is a good thing.

14 And maybe that's just something --

15 MS. RETTIG: I --

16 ATTORNEY KWIATEK: -- addressed by
17 Genex, individually, in the individual meetings
18 with those people?

19 Is that -- rather than at the --
20 the big meeting?

21 What do you guys think?

22 MS. RETTIG: So, now, just -- just
23 so we're all in -- on the same page.

24 I confirmed with Carol that the
25 self-directed brokerage, in that situation with

1 the advisor, that that would have to be done
2 separately.

3 ATTORNEY KWIATEK: What do you
4 mean, separately?

5 MS. RETTIG: Meaning the fees.
6 Like they're -- they -- like, we can't pay the
7 advisor their fees, because I actually
8 specifically asked that question, because that
9 was my understanding.

10 But, then, based on your comment,
11 I thought, well, maybe, that wasn't -- that
12 wasn't accurate.

13 So, let --

14 ATTORNEY KWIATEK: I --

15 MS. RETTIG: -- me take a look --

16 ATTORNEY KWIATEK: I thought the
17 application -- we need to -- you and I can
18 discuss that off-line, too, because I thought
19 that was one of the questions in the "SCB" (not
20 clear) account application and that we checked
21 yes.

22 So, I'm not sure why it would be in
23 the application if the answer is no.

24 MS. RETTIG: Okay. Because I --

25 ATTORNEY KWIATEK: I thought it

1 could be paid out of plan assets.

2 So, we just need -- Michelle's
3 looking to see if -- she may not have -- that may
4 not be in everything --

5 MS. DEPEW: (not audible)

6 ATTORNEY KWIATEK: We'll have to
7 look back at that, but I thought that was one of
8 the provisions in that application form.

9 Because I remember, specifically,
10 this -- discussing that.

11 MS. DEPEW: I do want to chime in,
12 real quick, about the blackout period.

13 We do have a payroll date of 10/2.
14 And then the following one is
15 10/10.

16 So there may be the potential that
17 there may be two payrolls in the potential(one
18 work not clear) accounts, hanging out in these
19 (one word not clear) files, which would be --
20 include the 457 and the loan payback's and the
21 Roth's and everything else.

22 So, there -- the 10/2, for sure,
23 more than likely is going to actually be able
24 (one word not clear) suspended.

25 But, 10/10 is the following

1 payroll. So.

2 ATTORNEY KWIATEK: Okay. Does --
3 does that sound good, Michael and Quint, with you
4 all, to just have those discussions individually
5 with those few -- handful of participants to do
6 that?

7 (No oral response.)

8 ATTORNEY KWIATEK: Yeah?

9 Connie, does that sound okay with
10 you?

11 (No oral response.)

12 ATTORNEY KWIATEK: So, whatever is
13 allowed for that -- just that their advisor can
14 directly access the account, or whether fees can
15 -- can be paid out of the account.

16 I -- I happen to know that, at
17 least in some circumstances, Empower can pay
18 those fees out of the account, because I have a
19 self-directed brokerage account in our retirement
20 plan, so part of my investments -- and we're with
21 you all. So, --

22 MS. RETTIG: Well, and, maybe --
23 maybe I'm misunderstanding her answer, or she
24 misunderstood the question, because I -- I sent
25 it to Carol and let me just -- let me just make

1 sure that we're on the same page.

2 She just said the participant would
3 need to pay the advisor outside of the plan.

4 And then the 457 allows for a lump
5 sum distribution 401 lump sum or installment.

6 So I don't know if that means they
7 have to pay the distribution from the plan and
8 then pay the advisor separately -- is that what
9 you're talking about?

10 ATTORNEY KWIATEK: No.

11 MS. RETTIG: But, you're talking
12 about --

13 (Talking over each other.)

14 ATTORNEY KWIATEK: That won't work.

15 MS. RETTIG: -- the fees would
16 come out of the self-directed brokerage. Right?

17 ATTORNEY KWIATEK: Right. Right.

18 The fees just come out of the self -- yeah, --

19 MS. DEPEW: Connie, are you going
20 to be able to make the conference call tomorrow?

21 MS. RETTIG: What time is it?

22 MS. DEPEW: It's our weekly eleven
23 o'clock call.

24 MS. RETTIG: (no response)

25 ATTORNEY KWIATEK: It's -- it's --

1 MS. DEPEW: I'm just going to add
2 this to the agenda, so we can just try and get
3 this clarified --

4 MS. RETTIG: Yeah, I --

5 MS. DEPEW: -- and on the agenda
6 for tomorrow.

7 MS. RETTIG: Uhm, yes. Eleven
8 o'clock. Yes.

9 MS. DEPEW: Perfect.

10 MS. RETTIG: I'll be able to make
11 that.

12 MS. DEPEW: Yeah, so we'll just
13 have Carol added to the agenda and we'll --

14 TRUSTEE/DIRECTOR GANS: So, where
15 did we leave this --

16 MS. RETTIG: And -- and as we're
17 talking, I am drafting an email of all the
18 follow-up items, so I make sure --

19 MS. DEPEW: Perfect.

20 MS. RETTIG: -- that we -- that we
21 (one word not clear) them all.

22 MS. DEPEW: Perfect.

23 MS. RETTIG: So we'll get down to
24 the bottom of all of 'em. So, --

25 MS. DEPEW: Thank you.

1 TRUSTEE/DIRECTOR GANS: Where did
2 we leave this, as far as the presentation?

3 ATTORNEY KWIATEK: We're not gonna
4 have it addressed in the presentation.

5 It will be addressed individually
6 --

7 TRUSTEE/DIRECTOR GANS: Self-
8 directed, at all? Or, the -- or the --

9 ATTORNEY KWIATEK: Well, no.

10 TRUSTEE/DIRECTOR GANS: -- the
11 broker --

12 ATTORNEY KWIATEK: I mean, --

13 TRUSTEE/DIRECTOR GANS: -- the
14 brokers get access?

15 ATTORNEY KWIATEK: The -- I think
16 that this detail. But there was just a comment
17 about the SCBA accounts in that they're --
18 they're taking out the part of the accounts that
19 are the -- or, the part that promote them.

20 TRUSTEE/DIRECTOR GANS: Yes.
21 That's --

22 ATTORNEY KWIATEK: But, --

23 TRUSTEE/DIRECTOR GANS: -- what I
24 want to make sure of.

25 ATTORNEY KWIATEK: -- yes. Right?

1 You're gonna take that section out
2 of the slides?

3 MS. RETTIG: Well, I just -- I
4 wanted to -- to -- one of the things I wanted to
5 clarify.

6 So, on the slide -- and I don't
7 know if there's a way -- I don't know if I can
8 share my screen with all of you, but there are
9 two slides on the self-directed brokerage.

10 The one, Empower Brokerage, it just
11 says designed for participants to understand the
12 risks and accept the responsibility, etcetera, --

13 (Recording fading, leaving a
14 portion of Ms. Rettig's statement not recorded.)

15 MS. RETTIG: Additional fees
16 apply.

17 And then I thought, Jamie, maybe
18 what you're referring to about the benefits,
19 well, then there is a second --

20 (Recording continues to fade.)

21 MS. RETTIG: (not recorded) -- it
22 says, offers (not clear) control and (not clear).

23 Is that what you want taken --

24 ATTORNEY KWIATEK: Yeah.

25 MS. RETTIG: -- out of there?

1 ATTORNEY KWIATEK: Yeah. When I
2 was looking at it, it was one slide with two
3 parts.

4 It was just at the bottom.

5 But, yes, I want the convenience
6 and the -- hey, this is a great thing, out of
7 there.

8 MS. RETTIG: Yep. Okay. I'll take
9 that out. It's not a problem, so I'll take it
10 out.

11 ATTORNEY KWIATEK: Okay.

12 MS. RETTIG: And then we have (not
13 clear) form that you just kinda walk through.
14 We're gonna send it (not clear) and it's got the
15 basic stuff, like, -- and, again, we are kinda
16 waiting on the 50 percent, just to -- to finalize
17 that one.

18 But, all the, like the 2500
19 minimum, the initial contribution, the fees, that
20 sort of thing.

21 So, that's all it is.

22 It's just kind of a summary of the
23 Empower brokerage.

24 ATTORNEY KWIATEK: Is that okay to
25 --

1 (Speaking over each other.)
2 TRUSTEE/DIRECTOR GANS: Yeah.
3 ATTORNEY KWIATEK: -- to leave
4 that?
5 TRUSTEE/DIRECTOR GANS: The nuts
6 and bolts.
7 ATTORNEY KWIATEK: I mean, they
8 want -- I mean, I think it's important that they
9 have a little bit of discussion on the SCBA
10 account without promoting them.
11 TRUSTEE/DIRECTOR GANS: Right.
12 That -- essentially, leave it at that. We --
13 ATTORNEY KWIATEK: Okay.
14 TRUSTEE/DIRECTOR GANS: We gotta
15 cover it, but let's not promote it.
16 ATTORNEY KWIATEK: Okay.
17 TRUSTEE STACK: There'll definitely
18 be questions.
19 ATTORNEY KWIATEK: So, the last
20 item that I have, which really won't take us any
21 time to talk about for the Open Meeting.
22 And -- and we may just wanna -- we
23 can push the Closed Meeting items to the next
24 meeting, if -- if you want to.
25 But, the Genex agreements. I

1 actually have finally reviewed that.

2 We do have comments.

3 I'm waiting for one change, one
4 additional change, that I requested, to come back
5 from an associate.

6 But, I will get that to you this
7 week.

8 So, I apologize for being so far
9 behind on that one.

10 And just -- most of my comments go
11 to the -- it's kinda structured, it seems like
12 for individual clients versus -- so we need to
13 work through that.

14 I'm not providing you with exact
15 suggested language for those changes.

16 We can, if you want us to.

17 But, I -- it just didn't seem to
18 fit the situations very well. So.

19 MISTER SLUHAN: It just -- that
20 actual management agreement is for all strokes of
21 arrangement that we have. So, --

22 ATTORNEY KWIATEK: Yeah, but
23 there's language in there that I can't have in
24 there, because it talks about you all picking
25 specific investments and clients --

1 (Speaking over each other.)
2 MISTER SLUHAN: Yeah, the --
3 ATTORNEY KWIATEK: -- there's a
4 quite --
5 TRUSTEE STACK: -- discretionary
6 --
7 ATTORNEY KWIATEK: -- and the
8 client --
9 TRUSTEE STACK: -- stuff?
10 ATTORNEY KWIATEK: -- the client is
11 named as the District, --
12 MISTER SLUHAN: Right.
13 ATTORNEY KWIATEK: -- and it's not
14 their money.
15 MISTER SLUHAN: Right.
16 ATTORNEY KWIATEK: So, there a lot
17 of things, that -- that don't work.
18 So, we -- we'll need to work
19 together and figure how we're gonna -- how we're
20 gonna work that.
21 MISTER SLUHAN: Okay.
22 ATTORNEY KWIATEK: Okay. So, those
23 were the items I had.
24 I guess, the question to all the
25 advisors; so there are other things you all want

1 to bring to our attention, things we should know
2 for the next few weeks for the participants
3 meeting -- Connie, anything more from Empower's
4 standpoint?

5 MS. RETTIG: You know, if you -- if
6 you'd like and maybe you already said this, but,
7 basically, with regard to the things that are
8 outstanding, I think you've covered all of those.

9 So, just like the agreement is
10 waiting comment approval.

11 Some of 'em has been updated since
12 this afternoon. So, -- and I haven't had a
13 chance to look at all of the emails that came in.

14 But, it looks like we're, you know,
15 we're on track for transition.

16 If we could get that information
17 from Latitude, I know that would help
18 considerably.

19 ATTORNEY KWIATEK: Yeah, we're all
20 aware of that, other than Latitude.

21 (General chuckles.)

22 MS. RETTIG: I'm sorry. I'm not
23 tryin' to -- even got a word there, but, --

24 ATTORNEY KWIATEK: Well, --

25 MS. RETTIG: -- that would help,

1 I know, Carol a lot, considerably.

2 TRUSTEE/DIRECTOR GANS: Mike?

3 MISTER SLUHAN: I just have one
4 quick question from the VEBA side.

5 As we're looking through all of the
6 various different investments that are inside
7 there and trying to come up with a specific
8 recommendation for you all, can you walk me
9 through liquidity, on an annual bases?

10 Is there usually enough money
11 coming in to satisfy the money going out?

12 Or, is the money going out more
13 than what's coming in, so the balance is being
14 depleted over time?

15 MS. DEPEW: The manner in how this
16 works is in February. I will prepare the drops
17 and collect all of the dollars in.

18 I'll prepare the drop and then
19 doing the -- the recommendation, to the Board,
20 for the VEBA allocation, as well.

21 I'll also give them a cash-flow
22 statement and make a request for the potential
23 cash-flow needs of that current year.

24 And then the financial advisors
25 would go back. We would normally do those with

1 (not clear) two three withdrawals. They would
2 take them of (not clear) -- there's (not clear)
3 investments in there.

4 They would try to take the requests
5 out of those -- those (one word not clear)
6 withdrawal disclosures.

7 The last request for 2019 had not
8 been fully satisfied.

9 We can have those off-line
10 discussions and I can send you those documents
11 and how we got there.

12 There are sometimes, depending,
13 that their money does fall short.

14 I mean, with unforeseen
15 circumstances, now with attorney fees, I mean,
16 none of them being -- unless any of the
17 circumstances in which we didn't realize we may
18 run into from the (one word not clear) issue to
19 the restatement issues, to the other issues.

20 But, for the most part, the request
21 has been on target.

22 MISTER SLUHAN: Okay.

23 TRUSTEE/DIRECTOR GANS: So the
24 answer's yes.

25 MS. DEPEW: The answer's yes.

1 MISTER SLUHAN: So, the -- the main
2 reason I asked is because a lot of the funds, as
3 you guys know, are in -- more in liquid-type
4 stuff.

5 TRUSTEE/DIRECTOR GANS: Yes.

6 MISTER SLUHAN: And, as we're
7 reviewing these things, our general nature is
8 going to be, if there's an investment that can
9 possibly be liquidated and not hurt you, and
10 there's another option that's similar in quality
11 that has liquidity to it, --

12 TRUSTEE/DIRECTOR GANS: Go for it.

13 MISTER SLUHAN: -- we're gonna
14 lean in that direction.

15 TRUSTEE/DIRECTOR GANS: Right.

16 MISTER SLUHAN: Okay.

17 TRUSTEE/DIRECTOR GANS: Jamie?

18 ATTORNEY KWIATEK: Okay. Anything
19 -- any other questions from the Trustees?

20 Anything else from advisors?

21 (No response.)

22 ATTORNEY KWIATEK: I can't thank
23 you all enough.

24 I know it's been a long afternoon
25 and it's a long process, but, we have come so

1 far.

2 (General chuckles.)

3 ATTORNEY KWIATEK: I mean, we're
4 just -- this is way overdue for them.

5 So, I appreciate everybody's time.

6 Connie? Connie, I found the
7 application document.

8 Let me see if I can find the -- the
9 "check the box," on here, real fast.

10 (Pause)

11 ATTORNEY KWIATEK: Just so you know
12 where to look.

13 Yes, we're gonna agree -- oh, thank
14 you for the reminder.

15 We do need to read a Resolution and
16 -- so, let me look at --

17 (Pause)

18 ATTORNEY KWIATEK: Ah! "Allow
19 participants trading and see authority.

20 "Allow fees to be paid."

21 That is in your document.

22 It is number 9B.

23 So, if you would circle back
24 around, --

25 MS. RETTIG: I will.

1 ATTORNEY KWIATEK: I'd appreciate
2 it.

3 MS. RETTIG: Let me talk with
4 Carol, 'cause I think either she didn't
5 understand my question, or I'm not understanding
6 her answer. One of two.

7 But, we'll -- we'll get down to the
8 bottom of it.

9 ATTORNEY KWIATEK: Perfect. Thank
10 you.

11 MS. RETTIG: Okay?

12 ATTORNEY KWIATEK: All right.

13 MS. RETTIG: Now, back to --

14 TRUSTEE/DIRECTOR GANS: Thank you,
15 to everyone who sent me the fund lineup.

16 (General chuckles.)

17 ATTORNEY KWIATEK: Pardon me?

18 TRUSTEE/DIRECTOR GANS: Two people.

19 One sent me the fund lineup that
20 didn't have the attachment and I still found it,
21 after that.

22 And then Michael sent it to me
23 while we were here.

24 So, I have it.

25 ATTORNEY KWIATEK: Okay. Good.

1 TRUSTEE/DIRECTOR GANS: And I
2 actually saved the PDF, so I know it will change,
3 over time, but at least I have the first one.

4 So, thank you.

5 ATTORNEY KWIATEK: Okay. So, one
6 last thing that I have for -- for the Open
7 Meeting is just reading in what -- what we've
8 done is prepared Resolutions and I'm just gonna
9 walk you through them quickly.

10 The "whereas's" just gives the
11 history of where we are, what we've done, what
12 we've looked at.

13 And, then, also reflects the
14 authorization for Mister Gans to sign, after once
15 legal says it's okay.

16 And then what we are approving, and
17 again it in substantially the form attached,
18 because not everything is in final we distributed
19 so that -- so attached -- well, it's not
20 physically attached here.

21 Everybody has received the
22 documents and it's all of the various documents
23 that we have reviewed and are approving.

24 The Genex agreement is not on here,
25 because we're just not far enough along for me to

1 be comfortable with a Resolution on that one
2 agreement.

3 So, I have done enough talking.
4 Somebody else to read this and -- and make a
5 motion.

6 TRUSTEE/DIRECTOR GANS: And is it
7 -- are you advising us to read it in full?

8 ATTORNEY KWIATEK: I am.

9 TRUSTEE/DIRECTOR GANS: Okay.

10 ATTORNEY KWIATEK: So that it's on
11 the record, because we didn't provide it with
12 signatures.

13 TRUSTEE/DIRECTOR GANS: There was
14 a time when we had into the record, every year,
15 the tax -- the -- the tax rates three times. And
16 it was this long.

17 So, it's been a while since we've
18 had to do that.

19 If I lose my voice, Robin, take
20 over.

21 This is a Resolution dated
22 September 10th, 2019.

23 "WHEREAS, THE Monarch Fire
24 Protection District," herein "referred to as 'the
25 District,' sponsors the Retirement Plan for

1 Employees of the Monarch Fire Protection District
2 as amended and restated" and that is the
3 'Retirement Plan,' --

4 "WHEREAS, the District sponsors the
5 Monarch Fire Protection District Section 457
6 Deferred Compensation Plan, as amended and
7 restated" -- "457 Plan" and

8 "WHEREAS, the District sponsors the
9 Monarch Fire Protection District Welfare Benefit
10 Plan -- Welfare Plan as amended from time to
11 time; and

12 "WHEREAS, pursuant to Missouri
13 Revised Statute Section 321.800, a pension board
14 appointed in accordance with such statute -- the
15 Pension Committee has the authority and
16 responsibility for the administration of the
17 Retirement Plan and the 457 Plan -- collectively,
18 the Plans and -- Welfare Plan; and

19 "WHEREAS, at its meeting on April
20 17, 2019, the Pension Committee approved Empower
21 Retirement, 'Empower' to serve as the new third
22 power administrator for the Plans and Genex
23 Consulting 'Genex' to serve as the new investment
24 advisor for the Plans, both effective October 1st,
25 2019; and

1 "WHEREAS, at its meeting on July
2 17th, 2019, the Pension Committee determined that
3 it would engage a discretionary investment
4 manager to select and monitor the investment
5 lineup for the Plans, and the Pension Committee
6 has approved Genex's recommendation of LeafHouse
7 Financial Advisors 'LHFA' to perform such
8 fiduciary services, effective October 1st, 2019;
9 and

10 "WHEREAS, the Pension Committee now
11 desires to (I) confirm and approve the various
12 documents necessary or desirable to effectuate
13 the transition of the administration of the Plans
14 to Empower, the engagement of Genex as investment
15 advisor" -- to the -- "for the Plans, and the
16 engagement of LHFA as the discretionary
17 investment manager for the Plans" -- "(ii)
18 authorize Richard Gans to finalize and execute
19 each such document, with any changes he deems
20 necessary or desirable in his sole discretion,
21 subject to legal review and approval, to be
22 ratified at a future meeting of the Pension
23 Committee; and

24 "WHEREAS, at its meeting on May
25 30th, 2019, the Pension Committee approved a draft

1 restatement of the Welfare Plan, effective as of
2 January 1st, 2019, and now, in accordance with
3 subsequent discussion of the Pension Committee at
4 its August 14th," -- 29 -- "2019 meeting, wants to
5 (I) approve a version of the restated Welfare
6 Plan that" -- included -- it "includes revised
7 definitions of 'Retirement Age' and 'Retirement
8 Date,' along with associated changes, and (ii)
9 authorize Richard Gans to execute such document.

10 "NOW THEREFORE," -- may it -- "BE
11 RESOLVED that the members of the members of the
12 Monarch Fire Protection District Pension
13 Committee hereby adopt the following resolutions;

14 "1. The Pension Committee hereby
15 confirms and approves the Administrative Services
16 Agreement between Empower and the District for
17 the Retirement Plan and the 457 Plan, effective
18 October 1st, 2019, in substantially the form
19 attached hereto.

20 "2. In conjunction with the self-
21 directed brokerage account 'Application' approved
22 by the Pension Committee at its August 14, 2019
23 meeting, the Pension Committee hereby confirms
24 and approves, effective October 1st, 2019, each of
25 the following documents relating to the self-

1 directed brokerage account investment option
2 offered under each of the Plans, in substantially
3 the form attached hereto:

4 "a. Letter of Instruction to
5 Empower -- regarding -- "Regarding Self-Directed
6 Self Directed Brokerage Account with respect to
7 both Plans.

8 "b. Self-Directed Brokerage
9 Account Policies and Procedures applicable to
10 both Plans.

11 "3. The Pension Committee hereby
12 confirms and approves the Custody Agreement
13 between the District and Great-West Trust
14 Company, LLC, for the Retirement Plan, effective
15 October 1st, 2019, in substantially the form
16 attached hereto.

17 "4. The Pension Committee hereby
18 confirms and approves the Custody Agreement
19 between the District and" -- Great -- "Great West
20 Trust Company, LLC, for the 457" -- effective --
21 "457 Plan effective October 1st, 2019, in
22 substantially the form attached hereto.

23 "5. The Pension Committee hereby
24 confirms and approves the Addendum to Non-ERISA
25 Institution Investment Fiduciary Agreement

1 between the District and LHFA for the Retirement
2 Plan, effective October 1st, 2019, in
3 substantially the form attached hereto.

4 "6. The Pension Committee hereby
5 confirms and approves the Addendum to Non-ERISA
6 Institutional Investment Fiduciary Agreement
7 between the District and" -- LH -- "LHFA for the
8 457 Plan, effective October 1st, 2019, in
9 substantially the form attached hereto.

10 "7. The Pension Committee hereby
11 confirms and approves the Investment Policy
12 Statement prepared by LHFA with respect to the
13 Retirement Plan, effective October 1st, 2019, in
14 substantially the form attached hereto, as
15 revised in accordance with the attached email
16 Subject: LeafHouse agreement for review and
17 signature, dated September 9th, 2019.

18 "8. The Pension Committee hereby
19 confirms and approves the Investment Policy
20 Statement prepared by LHFA with respect to the
21 457 Plan, effective October 1st, 2019, in
22 substantially the form attached hereto.

23 "9. The Pension Committee hereby
24 confirms, approves, and adopts the restatement of
25 the Retirement of the Retirement Plan effective

1 October 1st, 2019, using the Adoption Agreement
2 for Governmental Volume Submitter 401(a) Plan in
3 conjunction with the corresponding basic plan
4 document, in substantially the form attached
5 hereto, as revised in accordance with accordance
6 with (a) the attached" -- memoran -- "memorandum
7 Subject: Comments on Draft" -- Resolution --
8 (sic) -- "of MFPD 401(a)/457(b) Plans, dated
9 August 30th, 2019 and (b) further discussions of
10 the Pension Board at its September 10th, 2019
11 meeting.

12 "10. The Pension Committee hereby
13 confirms, approves, and adopts the restatement of
14 the 457 Plan, effective October 1st, 2019, using
15 the Empower Retirement Adoption Agreement for
16 Eligible Governmental 457 Plan in conjunction
17 with the corresponding basic plan document, in
18 substantially the form attached hereto, as
19 revised in accordance with (a) the attached
20 memorandum Subject: Comments on Draft Restatement
21 (sic) of MFPD 401(a)/457(b) Plans, dated August
22 30th, 2019, and (b)" -- the -- "further" --
23 discussion -- "discussions of the of the Pension
24 Board" -- at -- "at its September 10th, 2019
25 meeting.

1 "11. The Pension Committee hereby
2 confirms and approves the Government Markets Loan
3 Administrative Policy prepared by Empower for the
4 457 Plan, effective October 1st, 2019, in
5 substantially the form attached hereto.

6 "12. The Pension Committee hereby
7 confirms, approves and adopts the restatement of
8 the Welfare Plan, effective as of January 1st,
9 2019, in substantially the form attached hereto."

10 And, "13. Richard Gans is hereby
11 approved (sic) to take all further actions
12 (including any changes to any documents
13 referenced above that he deems necessary or
14 desirable, in his sole discretion, subject to
15 legal review and approval) and to execute all
16 instruments and documents as shall be necessary
17 or desirable in order to give effect to effect to
18 the aforesaid actions."

19 Do I hear a second?

20 TRUSTEE/DIRECTOR HARRIS: Second.

21 TRUSTEE/DIRECTOR GANS: Discussion?

22 TRUSTEE STACK: I just have a
23 question regarding, I guess, 13. Number 13.

24 ATTORNEY KWIATEK: Hm-hm.

25 TRUSTEE STACK: What -- what,

1 exactly, does that mean?

2 ATTORNEY KWIATEK: We're not done
3 with those (one word not clear).

4 Some of the agreements was provided
5 comments --

6 TRUSTEE STACK: Hmm.

7 ATTORNEY KWIATEK: -- on them.
8 And because they're not in final, yet, that's
9 just saying that once we have approved to say,
10 "Yes, all comments -- all changes that were gonna
11 get made, have been made," so Rick can sign it.

12 That's what that's saying.

13 TRUSTEE STACK: Oh.

14 ATTORNEY KWIATEK: We put those --
15 the legal approval, in there, just to have a --
16 a check.

17 And then you all will also ratify
18 those agreements at the next meeting, after
19 they've been completed and we'll show you all the
20 final changes to them.

21 TRUSTEE STACK: Okay.

22 TRUSTEE/DIRECTOR GANS: And the
23 whole Board will get the documents.

24 Right, Jamie?

25 ATTORNEY KWIATEK: Oh, absolutely.

1 TRUSTEE/DIRECTOR GANS: So I'll
2 simply be empowered to sign, but we'll all get
3 them.

4 ATTORNEY KWIATEK: Yes. Oh,
5 absolutely.

6 TRUSTEE/DIRECTOR GANS: And read
7 every word.

8 All right. Motion and a second.
9 Any further discussion?

10 (No response.)

11 TRUSTEE/DIRECTOR GANS: All in
12 favor?

13 TRUSTEE STACK: Aye.

14 TRUSTEE/DIRECTOR MILLNER: Aye.

15 TRUSTEE/DIRECTOR HARRIS: Aye.

16 TRUSTEE/DIRECTOR GANS: Aye.

17 Motion passes four to nothing.

18 Have we covered enough, tonight?

19 ATTORNEY KWIATEK: I think
20 everybody's done.

21 TRUSTEE/DIRECTOR GANS: Good.

22 ATTORNEY KWIATEK: Including me.

23 TRUSTEE/DIRECTOR GANS: Good.

24 ATTORNEY KWIATEK: We have more
25 things, but they're all Closed and we will take

1 them up next time.

2 TRUSTEE/DIRECTOR GANS: Yes.

3 ATTORNEY KWIATEK: Let's just not
4 wait too long, because we need to address them.

5 TRUSTEE/DIRECTOR GANS: Okay. Very
6 good.

7 Is there any Unfinished Business
8 for the meeting tonight?

9 (No response)

10 TRUSTEE/DIRECTOR GANS: Is there
11 any New Business for the meeting tonight?

12 (No response.)

13 TRUSTEE/DIRECTOR GANS: Hearing
14 none, I make a motion to adjourn.

15 TRUSTEE STACK: I second.

16 TRUSTEE/DIRECTOR GANS: All in
17 favor?

18 TRUSTEE STACK: Aye.

19 TRUSTEE/DIRECTOR MILLNER: Aye.

20 TRUSTEE/DIRECTOR HARRIS: Aye.

21 TRUSTEE/DIRECTOR GANS: Aye.

22 We are adjourned and we are off the
23 record.

24 (Whereupon, the meeting was adjourned at
25 6:45 P.M. as described above.)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

(Please note that this meeting was recorded by the Monarch Fire Protection District and transcribed by Virginia L. Long.)