



# WEST VALLEY CITY

The Regular Electronic Meeting of the West Valley City Council will be held on Tuesday, March 24, 2026, at 6:30 PM, in the City Council Chambers, West Valley City Hall, 3600 Constitution Boulevard, West Valley City, Utah. Members of the press and public are invited to attend in person or view this meeting live on YouTube at <https://www.youtube.com/user/WVCTV>.

## A G E N D A

1. Call to Order
2. Roll Call
3. Opening Ceremony: Councilmember Lars Nordfelt
4. Approval of Minutes:
  - A. March 10, 2026
5. Awards, Ceremonies and Proclamations:
  - A. A Proclamation Declaring April 6- April 10, 2026 as National Community Development Week

West Valley City does not discriminate based on race, color, national origin, gender, religion, age or disability in employment or the provision of services.

If you would like to attend this public meeting and, due to a disability, need assistance in understanding or participating, please notify the City Recorder, Nichole Camac, eight or more hours in advance of the meeting and we will try to provide whatever assistance may be required.

6. Public Comment Period:

*(The comment period is limited to 30 minutes. Any person wishing to comment shall limit their comments to three minutes. Any person wishing to comment during the comment period shall request recognition by the Mayor. Upon recognition, the citizen shall approach the microphone. All comments shall be directed to the Mayor. No person addressing the City Council during the comment period shall be allowed to comment more than once. Comments shall be limited to City business and matters within the purview of the City Council. Speakers should not expect any debate with the Mayor, City Council or City Staff. The Mayor, City Council or City Staff may respond after the comment period has concluded. Speakers shall refrain from personal attacks against fellow citizens, city staff, or members of the City Council.)*

7. Public Hearings:

- A. Accept Public Input Regarding Application ZT-7-2025, Filed by West Valley City, Requesting a Zone Text Change to Modify Some of the Residential Estate (RE) Zone Requirements for Accessory Buildings

Action: Consider Ordinance 26-10, Amend Section 7-6-202 of the Zoning Ordinance to Update Re Zone Standards for Accessory Dwelling Buildings to be Consistent with Other Residential Zones

8. Resolutions:

- A. 26-27: Approve a Retirement Plan Advisory and Consulting Agreement with Kestra Advisory Services, LLC
  
- B. 26-28: Express Intent to Annually Consider Adjustments to the City's Certified Property Tax Rate to Offset Inflation and Support the Long-Term Financial Stability and Service Needs of the City

C. 26-29: Award a Contract to B H, Inc. for the City Hall Parking Lot Reconstruction Project

9. Consent Agenda:

A. Reso. 26-26: Approve an Executive Order to Create a Voluntary Leave Bank Program

B. Reso. 26-30: Ratify the Reappointment of Michael Finch to the Professional Standards Review Board for a Term Commencing April 1, 2026 and Ending March 30, 2028

C. Reso. 26-31: Ratify the Appointment of Susan Atkin to the Professional Standards Review Board for a Term Commencing April 1, 2026 and Ending March 30, 2028

D. Reso. 26-32: Ratify the Appointment of Jennifer Olsen to the Professional Standards Review Board for a Term Commencing April 1, 2026 and Ending March 30, 2028

10. Motion for Closed Session (if necessary)

11. Adjourn



**WEST VALLEY CITY**  
City Council Regular Meeting Minutes  
March 10, 2026

THE WEST VALLEY CITY COUNCIL MET IN ELECTRONIC REGULAR SESSION ON TUESDAY, MARCH 10, 2026 AT 6:30 P.M. AT WEST VALLEY CITY HALL, COUNCIL CHAMBERS, 3600 CONSTITUTION BOULEVARD, WEST VALLEY CITY, UTAH.

THE MEETING WAS CALLED TO ORDER AND CONDUCTED BY MAYOR LANG.

THE FOLLOWING MEMBERS WERE PRESENT:

Karen Lang, Mayor  
Lars Nordfelt, Councilmember At-Large  
Don Christensen, Councilmember At-Large  
Tom Huynh, Councilmember District 1  
Scott Harmon, Councilmember District 2  
William Whetstone, Councilmember District 3  
Cindy Wood, Councilmember District 4

STAFF PRESENT:

Ifo Pili, City Manager  
Nichole Camac, City Recorder  
John Flores, Assistant City Manager  
Eric Bunderson, City Attorney  
Colleen Jacobs, Police Chief  
John Evans, Fire Chief  
Jim Welch, Finance Director  
Steve Pastorik, CED Director  
Coby Wilson, Acting Public Works Director  
Jamie Young, Parks and Recreation Director  
Jonathan Springmeyer, RDA Director  
Sam Johnson, Strategic Communications Director  
Craig Thomas, Community and Culture Director  
Paula Melgar, HR Director  
Tumi Young, Chief Code Enforcement Officer  
Travis Crosby, IT

**OPENING CEREMONY- DON CHRISTENSEN**

Councilmember Christensen asked members of the Council, staff, and audience to rise and recite the Pledge of Allegiance.

**APPROVAL OF MINUTES OF BUDGET RETREAT MEETING HELD FEBRUARY 19 AND 20, 2026 AND THE REGULAR MEETING HELD FEBRUARY 24, 2026**

The Council considered the Minutes of the Budget Retreat Meeting held February 19 and 20, 2026 and the Regular Meeting held February 24, 2026. There were no changes, corrections or deletions.

Councilmember Nordfelt moved to approve the Minutes of the Budget Retreat Meeting held February 19 and 20, 2026 and the Regular Meeting held February 24, 2026. Councilmember Harmon seconded the motion.

A voice vote was taken and all members voted in favor of the motion.

**AWARDS, CEREMONIES, AND PROCLAMATIONS**

**A. RECOGNITION OF JIMMY NGUYEN, NATIONAL MERIT SCHOLAR FROM AMERICAN PREPARATORY ACADEMY**

Councilmember Harmon read a recognition of Jimmy Nguyen, a student from American Preparatory Academy, who was selected as a National Merit Scholar and received a perfect ACT score of 36.

**PUBLIC COMMENT PERIOD**

Karina McClellan, Development Director for Ability Inclusion Services, introduced the organization and explained that it supports adults with cognitive and developmental disabilities in West Valley City by providing opportunities to build life skills, develop friendships, volunteer, and increase independence. She invited the Council and community members to attend the organization's third annual Spring Fling Gala on April 16 at the Utah Cultural Celebration Center, noting that the event will support the launch of a summer youth program for individuals with disabilities ages 18–22. McClellan also presented two complimentary tickets for the Council and thanked the City for its leadership in supporting an inclusive community.

Josh Randall addressed the Council regarding an incident in which he reported being assaulted at the West Valley Family Fitness Center. He stated that the alleged perpetrator was charged with battery in the presence of a minor and disorderly conduct, but expressed concern that the case was later dismissed without notification to him. Joshl alleged that video evidence related to the incident was not properly preserved and cited findings from the 3rd District Victims' Rights Committee and a state records oversight review, which he said determined that his victims' rights had been violated and that evidence had not been properly maintained. Josh expressed concern about the City's response to the situation and encouraged the Council to review the matter and consider steps to

ensure accountability and improvements to processes. He stated that his goal is to prevent similar issues from affecting future victims and offered to speak with Council members after the meeting.

**PUBLIC HEARINGS**

**A. ACCEPT PUBLIC INPUT REGARDING APPLICATION Z-10-2025, FILED BY JOSE AND LORENA JARAMILLO, REQUESTING A ZONE CHANGE FROM A (AGRICULTURE, MINIMUM LOT SIZE 1/2 ACRE) TO R-1-20 (SINGLE UNIT DWELLING RESIDENTIAL, MINIMUM LOT SIZE 20,000 SQUARE FEET) FOR PROPERTY LOCATED AT 7020 WEST 3100 SOUTH**

Mayor Lang informed a public hearing had been advertised for the Regular Council Meeting scheduled March 10, 2026 in order for the City Council to hear and consider public comments regarding Application Z-10-2025, Filed by Jose and Lorena Jaramillo, Requesting a Zone Change from A (Agriculture, Minimum Lot Size 1/2 Acre) to R-1-20 (Single Unit Dwelling Residential, Minimum Lot Size 20,000 Square Feet) for Property Located at 7020 West 3100 South.

Written documentation previously provided to the City Council included information as follows:

Surrounding zones include A to the north, east, and west and R-1-8 (Single Unit Dwelling Residential, minimum lot size 8,000 square feet) to the south. There are single unit dwellings to the north, east, and west and senior condos to the south. While zoned A, the homes to the north, east, and west were developed as a planned unit development (PUD) and are roughly between 11,000 and 13,000 square feet in area. The subject property is designated as Large Lot Residential (2 to 3 units/acre) in the General Plan.

The subject parcel includes a home that, according to the Salt Lake County Assessor, was built in 2019. The applicants would like to split the property in half, retain the existing home on the west lot, and build a new home on the east lot.

Mayor Lang opened the Public Hearing.

Emily Callahan, a resident living near Dalmatian Street, addressed the Council regarding concerns about recent development on a nearby property. She stated that since purchasing her home seven years ago, a neighboring property has added a large home and several backyard structures that she believes may not comply with code requirements. Emily expressed concerns about potential flooding caused by changes to the lot elevation, as well as noise from late-night gatherings, the presence of roosters, and other livestock. She also expressed concern that additional development on the property could further affect nearby

residents' quality of life.

Skyler, a resident of Dalmatian Street, addressed the Council and expressed support for the concerns raised by the previous speaker regarding a neighboring property. He stated that while property owners should be able to use their property, he is concerned about the impact on surrounding neighbors, including noise from late-night music and issues related to livestock, including roosters. Skyler also expressed concern about the possibility of additional development on the property and the potential effects it could have on the neighborhood.

Jose Jaramillo, the applicant and property owner, addressed the Council regarding his request to divide his one-acre property into two lots. He stated that the property has historically been configured in a way that could support two lots and that utilities, including water and sewer, are already available. Jaramillo explained that his intention is to either build another home or sell the additional lot, noting that the property is currently larger than needed for his family. He also responded to concerns raised by neighbors, stating that the property is zoned agricultural, that they primarily keep chickens, and that he is willing to address concerns such as the presence of roosters. He added that gatherings with loud music are infrequent and stated that the last such event occurred about a year ago.

Mayor Lang closed the Public Hearing.

**ACTION: ORDINANCE 26-06, AMEND THE ZONING MAP TO SHOW A CHANGE OF ZONE FOR PROPERTY LOCATED AT 7020 WEST 3100 SOUTH FROM A (AGRICULTURE, MINIMUM LOT SIZE 1/2 ACRE) TO R-1-20 (SINGLE UNIT DWELLING RESIDENTIAL, MINIMUM LOT SIZE 20,000 SQUARE FEET)**  
The City Council previously held a public hearing regarding proposed Ordinance 26-06 that would amend the Zoning Map to Show a Change of Zone for Property Located at 7020 West 3100 South from A (Agriculture, Minimum Lot Size 1/2 Acre) to R-1-20 (Single Unit Dwelling Residential, Minimum Lot Size 20,000 Square Feet).

Councilmember Wood asked if both lots would now be zoned R-1-20. Steve replied yes. He noted that chickens are allow in this zone but no other farm animals.

Councilmember Nordfelt asked if the Development Agreement addresses the outbuildings. Steve replied yes and noted that those structures must be removed or brought up to code before a permit is issued.

Mayor Lang asked if staff was aware of flooding complaints. Steve replied no.

Councilmember Whetstone asked if the new building would be evaluated and inspected for

adequate drainage. Steve replied yes. Councilmember Harmon asked if someone did build a home that didn't properly drain, what the recourse would be for a neighbor. Steve replied that this would be a civil matter. Councilmember Nordfelt verified that all demands of the permit must met before a certificate of occupancy is issued. Steve replied yes.

Upon inquiry by Mayor Lang there were no further questions from members of the City Council, and she called for a motion.

Councilmember Nordfelt moved to approve Ordinance 26-06.

Councilmember Harmon seconded the motion.

A roll call vote was taken:

Councilmember Wood		Yes
Councilmember Whetstone	Yes	
Councilmember Harmon		Yes
Councilmember Huynh		Yes
Councilmember Christensen	Yes	
Councilmember Nordfelt		Yes
Mayor Lang		Yes

Unanimous.

**ACTION: RESOLUTION 26-22, AUTHORIZE THE CITY TO ENTER INTO A DEVELOPMENT AGREEMENT WITH LORENA JARAMILLO FOR APPROXIMATELY 0.98 ACRES OF PROPERTY LOCATED AT APPROXIMATELY 7020 WEST 3100 SOUTH**

Mayor Lang discussed proposed Resolution 26-22 that would authorize the City to Enter into a Development Agreement with Lorena Jaramillo for Approximately 0.98 Acres of Property Located at Approximately 7020 West 3100 South

Written documentation previously provided to the City Council included information as follows:

Jose and Lorena Jaramillo have submitted a zone change application (Z-10-2025) on property at 7020 West 3100 South to change the zoning from A (Agriculture, minimum lot size ½ acre) to R-1-20 (Single Unit Dwelling Residential, minimum lot size 20,000 square feet). The Planning Commission recommended approval of the zone change subject to a development agreement.

Below is a summary of the standards in the development agreement:

- The maximum number of homes shall be 2 including the existing home on the Property.
- The minimum size for the new home shall be 2,500 finished square feet.
- The new home shall include a basement and a 3-car garage.
- Exterior materials shall be fiber cement siding and either brick or stone.
- The new home shall meet the design requirements in Section 7-11-211 of the West Valley City Zoning Ordinance.
- The existing structures in the northwest portion of the site shall either be removed or the owner shall obtain building permits for the structures and make any needed changes to bring the structures into compliance with City requirements before a permit is issued for the new home.

Upon inquiry by Mayor Lang there were no further questions from members of the City Council, and she called for a motion.

Councilmember Harmon moved to approve Resolution 26-22.

Councilmember Nordfelt seconded the motion.

A roll call vote was taken:

Councilmember Wood	Yes
Councilmember Whetstone	Yes
Councilmember Harmon	Yes
Councilmember Huynh	Yes
Councilmember Christensen	Yes
Councilmember Nordfelt	Yes
Mayor Lang	Yes

Unanimous.

- B. **ACCEPT PUBLIC COMMENT REGARDING APPLICATION GPZ-1-2026, FILED BY CHRIS TORONTO, REQUESTING A GENERAL PLAN CHANGE FROM MEDIUM DENSITY RESIDENTIAL (7 TO 12 UNITS/ACRE) TO HIGH DENSITY RESIDENTIAL (12 TO 20 UNITS/ACRE) AND A ZONE CHANGE FROM R-1-8 (SINGLE UNIT DWELLING RESIDENTIAL, MINIMUM LOT SIZE 8,000 SQUARE FEE) TO MXD (MIXED USE) FOR PROPERTY LOCATED AT 5035 WEST LAKE PARK BLVD AND 2736 SOUTH CORPORATE PARK DRIVE**

Mayor Lang informed a public hearing had been advertised for the Regular Council Meeting scheduled March 10, 2026 in order for the City Council to hear and consider public comments regarding application GPZ-1-2026, Filed by Chris Toronto, Requesting a General Plan Change from Medium Density Residential (7 to 12 units/acre) to High Density Residential (12 to 20 units/acre) and a Zone Change from R-1-8 (Single Unit Dwelling Residential, Minimum Lot Size 8,000 Square Fee) to MXD (Mixed Use) for Property Located at 5035 West Lake Park Blvd and 2736 South Corporate Park Drive.

Written documentation previously provided to the City Council included information as follows:

This is the third General Plan/zone change application made on this property since 2023. The Planning Commission recommended denial of the two previous applications, and the applicant withdrew them before they came before the City Council.

In this latest application, the applicant is proposing a development that would include the following uses: 15 single unit dwellings, 76 for-sale townhomes, 40 for-rent townhomes, 180 apartments within 4-story buildings, and 56 apartments within a 5-story building. The total number of units is 368 and the density is 14 units/acre. The applicant's original proposal included 36 for-sale townhomes, 80 for-rent townhomes; however, the Planning Commission recommended that the number of for-sale units be increased.

Mayor Lang opened the Public Hearing.

Nicole McCrea, President of the Highbury Place HOA, addressed the Council regarding the proposed development near the Highbury community. She stated that residents remain concerned about the proposed four-story apartment buildings, citing past experiences with nearby apartment developments that resulted in parking overflow and other neighborhood impacts. Nicole explained that the community has been working with the developer to identify alternatives that would better complement the surrounding area, including replacing the apartments with single-family homes or townhomes, or reducing the buildings to three stories. She noted that residents are supportive of several elements of the proposal, including buffering homes, a park space, improved parking, relocation of pickleball courts, landscaping and fencing, and a proposed extension to Monticello Academy's drop-off area to help with traffic. However, she stated that the HOA believes the proposed increase in density from medium to high is unnecessary and requested that the Council consider development options that better align with the existing neighborhood.

Scott Cameron, a resident of Brixham Way in the Highbury community, spoke in opposition to this application. He stated that while he supports development of the property, he believes it should occur under the existing zoning rather than increasing the density. Cameron expressed concern that the proposed four- and five-story buildings would significantly change the character of the neighborhood and stated his preference that the City retain the current zoning designation.

Chris Toronto, representing Wasatch Group, presented the proposed Highbury North development and provided an overview of the company and its development history in West Valley City. He explained that the project is intended to create a transition between existing single-family neighborhoods and nearby commercial and industrial areas by incorporating a mix of housing types, including single-family homes, townhomes, and apartment units, along with trails, open space, and community amenities.

Chris stated that the proposal was revised following feedback from the Planning Commission and neighborhood residents, including reducing the number of rental units, eliminating a previously proposed commercial surf pool, increasing parking, and relocating higher-density housing farther from existing homes. He noted that the plan includes single-family homes as a buffer along the neighborhood edge, with higher-density housing placed closer to major roads. He also indicated that the project site sits below street grade, which would reduce the perceived height of taller buildings.

Chris added that across the broader development area, approximately 74% of the acreage would be dedicated to single-family housing, supporting homeownership opportunities. The proposal would allow approximately 167 residential units, compared to about 143 units permitted under current zoning, and would limit density to 14 units per acre, below the maximum typically allowed under high-density zoning. He stated that the proposal represents an effort to balance development goals with neighborhood concerns.

Mayor Lang closed the Public Hearing.

**ACTION: ORDINANCE 26-07, AMEND THE GENERAL PLAN TO SHOW A CHANGE OF LAND USE FROM MEDIUM DENSITY RESIDENTIAL (7 TO 12 UNITS/ACRE) TO HIGH DENSITY RESIDENTIAL (12 TO 20 UNITS/ACRE) FOR PROPERTY LOCATED AT 5035 WEST LAKE PARK BLVD AND 2736 SOUTH CORPORATE PARK DRIVE**

The City Council previously held a public hearing regarding proposed 26-07 that would amend the General Plan to Show a Change of Land Use from Medium Density Residential (7 to 12 units/acre) to High Density Residential (12 to 20 units/acre) for Property Located at 5035 West Lake Park Blvd and 2736 South Corporate Park Drive.

Councilmember Whetstone referenced a recent report from the Kim C. Gardner Policy Institute regarding housing trends in northwest Salt Lake County. He noted that the report indicated West Valley City has the highest number of apartment units in the region, with approximately 9,195 units, compared to neighboring communities. Councilmember Whetstone expressed concern that the City may need a greater diversity of housing options, particularly larger single-family homes, to support residents who work in the City and wish to live there. He also noted that the report ranked West Valley City among the lowest in average square footage for single-family homes and emphasized that with limited developable land remaining, the City should consider how future development can provide housing opportunities that support the local workforce.

Upon inquiry by Councilmember Huynh, Steve Pastorik, CD Director, provided a brief history of the previous development proposals for this property.

Mayor Lang expressed support for increasing homeownership opportunities in the City and noted that West Valley has already approved many apartment developments. She stated a preference for development consistent with existing zoning or lower density in the area and raised concerns about traffic impacts near Lake Park and nearby schools.

Councilmember Huynh agreed with comments by Mayor Lang.

Councilmember Wood stated that she supports development of the property but questioned whether the proposed project is the right fit for the area. She expressed support for increasing homeownership opportunities and noted that West Valley City already has a significant number of apartment developments. Referring to the Kim C. Gardner Policy Institute report, she indicated that she does not believe the proposed higher-density rental housing is appropriate for the location and expressed support for development that emphasizes owner-occupied housing.

Upon inquiry by Mayor Lang there were no further questions from members of the City Council, and she called for a motion.

Councilmember Whetstone moved to deny Ordinance 26-07.

Councilmember Wood seconded the motion.

A roll call vote was taken:

Councilmember Wood	Yes
Councilmember Whetstone	Yes
Councilmember Harmon	Yes

Councilmember Huynh	Yes
Councilmember Christensen	Yes
Councilmember Nordfelt	Yes
Mayor Lang	Yes

Unanimous. Denied.

**ACTION: ORDINANCE 26-08, AMEND THE ZONING MAP TO SHOW A CHANGE OF ZONE FOR PROPERTY LOCATED AT 5035 WEST LAKE PARK BLVD AND 2736 SOUTH CORPORATE PARK DRIVE FROM R-1-8 (SINGLE UNIT DWELLING RESIDENTIAL, MINIMUM LOT SIZE 8,000 SQUARE FEET) TO MXD (MIXED USE)**

The City Council previously held a public hearing regarding proposed 26-08 that would amend the Zoning Map to Show a Change of Zone for Property Located at 5035 West Lake Park Blvd and 2736 South Corporate Park Drive from R-1-8 (Single Unit Dwelling Residential, Minimum Lot Size 8,000 Square Feet) to MXD (Mixed Use).

Upon inquiry by Mayor Lang there were no further questions from members of the City Council, and she called for a motion.

Councilmember Harmon moved to deny Ordinance 26-08.

Councilmember Whetstone seconded the motion.

A roll call vote was taken:

Councilmember Wood	Yes
Councilmember Whetstone	Yes
Councilmember Harmon	Yes
Councilmember Huynh	Yes
Councilmember Christensen	Yes
Councilmember Nordfelt	Yes
Mayor Lang	Yes

Unanimous. Denied.

**ACTION: RESOLUTION 26-23, AUTHORIZE THE CITY TO ENTER INTO A DEVELOPMENT AGREEMENT WITH WASATCH Highbury QOZ BUSINESS, LLC FOR APPROXIMATELY 26.34 ACRES OF PROPERTY LOCATED AT APPROXIMATELY 5035 WEST LAKE PARK BLVD AND 2736 SOUTH**

**CORPORATE PARK DRIVE**

Mayor Lang discussed proposed Resolution 26-23 that would authorize the City to Enter into a Development Agreement with Wasatch Highbury QOZ Business, LLC for Approximately 26.34 Acres of Property Located at Approximately 5035 West Lake Park Blvd and 2736 South Corporate Park Drive.

Written documentation previously provided to the City Council included information as follows:

Chris Toronto, representing Wasatch Highbury QOZ Business, LLC, has submitted a General Plan/zone change application (GPZ-1-2026) on property at 2736 S Corporate Park Dr. and 5035 W Lake Park Blvd. to change the General Plan from Medium Density Residential (7 to 12 units/acre) to High Density Residential (12 to 20 units/acre) and the zoning from R-1-8 (Single Unit Dwelling Residential, minimum lot size 8,000 square feet) to MXD (Mixed Use). The Planning Commission recommended approval of the application subject to a development agreement.

The development agreement covers the following topics:

1. standards for the overall project like the location of the different product types, parking, a restriction on commercial uses, and access limitations;
2. standards for the single family homes, townhomes, and apartments;
3. details on the amenities to be provided; and

Upon inquiry by Mayor Lang there were no further questions from members of the City Council, and she called for a motion.

Councilmember Haron moved to approve Resolution 26-23.

Councilmember Whetstone seconded the motion.

A roll call vote was taken:

Councilmember Wood	Yes
Councilmember Whetstone	Yes
Councilmember Harmon	Yes
Councilmember Huynh	Yes
Councilmember Christensen	Yes
Councilmember Nordfelt	Yes
Mayor Lang	Yes

Unanimous. Denied.

C. **ACCEPT PUBLIC INPUT REGARDING APPLICATION ZT-6-2025, FILED BY WEST VALLEY CITY, REQUESTING A ZONE TEXT CHANGE TO UPDATE THE JORDAN RIVER OVERLAY ZONE TO BE CONSISTENT WITH THE REST OF THE ZONING ORDINANCE**

Mayor Lang informed a public hearing had been advertised for the Regular Council Meeting scheduled March 10, 2026 in order for the City Council to hear and consider public comments regarding Application ZT-6-2025, Filed by West Valley City, Requesting a Zone Text Change to Update the Jordan River Overlay Zone to be Consistent with the Rest of the Zoning Ordinance.

Written documentation previously provided to the City Council included information as follows:

The Jordan River Overlay Zone was first adopted in April of 1998 as Ordinance #98-35. In 2017, the City adopted a comprehensive update to the Zoning Ordinance (Title 7 of City Code). Part of the intent of this update was to eliminate vague or subjective terms, remove duplication, and to standardize appeal processes. At the time of the update, the City was involved in litigation on property within the Jordan River Overlay Zone. Due to this litigation, the City chose not to amend the Jordan River Overlay Zone at that time. However, the litigation is now over, and staff recommends that the Jordan River Overlay Zone be updated to be consistent with the changes made to the Zoning Ordinance in 2017.

Mayor Lang opened the Public Hearing. There being no one to speak in favor or opposition, Mayor Lang closed the Public Hearing.

**ACTION: ORDINANCE 26-09, AMEND SECTION 7-6-301 AND PART 7-14-200P OF THE ZONING ORDINANCE TO UPDATE THE JORDAN RIVER OVERLAY ZONE TO BE CONSISTENT WITH THE REST OF THE ZONING ORDINANCE**

The City Council previously held a public hearing regarding proposed Ordinance 26-09 that would amend Section 7-6-301 and Part 7-14-200P of the Zoning Ordinance to Update the Jordan River Overlay Zone to be Consistent with the Rest of the Zoning Ordinance.

Upon inquiry by Mayor Lang there were no further questions from members of the City Council, and she called for a motion.

Councilmember Nordfelt moved to approve Ordinance 26-09.

Councilmember Harmon seconded the motion.

A roll call vote was taken:

Councilmember Wood	Yes
Councilmember Whetstone	Yes
Councilmember Harmon	Yes
Councilmember Huynh	Yes
Councilmember Christensen	Yes
Councilmember Nordfelt	Yes
Mayor Lang	Yes

Unanimous.

**RESOLUTION 26-24: APPROVE THE EXECUTION OF A COOPERATIVE AGREEMENT BETWEEN WEST VALLEY CITY AND THE UTAH DIVISION OF FORESTRY, FIRE, AND STATE LANDS**

Mayor Lang presented proposed resolution 26-24 that would approve the Execution of a Cooperative Agreement Between West Valley City and the Utah Division of Forestry, Fire, and State Lands.

Written documentation previously provided to the City Council included information as follows:

Under this Cooperative Agreement, the City agrees to meet its Participation Commitment and provide Initial Attack response for wildland fire incidents within its jurisdiction. The Agreement allows the City and FFSL to cooperatively discharge joint responsibilities for protecting non-federal lands from wildland fire. Upon issuance of a Delegation of Fire Management Authority pursuant to Utah Code § 65A-8-203.1, FFSL assumes financial responsibility for eligible wildland fire suppression costs, including reimbursement for suppression activities and all aviation assets assigned to the incident.

Upon inquiry by Mayor Lang there were no further questions from members of the City Council, and she called for a motion.

Councilmember Christensen moved to approve Resolution 26-24

Councilmember Whetstone seconded the motion.

A roll call vote was taken:

Councilmember Wood	Yes
Councilmember Whetstone	Yes
Councilmember Harmon	Yes
Councilmember Huynh	Yes
Councilmember Christensen	Yes
Councilmember Nordfelt	Yes
Mayor Lang	Yes

Unanimous.

**RESOLUTION 26-25: AWARD A CONTRACT TO REVIZE TO PROVIDE WEBSITE DESIGN AND SUPPORT SERVICES**

Mayor Lang presented proposed resolution 26-25 that would award a Contract to Revize to Provide Website Design and Support Services.

Written documentation previously provided to the City Council included information as follows:

Hire REVIZE to build a new West Valley City website. WVC collected 58 RFPs for designing, hosting and providing security for updated website. REVIZE submitted the highest scoring responsive proposal. REVIZE would also contractually commit to keeping the operations, maintenance and hosting at the same price for the next 4 years.

For nearly 15 years, West Valley City has used CivicPlus to host and design our city website. Costs continue to creep up as well as ADA compliance issues and an outdated feel to the city website and it is time to have a new re-designed website which would be completed by September 30, 2026 for a seamless transition from the old site to this new one.

Upon inquiry by Mayor Lang there were no further questions from members of the City Council, and she called for a motion.

Councilmember Huynh moved to approve Resolution 26-25.

Councilmember Christensen seconded the motion.

A roll call vote was taken:

Councilmember Wood	Yes
Councilmember Whetstone	Yes
Councilmember Harmon	Yes
Councilmember Huynh	Yes

**MINUTES OF COUNCIL REGULAR MEETING – MARCH 10, 2026**

**-15-**

Councilmember Christensen	Yes
Councilmember Nordfelt	Yes
Mayor Lang	Yes

Unanimous.

**MOTION TO ADJOURN**

Upon motion by Councilmember Huynh all voted in favor to adjourn.

**THERE BEING NO FURTHER BUSINESS OF THE WEST VALLEY COUNCIL, THE  
REGULAR MEETING ON TUESDAY MARCH 10, 2026 WAS ADJOURNED AT 7:21 PM BY  
MAYOR LANG.**

I hereby certify the foregoing to be a true, accurate and complete record of the proceedings of the Regular Meeting of the West Valley City Council held Tuesday, March 10, 2026.

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Nichole Camac, MMC  
City Recorder



# Proclamation

## ***A PROCLAMATION DECLARING APRIL 6-APRIL 10, 2026 AS NATIONAL COMMUNITY DEVELOPMENT WEEK***

***WHEREAS***, the week of April 6-10, 2026, has been designated by the National Community Development Association as National Community Development Week to celebrate the Community Development Block Grant (CDBG) Program; and

***WHEREAS***, the CDBG Program provides annual funding and flexibility to local communities to provide decent, safe and affordable housing, a suitable living environment, and economic opportunities to low- and moderate-income people; and

***WHEREAS***, over the past three years, West Valley City has received over \$3,157,740 in CDBG funds and has funding a variety of activities and projects that have directly benefited our citizens and neighborhoods.

***NOW, THEREFORE***, we, the Mayor and City Council of West Valley City, Utah, hereby proclaim the week of April 6-10, 2026, as National Community Development Week in support of this valuable program that has made tremendous contributions to the viability of the housing stock, infrastructure, public services, and the economic well-being of our community.

DATED this DD<sup>th</sup> day of Month, YYYY.

WEST VALLEY CITY

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY RECORDER



*Description: Zone Text Change*

*Fiscal Impact: \$0*

*Funding Source: N/A*

*Account #: N/A*

**Budget Opening Required:**

**Issue:**

Application #: ZT-7-2025

Applicant: West Valley City

Request: An ordinance text change to modify some of the Residential Estate (RE) Zone requirements for accessory buildings.

**Summary:**

City staff is proposing an ordinance text change to amend Section 7-6-202 of the zoning ordinance.

**Background:**

The proposed ordinance change will modify two regulations for accessory buildings located in the RE Zone. The current setback requirement from side and rear property lines for accessory buildings located in the rear yard is 10'. This change would reduce the required setbacks to 1' from side and rear property lines. All other residential zones in the City, including the R-1-20 Zone, which has a larger minimum lot size requirement than the RE Zone, only require a 1' minimum setback for accessory buildings in the rear yard. The proposed amendment would also change the height limitation for accessory buildings from 1.5 stories tall to 1 story, which is consistent with other residential zones and building code standards. The two amendments will standardize accessory building requirements for all residential zones within the City.

**Recommendation:** The Planning Commission recommends approval.

Department: Community Development  
Submitted by: Brock Anderson, Planning Manager  
Date: 2/23/2026



1 WEST VALLEY CITY, UTAH

2  
3 ORDINANCE NO. \_\_\_\_\_

4  
5 Draft Date: 2/19/2026

6 Date Adopted: \_\_\_\_\_

7 Date Effective: \_\_\_\_\_

8  
9 AN ORDINANCE AMENDING SECTION 7-6-202 OF THE  
10 ZONING ORDINANCE TO UPDATE RE ZONE  
11 STANDARDS FOR ACCESSORY BUILDINGS TO BE  
12 CONSISTENT WITH OTHER RESIDENTIAL ZONES.  
13

14 WHEREAS, the City desires to amend Section 7-6-202 of Title 7 of the West Valley City  
15 Municipal Code to update RE Zone standards for accessory buildings to be consistent with the  
16 rest of the Zoning Ordinance; and

17 WHEREAS, the City Council of West Valley City, Utah, does hereby determine that it is  
18 in the best interests of the health, safety, and welfare of the citizens of West Valley City to amend  
19 Section 7-6-202 of Title 7 of the West Valley City Municipal Code to reflect these changes.

20 NOW, THEREFORE, BE IT ORDAINED by the City Council of West Valley City,  
21 Utah, as follows:

22 Section 1. Repealer. Any provision of the West Valley City Municipal Code found to be  
23 in conflict with this Ordinance is hereby repealed.

24 Section 2. Amendment. Section 7-6-202 of Title 7 of the West Valley City Municipal  
25 Code is hereby amended and/or repealed to read as follows:  
26

27 7-6-202. AGRICULTURAL AND RESIDENTIAL STANDARDS TABLE.

28 The following tables indicate Lot size, setback, Building Height, and Accessory Building  
29 requirements within the Agricultural and Residential Zones of the City.

<b>Residential Standards</b>	<b>RM</b>	<b>SH</b>	<b>RB</b>	<b>R-4</b>	<b>RMH</b>	<b>R-2-6.5</b>	<b>R-2-8</b>	<b>R-1-4</b>	<b>R-1-6</b>	<b>R-1-7</b>
Minimum Lot size (square feet)	20,000*	20,000*	8,000	9,000*	217,800*	6,500*	8,000*	4,000	6,000	7,000
Minimum Lot Width for Interior Lots (feet)	100*	100*	70	80*	N/A	60*	80*	50	65	70
Minimum Lot Width for Corner Lots (feet)	100*	100*	70	80*	N/A	60*	80*	60	75	80
Front setback (feet)	25*	25	25	25	25	25	25	25	25	25
Side setback (feet)	10*	10*	10	10	7.5	8*	8*	0	6*	8*
Garage side setback (feet)	10*	10*	10	10	7.5	8*	8*	10*	10*	10*
Street side setback (feet)	20	20	20	20	25	20	20	20	20	20
Rear setback (feet)	20*	20*	20	30	10	20	20	20*	20*	20*
Maximum Building Height for all Buildings except Accessory Buildings (feet)	75*	36*	35*	35	12*	35	35	30	30	30
Maximum Building Height for all Buildings except Accessory Buildings (Stories)	6*	3*	2.5*	2.5	1*	2.5	2.5	2.5	2.5	2.5
Maximum Building Height for Accessory Buildings (feet)	20	20	20	20	12	20	20	20	20	20
Maximum Building Height for Accessory Buildings (Stories)	1	1	1	1	1	1	1	1	1	1
Minimum Building Height for all Buildings (Stories)	1	1	1	1	1	1	1	1	1	1

<b>Residential Standards</b>	<b>R-1-8, RS</b>	<b>R-1-10</b>	<b>R-1-12</b>	<b>RE</b>	<b>R-1-20</b>	<b>A</b>	<b>A-1</b>	<b>A-2</b>
Minimum Lot size (square feet)	8,000	10,000	12,000	12,000*	20,000	21,780	43,560	87,120
Minimum Lot Width for Interior Lots (feet)	80	90	90	100	100	100	100	100
Minimum Lot Width for Corner Lots (feet)	90	100	100	100	100	100	100	100
Front setback (feet)	25	30	30	30	30	30	30	30
Side setback (feet)	8*	8*	10*	10	10*	10	10	10
Garage side setback (feet)	10*	10*	10*	10	10*	10	10	10
Street side setback (feet)	20	20	20	20	20	20	20	20
Rear setback (feet)	20*	20*	30*	30	30*	30	30	30
Maximum Building Height for all Buildings except Accessory Buildings (feet)	30	30	30	30	30	30	30	30
Maximum Building Height for all Buildings except Accessory Buildings (Stories)	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Maximum Building Height for Accessory Buildings (feet)	20	20	20	20	20	20	20	20
Maximum Building Height for Accessory Buildings (Stories)	1	1	1	1.5 <u>1</u>	1	1	1	1
Minimum Building Height for all Buildings (Stories)	1	1	1	1	1	1	1	1

<b>Standards for Accessory Buildings in Rear Yards</b>	<b>RM</b>	<b>SH</b>	<b>RB</b>	<b>R-4</b>	<b>RMH</b>	<b>R-2-6.5</b>	<b>R-2-8</b>	<b>R-1-4</b>	<b>R-1-6</b>	<b>R-1-7</b>
Setback from Primary Buildings (feet)	3	3	3	3	N/A	3	3	3	3	3
Side setback (feet)	1*	1*	1*	1*	N/A	1*	1*	1*	1*	1*
Rear setback (feet)	1*	1*	1*	1*	N/A	1*	1*	1*	1*	1*
Street side setback (feet)	20*	20*	20*	20*	N/A	20*	20*	20*	20*	20*
Maximum Rear Yard Building Coverage (percentage)	N/A	N/A	25	N/A	N/A	25	25	25	25	25

<b>Standards for Accessory Buildings in Rear Yards</b>	<b>R-1-8, RS</b>	<b>R-1-10</b>	<b>R-1-12</b>	<b>RE</b>	<b>R-1-20</b>	<b>A</b>	<b>A-1</b>	<b>A-2</b>
Setback from Primary Buildings (feet)	3	3	3	3	3	3	3	3
Side setback (feet)	1*	1*	1*	10 1*	1*	10	10	10
Rear setback (feet)	1*	1*	1*	10 1*	1*	10	10	10
Street side setback (feet)	20*	20*	20*	20*	20*	20*	20*	20*
Maximum Rear Yard Building Coverage (percentage)	25	25	25	25	25	N/A	N/A	N/A

30 \* See the specific zone for additional requirements and/or exceptions.  
31

32 **Section 3. Severability.** If any provision of this Ordinance is declared to be invalid by  
33 a court of competent jurisdiction, the remainder shall not be affected thereby.

34 **Section 4. Effective Date.** This Ordinance shall take effect immediately upon posting.  
35

36 **PASSED and APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

37  
38 WEST VALLEY CITY

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41

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MAYOR

42 ATTEST:

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44

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45 CITY RECORDER

**ZT-7-2025**

**Petition by WEST VALLEY CITY to amend Section 7-6-202 of the zoning ordinance to modify some of the RE Zone requirements for accessory buildings. (Staff – Brock Anderson at 801-963-3361 or [brock.anderson@wvc-ut.gov](mailto:brock.anderson@wvc-ut.gov)).**

City staff is proposing an ordinance text amendment to the Agricultural and Residential Standards Table in Section 7-6-202 of the zoning ordinance. The proposal would change the RE (Residential Estate) Zone’s requirements for accessory buildings regarding building story height and required setbacks from side and rear property lines.

Currently, accessory structures in the RE Zone are allowed to be up to 1.5 stories tall. The height for accessory buildings in all other residential and agricultural zones are only allowed to be 1 story. The change will standardize accessory building height across all residential zones, which also aligns better with building code standards.

The current setback requirement from side and rear property lines for accessory buildings located in the rear yard is 10’ in the RE Zone. This change would reduce the required setback to 1’ from side and rear property lines. All other residential zones in the City, including the R-1-20 Zone, which has a larger minimum lot size requirement than the RE Zone, only requires a 1’ minimum setback for accessory buildings in the rear yard. The amendment will standardize this requirement for all residential zones within the City.

**Staff Alternatives:**

1. Approval. The ordinance should be approved as proposed by staff.
2. Continuance. This application should be continued for reasons determined during the public hearing.

**Discussion:** Brock Anderson presented. There were no questions or comments.

**Motion:** Commissioner Woodruff motioned to approve ZT-7-2025. Commissioner Durfee seconded. A voice vote was taken and were in favor of the motion.

UNANIMOUS-ZT-7-2025-APPROVED

# ZT-7-2025

- Applicant: West Valley City
- Request: An amendment to Sections 7-6-202 of the Zoning Ordinance to modify some of the RE Zone requirements for accessory buildings.
- Staff: Brock Anderson

# ZT-7-2025

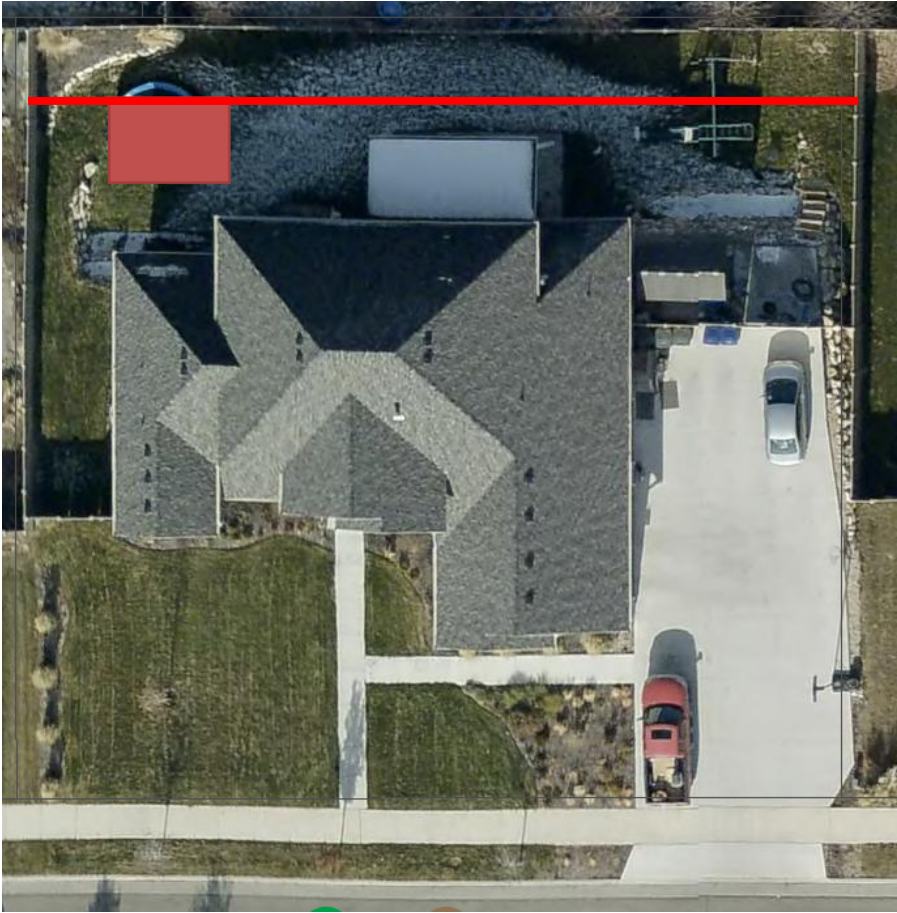
## 7-6-202. AGRICULTURAL AND RESIDENTIAL STANDARDS TABLE.

<b>Residential Standards</b>	<b>R-1-8, RS</b>	<b>R-1-10</b>	<b>R-1-12</b>	<b>RE</b>	<b>R-1-20</b>	<b>A</b>	<b>A-1</b>	<b>A-2</b>
Maximum Building Height for Accessory Buildings (feet)	20	20	20	20	20	20	20	20
Maximum Building Height for Accessory Buildings (Stories)	1	1	1	1.5 <u>1</u>	1	1	1	1
Minimum Building Height for all Buildings (Stories)	1	1	1	1	1	1	1	1

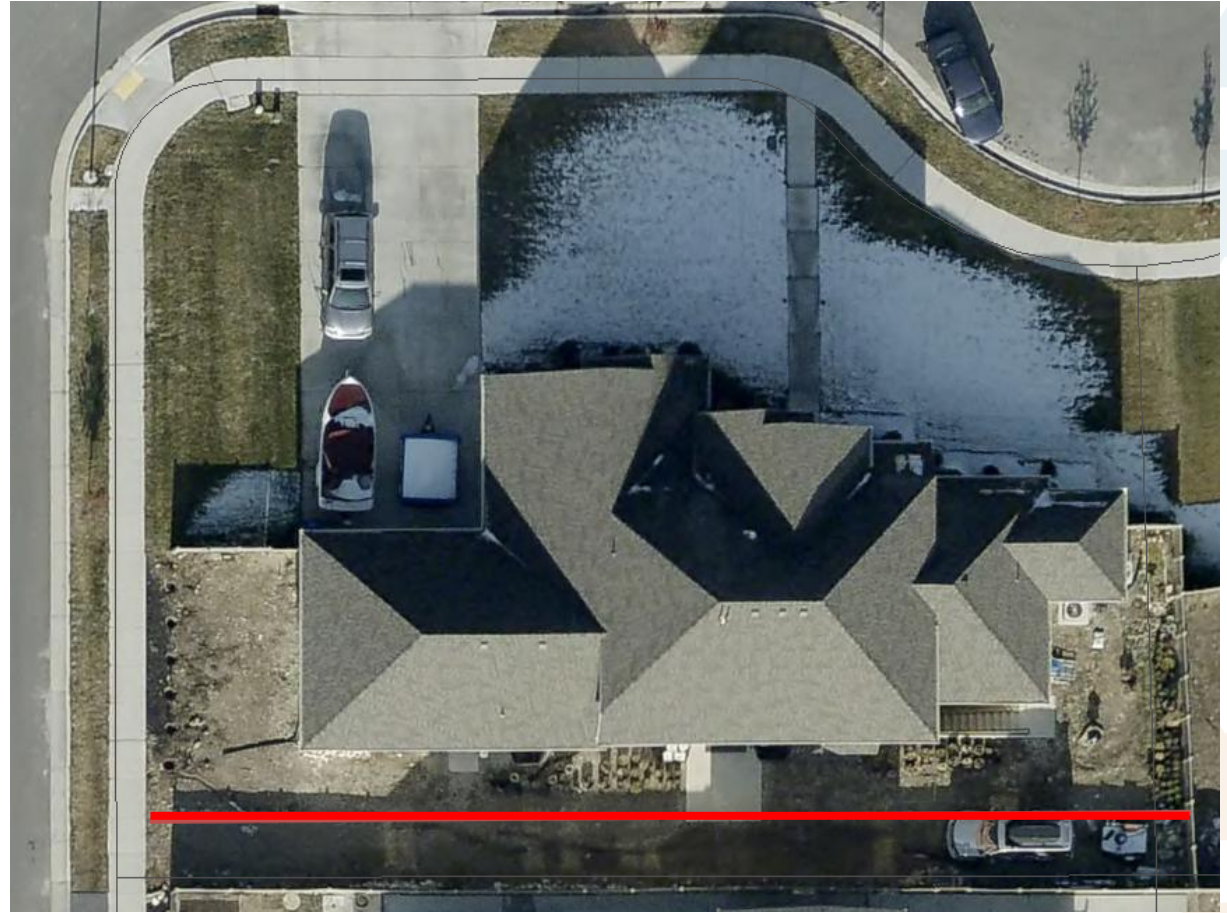
## 7-6-202. AGRICULTURAL AND RESIDENTIAL STANDARDS TABLE.

<b>Standards for Accessory Buildings in Rear Yards</b>	<b>R-1-8, RS</b>	<b>R-1-10</b>	<b>R-1-12</b>	<b>RE</b>	<b>R-1-20</b>	<b>A</b>	<b>A-1</b>	<b>A-2</b>
Setback from Primary Buildings (feet)	3	3	3	3	3	3	3	3
Side setback (feet)	1*	1*	1*	<del>10</del> 1*	1*	10	10	10
Rear setback (feet)	1*	1*	1*	<del>10</del> 1*	1*	10	10	10
Street side setback (feet)	20*	20*	20*	20*	20*	20*	20*	20*
Maximum Rear Yard Building Coverage (percentage)	25	25	25	25	25	N/A	N/A	N/A

# ZT-7-2025



30' rear yard setback to house



20' rear yard setback to house



**Description:** Kestra Advisory Services Retirement Fiduciary & Advisory Services Agreement

**Fiscal Impact:** \$45,000.00/Year for 3-years

**Funding Source:** MissionSquare Administrative Allowance and plan assets debited from participant accounts

**Account #:** N/A

**Budget Opening Required:** N/A

**Issue:**

The Committee initiated a formal review of Retirement Fiduciary & Advisory Services to strengthen plan governance, improve investment oversight, and enhance participant outcomes.

**Summary:**

Following a structured RFI process and multiple presentations, three finalists—NFP, Mariner, and GBS—were evaluated. NFP was selected as the strongest overall fit due to its comprehensive, responsive, and well-structured approach to fiduciary oversight and advisory services.

**Background:**

Retirement Fiduciary & Advisory Services provide disciplined investment oversight, fee benchmarking and negotiation, governance documentation, compliance support, and employee education to promote retirement readiness.

The Committee conducted a formal and well-documented evaluation process, including an RFI and finalist presentations, to ensure prudent fiduciary decision-making. After thorough review and discussion, NFP demonstrated the best alignment with the plan's needs and long-term objectives.

**Recommendation:**

Approve entering into a three-year agreement with NFP for \$45,000 annually to provide full discretionary 3(38) Investment Manager services, with a three-year fee guarantee. Utilize the \$28,000 annual Administrative Allowance from MissionSquare to offset participant costs, resulting in a net \$17,000 allocated proportionally based on account size.

Department: HR, Finance, City Manager  
Submitted by: Paula Melgar  
Date: February 23, 2026



**WEST VALLEY CITY, UTAH**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION APPROVING A RETIREMENT PLAN ADVISORY AND CONSULTING AGREEMENT WITH KESTRA ADVISORY SERVICES, LLC.**

**WHEREAS**, the City sponsors 457(b) and 401(a) retirement plans; and

**WHEREAS**, the City wishes to engage a consultant to evaluate fund options within the plans and offer certain financial planning services for employees; and

**WHEREAS**, Kestra Advisory Services, LLC (“Kestra”) is a qualified consultant willing to offer said services; and

**WHEREAS**, an agreement has been prepared by and between the City and Kestra, a copy of which is attached hereto and entitled “Retirement Plan Advisory and Consulting Agreement” (hereinafter, the “Agreement”), that sets forth the rights, duties, and obligations of each of the parties with respect thereto; and

**WHEREAS**, the City Council of West Valley City, Utah, does hereby determine that it is in the best interests of the health, safety, and welfare of the citizens of West Valley City to approve the Agreement.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of West Valley City, Utah, that the Agreement is hereby approved in substantially the form attached, and that the Mayor is hereby authorized to execute said Agreement and any other documents needed to accomplish the purposes set forth in said Agreement for and on behalf of West Valley City, subject to approval of the final form of the Agreement by the City Manager and the City Attorney’s Office.

**PASSED, APPROVED and MADE EFFECTIVE** this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

WEST VALLEY CITY

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY RECORDER

This Retirement Plan Advisory and Consulting Agreement (“Agreement”) is effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 2026 (the “Effective Date”) by and between Kestra Advisory Services, LLC (“Advisor”), a registered investment adviser under the Investment Advisers Act of 1940 (the “Advisers Act”) and

\_\_\_\_\_ (“Plan Sponsor”), an employer sponsoring the \_\_\_\_\_ (“Plan”) which is a retirement plan qualified under the Internal Revenue Code of 1986, as amended (“Code”) and subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). However, if the Effective Date is not specified above, then the agreement is effective as of the date all parties have signed the agreement.

Plan Sponsor, or an authorized representative of the Plan named above in its capacity as a fiduciary for the Plan (the “Plan Fiduciary”), has requested that Advisor provide certain services relating to the Plan in accordance with ERISA and the related regulatory guidance from the U.S. Department of Labor (“DOL”). This Agreement sets forth the responsibilities of the Plan Sponsor, Plan Fiduciary and Advisor with respect to such services.

## **1. Advisory and Consulting Services**

From and after the Effective Date and until this Agreement is terminated, Advisor, through its investment advisor representative (“IAR”) identified on the Retirement Plan New Account Form, as such IAR may be modified by Advisor from time to time upon written notice to Plan Sponsor, shall provide the Fiduciary Services and Non-Fiduciary Services (together, “Services”) selected by Plan Fiduciary set forth in Appendix A, attached hereto and incorporated by reference herein.

- a. Preparation of IPS. If the Plan Fiduciary selects “Provide fiduciary consulting & oversight” as one of its Fiduciary Services in Appendix A, Advisor acknowledges and agrees that such services involving Advisor’s assistance in the preparation of an investment policy statement (“IPS”) on behalf of the Plan are fiduciary in nature.
- b. Non-Discretionary Plan-Level Investment Advice. If the Plan Fiduciary selects “Non-Discretionary 3(21) Investment Advice” as one of its Services in Appendix A, the Plan Fiduciary hereby appoints Advisor, and Advisor hereby accepts such appointment, as the investment adviser and fiduciary to the Plan within the meaning of ERISA Section 3(21) with respect to the specific investments recommended by Advisor to the Plan Fiduciary in connection with the Services on behalf of the Plan, and only to the extent that Advisor’s investment recommendations are actually implemented by the Plan Fiduciary for the Plan. The Plan Fiduciary acknowledges and agrees that the fiduciary investment responsibilities of Advisor shall be limited to those of a non-discretionary investment adviser and shall not include any other “trustee responsibility” as that term is defined under ERISA Section 405(c)(3). The Plan Fiduciary understands that when it selects Non-Discretionary 3(21) Investment Advice, it has the sole responsibility for determining whether to implement any recommendations from Advisor. The Plan Fiduciary acknowledges that it is not required to implement any of the recommendations or otherwise conduct business through Advisor and that Advisor has no responsibility for decisions made by the Plan Fiduciary that are inconsistent with Advisor’s advice.
- c. Co-Fiduciary Responsibility. As a co-fiduciary with the Plan Fiduciary, Advisor shall not be responsible for preventing the Plan Fiduciary or other fiduciaries of the Plan from breaching their fiduciary duties. Rather, Advisor shall be responsible for another person’s breach of its fiduciary duties only if Advisor acts imprudently with respect to its specific fiduciary obligations under this Agreement and only if such imprudence



enables the other person to breach its fiduciary duties.

**2. Compensation**

Plan Sponsor shall pay Advisor a fee for its Services at an annual rate calculated as a flat fee, an asset-based fee based on a percentage of the Plan's assets, or a combination of these pricing methods, as provided in Appendix B. In the event compensation is received by Advisor as a result of the Plan's investment in mutual funds, such compensation shall be used to pay all or a portion of the fee that the Plan Sponsor is obligated to pay to Advisor and the Plan will be entitled to any such compensation that exceeds the Plan Sponsor's obligation to Advisor as provided in Appendix B.

Advisor's fee shall be payable in billing installments on a periodic basis as specified in Appendix B. If this Agreement becomes effective on a day other than the first day of a full billing period, Advisor's fee for that period shall be prorated based on the length of time the Agreement is in effect during that period.

Plan Sponsor agrees to pay, or cause to be paid from the Plan's assets, the fee payable to Advisor in accordance with this Agreement. By signing this Agreement, the Plan Sponsor authorizes the custodian holding the Plan's assets to pay Advisor's fee directly to Advisor pursuant to the terms set forth on Appendix B. Any fees remaining unpaid by Plan Sponsor after otherwise due shall be due and payable immediately by the Plan.

**Expenses.** Advisor may, with consent of Plan Sponsor, and in accordance with Plan documents, bill the Plan Sponsor for out-of-pocket expenses (such as overnight mailings, messenger, translation fees, etc.) at cost.

**3. Term and Termination**

This Agreement will commence on the Effective Date and continue for an initial term of three (3) years (The "Initial Term") until earlier terminated as set forth herein. If this Agreement is terminated by Plan Sponsor for any reason during the Initial Term, Plan Sponsor shall remain obligated to pay Advisor a pro rata portion of the advisory fees that would have been payable for the remainder of the Initial term.

Upon expiration of the Initial term, either party may terminate this Agreement at any time upon written notice to the other party. If the termination date extends beyond the last day of a billing period, Plan Sponsor shall pay to Advisor a pro rata portion of its advisory fee for such additional period. Advisor will return to Plan Sponsor any fees that are not earned prior to the date of termination.

Advisor shall cease to provide any Services following a termination of this Agreement. Regardless of the reason for termination, Advisor shall have no responsibility with respect to the ongoing investment of any assets of the Plan following termination, even if the Plan continues to be invested in accordance with Services provided by Advisor prior to the termination.

**4. Plan Documents and Information**

- a. **Timely, Accurate, and Complete Information.** Plan Sponsor shall provide or make available to Advisor on a timely basis any information reasonably requested by Advisor to perform Services on behalf of the Plan, and Plan Sponsor shall be responsible for ensuring that such information is accurate and complete, including without limitation any requested copies of plan documents, plan census information, and financial statements relating to the Plan trust or participant accounts. Plan Sponsor acknowledges and agrees that delivery of any performance monitoring reports in fulfillment of a service described in Appendix A is subject to the timely delivery of necessary information to Advisor, and Advisor is not responsible for



verifying the accuracy of the statements or other information provided by or on behalf of the Plan Fiduciary or a third party.

- b. Plan Sponsor Instructions. Advisor shall be entitled to assume that any instructions or directions to Advisor from Plan Sponsor, including but not limited to the Plan Fiduciary, are properly authorized and consistent with the provisions of the Plan and ERISA, and Advisor shall have no duty to investigate the propriety of any such instructions or directions. Plan Sponsor agrees to complete the Retirement Plan Authorized Individual(s) Form for the Plan that Advisor will service pursuant to this Agreement.
- c. Forms of Communication. Plan Sponsor and Advisor mutually acknowledge that forms of electronic communication, including electronic and facsimile transmittals, involve certain inherent risks, including risk of misdelivery and errors in transcription. To the extent permitted by law, neither Plan Sponsor nor Advisor shall have liability for any errors in any such form of communication, unless caused by its gross negligence or willful misconduct.

Plan Sponsor further acknowledges that Advisor does not have the authority or responsibility to accept any forms of electronic communication, including electronic and facsimile transmittals, containing instructions for transactions involving the purchase, hold, and/or sale of securities.

- d. Third Party Information. Plan Sponsor authorizes Advisor to communicate with and obtain information from investment providers, financial professionals, recordkeepers, or other third parties providing services for the Plan.

**5. Representations, Warranties and Acknowledgements of Plan Sponsor**

Plan Sponsor makes the following representations and warranties:

- a. Plan Sponsor has the power and authority to enter into and perform this Agreement, the terms of the Agreement are not in conflict with the Plan document or any other governing agreement relating to the Plan or its related trust, and there are no authorizations, permits, certifications, licenses, filings, registrations, approvals or consents that must be obtained by it from any third party, including any governmental authority, in connection with this Agreement.
- b. This Agreement has been duly authorized and executed. This Agreement constitutes a legal, valid and binding Agreement of Plan Sponsor, enforceable in accordance with its terms.
- c. All information provided or to be provided to Advisor hereunder to enable Advisor to perform the Services selected in Appendix A, including but not limited to the Plan Sponsor and Plan information included in Section 1, is and shall be true, correct and complete in all material respects. Plan Sponsor agrees to promptly notify Advisor in writing of any material change in such information provided to Advisor.
- d. The Plan's assets are in the custody of a "qualified custodian" as defined under Rule 206(4)-2 under the Advisers Act.
- e. Plan Sponsor acknowledges and agrees that Advisor does not warrant or guarantee any level of performance by any of the Plan investments. Plan Sponsor understands that the Plan and its participants assume the market risk involved with regard to the investment of Plan assets.



**Retirement Plan Advisory and Consulting Agreement**  
**IAR as 3(21)**

- f. Plan Sponsor acknowledges and agrees that any personal investment-related services provided by the Advisor to individuals, including services relating to an individual's personal investment account are unrelated to the services provided to the Plan under this Agreement.
- g. Plan Sponsor acknowledges that an unsigned copy of this Agreement including the disclosures in Appendix B (which are intended to provide certain disclosures under Section 408(b)(2) of ERISA and the regulations thereunder) was provided to Plan Sponsor reasonably in advance of the date of Plan Sponsor's entering into this Agreement. Plan Sponsor acknowledges (i) the Services to be provided by Advisor are described in Appendix A, (ii) the extent to which Advisor is acting as a fiduciary is described in Section 1, (iii) the compensation to be received by Advisor is described in Section 2 and Appendix B, and the manner of receipt of that compensation is described Appendix B, (iv) Advisor receives no indirect compensation in respect of the Services provided pursuant to this Agreement, except for the fees disclosed in Appendix B, and (v) any fees payable on termination of this Agreement are described in Section 3.
- h. Plan Sponsor shall fully cooperate with Advisor in Advisor's performance of Services under this Agreement. In furtherance of the foregoing, Plan Sponsor shall authorize the Plan's recordkeeper to provide Advisor with such information or data regarding the Plan and the Plan's assets (and earnings or losses thereon) that Advisor reasonably requests in connection with the Services provided under this Agreement.
- i. The foregoing acknowledgments, representations, warranties and agreements are continuing and are understood to be relied upon by Advisor, and Plan Sponsor will promptly notify Advisor in writing in the event that any of the foregoing acknowledgments, representations, warranties or agreements are, or are anticipated to be, no longer true.
- j. Plan Sponsor acknowledges and agrees that it is solely responsible for determining whether fees charged to the Plan are reasonable. If fees are to be paid from Plan assets, the documents governing the Plan permit payment of reasonable expenses of the Plan from Plan assets. No fees paid from Plan assets are for expenses relating to settlor functions, such as for decisions relating to the formation, design and termination of the Plan, unless otherwise authorized by ERISA or other applicable law.

**6. Representations, Warranties and Acknowledgements of Advisor**

Advisor makes the following representations and warranties:

- a. Advisor has the power and authority to enter into and perform this Agreement, and there are no authorizations, permits, certifications, licenses, filings, registrations, approvals or consents that must be obtained by it from any third party, including any governmental authority, in connection with this Agreement.
- b. This Agreement has been duly authorized and executed and constitutes the legal, valid and binding Agreement of Advisor, enforceable in accordance with its terms.
- c. Advisor is a registered investment adviser under the Adviser's Act and shall maintain such registration through the term of this Agreement. All personnel assigned by



Advisor to render the Services hereunder shall be appropriately licensed as required by law.

- d. The Services provided under this Agreement will be provided by Advisor as an investment adviser registered under the Advisers Act and, to the extent described in Section 1 hereof, as a fiduciary within the meaning of ERISA Section 3(21).
- e. Advisor has adopted and will maintain a privacy policy applicable to the protection, use and sharing of Plan Sponsor information, and will only share such information in accordance with applicable law and Advisor's privacy policy. Advisor has and will maintain commercially reasonable policies, procedures and systems designed to prevent the unauthorized access of Plan Sponsor information by third parties.

**7. Communications with Plan Participants**

The Plan Sponsor and Advisor agree that:

- a. In the performance of Services, Advisor may from time to time directly communicate with participants in the Plan (including terminated participants that have an account balance in the Plan) and beneficiaries. Such communications may take place in (but are not limited to) enrollment meetings, seminars, webinars, mailings, electronic communications, phone conversations, or in one-on-one meetings as requested by the participant.
- b. The Plan Sponsor acknowledges that Advisor may receive contact and account information from the recordkeeper about former employees with account balances in the Plan.
- c. For purposes of this Agreement, except as listed in the Services to be provided in Appendix A, communications regarding personal investment related services to participants are outside the scope of services provided by Advisor to the Plan Sponsor and shall constitute personal services provided directly by Advisor to the participants that are unrelated to this Agreement.

**8. Limitation on Liability**

- a. Plan Sponsor agrees that the responsibilities of Advisor are limited to the Services selected in Appendix A.
- b. Advisor's ERISA Fiduciary Actions. Except to the extent of Advisor's fiduciary responsibility described in Section 1 above, Advisor shall not be subject to any claim arising under the Plan associated with any act, or failure to act, of the Plan Fiduciary or any other fiduciary of the Plan or any participant, or any failure of Plan Sponsor to comply with any of its obligations relating to the Plan. Plan Sponsor agrees that if (i) capital stock of the Plan Sponsor or its affiliate, real property, private placements, partnership interests, stable value funds or instruments, guaranteed investment contracts, collective investment trusts, or illiquid or other hard-to-value investments are held by or offered as an investment option under the Plan, or (ii) participants in the Plan may invest the assets in their accounts through individual brokerage accounts, a mutual fund window or other similar arrangement, or (iii) the Plan includes investments that are unable to be analyzed or readily valued due to the lack of performance history, Advisor shall have no responsibility for such investments unless otherwise mutually agreed to in writing by the Plan Sponsor and Advisor. Advisor will have no responsibility for participant loans.



- c. Advisor's Non-ERISA Fiduciary Actions. In the absence of gross negligence or willful misconduct on its part, Advisor shall not be liable for any act, omission or error in judgment made by it in the performance of its non-fiduciary duties hereunder. In no event shall Advisor be liable for any indirect, special, incidental, consequential, punitive, exemplary or similar damages with respect to its services described in Appendix A or its representations contained in Section 6 of this Agreement.
- d. Plan Sponsor shall indemnify Advisor and each of its current or future subsidiaries or affiliates, and their shareholders, directors, officers, employees, agents or other representatives, and hold each of them harmless from and against any and all claims, losses, expenses, liabilities, demands, obligations, costs, attorneys' fees or damages of every kind and character without limitation arising out of or connected with:
  - (i) any breach of Plan Sponsor's representations, warranties or duties under this Agreement, and (ii) any action taken, or failed to be taken, by Plan Sponsor or the Plan Fiduciary in connection with the operation or administration of the Plan which is unrelated to the Services provided by Advisor hereunder or which, if so related, is contrary to recommendations made by Advisor, including without limitation, the selection or retention of investments not recommended by Advisor.
- e. Advisor shall indemnify Plan Sponsor and each of its current or future subsidiaries or affiliates, and their shareholders, directors, officers, employees, agents or other representatives, and hold each of them harmless from and against any and all claims, losses, expenses, liabilities, demands, obligations, costs, attorneys' fees or damages of every kind and character without limitation arising out of or connected with any breach of Advisor's representations, warranties or duties under this Agreement.

**9. Non-Exclusive Services: Relationship of Parties**

Plan Sponsor recognizes that Advisor, or any of its affiliates, may give advice to, and take action in the performance of its duties for, other Plan Sponsors (including those who may have similar retirement plan arrangements as Plan Sponsor) which differs from advice given to, or in the timing and nature of action taken for, Plan Sponsor, and that fees may vary among Plan Sponsors. Nothing in this Agreement shall be deemed to impose on Advisor or any of its affiliates any obligation to advise Plan Sponsor with respect to the Plan, including the Services provided by Advisor under this Agreement, or any of its affiliates, in the same manner as it may advise any of its other Plan Sponsors.

**10. General Provisions**

- a. Entire Agreement. This Agreement constitutes the entire agreement between the Plan Sponsor and Advisor with respect to the matters set forth herein, and each party acknowledges and agrees that no covenants, representations, warranties, inducements, promises or agreements, express or implied, oral or written, other than those set forth herein have been made by any party to the other.
- b. Governing Law. This Agreement shall be governed by and construed according to the laws of the State of Texas, without reference to conflict of laws principles, except to the extent other federal law preempts state law.

This Agreement may be adopted by entities which plan(s) may not otherwise be subject to ERISA. If an entity adopts this Agreement and the Plan is not otherwise subject to ERISA, the adoption of this Agreement shall not be interpreted or implied to mean that the entity generally has adopted the rules under ERISA with regard to the Plan. That is the case even though this Agreement provides that certain rules under ERISA may apply to the



**Retirement Plan Advisory and Consulting Agreement**  
**IAR as 3(21)**

operation and interpretation of this Agreement. For the Plan, the references to ERISA, are not intended to create standards of conduct beyond those required under the Advisers Act and are not meant to be an implicit or explicit general adoption of ERISA. In addition, this Agreement is not to be interpreted nor mean that the Plan meets a procedural requirement for court jurisdiction under ERISA, nor is it intended to create rights under ERISA for the participants of the Plan. In addition, the parties to this Agreement which plan(s) may not otherwise be subject to ERISA each absolutely, irrevocably and unconditionally waive the right to claim any punitive and exemplary damages in any controversies which may arise between the Plan, the plan sponsor, the plan sponsor's affiliates including but not limited to the Plan, Advisor and/or any of Advisor's employees, agents, or officers concerning any account, transaction dispute or the construction, performance, breach, or termination of this Agreement or any other agreement, whether entered into prior to, on or subsequent to the date of this Agreement.

- c. Nonassignability; Binding Effect. No "assignment" of this Agreement, as construed under the Advisers Act, may be made by Advisor without Plan Sponsor's consent. Plan Sponsor's consent to an assignment may be conclusively presumed if Advisor provides Plan Sponsor with written notice describing the proposed assignment and an opportunity and method to terminate this Agreement not less than 30 days prior to the event and, thereafter, Plan Sponsor continues Advisor's services under this Agreement without written objection or contract termination. Any corporate reorganization or change in ownership of Advisor that does not result in a change of control of Advisor is not an "assignment" for this purpose.
- d. Notice. All notices, advice, disclosures or reports required or permitted by this Agreement shall be in writing and delivered by U.S. Mail, telecopy, overnight express delivery, facsimile transmission (with hard copy sent by U.S. mail) or email and shall be effective on the date of delivery if personally delivered or delivered by email or on the date of posting if mailed. All postage must be prepaid. All notices or communications to Advisor shall be sent to Advisor's address: Kestra Advisory Services, LLC, 5707 Southwest Parkway, Building 2, Suite 400, Austin, TX 78735.

**Plan Sponsor hereby consents to the use of email at the address provided on the Signature page for the receipt of any legally required disclosure or notice or other communication from Advisor. Any change to this email address must be provided to Advisor in writing.**

- e. Advice of Counsel. Each party represents and warrants that in executing this Agreement it has had the opportunity to obtain independent accounting, financial, investment, legal, tax and other appropriate advice; that the terms of the Agreement have been carefully read by such party and its consequences explained to such party by his or their independent adviser, and that such party fully understands the terms and consequences of this Agreement. Each party further represents and warrants that, in executing this Agreement, it has not relied on any inducements, promises, covenants, warranties or representations made by the other party (except those expressly set forth herein) or the accountants, attorneys or other agents representing or serving the other party. Each party represents and warrants that its execution of this Agreement is free and voluntary.
- f. Amendment. The Agreement may be modified, including without limitation the Services to be provided by Advisor or the fees charged by Advisor: (i) by mutual written agreement or (ii) in the following manner.

Advisor may propose to increase or otherwise change the fees charged, to change the Services provided or otherwise modify this Agreement by giving Plan Sponsor thirty (30) days advance notice of the proposed change. The notice will (1) explain the proposed



modification of the fees, Services or other provisions; (2) fully disclose any resulting changes in the fees to be charged as a result of any proposed change in the Services or other changes to this Agreement; (3) identify the effective date of the change; (4) explain Plan Sponsor's right to reject the change or terminate this Agreement; and (5) state that pursuant to the provisions of this Agreement, if Plan Sponsor fails to object to the proposed change(s) before the date on which the change(s) become effective Plan Sponsor will be deemed to have consented to the proposed change(s).

- g. Interpretation.** This Agreement shall be construed in accordance with its fair meaning as if prepared by all parties hereto, and shall not be interpreted against either party on the basis that it was prepared by one party or the other. The captions, headings, and subheadings used in this Agreement are for convenience only and do not in any way affect, limit, amplify or modify the terms and provisions thereof. Words used herein in the masculine gender shall include the neuter and feminine gender, words used herein in the neuter gender shall include the masculine and feminine, words used herein in the singular shall include the plural, and words used in the plural shall include the singular, wherever the context so reasonably requires. As used herein, references to days shall be to business days and not calendar days; business days shall mean days on which the New York Stock Exchange or its successor, if any, is open.
- h. Waiver.** The waiver by either party of a breach of any provision of this Agreement shall not be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach. No failure on the part of either party to exercise, and no delay in exercising any right, power, or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power, or remedy by such party preclude any other or further exercise thereof or the exercise of any other right, power, or remedy.
- i. Severability.** If any provision of this Agreement shall be held or made invalid by a statute, rule, regulation, decision of a tribunal or otherwise, the remainder of this Agreement shall not be affected thereby and to this extent, the provisions of this Agreement shall be deemed severable.

## **11. Arbitration**

Plan Sponsor and Advisor agree that any controversy, claim or dispute between Plan Sponsor and Advisor, arising out of, or relating to this Agreement or any breach thereof, or concerning any transaction under this Agreement (collectively, the "Dispute"), shall be settled by arbitration in either the Financial Industry Regulatory Authority Dispute Resolution ("FINRA DR") or the American Arbitration Association (AAA).

Texas law and applicable federal law shall govern the arbitration. If Plan Sponsor and Advisor (to the extent named in the Dispute as a respondent) each agree to submit the Dispute to FINRA DR, that the rules of FINRA DR shall apply, and to undertake any and all procedures that FINRA DR requires to accept the Dispute, including, but not limited to: (i) executing a post-dispute agreement to arbitrate before FINRA DR; and (ii) executing, after the events occurred that gave rise to the Dispute, a special FINRA DR written submission agreement. If the Dispute is submitted to FINRA DR, Advisor (to the extent named in the Dispute as a respondent) agrees to pay the "Member" fees including the arbitration surcharge and process fees.

If the Plan Sponsor and/or the Advisor do not agree to arbitrate any Dispute in FINRA DR, or in the event that FINRA DR does not accept the Dispute, Plan Sponsor and Advisor agree to submit any Dispute to AAA for adjudication. The rules of AAA shall govern any Dispute submitted to AAA. Plan Sponsor and Advisor agree that the arbitrators selected to adjudicate the Dispute in AAA must have prior experience



**Retirement Plan Advisory and Consulting Agreement**  
***IAR as 3(21)***



arbitrating securities and employee benefit plan disputes. Any arbitration award shall be final, and judgment upon the award rendered may be entered in any court, state or federal, having competent jurisdiction.

The Plan Sponsor acknowledges that he/she has had a reasonable opportunity to review and consider this arbitration provision prior to the execution of this Agreement.

**NOTE: Plan Sponsor understands that it cannot be required to arbitrate any dispute or controversy non-arbitrable under federal law. Section 11 of this Agreement does not constitute a waiver of any right provided by the Investment Advisers Act of 1940, including the right to choose the forum, in which to seek dispute resolution. Notwithstanding anything to the contrary contained herein, nothing shall constitute a waiver of any rights under ERISA or Department of Labor Rules.**

**12. Receipt of Disclosure Document**

Plan Sponsor hereby acknowledges delivery and receipt of Advisor’s Part 2 of Advisor’s Form ADV (the “Disclosure Document”).

The undersigned has read, understands, and accepts the representations, warranties, disclosures, acknowledgements, certifications, terms, and conditions set forth in this Agreement.

<b>SIGNATURE(S) AND DATE(S) – Form cannot be processed without your signature(s) and date(s).</b>			
Name of Plan Sponsor		KESTRA ADVISORY SERVICES, LLC	
Name of Authorized Signatory (please print)		Name of Authorized Signatory (please print)	REP ID#
Authorized Signature for Plan Sponsor	Date	Authorized Signature for Kestra Advisory Services, LLC	Date
Email		Email	

**APPENDIX A**

**DESCRIPTION OF SERVICES**

**The services under this Agreement will be provided by investment advisor representatives of Advisor who are employees of NFP, unless otherwise permitted by Plan Sponsor.**

**I. Fiduciary Services (check all that apply)**

**Management of vendor relationships.** Advisor will act as a liaison between your organization and your current retirement plan provider to bring new ideas and capabilities for your organization for consideration.

**Provide fiduciary consulting & oversight.** Advisor will work with the Plan Fiduciary to help coordinate the functions and activities of the Plan Investment Committee, including, ensuring that proper adherence to fiduciary obligations are met, including helping with the Plan Investment Committee's agendas, minutes, coordinating functions and activities, and creating and establishing an Investment Policy Statement (IPS), if needed.

**Non-Discretionary 3(21) Investment Advice.** Advisor will recommend, for selection by the Plan Fiduciary, specific investments to be held by the Plan or, in the case of a participant-directed defined contribution plan, offered as investment options under the Plan consistent with the Plan's IPS or other relevant guidelines, as applicable. Advisor will recommend, for selection by the Plan Fiduciary, investment replacements if an existing investment is no longer suitable, and will assist in the transition to the replacement investment if requested by the Plan Fiduciary.

**Non-discretionary Participant Investment Advice.** Advisor will offer to meet with Participants during scheduled meetings on a periodic basis. Based on the information provided by a Participant concerning his or her retirement investments, time horizon, risk tolerance and investment goals, Advisor will provide investment advice in the form of a recommendation to invest in a particular option under the Plan Menu.

**Financial Planning.** Advisor will offer to conduct individual financial planning sessions with Participants. Based on the information provided by a Participant concerning his or her retirement investments, time horizon, risk tolerance and investment goals, Advisor will provide financial planning services. (*must have Financial Planning Consulting Agreement on File*).

**II. Non-Fiduciary Services (check all that apply)**

**Request-for-Proposal (RFP).** In the event the Plan Fiduciary chooses to select a new recordkeeper or other administrative service provider to the Plan, Advisor will assist the Plan Fiduciary in the preparation, distribution and evaluation of the RFPs, coordinate the finalist interviews, negotiate proposals, and facilitate the change of vendor (if changing vendors).

**Assist on plan design strategies,** Advisor will assist with the annual plan design to determine if there are efficiencies that can be gained by plan design changes.

**Employee Education & Communication Services; Enrollment.** Advisor will offer to meet with Plan participants during scheduled meetings to discuss education and enrollment topics. The Advisor may also provide Plan participants with information about the Plan, such as the overall benefits of Plan participation, the impact of preretirement withdrawals on retirement income, investment objectives and philosophies, and risk/return characteristics, as well as, general financial and investment information such as diversification and dollar cost averaging, educational information about asset allocation models for hypothetical investors, and interactive investment materials to assist Plan participants in assessing their future retirement income needs.



**DESCRIPTION OF SERVICES**

Other Services, as described below or in the attached separate document:



**APPENDIX B**

**FEE SUMMARY**

Advisor shall be paid the following fee for the performance of its Services pursuant to this Agreement. Expenses relating to settlor functions, such as decisions relating to plan formation, design, and termination of a plan are not payable from plan assets, unless authorized by ERISA or other applicable law.

**Annual Flat Advisory Fee:**

One-Time Flat Fee:

\$

**Plan Sponsor**

**Plan**

\$

Annual Flat Fee:

\$

\$

Payment Schedule:

Monthly

Monthly

Quarterly

Quarterly

Annual (billed in arrears)

Annual (billed in arrears)

**Annual Asset Based Advisory Fee:**

Plan Assets	Plan Sponsor	Plan
\$0 - \$1,999,999	%	%
\$2M - \$4,999,999	%	%
\$5M - \$9,999,999	%	%
\$10M - \$24,999,999	%	%
\$25M+	%	%

Payment Schedule:

Monthly

Monthly

Quarterly

Quarterly

Annual (billed in arrears)

Annual (billed in arrears)

*Advisor's fee shall be payable in billing installments on a periodic basis as specified above. If this Agreement becomes effective on a day other than the first day of a full billing period, Advisor's fee for that period shall be prorated based on the length of time the Agreement is in effect during that period. Plan Sponsor shall pay fees to Advisor promptly upon receipt of invoice from Advisor. Unless otherwise agreed, Plan Sponsor authorizes a third-party to pay the above fees to Advisor upon their receipt of invoice. If the fees will be paid from Plan assets, the Plan Fiduciary authorizes the Investment Provider, TPA/Recordkeeper, or custodian of the Plan's assets to pay the fee due under this Agreement directly to Advisor.*

**Offset Arrangement** – The advisory fees detailed above will be offset by \_\_\_\_\_% commissions

**Expenses** –

Plan Sponsor agrees to pay reasonable costs for the following:

Travel related expenses, as necessary, for in-person meetings (e.g., air fare, car rental, hotel)

Printing, Copying, Mailing

Other \_\_\_\_\_





**WEST VALLEY CITY**

[www.wvc-ut.gov](http://www.wvc-ut.gov)

## Kestra Advisory Services – Retirement Fiduciary & Advisory Services

Fiduciary Services Evaluation Committee:

John Flores, Paula Melgar, Jim Welch, Nic Hales

# Objective & Process

## Strengthen Retirement Plan Governance

- Enhance fiduciary oversight
- Improve participant outcomes
- Ensure fee discipline & compliance

## Structured Review Process

- RFI + firm presentations
- Three finalists evaluated:
  - Kestra Advisory Services
  - Mariner
  - GBS
- Documented committee-led evaluation

# Selected Partner & Financial Overview

## Selected Partner: Kestra Advisory Services

- Comprehensive fiduciary model
- Strong governance framework
- Responsive & strategic approach
- Best overall alignment

## Financial Summary

- \$45,000 annually / 3-year guarantee
- Full discretionary 3(38) Investment Manager
- Pro rata to participants

# Recommendation

## Approve Agreement with Kestra Advisory Services

Supports:

- Prudent fiduciary oversight
- Governance best practices
- Long-term retirement plan success

**Any questions?**

# Retirement Plan Authorized Individual(s) Form

(For use with all Non-Brokerage, Direct Business Accounts, including advisory and consulting arrangements)



Complete this form to establish, add or change the authorized individual on the retirement plan account. Note that you must complete a separate Retirement Plan Authorization(s) Form for each plan account registration.

Please complete all sections and print clearly, preferably in capital letters and in black ink.

This designation will supersede any prior designations and may only be modified through execution and submission of a new Retirement Plan Authorized Individual(s) form.

## PLAN SPONSOR INFORMATION

Name of Plan Sponsor <b>West Valley City</b>	Tax ID <b>87-0362454</b>	Plan Establishment Date <b>1/1/2010</b>	
Name of Retirement Plan <b>West Valley City 457(b) and 401(a) plans</b>	RecordKeeper Plan ID Account Number (if available) <b>109078</b>	Business Phone <b>(801) 963-3442</b>	
Address <b>3600 S CONSTITUTION BLVD</b>	City <b>WEST VALLEY CITY</b>	State <b>UT</b>	Zip <b>84119-3720</b>

## Authorized Individual(s)

- A. To: Kestra Investment Services, LLC and, as applicable, Kestra Advisory Services, LLC and Kestra Private Wealth Services, LLC (collectively, "You").

The undersigned certify that the individuals and/or entities listed below (the "Authorized Individual(s)") are fiduciaries of the Retirement Plan listed above and are authorized to act on such the Retirement Plan's and Plan Sponsor's behalf (attach an additional sheet of paper if necessary) with respect to the Retirement Plan account with you.

Name (please print) <b>Karen Lang</b>	Mobile Phone Number (Optional) <b>(801) 232-0318</b>
Name (please print)	Mobile Phone Number (Optional)
Name (please print)	Mobile Phone Number (Optional)

- B. You have the authority to accept orders and other instructions from those Authorized Individuals listed in section A. The Authorized Individuals listed in Section A may execute any documents on behalf of the Plan Sponsor, which you may require. By signing this form, the Authorized Individual(s) hereby acknowledge and certify that (i) you are authorized to follow any and all instructions from any Authorized Individual named herein, (ii) you have no obligation to verify the instructions so received or be responsible for any errors or actions taken in reliance on such instructions and (iii) such instructions comply with the plan and organizational documents of the Retirement Plan and Plan Sponsor. Except as may be limited by applicable law, Plan Sponsor agrees to release and hold you and your respective officers, directors, and affiliates, harmless from any and against all claims and losses and expenses (including but not limited to reasonable attorneys' fees) arising from actions taken in reliance on such orders and instructions. The authority granted herein by Plan Sponsor ratifies and confirms any and all transactions with you heretofore or hereafter.
- C. Should only one person execute this certification, it shall serve as certification to you that the signer is the sole Authorized Individual who can provide instructions and orders to you or seek information from you regarding the account. Where applicable, plural references in this certification shall be deemed singular.
- D. The Authorized Individuals, jointly and severally, certify that we have the power under the organization documents of the Plan Sponsor and applicable law to enter into transactions and issue instructions for the Plan Sponsor. Such power may include, without limitation, the authority to buy, sell (including short sales), exchange, convert, tender, redeem and withdraw assets (including delivery of securities to and from the account) and to trade securities or otherwise (including the purchase and/or sale of option contracts) for and at the risk of the Retirement Plan and Plan Sponsor. We understand that orders and transactions will also be governed by the terms and conditions of all other account agreements applicable to the Plan Sponsor or Retirement Plan account.
- E. We, the Authorized Individuals, agree to inform you, in writing, of any change in the composition of the Authorized Individuals, or any other event that could alter the certifications made above.
- F. We, the Authorized Individuals, agree that any information we give to you will be subject to verification.

# Retirement Plan Authorized Individual(s) Form

(For use with all Non-Brokerage, Direct Business Accounts, including advisory and consulting arrangements)



AFFILIATIONS			
Are any of the Authorized Individuals affiliated with or employed by a stock exchange or member firm of an exchange?	<input type="checkbox"/> Yes <input type="checkbox"/> No	If yes**	Authorized Individual's Name
**If yes, a letter of approval from the Compliance Officer of the employing firm must be provided with this document.			
Company Name and Address			
Are any of the Authorized Individuals a director, 10% shareholder, or policy-making executive of a public company?	<input type="checkbox"/> Yes <input type="checkbox"/> No	If yes	Authorized Individual's Name
Company Trading Symbol			

CERTIFIED TO YOU BY – All Authorized Individuals must sign and date.			
Authorized Individuals Name (please print)		Authorized Individuals Name (please print)	
Karen Lang			
Authorized Individuals Signature	Date (Required)	Authorized Individuals Signature	Date (Required)
Authorized Individuals Name (please print)			
Authorized Individuals Signature	Date (Required)		





**Kestra Advisory Services, LLC**  
**Retirement Plan Clients**

**Brochure**

(Part 2A for Form ADV)

5707 Southwest Parkway  
Building 2, Suite 400  
Austin, TX 78735  
844-553-7872 (phone)

[www.kestrafinancial.com](http://www.kestrafinancial.com)

Dated: November 24, 2025

**This brochure provides information about the qualifications and business practices of Kestra Advisory Services, LLC (“Kestra AS”). If you have any questions about the contents of this brochure, please contact us at 844-553-7872. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about our firm is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Kestra AS is a registered investment advisor. Registration does not imply a certain level of skill or training.**





## Item 2 Material Changes

This section of our brochure summarizes material changes that have occurred at our firm since the previous release of our brochure. We will update this section of the brochure on an annual basis or when material changes are made. You may receive a complete copy of our brochure by contacting your financial advisor or by contacting our firm and requesting one.

The last update to the Kestra Advisory Services, LLC (“Kestra AS”) Form ADV Part 2A was filed on October 21, 2025. Since then, there have been no material changes.





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#### **Item 4 Advisory Business**

This brochure describes the investment advisory services we provide to clients that either are or sponsor a retirement plan (Plan) that is qualified under Internal Revenue Code and/or subject to the Employee Retirement Income Security Act (ERISA) or is a Plan that is considered nonqualified. This Summary Disclosure Statement is only for use with Plan clients; if you are not a Plan client, please contact your Advisor to obtain the proper Brochure.

In addition to being an investment adviser, our affiliate, Kestra IS, is a broker-dealer and insurance agency. We provide securities (such as stocks, bonds, mutual funds and variable insurance, among others), investment advice and other financial services to clients. We provide investment advice through financial advisors registered with our firm. We refer to these financial advisors as “Advisors” in this brochure. Most of our Advisors are also registered representatives of our affiliate broker-dealer. In addition, many of our Advisors also act as insurance agents independent from our firm. We generally do not provide fixed insurance products or services other than fixed indexed annuities. To the extent your Advisor provides fixed insurance products or services, he or she does so outside of our firm and supervision.

The types of services our Advisors provide Plan clients are described in more detail below. Generally, these services include vendor searches and benchmarking, plan design strategies and analysis, fiduciary consulting and oversight, plan level investment advice and employee education services. The specific services an Advisor provides, and the fee for those services, may differ from Advisor to Advisor. The fees you will pay and the services you will receive are set forth in a separate Retirement Plan Consulting Agreement (Consulting Agreement) with you, the Advisor and our firm.


There are significant differences between brokerage and advisory services, which are governed by different regulations, offer different compensation structures, and place different obligations on your advisor. The services provided for brokerage and advisory also differ, and one arrangement may provide a lower overall cost than the other. Compensation for brokerage accounts is typically commission-based, although your advisor may also collect certain fees, such as 12b-1 fees. Compensation for advisory services is typically fee-based: either a flat fee or one based on a percentage of assets being advised or managed. In some instances, commissions might be the only compensation available. Your advisor will either offset the fees assessed by the commissions received or will not assess a fee for those assets for a period of time.

Some of our Advisors are also involved in other business activities, such as accounting, legal, tax, and other non-investment services for which we are not responsible. Unless otherwise provided by applicable law and the particular circumstances, services provided by our Advisors outside of our company will not be subject to a fiduciary standard. Our firm does not provide legal or tax advice and you should consult your own attorney or tax advisor for guidance relative to your specific circumstances.

#### **Manage Vendor Relationships**

Advisors act as liaison between the Plan and third-party vendor(s) that provide services to the Plan. Advisors bring new ideas and capabilities for the Plan to consider from current vendors and the industry in general. In providing these services, Advisors may negotiate fees charged by vendors and assist the Plan to manage its vendor expenses. An Advisor can also assist a Plan with the selection of new vendors. Advisors generally manage the Request for Proposal (RFP) process among prospective vendors. During the RFP process, Advisors conduct market analysis, negotiate with vendors, evaluate the RFPs and, as applicable, coordinate vendor presentations. Ultimately, Advisors provide Plan clients their analysis of the RFPs and a





recommendation on a new vendor(s). In reviewing and recommending vendors, Advisors typically consider the administrative, recordkeeping, compliance, employee communications and investment-related services provided by the vendor, as well as the fees for their services. Finally, Advisors typically facilitate and manage the conversion process of changing vendors by, among other things, providing sample letters and correspondence and monitoring action items during the conversion process.

### **Plan Design Strategies and Analysis**

Advisors evaluate a Plan client's design by reviewing relevant design features, such as age and length of service, eligibility requirements, vesting, forfeitures, employer matching contributions formulas, entry and re-entry dates and other pertinent design features. Further, Advisors may provide updates on new legislation as well as advice on implementation of new plan design capabilities and their potential impact to the Plan and its participants. Advisors typically review compliance testing annually to determine if there are efficiencies that can be gained by plan design changes.

### **Fiduciary Consulting and Oversight**

Advisors may assist the plan fiduciaries named in the Plan's organizational documents (Named Fiduciaries) to comply with their obligations under ERISA Section 404(a). Such services include assisting with the creation of an investment policy statement (IPS) for the Plan, creating Plan investment committees and coordinating those committees' functions and activities. In addition, some Advisors assist the Plan and Named Fiduciaries in performing an audit designed to comply with Section 404(c) of ERISA.

### **Plan-Level Investment Advise**


Advisors provide plan-level investment advice by recommending investment vendors, platforms and options for the Plan to make available for participants. In addition, Advisors monitor performance, risk and expense reports for the of the Plan investment options, recommend specific actions and develop an overall asset allocation strategy for Plan clients. In providing plan-level investment advice, Advisors may provide research and analysis regarding investment advice, fiduciary due diligence services and investment products and services. The Advisor may employ many different calculations, processes and screening techniques to arrive at specific recommendations within the array of investments options offered by each Plan vendor. Such calculations, processes and screening techniques include investment analysis by asset class, market capitalization and investment objective; a review of performance relative to applicable benchmarks and comparable investment options; a review of financial strength, stability and the reputation of the investment vendor; analysis of the individual investment options available through the vendor; a review of the tenure and experience of investment management personnel and the investment philosophy, process, and style of the vendor; and an analysis of the investment fees.

In providing plan-level investment advice, we and your Advisor acknowledge that each is a "fiduciary" with respect to assets of the Plan as ERISA defines that term under Section 3(21)(A)(ii) to the extent it renders investment advice with respect to any moneys or property of such Plan, or has any authority or responsibility to render such investment advice. We may also serve as a fiduciary as defined by ERISA under Section 3(38) by exercising any discretionary authority or control in the management of the plan or disposition of the plan's assets.

### **Employee Education Services**

An Advisor may provide employee education services by conducting meetings with employers and employees on an annual, semiannual or quarterly basis or at other times you may agree on with your Advisor. The scope of the meetings will be for a group or on an individual basis and can be conducted either on site or via teleconferencing as you agreed with your Advisor. An Advisor may conduct employee surveys to





determine interest in specific topics and provide other communication services to employees regarding investment education. Finally, Advisors may assist employees with enrollment and re-enrollments in the Plan.

### **Pooled Plan Arrangements**

Kestra Advisors may serve as the Plan Advisor and/or 3(38) Investment Fiduciary to pooled 401K plans. For example, Pooled Employer Plans (PEPs) and Multiple-Employer Plans (MEPs) are considered pooled 401(k) plans because they pool the 401(k) assets of multiple employers. A Pooled 401K solution may cost more or less than a single-employer plan. Typically, to receive lower fees, pooled plans must obtain a minimum asset value. This creates an incentive for your Advisor to recommend you participate in a Pooled 401k plan and is therefore a conflict of interest.

### **Advisor Managed Accounts**

With an Advisor Managed Account, your Advisor will be responsible for managing your account consistent with your defined objectives and risk tolerance and may assist you to develop a personalized asset allocation program and custom-tailored portfolio. The recommended portfolio will typically include investments such as mutual funds, exchange-traded funds, variable annuities, stocks, bonds, direct participation programs or a combination of these products. A portion of your account may also remain in cash or a money market fund.

In an Advisor Managed Account, your Advisor typically will diversify your holdings across various asset classes unless your objective is to invest in specific assets. The percentage weightings within the asset classes will be based on your risk profile, investment objectives, individual preferences and availability. You will have the opportunity to meet with your Advisor to periodically review the assets in your Advisor Managed Account. We recommend you and your Advisor meet on a regular basis to review your financial situation, investment objectives and current holdings, and you should let your Advisor know about any changes to your circumstances in the meantime.

You will maintain full and complete ownership of all assets held in your Advisor Managed Account. This means you retain the right to add or withdraw securities or cash, pledge securities, and vote securities. We will not pool your Advisor Managed Account assets with assets in other accounts. You will receive periodic statements from the account custodian.

We offer both discretionary and non-discretionary portfolio management services. If you want your Advisor to have discretion over the securities purchased or sold in your account, you will be asked to sign an addendum authorizing your Advisor to place orders for your account without contacting you in advance.

We place most transactions in Advisor Managed Accounts through our affiliated broker-dealer, Kestra IS, and its unaffiliated clearing broker-dealer and custodian, National Financial Services, LLC (NFS), but also use other broker-dealers and custodians. Please refer to the Brokerage Practices section for additional information.

### **Advisory Platforms**

Through our relationships with NFS and other custodial and clearing firms, we make available platforms (Advisory Platforms) to assist our Advisors to provide you an Advisor Managed Account. Examples of our Advisory Platforms include the AdvisorEnterprise<sup>SM</sup> Platform, Horizon, and AdvisorChoice Platform described in more detail below. Through these Advisory Platforms, our Advisors provide investment advice to you combined with portfolio administration and reporting services, advisory fee processing, and account reconciliation.

### **AdvisorEnterprise Platform**





Our relationship with Envestnet Asset Management, Inc. (Envestnet), an unaffiliated company, allows our Advisors to provide you an Advisor as Portfolio Manager (APM) Account by using services, tools, and resources provided by Envestnet as part of the AdvisorEnterprise Platform. This includes the ability to produce detailed proposals, model building, overlay portfolio management, trading and research tools, and performance reporting. Through an AdvisorEnterprise APM Account, your Advisor generally invests your assets in individual equity or fixed income securities, as well as pooled investment vehicles such as mutual funds and/or ETFs available through the AdvisorEnterprise Platform.

On the AdvisorEnterprise Platform, we offer two APM programs; APM-Tickets and APM-Wrap. They differ based on whether transaction charges are assessed separately (APM-Tickets) or are included in the total client fee (APM-Wrap). We assess a Program Fee for accounts on the AdvisorEnterprise Platform. The Program Fee includes fees for Kestra AS and its affiliates' maintenance of the advisory platform.

The cost Kestra and its affiliates pay Envestnet is based on the number of accounts and the amount of client assets we have on the AdvisorEnterprise Platform. Our costs will decrease as our advisors put more assets on the AdvisorEnterprise Platform. When our costs decrease, the savings are not shared with you or our Advisors. As a result, we have an incentive to recommend the AdvisorEnterprise Platform, creating a conflict of interest.

#### **Horizon and AdvisorChoice Program**

Both the Horizon and AdvisorChoice Platforms are Advisor as Portfolio Manager Platforms. The Horizon Platform is provided through NFS. The AdvisorChoice Platform is provided through NFS and other custodians such as Charles Schwab & Co. (Schwab) and Fidelity IWS). Through these platforms, our Advisors recommend and invest in individual equity or fixed income securities as well as pooled investment vehicles such as mutual funds and ETFs. The minimum account size for Horizon is \$5000 and the minimum account size for AdvisorChoice is \$10,000. We may waive the account minimum at our discretion for related accounts. The trading charges and administrative costs as well as the tools, technology, and services available to you and your Advisor will vary by custodian and platform, which means that your costs will vary for similar services.

#### **Third-Party Provider Platforms**

Third-party managed solutions are made available through various external advisory platforms offered at Kestra. Accounts are managed by one or more third-party investment advisers on a discretionary basis. Typically, you will enter into an agreement directly with that third party, which will outline, among other things, the fees and trading of your account by that investment adviser.

You will receive a copy of both the third-party investment adviser's brochure as well as this document if we and the third party are acting as co-investment advisers. Your Advisor will assist you with account opening documentation and provide other services related to your portfolio. These services include, but are not limited to, determining whether a portfolio or strategy to be managed by the third party is consistent with your financial situation, risk tolerance and stated investment objectives.

Your Advisor will conduct periodic reviews of your account(s), monitor performance, and be available to meet with you upon reasonable request. We recommend you meet with your Advisor on a regular basis to review your financial situation, investment objectives and current holdings. You should let your Advisor know about any changes to your circumstances or personal information,

Advisory Platforms offered through Kestra AS include but are not limited to Focus Partners Advisor





Solutions, Symmetry Partners, SEI and AssetMark.

### **Legacy Offerings**

We may enter, or previously have entered, into advisory relationships, programs and platforms offered through third-party investment advisers either as legacy offerings for our firm or as an accommodation to an Advisor who joins our company. These relationships are usually limited to certain Advisors and their existing clients. Details and descriptions of these programs have been or will be given to you by us, your Advisor and/or the Advisor's prior firm.

### **Third-Party Referrals**

We have entered into referral arrangements with various third-party investment advisers that participate in, manage, or sponsor different types of money management services and investment advisory programs. These referral arrangements are structured in accordance with the marketing rule 206(4)-1 under the Advisers Act which requires, among other things, that we disclose to you the compensation we will receive for referring you to a third-party adviser, whether your Advisor is a client of the third-party manager and any other conflicts that may exist between your Advisor and the third-party manager.

Where we act solely as a referrer, you will not enter into an agreement directly with us. In such an arrangement, you will establish a direct relationship with the third-party investment adviser and we will receive a referral fee from the adviser based on a percentage of the advisory fee they charge you. This compensation creates a conflict of interest and serves as an incentive for your Advisor to recommend the services of third-party investment advisers with which we maintain these referral relationships.

The referral disclosure you receive when you establish an account with the third-party adviser will specify the total fee you will be charged, and what portion of that fee is payable to Kestra AS. The amount of the fee varies by the referral arrangement with a maximum fee of 2.5%. You should read the third-party adviser's brochure and any compensation disclosure statements provided in connection with these referral arrangements for information regarding the services of the third-party adviser and applicable fees and charges.

### **Private Fund Advisers**

Our affiliated broker-dealer, Kestra IS, has entered into agreements with various private funds ("Private Funds") and acts as placement agent in connection with the offering and sale of securities of such funds to current and prospective clients. While we and Kestra IS are not current clients and are not investors of the Private Funds, it is possible that we or one or more of our affiliates or our or their employees or agents may be, or may subsequently become, a client of or investors in the Private Funds.


Kestra IS and our Advisors receive cash compensation from the sponsors of the Private Funds for activities as placement agent. We and our affiliates may have additional relationships with the Private Fund sponsor or other investment vehicles managed by the Private Fund sponsor.

The payment of cash compensation to our affiliate and Advisor, and any additional relationships that the placement agent or its affiliates may have with the Private Fund or its sponsor or other investment vehicles managed by the fund's sponsor creates a conflict of interest for Kestra AS and its Advisor since we may receive compensation in addition to advisory fees in connection with the recommendation of a Private Fund.

### **Financial Planning and Consulting**

Many of our Advisors perform financial planning, business consulting, estate planning, and similar securities investment consulting services for you. In performing financial planning or consulting services, the Advisor





typically reviews your overall financial circumstances, such as your tax status, insurance needs, overall debt, business ventures, retirement savings and current investments. An Advisor's services may also focus on only one or several of these areas, depending on your specific engagement. You will enter into an agreement with us setting forth the services our Advisor will provide and other terms and conditions of the relationship, such as fees for our services. You are under no obligation to accept any of the recommendations from an Advisor pursuant to a financial planning or consulting engagement, and you retain discretion and responsibility for implementing the recommendations in the absence of a contract for such additional services.

### **Wrap Fee Programs**

Through our relationship with Envestnet, we sponsor a privately labeled wrap fee program on the AdvisorEnterprise Platform. Our Advisors have access to an Advisor as Portfolio Manager Wrap (APM-Wrap) program and Third Party Managed Wrap programs. We assess a Program Fee for accounts participating in the wrap program. Except where otherwise indicated, the Program Fee includes fees for Kestra AS and its affiliates' maintenance of the advisory platform, custody and trading services.

Depending on the Advisor Fee determined by your Advisor, the size of the account, the number of trades placed in your account and the transaction costs associated with those trades, the APM-Tickets program may cost more or less than the APM-Wrap program. When your Advisor chooses to pay your transaction charges or where the trades have no associated transaction charges, the APM-Tickets program is the lowest cost, providing your Advisor does not adjust their advisory fee to account for their additional expense.

While there is no cap on the number of trades in your account, the APM-Wrap program is priced to accommodate approximately 60 trades per account annually. We reserve the right to assess your Advisor the cost of trades that exceed this amount which creates an incentive for the Advisor to limit trading in your account to avoid this cost.

In wrap program accounts, you will not be responsible for paying transaction charges to our affiliated broker-dealer but will be responsible for paying any account maintenance charges as detailed in the fee schedule of our affiliated broker-dealer. You are also responsible for paying any charges imposed by the issuers of investments in your account or their affiliates.

Please see our Wrap Fee Program Brochure for details and a corresponding fee schedule regarding this wrap-fee program.


### **Advisory Annuity Plus Program (APlus)**

We offer investment management services for assets in annuities in the APlus Program. When you establish an annuity contract through the APlus Program, your Advisor will manage the subaccounts in the annuity on a discretionary basis in accordance with your stated investment objectives and risk tolerance. Certain riders purchased with a variable annuity may limit the investment options and the ability to manage the subaccounts or index-linked allocations. You should review the prospectus for a complete description of features, risks, and benefits associated with the product. Not all annuity products are approved for investment management services.

### **Individual Retirement Planning Services**

Our Advisors also provide services in connection with clients' retirement accounts, such as individual retirement accounts (IRAs). Our services to IRA clients include those described above.





If you are participating in an employer sponsored retirement plan (such as 401(k) plan) and are no longer with that employer, you typically have four options (and may engage in a combination of these options): i) leave the money in the former employer's plan, if permitted, ii) roll over the assets to a new employer's plan, if one is available and rollovers are permitted, iii) rollover to an IRA, or iv) cash out the account value (which could, depending on your age, result in adverse tax consequences). To the extent you are a retirement plan client, please refer to our Retirement Plan Brochure.

Our Advisors may recommend that you roll over plan assets to an IRA under our management. As a result, we generally earn an asset-based fee. NFS assesses IRA accounts an annual charge of \$35, which is shared with Kestra IS in an increasing proportion as the number of total accounts custodied at NFS increases. This payment arrangement NFS has with Kestra IS serves as an incentive to open IRA accounts with NFS. However, no portion of this fee is shared with our Advisors.

If you leave plan assets with your old employer's plan, or roll the assets to a plan sponsored by a new employer, we cannot manage the assets and will earn no compensation unless we are engaged to monitor or consult on your assets in the retirement plan. We have a financial incentive to encourage you to roll plan assets into an IRA that we will manage.

There are various factors you should consider before rolling over assets from a retirement plan to an IRA. These factors include: 1) the investment options available in the plan versus the investment options available in an IRA; 2) fees and expenses in the plan versus the fees and expenses in an IRA; 3) the services and responsiveness of the plan's investment professionals versus ours; 4) strategies for the protection of assets from creditors and legal judgments; 5) required minimum distributions and age considerations; and 6) employer stock tax consequences, if any.

No client is under any obligation to roll over plan assets to an IRA managed by us or to engage our Advisors to monitor and/or consult on an account maintained in an existing retirement plan. A recommendation to roll assets out of an employer-sponsored plan into an IRA will most likely result in more expenses and charges than if the assets were to remain in the plan.

#### **Other Information About Our Advisory Services**

We and our Advisors offer a wide variety of platforms, products, and services to clients. As a general matter, Advisors are free to choose the products and services they make available to clients, subject to applicable rules and regulations, suitability, appropriate licensure and other policies and procedures. Some Advisors may not consider or be able to offer all of the products and services available through our company.

In some instances, recommendations to one client may be considered appropriate for another one of our other clients. Advisors may recommend similar investments to numerous clients with similar or identical investment objectives or to clients with different objectives. Despite such similarities, recommendations relating to investments and the performance resulting from such recommendations will differ from client to client. We will not necessarily make the same recommendations for all eligible clients. Therefore, not all clients will necessarily be able to participate in the same investment opportunities or participate on the same basis.

**You should promptly notify us if there is ever any change in your financial situation or investment objectives since it may cause us to review, evaluate or revise our previous recommendations and services to you.**



In addition, many of our Advisors also act as insurance agents independent from our firm. To the extent your Advisor provides fixed insurance products or services to you (other than fixed indexed annuities), he or she does so outside of our firm and supervision.

Some of our Advisors are also involved in other business activities, such as accounting, legal, tax, and other non-investment services for which we are not responsible. Unless otherwise provided by applicable law and the particular circumstances, services provided by our Advisors outside of our company will not be subject to a fiduciary standard. Our firm does not provide legal or tax advice and you should consult your own attorney or tax advisor for guidance relative to your specific circumstances.

As of December 31, 2024, we managed approximately \$60,174,310,000 in assets for approximately 155,500 clients. Approximately \$44,529,822,000 is managed on a discretionary basis, and approximately \$15,644,488,000 is managed on a non-discretionary basis.

**Item 5 Fees and Compensation**

**General Information on Fees**


Advisors charge Plan clients for the services above as either a flat fee or an asset-based charge in accordance with the ranges described below. Fees for services are negotiable and vary depending on the facts and circumstances of a specific Plan, such as the scope of services to be provided, the duration of services and the size of the Plan client, such as the number of employees, amount of assets and other demographic factors. Our flat fees generally range from \$1,000 to \$100,000 but can be more or less as agreed to with your Advisor; asset-based fees are based upon the market value of the Plan assets and generally range from 0.25 percent to 1 percent of Plan assets. In accordance with ERISA and corresponding interpretations, an Advisor will offset their fees by the amount of payments, if any, received from other sources.

All retirement plan compensation, both Commission and Advisory, received in connection with the establishment and servicing of a retirement plan must be level and may not exceed the amounts set forth in the following grid\*:

Asset Level	Maximum Compensation
Start-up - \$1,999,999	150 basis points
\$2,000,000 - \$4,999,999	125 basis points
\$5,000,000 - \$9,999,999	100 basis points
\$10,000,000 - \$24,999,999	75 basis points
\$25,000,000 and above	50 basis points

\*This grid is exclusive to payments charged to plan assets. Direct payments from the employer plan sponsor that are not deducted out of plan assets do not factor into the maximum compensation amount; however, the total of all compensation from plan and non-plan assets must be reasonable in comparison to the services provided. This grid does not apply to SEPs and SIMPLE IRAs, or Individual/Solo 401(k) plans, nor are those account types contemplated in this brochure. Please request the appropriate ADV 2A brochure from your Advisor.

You pay an asset-based fee typically on a quarterly basis in advance or arrears, as determined between you and your Advisor. All fees are negotiable, subject to the maximum amounts set forth above. We may waive or charge a lesser fee from time to time for our services. The fees we charge may be higher or lower than those



charged by other advisers for comparable services. The fees that we charge to manage assets in your account may be more than the amount you would pay us to buy or sell securities on a commission basis in a non-managed account.

We pay our Advisors a percentage of the fees we receive. Our affiliate broker-dealer Kestra IS pays its registered representatives a percentage of the commissions it receives. Our Advisors receive a higher percentage of the fees we receive as their production of fees and their production of commissions in their separate capacity as a registered representative of Kestra IS increases. We will also aggregate the production of several Advisors in the same branch or firm which can allow these Advisors to reach higher payouts more quickly than if the payout were based on individual production. The practice of providing a tiered payout and aggregation of production creates a conflict of interest as your Advisor is incentivized to increase their production with us and our affiliate to obtain higher compensation percentages and additional compensation. In addition, certain Advisors that meet internal criteria that include production receive additional benefits such as practice management consulting or producer trips.

When an Advisor terminates, any services set forth in our Retirement Plan Advisory and Consulting Agreement are no longer being performed by Kestra AS. As a Covered Service Provider as defined by ERISA, and in accordance with 408(b)2 disclosure rules, we will notify you of our change in fiduciary status to the plan; Kestra will no longer be acting in 3(21) and/or 3(38) capacities to the plan.

If you engaged our financial advisor and Kestra AS as investment adviser (via an Asset Management Agreement or other agreement), that advisory engagement will be terminated and we will no longer be charging an advisory fee or providing you investment advice. This action will make your account a commissionable account and you will be charged standard fees and commissions for transactions and other services.

The fees billed to your account for advisory services will stop once the account has been converted. In the event your account has been billed in advance, and your advisory agreement is terminated prior to the end of the term for which fees have been collected, we will return any unearned fees to you. Where your assets are invested with Third Party Strategists, Third Party Asset Management Platforms, or Separately Managed Accounts, your account will continue to be managed and billed advisory fees. We will retain those billed fees previously allocated to your Advisor.

An overview of the fees is provided below:

**Advisor as Portfolio Manager Tickets on AdvisorEnterprise (APM-Tickets)**

Maximum Client Fee: 2.5%

Ticket charges apply.

A Program Fee ranging from 0.14% to .02% is deducted from the Client Fee you negotiate with your advisor. This payment structure incentivizes your advisor to increase the Client Fee assessed by an amount sufficient to offset the Program Fee, which is a conflict of interest.

**Advisor as Portfolio Manager Wrap on AdvisorEnterprise (APM-Wrap)**

Maximum Client Fee: 2.5%

Ticket charges do not apply.

A Program Fee ranging from 0.19% to 0.02% is deducted from the Client Fee you negotiate with your advisor. This payment structure incentivizes your advisor to increase the Client Fee assessed by an amount





sufficient to offset the Program Fee, which is a conflict of interest.

**Advisor as Portfolio Manager (APM) on Horizon or Advisor Choice**

Maximum Client Fee: 2.5%

Ticket charges apply. Ticket charges are typically higher than those on our other platforms.

A Program Fee ranging from 0.00% to 0.05% is deducted from the Client Fee you negotiate with your advisor. This payment structure incentivizes your advisor to increase the Client Fee assessed by an amount sufficient to offset the Program Fee, which is a conflict of interest.

**Fund Strategist Portfolio (FSP) Wrap on AdvisorEnterprise**

Maximum Client Fee: 2.5%

Manager Fee: Ranges from 0.45% to .02%

Custom FSP arrangements will typically fall out of the above quoted range.

Manager Fees in the FSP Program will vary by manager and model selected.

A Program Fee ranging from 0.26% to 0.05% is deducted from the Advisor Fee you negotiate with your advisor. This payment structure incentivizes your advisor to increase the Advisor Fee assessed by an amount sufficient to offset the Program Fee, which is a conflict of interest.

**Separately Managed Accounts Wrap (SMA) on AdvisorEnterprise**

Maximum Client Fee: 2.5%

Manager Fee: Ranges 1.02% to .02%

Custom SMA arrangements will typically fall out of the quoted range.

Manager fees in the SMA Program will vary by manager and model selected.

A Program Fee ranging from 0.05% to 0.26 is deducted from the Advisor Fee you negotiate with your advisor. This payment structure incentivizes your advisor to increase the Advisor Fee assessed by an amount sufficient to offset the Program Fee, which is a conflict of interest.

**Unified Managed Account (UMA) Wrap on AdvisorEnterprise**

Maximum Client Fee: 2.5%

Manager Fee: Ranges 0.77% to .02%

Manager Fees in the UMA Program will vary by manager and model selected.

Custom pricing arrangements will typically fall out of the quoted range.

A Program Fee ranging from 0.05% to 0.26 is deducted from the Advisor Fee you negotiate with your Advisor. This payment structure incentivizes your advisor to increase the Advisor Fee assessed by an amount sufficient to offset the Program Fee, which is a conflict of interest.

**Unified Managed Account Plus (UMAPlus) Wrap on AdvisorEnterprise**

Maximum Client Fee: 2.5%

Manager Fee: Ranges 0.2% to 0.77%

Manager Fees in the UMA Program will vary by manager and model selected.

Custom pricing arrangements will typically fall out of the quoted range.

A Program Fee ranging from 0.05% to 0.26 is deducted from the Advisor Fee you negotiate with your Advisor. This payment structure incentivizes your advisor to increase the Advisor Fee assessed by an amount sufficient to offset the Program Fee, which is a conflict of interest.

Please see our Wrap Fee Program Brochure for more details regarding the wrap fee program.

**Advisory Annuity Plus (AAPlus) Program**





Maximum Client Fee: 1.5%

A Program Fee ranging from 0.14% to .045% is deducted from the Client Fee you negotiate with your advisor. This payment structure incentivizes your advisor to increase the Client Fee assessed by an amount sufficient to offset the Program Fee, which is a conflict of interest.

There may be additional fees and charges including mortality, expense and administrative charges, subaccount management fees, fees for additional riders on the contract and charges imposed by the annuity carrier for excessive transfers within a calendar year. Annuities purchased through the APlus Program may cost more than annuities purchased outside of the APlus Program. There could be other annuity products suitable for you that are more or less costly.

## **Fees For Advisor Managed Accounts**

### **Transaction Charges**

Your Advisor Managed Account is assessed transaction charges related to activity in your account by our affiliated broker-dealer, Kestra IS, in accordance with its current transaction fee schedule, which your Advisor will provide upon request. Transaction charges are customizable and negotiable and may be waived or raised at any time by Kestra IS in accordance with its brokerage agreement with you. Kestra IS typically does not charge you commissions for transactions in mutual funds; however, there is typically a transaction charge assessed on such transactions. Please see the Brokerage Practices section for more information. Your Advisor may opt to absorb the transaction charges associated with your account, which creates a conflict of interest as it lowers the compensation your Advisor receives, and thus incentivizes less frequent trading to minimize the trading costs your Advisor absorbs.

Your Advisor has the ability to negotiate certain account fees, including transaction costs, when recommending third party custodial and asset management platforms. Such negotiation results in different platform costs being charged for similar services on different management platforms. Certain mutual funds pay our affiliated broker-dealer, Kestra IS, various service fees or 12b-1 distribution fees, and we credit an amount equal to those fees back to you, except for 12b-1 fees our affiliated broker-dealer receives in connection with sweep money market mutual funds, which our broker-dealer retains. This creates an incentive, and thus a conflict of interest, for Kestra IS to recommend money market mutual funds as sweep account options for the brokerage account, because it does not credit such fees back to you.

Kestra IS charges its customers more for transaction charges and certain other costs than the amount it pays to its clearing firm, NFS. Please see the Brokerage Practices section for more information.


## **Fees For Advisory Platforms**

### **AdvisorEnterprise Platform**

The annual Client Fee for AdvisorEnterprise Advisor as Portfolio Manager (APM) Accounts ranges up to 2.5 percent of assets under management, and is based upon a variety of factors, such as, but not limited to, account size, account type (e.g., retirement) and types of investments in your account. All fees are negotiable, subject to the maximum amount set forth above. Asset-based fees are typically assessed quarterly in advance based upon the fair market value of your assets on the last business day of the preceding quarter. We may waive or charge clients a lesser fee.

Your APM-Tickets Account will also be assessed transaction charges related to activity in the account. Your Advisor may opt to absorb the transaction charges associated with your account, which creates a conflict of





interest as it lowers the compensation your Advisor receives, and thus incentivizes less frequent trading to minimize the trading costs your Advisor absorbs. Please see the Brokerage Practices section for more information.

In both APM programs on the AdvisorEnterprise Platform, you will pay a Client Fee, which is comprised of a Program Fee we collection in connection with our maintenance of our advisory platform and an Advisor Fee we collect in connection with the investment advice provided through your Advisor.

We charge Advisors a Program Fee to access the AdvisorEnterprise Platform which is paid to us from the Client Fee you negotiate with your advisor. The Program Fee is based on the account/household size and the amount of client assets your Advisor's firm places on the AdvisorEnterprise Platform. The Program Fee includes fees for Kestra AS and its affiliates' maintenance of the advisory platform, custody and trading services. This payment structure incentivizes your advisor to increase the Client Fee assessed by an amount sufficient to offset the Program Fee, which is a conflict of interest.

The Program Fee for APM-Tickets is calculated on a blended basis. For the first \$5M of an account/household, the Program Fee ranges from 0.14% to 0.045%. Any amount above \$5M is charged 0.02%. Therefore, any account or household above \$5M will have a blended Program Fee.

For APM-Tickets Program accounts, you will pay a transaction cost associated with trades in your account and other applicable broker-dealer charges as detailed in the fee schedule of our affiliated broker-dealer. You are also responsible for paying any charges imposed by the issuers of investments in your account or their affiliates.


For APM-Wrap Program accounts, you will not be responsible for paying transaction charges to our affiliated broker-dealer but will be responsible for paying any account maintenance costs as detailed in the fee schedule of our affiliated broker-dealer. You are also responsible for paying any charges imposed by the issuers of investments in your account or their affiliates.

The APM-Wrap program allows us to charge one consolidated fee for investment advisory services and transaction fees rather than separately charging advisory and transaction fees as we do in the APM-Tickets program. The wrap fee is assessed as a percentage of the value of your account. Because the wrap fee does not change in relation to transaction volume, you will generally derive greater benefits from a wrap program when your account is actively traded. If, over time, your trade volume is low, we generally recommend you consider converting your account to the APM-Tickets program or terminating your advisory agreement. Likewise, if your accounts are in the APM-Tickets program and the trading activity in your account is high, we generally recommend you consider converting to the APM-Wrap program in order to avoid individual transaction charges applicable to the APM Tickets program.

Depending on the advisory fee charged by your financial advisor, the size of the account, and the number of trades placed in your account, the APM-Tickets program may cost more or less than the APM-Wrap program. When your advisor chooses to pay your transaction charges, the APM-Tickets program is the lowest cost program, providing your advisor does not adjust the Client Fee to account for their additional expense.

Please see our **Wrap Fee Program Brochure** for details and a corresponding fee schedule regarding the APM-Wrap-fee program





Your Advisor receives an economic benefit because of your participation in the AdvisorEnterprise Platform. The amount of this economic benefit is generally more than what your Advisor would receive if you participated in our other platforms or programs or separately paid for investment advice, brokerage, and other services.

An Advisor receives additional economic benefit as a result of placing client assets with us in the form of reduced charges for the programs and services we make available to the Advisor for use with their clients. For example, we assess a Program Fee for accounts on the AdvisorEnterprise Platform. The Program Fee includes fees for Kestra AS and its affiliates' maintenance of the advisory platform, custody and trading services. The Program Fee we charge as part of your Client Fee is reduced based on the amount of client assets placed on the AdvisorEnterprise platform. As the Program Fee is reduced, the Advisor retains a greater portion of the Client Fee. An Advisor therefore has a financial incentive to recommend the AdvisorEnterprise Program over other platforms or services we provide, which is a conflict of interest. The reduced charges and additional compensation is generally based on the aggregate amount of client assets of the Advisor's clients utilizing platforms and services we and our affiliates provide or other factors in our discretion.

Regardless of what our Advisor determines as an appropriate Client Fee, your AdvisorEnterprise Account is still subject to a minimum annual account fee. The minimum annual account fee varies by program on AdvisorEnterprise. Kestra AS (the sponsor of this program) assesses the fee based on the size of the account. If the Program Fee does not meet at least the specified minimums of \$60 for APM accounts with tickets (APM-Tickets), \$95 for APM accounts with wrap (APM-Wrap), \$75 for Fund Strategist Portfolios (FSP) and Separately Managed Accounts (SMA) and \$350 for Unified Managed Accounts (UMA) the minimum account fee will be assessed to your Advisor.

Advisors receive firm-level pricing to determine their Program Fee on the AdvisorEnterprise platform. A firm is defined as those financial professionals with a shared firm name and financial structure. Advisors are placed in their respective levels based on their firm-level combined assets under management on the AdvisorEnterprise Programs and Horizon accounts. Some Advisors will have higher Program Fees than other Advisors.


#### **Horizon or AdvisorChoice Platform**

The annual Client Fee for Horizon and AdvisorChoice Portfolio as Manager Accounts ranges up to 2.5 percent of assets under management. Horizon and AdvisorChoice Managed Accounts are subject to a Program Fee of 0.05 percent; however we may, at our discretion, waive or discount this charge. Your Advisor is incentivized to increase the cost of the advisory services you are charged to offset the impact of the Program Fee. Your Advisor is also incentivized to place your account on the AdvisorEnterprise Platform to avoid incurring the Program Fee.

Asset-based fees for a Horizon or AdvisorChoice Managed Account are typically assessed quarterly in advance based upon the average daily balance of your assets over the preceding quarter. Your Horizon or AdvisorChoice Managed Account will also be assessed transaction charges, which your Advisor may opt, at their discretion, to absorb. If your Advisor usually absorbs transaction charges, your Advisor has a conflict of interest and is incentivized to place fewer trades in your account than may otherwise be placed if trade costs were nonexistent in order to reduce the amount of trading expenses that your Advisor absorbs.

Your Advisor receives compensation as a result of your participation in these platforms. The amount of this compensation will generally be more than what your Advisor would receive if you participated in our other





investment advisory programs or separately paid for investment advice, brokerage and other services. Your Advisor therefore has a financial incentive to recommend these platforms over other programs or services we offer.

### **Fee For Third-Party Programs**

#### **SEI**

You will pay an annual fee for the SEI Program, which ranges up to 2.5 percent of assets under management. Your Advisor can negotiate the fee with you and SEI based upon a variety of factors, such as account size, account type (e.g., retirement) and types of investments within your account.

#### **SEI offers the following advisory services or solution types to clients:**

SEI Target Allocation Solutions:	0 to 45 bps
SEI Objective Based Solutions:	0 to 45 bps
Separately Managed Accounts:	18 bps to 125 bps
Custom High Net Worth Solutions:	55 bps to 105 bps

#### **Maximum Client Fee: 2.5%**

SEI EAS Program: 0.20%; the platform fee is subject to a \$1,000 per year, per account, maximum.

Small Account Fees: \$60 annual fee, charged quarterly in arrears, for accounts under \$50,000.

The SEI Trust Company is responsible for providing you with statements, at least quarterly, showing all the assets and activity in your Advisor Managed Account with the SEI Program. These statements include any fees or charges assessed in the quarter. SEI Trust Company deducts fees from your account in accordance with your agreement with SEI and requirements of applicable law.

#### **AssetMark**

You will pay fees in connection with an Advisor Managed Account with the AssetMark Program based upon the solution you and your Advisor choose as referenced below. The fees applicable to each Account on the Platform include:

1. Financial Advisor Fee (this is negotiated with your advisor and will not exceed the levels listed above)
2. Platform Fee, which includes any Strategist or Manager Fee, as applicable, and most custody fees.
3. Initial Consulting Fees (this is negotiated with your Advisor at the outset of your engagement).


Other fees for special services are also charged. The Fees applicable to the Account will be set forth in the Client Billing Authorization. You should consider all applicable fees prior to engaging your Advisor for such services.

#### **AssetMark offers the following advisory services or solution types to clients:**

Guided portfolios range from 0bps - 65bps  
Single strategy solution types range from 0bps to 110bps  
Separately Managed Accounts range from 70-80 bps  
Unified Managed Accounts range from 65bps to 110bps  
Multiple Strategy Accounts range from 25 to 110 bps

Maximum Client Fee: 2.5%





The applicable custodian will deduct fees from your account in accordance with your agreement with AssetMark, your custodial agreement and applicable law.

With respect to the AssetMark Program, some of our Advisors are entitled to receive a reimbursement from AssetMark for qualified marketing and/or business development expenses based on the total assets invested in the AssetMark program. Kestra AS limits the reimbursement to \$5,000 per Advisor per vendor regardless of whether the advisor qualifies for additional reimbursement funds above that amount. This additional financial benefit is not shared with you and creates a conflict of interest due to the incentive it creates for your Advisor to utilize the AssetMark Program.

**BNY Mellon Wealth Management (“BNYM WM”)**

You will pay a Client Fee in connection with a BNYM WM Program Account. The Client Fee you negotiate with your Advisor and pay to us is in addition to the fee you pay BNYM WM for their services.

The Maximum Client Fee is 2.5%

**Fees for Financial Planning and Consulting**

Our Advisors charge fees for financial planning and financial consulting on an hourly basis, a percentage of assets, or a negotiated flat fee basis. These fees will vary based on the services provided and are negotiable. A flat fee charge may result in a total fee that is, on a percentage basis, greater than our typical maximum asset-based fee.

You may purchase any recommended security or investment product from a broker-dealer that is not affiliated with us or our Advisor. Should you choose to utilize your Advisor to implement the recommendations in your financial plan, your Advisor may act as an asset manager for your portfolio and receive advisory fees or may act as a broker and purchase securities for you on a commission basis, or some combination of the two. In that event, our affiliated broker-dealer, Kestra IS, will receive compensation from the sale of a security or investment products recommended to you and purchased through Kestra IS. Please refer to the Brokerage Practices section for additional information.


**Other Information on Fees and Compensation**

You may pay advisory fees to us by check, wire, or by authorizing the deduction of fees from your or another authorized account. If you authorize us to deduct fees from your account, you are responsible for fees, charges and other costs associated with the fee deduction, as well any tax impact associated with the deduction. When fees are deducted from accounts, the Advisor or account custodian will send you information reflecting the amount of fees deducted. You will receive a statement at least quarterly from your account custodian, showing all amounts disbursed from your account, including the advisory fees paid to us.

Our Advisors offer a wide variety of securities products and services since we are affiliated with a broker-dealer and insurance agency. Advisors are free to choose the products and services they make available to clients subject to applicable rules of suitability, appropriate licensing, and our policies and procedures. Some Advisors may not consider or be able to offer all of the products and services available through our company or our affiliates. In addition, the commissions, fees and other forms of compensation paid in connection with the purchase or sale of products and services vary. Accordingly, Advisors have a conflict of interest to the extent they recommend products or services that pay more compensation than other similar products or services available through us or our affiliates.

Although we are affiliated with an insurance agency, we do not sell fixed or general account life insurance





products or annuities other than certain fixed indexed annuities and broker dealer offered fixed annuities available through our affiliated broker-dealer. Some of our Advisors, in their individual capacities as insurance agents may recommend you purchase fixed or general account insurance products or annuities on a commission basis. We do not oversee and are not responsible for these insurance sales, however, we do refer our Advisors to certain third-party broker general agencies (BGAs) and our affiliated insurance agencies receive compensation from the BGAs if our Advisors use the services of these BGAs. Our Advisors are not required to utilize the services of any BGA to whom we refer business.

In their capacity as a registered representative of our affiliated broker-dealer, our Advisors recommend various third-party investment vehicles that are subject to initial and ongoing expenses and fees, such as sales loads, servicing fees and management fees. Examples of these collective investments and financial products are mutual funds and variable insurance products. The initial and ongoing expenses and fees of these investment vehicles are disclosed in the applicable offering document of the investment and are payable by you in addition to any fee we and our Advisors charge. If you purchased investments through another firm and transfer them to an account with us, you will pay ongoing fees and expenses to the investment product sponsor, or its affiliates, in addition to the fees we charge. For example, if you purchase mutual funds through another company and subsequently transfer those mutual funds to an advisory account with us, you will pay ongoing fees and expenses to the mutual fund company in addition to the fees we charge. In addition, if you purchased an investment on a commission basis, your Advisor may, after a period of time, assess an advisory fee as well.

If you choose to purchase an alternative investment on a commission basis, we will not charge an advisory fee on the value of that investment. Should your alternative investment be converted by the issuer to an advisory share class, the value of that investment will be subject to an advisory fee. Note that you will likely pay more in advisory fees versus up-front commissions over the typical holding period of these investments to the extent they are subject to an advisory fee.


NAV for illiquid alternative investments in your advisory account may be calculated as often as quarterly but no less frequently than annually. In the case where an alternative investment is valued annually, the underlying value of the asset may fluctuate, but the NAV will continue to serve as the basis for the AUM calculation. This could result in you experiencing higher or lower fees than if the NAV were calculated more frequently.

Subject to the capabilities of the account custodian, you may direct certain investments to be held within your account that are not to be included in the management of your portfolio. If you identify such assets in advance, we will not manage those assets or include them for purposes of calculating your advisory fee; however, you still may be subject to applicable platform or program fees on such assets. In addition, we may choose not to manage or charge advisory fees on assets held in an advisory account that we determine are not suitable for management by Kestra AS based on the nature or liquidity of the asset.

If you choose to authorize Kestra AS to use margin in your account, our fees would increase as the market value of your investment portfolio increases. Our offer to provide margin as a strategy creates a conflict of interest since we stand to receive increased advisory fees and our affiliate will receive margin revenue should you choose to employ a margin loan.

We make available third parties for our Advisors to utilize in providing you the services described in this document, and such third parties may compensate us for training, marketing efforts, staffing and ongoing





education of Advisors related to such third parties. This financial and non-financial support incentivizes us and your Advisor to utilize the services of these third parties, which is a conflict of interest. Please refer to the Client Referrals and Other Compensation section below.

Some of the third-party money managers and strategists we make available can be accessed through different advisory platforms and programs we offer, and your advisory fee will vary depending on the platform or program selected to access the manager or strategist. While we have an incentive to recommend a higher priced platform because we earn additional advisory fees, the cost of a particular platform or program used to access a specified manager or strategist is only one component of the overall cost and, therefore, the total fees you pay could be higher or lower in the aggregate. You should discuss with your Advisor the platform and program pricing relative to a specific manager or strategist for additional details or contact our Chief Compliance Officer for additional information.

Some of our Advisors participate in incentive trips and receive other forms of non-cash compensation based on the amount of their sales and services through Kestra IS and Kestra AS, non-affiliated marketing groups, or product manufacturers. To the extent your Advisor participates in an incentive trip or receives other forms of non-cash compensation, a conflict of interest exists in connection with the Advisor's recommendation of products and services for which they receive these additional economic benefits. Kestra IS allows representatives to receive marketing reimbursements from product providers to help defray these expenses. There is no requirement or expectation that representatives refer clients to or place assets with such providers. Please contact our Chief Compliance Officer for additional information.

To the extent an Advisor has waived any commission from the sale of a security or investment product, a third party may still provide additional compensation to us. This third-party compensation creates a conflict of interest since it would result in increased compensation for us or our affiliates.

Kestra charges its Advisors for certain products and services, such as access to eMoney reporting. Advisors may charge you more for these products and services than they pay to Kestra, which is sometimes called a "mark-up". Mark-ups vary by product and the type of service provided. This practice creates a conflict of interest for your Advisor as there is a financial incentive to recommend products and services that generate additional compensation.

We or our affiliates utilize third parties to fulfill services we provide or make available to you such as printing, mailing, planning software, and trading. Through enterprise level pricing or mark-ups, we or our affiliates often charge you more than our actual cost for such services. To the extent our costs are passed on to our Advisors, our Advisors may factor these costs into the advisory fees you are charged.

#### **Item 6 Performance-based Fees and Compensation**

We and our Advisors do not charge performance-based fees.

#### **Item 7 Types of Clients**

We provide investment advice to Plan clients qualified under Sections 401(a), 401(k), 403(b) or 457(b) of the Internal Revenue Code of 1986 and/or subject to the Employee Retirement Income Security Act of 1974 (ERISA) or which are otherwise considered nonqualified.

We also provide investment advice and services to individuals, corporations and other business organizations, trusts, estates and charitable organizations. More information on the services we provide non-





Plan clients is found in our other Client Brochure.

### **Item 8 Methods of Analysis, Investment Strategies and Risk of Loss**

We analyze investment programs and products of third-party managers by reviewing the background of persons associated with the manager, the manager's investment process, investment philosophy, methodology used within the program, and disclosure documents related to the program.

Advisors at times perform their own research on securities and programs through third-party resources available to the public, and employ various forms of analysis such as charting, fundamental analysis, technical analysis and cyclical analysis. Sources of information we and our Advisors use include financial newspapers and magazines, inspections of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses, filings with the Securities and Exchange Commission and company press releases. Performance reports vary and may use a Modified Dietz, Money Weighted Rate of Return, Time Weighted Rate of Return, or Internal Rate of Return for performance calculations.

While we do not have a firm-wide investment strategy, many of our Advisors recommend various forms of strategic asset allocation. An investment strategy is based upon objectives you define in consultation with your Advisor. Other strategies an Advisor may use include long-term buy and hold, short-term purchases, trading, short sales, margin transactions and option writing (including covered options, uncovered options or spreading strategies).

We treat cash as an asset class. As such, unless determined to the contrary by you or Kestra, all cash positions (money markets, etc.) shall continue to be included as part of assets under management for purposes of calculating Kestra's advisory fee. At any specific point in time, depending upon perceived or anticipated market conditions/events (there being no guarantee that such anticipated market conditions/events will occur), Kestra representatives may recommend maintaining cash positions for defensive purposes. In addition, while assets are maintained in cash, such amounts could miss market advances. Depending upon current yields, at any point in time, Kestra's advisory fee could exceed the interest paid by the client's money market fund.

A margin transaction occurs when you borrow against your invested assets to make additional investments. The securities used as collateral on the margin loan are subject to sale if capital requirements aren't met. . Because of the effect of the leverage of borrowing, gains or losses from the security you purchased on margin can be magnified.

Any investment or investment strategy involves risk of loss you should be prepared to bear. Examples of risks you could face are:


**Interest rate Risk:** Fluctuations in interest rates generally cause investment values to fluctuate. For example, market values of bonds typically decline when interest rates rise, because the rising rate makes the existing bond yields less attractive.

**Market Risk:** External factors independent of a security's particular underlying circumstances may impact its value. The value of a security, bond or mutual fund may drop in reaction to tangible and intangible events and conditions, such as a political or social event or an economic condition.

**Inflation Risk:** Inflation means a dollar today buys more than a dollar next year. When inflation is present, your purchasing power typically decreases at the rate of inflation.

**Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the





currency of the investment's originating country. Also known as exchange rate risk, these risks may be present in international mutual funds for example.

**Reinvestment Risk:** The risk that future proceeds from investments may be reinvested at a potentially lower rate of return is reinvestment risk. This risk primarily relates to fixed income securities.

**Business Risk:** Risks associated with a particular industry or a specific company may impact the value of investments. For example, oil-drilling companies typically have more business risk than electric companies since they depend on finding oil and then refining it efficiently before they generate a profit. An electric company generates income from customers who buy electricity regardless of economic conditions.

**Liquidity Risk:** Liquidity means the ability to readily convert an investment into cash. Assets with many purchasers are generally more liquid. For example, Treasury Bills are highly liquid, while real estate properties are less so.

**Financial Risk:** A company with excessive borrowing or that takes significant business risks to generate profit is typically at a greater risk of financial difficulty or failure.

**Digital Currency Risk:** Investments in digital or virtual currency or securities primarily holding such currency can be volatile and subject to a high degree of risk. The risk of loss for individual investors who participate in transactions involving digital assets is significant. The only money you should put at risk with this or any other speculative investment is money you can afford to lose entirely.

**Extended-Hours Trading Risk:** Trading activity that takes place outside of regular trading hours, whether in the pre-market or after-hours, is generally referred to as extended-hours trading. Extended-hours trading carries certain risks that merit careful consideration such as increased volatility, lower liquidity, uncertain pricing and order restrictions.


## Item 9 Disciplinary History

We have periodically been subject to administrative sanctions by state and self-regulatory agencies. A summary of the events is provided below for your reference. Prior to 4/7/2016 we were a dual registrant with our affiliated broker-dealer, Kestra IS (formerly known as NFP Advisor Services, LLC and NFP Securities, Inc.) and a summary of administrative actions applicable to Kestra AS and Kestra IS during the time we were dually registered follows. Additional detail regarding Kestra IS matters is available through FINRA's Broker/Check system.

### **Kestra AS:**

On July 9, 2021, Kestra AS entered into a settlement with the SEC related to compensation paid to its predecessor firm and affiliated broker-dealer that (i) created conflicts of interest which were not accompanied by adequate disclosure and (ii) resulted in a violation of the firm's obligation to seek best execution, in violation of Sections 206(2) and 206(4) of the Advisers Act and Rule 206(4)-7 thereunder. In particular, the affiliated broker-dealer received revenue sharing payments from an unaffiliated clearing broker-dealer as a result of Kestra AS's advisory clients' investments in certain mutual funds. Certain of the mutual funds that paid revenue sharing were more expensive than lower-cost options available to clients (including lower-cost fund share classes that did not result in any revenue sharing). In addition, the affiliated broker-dealer received compensation resulting from transaction fees charged on mutual fund trades and non-transaction fees for certain services provided to Kestra AS's advisory clients, which were greater than the amount charged to the affiliated broker-dealer by the clearing broker-dealer for those trades and services. The SEC also found that Kestra AS failed to adopt and implement adequate written compliance policies and procedures in connection with the foregoing practices. Without admitting or denying the underlying findings, Kestra AS offered to accept a censure, an order to cease and desist from committing or causing such violations and to pay eligible clients an estimated \$7,229,802 in disgorgement, \$1,273,370 in interest and a penalty of \$1,500,000.





On March 11, 2019, Kestra AS entered into an order by the U.S. Securities and Exchange Commission related to the recommendation of mutual fund share classes generating compensation to Kestra AS's affiliated broker-dealer without adequate disclosure of such compensation and the additional expenses associated with the share classes in violation of Sections 206(2) and 207 of the Advisers Act. Without admitting or denying the underlying findings, Kestra AS offered to accept a censure and pay eligible customers an estimated \$5,628,383.60 in disgorgement and \$567,895.75 in interest.

#### **Item 10 Other Financial Industry Activities and Affiliations**


Kestra IS and Kestra AS are affiliated entities and subsidiaries of Kestra Financial, Inc. Kestra AS utilizes Kestra IS as its primary broker-dealer, and there are inherent conflicts of interest as a result of this arrangement. The conflicts relative to this affiliation are described generally in this section and detailed in the Brokerage Practices section below.

If you choose to purchase "offered" securities through Kestra IS, the broker-dealer will receive commissions from the issuer (such as a mutual fund or insurance company) or its affiliate, or will charge brokerage commissions, markups or markdowns to effect a transaction in stocks, bonds or other traded securities. A portion of the commissions, markups or markdowns will be paid to the applicable Advisor. Brokerage commissions, markups and markdowns charged by Kestra IS may be higher or lower than those charged by other broker-dealers. Commissions paid to Kestra IS by an issuer or its affiliate are typically set forth in the applicable offering documents. Mutual funds or their affiliates pay Kestra IS ongoing 12b-1 distribution and shareholder servicing fees applicable to certain share classes purchased for a client account during the period that the client maintains the mutual fund investment. Advisory accounts are credited back an amount equal to the 12b-1 fees Kestra IS receives from the mutual funds, except for 12b-1 fees received by NFS, the clearing firm, in connection with sweep money market mutual funds, which NFS in turn pays to Kestra IS and Kestra IS retains. This creates a conflict of interest for Kestra IS to recommend a money market mutual fund as a sweep account option for its brokerage account.

There are significant differences between brokerage and advisory services, which are governed by different regulations, have different compensation structures, and place different obligations on your Advisor. The services provided for brokerage and advisory accounts also differ, and one arrangement may entail a lower cost than the other. Compensation for brokerage accounts is typically commission-based. Compensation for advisory services is typically fee-based and assessed either as a flat fee or based on a percentage of assets under management. In some instances, a security may be purchased only through a broker-dealer (for which the customer would pay commissions). At times, your Advisor will offset advisory fees you pay for investment advisory services by the amount of commissions received on the purchase or sale of a security or will not assess an advisory fee on assets for a period of time so that the Advisor does not receive investment advisory fees and commissions on the same assets.

You may, but are not obligated to, engage our Advisors, in their capacities as registered representatives of Kestra IS, to implement investment recommendations on a commission basis. Acting as a registered representative of a broker-dealer and recommending the purchase of securities involves a conflict of interest since the receipt of commissions provides an incentive to recommend products based on the commissions received rather than your particular needs. The firm does not oversee and is not responsible for overseeing the sale of securities or fixed insurance products by your Advisor in their capacity as a registered representative of Kestra IS or as an insurance agent. You are under no obligation to purchase any products sold by our Advisors while acting as a registered representative or insurance agent.





Our Advisors, in their capacity as registered representatives of Kestra IS, have the ability to offer various securities to customers, including customers who are advisory clients of the firm. Such products include non-traded securities such as hedge funds, limited partnerships and privately offered securities. Generally, you must meet certain financial, experience and/or risk tolerance requirements before you may invest in such products. While Kestra IS introduces accounts and securities transactions to NFS, Kestra AS may buy or sell securities through other custodians or clearing firms.

In addition to the advisory fees you pay, when securities transactions are effected on behalf of investment advisory clients through our affiliated broker-dealer, Kestra IS, it receives transaction-based compensation. This compensation creates a conflict of interest where we recommend, purchase or sell securities through Kestra IS because in such instances we receive investment advisory fees and Kestra IS receives commissions, transaction fees, 12b-1 fees or other transaction-based compensation. In addition, Kestra IS receives non-transaction-based compensation, such as IRA custodial fees and administrative fees, when it is utilized as an introducing broker-dealer by investment advisory clients of the firm. Thus, the firm has a conflict of interest in recommending the use of Kestra IS as an introducing broker-dealer to you.

Our parent company, Kestra Financial, Inc., owns other investment advisers, insurance agencies, and service providers (Kestra Affiliates). When a company is acquired, production incentives are typically put into place in order to create an incentive to maximize earnings. When such a company's financial professionals are registered with us or one of the Kestra Affiliates, the financial professional has an incentive to both maximize their production and to recommend the products and services of the Kestra Affiliates. From time to time, our Advisors will recommend that you purchase or sell products and services of or through the Kestra Affiliates, and these Kestra Affiliates (such as Kestra IS) receive compensation as a result. Such a recommendation creates a conflict of interest since it results in increased compensation to a Kestra Affiliate and your Advisor. As an example, your Advisor may recommend that you purchase variable insurance or fixed indexed annuities through Kestra IS, and if you do then Kestra IS and your Advisor receive compensation. Such compensation is in addition to any advisory fees you pay to the firm.


Our affiliation with certain insurance agencies and the additional compensation an Advisor receives, irrespective of our affiliation, creates a conflict of interest to the extent our affiliates or Advisors receive compensation in addition to the advisory fees you pay us.

Kestra Financial, Inc. and the Kestra Affiliates are ultimately owned by Kingfisher Topco Holdings, LP (Kingfisher). Some of our Advisors own equity in Kingfisher and stand to benefit if Kestra AS and the Kestra Affiliates perform well financially. This ownership creates a conflict of interest since Advisors owning equity in Kingfisher have an incentive to recommend the services of the Kestra Affiliates.

Other relationships with other Kestra companies include our ability to recommend services of our affiliate, Trinity Financial Services. Trinity Financial Services is an affiliated third-party administrator made available to Advisors for recommendation to retirement plan sponsors. The recommendation of Trinity Financial Services creates a conflict of interest since our affiliate would receive increased compensation if it is selected by a client.

We are affiliated with Arden Trust Company (Arden), a Delaware limited purpose trust company providing corporate trustee services. The recommendation of Arden for trust or other services creates a conflict of interest since our affiliate would receive additional compensation as a result of using their services. You are under no obligation to use Arden as a corporate trustee.





We are affiliated with Comprehensive Brokerage Services, LLC, also referred to as Kestra Insurance Planning (CBS), a brokerage general insurance agency that supports insurance agents using their services to sell life insurance and annuity products. We use CBS to assist us in placing insurance products where such products are appropriate for our clients. Our use of CBS to provide you insurance and annuity products creates a conflict of interest since our affiliate would receive additional compensation as a result of using their services.

An affiliate of Kestra AS is engaged in the acquisition of wealth management businesses. Kestra AS's affiliate periodically purchases the wealth management practice of existing Kestra Advisors. In addition, Kestra AS's affiliate periodically purchases the wealth management practice of investment adviser representatives of other companies and those representatives become Advisors of Kestra AS as a result. These acquisitions create a conflict of interest since the Advisor has a financial incentive to recommend a client engage Kestra AS for advisory services, engage Kestra IS for brokerage services, and to recommend additional products and services.

We are affiliated with Kestra Investment management, LLC (Kestra IM). Kestra IM provides ongoing discretionary investment management services to clients through programs and platforms offered by or through affiliated registered investment advisers. Kestra IM is a Portfolio Manager offered through our AdvisorEnterprise Fund Strategist Portfolios (FSP) and Separately Managed Accounts (SMA) wrap fee programs. The recommendation of Kestra IM as Portfolio Manager creates a conflict of interest since our affiliate receives compensation for managing your assets in addition to the advisory fee we receive. You are under no obligation to use Kestra IM as a Portfolio Manager.

From time to time, Kestra IM may be asked to contribute financial support for marketing or client appreciation events hosted by our Advisors. These events may include, but are not limited to, seminars, educational workshops, and community or charitable events such as golf tournaments. These payments are typically made to help cover event-related expenses and are not directly tied to specific client accounts. However, because our Advisors benefit from this financial support, they may have an incentive to promote or recommend Kestra IM model portfolios over those of other third-party providers. This creates a conflict of interest, as our Advisors may favor Kestra IM portfolios to obtain or maintain Kestra IM support, rather than basing their recommendations solely on the client's best interest. Clients should be aware of this potential conflict when evaluating the recommendation of Kestra IM.

Stone Point Capital, LLC ("Stone Point") owns a majority interest of the ultimate parent company of Kestra Advisory Services, LLC ("KAS"), Kestra Private Wealth Services, LLC ("KPWS") and Kestra Investment Services, LLC (together with KAS and KPWS, "Kestra"). Kestra makes available an investment fund affiliated with Stone Point. The recommendation of such a fund creates a conflict of interest since the holder of a majority interest in Kestra's ultimate parent company would directly or indirectly benefit from an investment in the fund.

Kestra attempts to mitigate this conflict by applying the same due diligence process we use for unaffiliated alternatives, not paying or receiving additional compensation or revenue sharing tied to sales of this product, applying fiduciary or best interest standards to the sale of all investment products, evaluating all sales through a supervisory process to ensure sales are aligned with client's investment profiles and clients are encouraged to ask questions and consider alternatives.

Additional information regarding funds affiliated with Stone Point or advised by an affiliate of Stone Point is





available at <https://www.kestrafinancial.com/disclosures/company-information> or by contacting Kestra's chief compliance officer.

### **Item 11 Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading**

We maintain a written code of ethics in accordance with the Advisers Act that is intended to promote an ethical culture for our firm. Our code of ethics requires our personnel and Advisors to treat sensitive information confidentially, not misuse material non-public information about client transactions, report violations of the code, and comply with federal securities laws. The code of ethics also requires certain personnel and Advisors to report their personal securities holdings. We will provide a copy of our code of ethics upon request.

Our personnel and Advisors may invest for their own accounts in interests in investment partnerships, venture capital vehicles, and hedge funds and other commingled products or individual investment accounts managed by other advisers we have recommended to you as well. These entities and managers may also separately buy or sell investments that you buy or sell for your own account or that we have recommended to you. Generally, our Advisors and personnel have no ability to influence or control these entities' transactions in securities. If such influence or control did exist, our personnel and Advisors would be subject to policies on employee trading described in our code of ethics and compliance manual to address this conflict of interest.

Our employees and Advisors may invest for their own accounts in securities which may also be recommended, purchased, or sold for you as our advisory client. Our code of ethics requires Advisors to place the interests of clients before their own interests. Our compliance department reviews personnel and Advisor trades each quarter in an effort to ensure that their personal trading does not impact trades for clients and that our clients receive preferential treatment. Personal trades which consist of mutual funds or exchange-traded funds will typically not have an impact on client trading or securities markets.

Stone Point Capital, LLC ("Stone Point") owns a majority interest of the ultimate parent company of Kestra Advisory Services, LLC ("KAS"), Kestra Private Wealth Services, LLC ("KPWS") and Kestra Investment Services, LLC (together with KAS and KPWS, "Kestra"). Kestra makes available an investment fund affiliated with Stone Point. The recommendation of such a fund creates a conflict of interest since the holder of a majority interest in Kestra's ultimate parent company would directly or indirectly benefit from an investment in the fund.


Kestra attempts to mitigate this conflict by applying the same due diligence process we use for unaffiliated alternatives, not paying or receiving additional compensation or revenue sharing tied to sales of this product, applying fiduciary or best interest standards to the sale of all investment products, evaluating all sales through a supervisory process to ensure sales are aligned with client's investment profiles and clients are encouraged to ask questions and consider alternatives.

Additional information regarding funds affiliated with Stone Point or advised by an affiliate of Stone Point is available at <https://www.kestrafinancial.com/disclosures/company-information> or by contacting Kestra's chief compliance officer.

### **Item 12 Brokerage Practices**

You will enter into separate custodial/clearing agreements with the applicable custodian for your advisory





account. We typically place trades for our clients through Kestra IS, which introduces accounts and transactions to its clearing firm and custodian, NFS. However, we sometimes designate Pershing, Fidelity Institutional Wealth Services (IWS), Schwab, TD Ameritrade or other alternative clearing and custody companies. Your funds and securities are held with those custodial firms, and not by us, Kestra IS or your Advisor. We may also, at our discretion, accommodate your request to use an alternative custodian.

### **Use of Kestra IS**

Although we may utilize other broker-dealers and account custodians to service your advisory account, as noted above we generally use our affiliated broker-dealer, Kestra IS, which introduces accounts to its clearing firm, NFS. By using our affiliated broker-dealer, we are able to provide a uniform technology platform to our Advisors for the management of client accounts and provide clients a uniform clearing and custodial platform applicable to both advisory and non-advisory brokerage accounts. However, the use of our affiliated broker-dealer and NFS creates a conflict of interest because Kestra IS earns brokerage commissions, markups, revenue sharing, transaction fees and other revenue, including non-transaction fees, in connection with your advisory account.

### **Kestra IS's Clearing Agreement with NFS**

NFS performs certain brokerage functions for the account we advise on and acts as custodian for the assets in such account. NFS handles the delivery and receipt of all securities bought or sold in your account, values securities, receives and distributes all dividend and other distributions, and processes exchange offers, rights offerings, warrants, tender offers, or redemptions. NFS also sends trade confirmations (unless suppressed by you), periodic account statements of all activities, and shareholder communications. NFS maintains custody of your assets and performs other customary custodian services. NFS charges and collects fees and processes deposits to and withdrawals from your advisory account.


The use of NFS involves a conflict of interest because NFS pays Kestra IS various amounts in connection with assets on their platform. Kestra IS's business relationship with NFS also provides Kestra IS with considerable other benefits, including favorable pricing with NFS (including execution price discounts that increase with trade volume - these discounts are not shared with our Advisors or with clients), receipt of revenue sharing payments from NFS on certain mutual funds and ETFs and the sweep account bank account option, receipt of credits from NFS for business development and for net positive asset flows onto the NFS platform, and receipt of a portion of interest payments on margin loans and non-purpose loans. In addition, NFS provides Kestra IS payments for certain conferences and programs. The receipt by Kestra IS of such compensation from NFS, including credits and discounts that reduce amounts Kestra IS otherwise owes to NFS, creates a conflict of interest for the firm; the firm has an economic interest to use Kestra IS because of the affiliation between the two companies and Kestra IS has an economic incentive to use NFS as its clearing firm for trade execution and custody over other firms that do not or would not provide such economic benefits to Kestra IS, even if such other firms might be more beneficial to clients of the firm. Accordingly, we have a financial incentive to recommend and use Kestra IS and NFS for brokerage and custodial services.

Kestra IS has a contract with NFS which provides Kestra IS incentives to place assets with NFS, as well as disincentives in the form of charges to Kestra IS if it were to terminate its contract with NFS before the end of the contract term. These contract terms create a conflict of interest for Kestra IS since Kestra IS has an incentive to utilize NFS as a clearing firm and custodian.

### **Markups**

NFS charges Kestra IS for certain products and services (such as clearing of transactions, printing, handling





and delivery or e-delivery of statements and trade confirmations, account verification and a number of technology and product solution services) that Kestra IS is responsible for providing to customers (including advisory clients of the firm), and Kestra IS sets its own price for such services, including administrative services and transactions. Kestra IS typically charges clients more for these services than it pays to NFS, which is sometimes called a “markup,” and the markups vary by product, the type of service provided, the nature and amount of transactions involved (if applicable) and the type of account. This practice creates a conflict of interest for us since we have a financial incentive to recommend Kestra IS since Kestra IS earns substantial additional compensation for the services it provides. Advisors do not benefit directly from this arrangement. In addition, certain fees Kestra IS pays to NFS decreases as the total assets custodied with NFS increase. As a result, we have an incentive to recommend that you increase your investment in your advisory account, as that allows Kestra IS to pay NFS lower fees.

Kestra IS keeps the difference between the fee its customers (including you) pay and the amount paid to NFS, to cover its internal and external costs associated with processing the transaction(s) and providing other services and to generate revenue. This presents a conflict for Kestra IS, since setting a higher fee increases the revenue it receives, even though it will result in you paying higher fees. These markups are in addition to the investment advisory fees you pay us, and you should consider the additional revenue that Kestra IS receives when evaluating the appropriateness of our investment advisory fees.


Kestra IS charges customers more for the services noted below than what it is assessed by NFS in connection with the provision of these services. The amount charged by Kestra IS for these services may be changed at any time.

For more information about Kestra IS’s fees and charges, please see the fee Summary of Brokerage Fees schedule contained in the Kestra IS Brokerage Agreement, speak to your Advisor or call 844-553-7872. Kestra IS charges its brokerage customers more than what Kestra IS pays NFS or other vendors in order to compensate Kestra IS for its internal and external costs associated with processing securities transactions and providing other services to customers and to generate revenue. While the arrangement between NFS and Kestra IS serve as incentive to open accounts with NFS, no portion of such fees and charges are shared with our Advisors.

Our affiliated broker-dealer acts as a selling agent on a best-efforts basis in their capacity as a broker-dealer for new issues of fixed income securities that your Advisor may purchase for your account. In this regard, we rely upon our relationship with a third-party broker-dealer named Advisors Asset Management, Inc. (AAM) to complete transactions in fixed income securities your Advisor may recommend. In connection with such transactions, our affiliated broker-dealer generally receives normal and customary transaction-related compensation as a selling agent for the new issue fixed income security and we will receive advisory fees based on the value of the fixed income security in your advisory account. AAM pays Kestra IS compensation for order flow based upon the total amount of fixed income securities executed through their firm. Kestra IS receives 20 percent of the concession charged by AAM for all our clients’ advisory and brokerage transactions. Similarly, Kestra IS receives up to 25bps for structured product transactions utilizing First Trust Portfolios, LP (FTP) and AAM. These arrangements create a conflict of interest since our affiliated broker/dealer will earn additional compensation associated with the use of our broker-dealer’s, AAM’s and FTP’s services. Our Advisors do not receive any portion of this additional compensation, however.

Fixed income transactions may also be executed through NFS’s bond platform. Kestra IS assesses a markup on the transaction, which creates an incentive for us to utilize the services of NFS’s bond platform and





increase compensation to our affiliate. However, our Advisors do not receive any portion of the markup.

We will allocate partially completed trades either in a pro-rata, random fill, or other method designed to treat you and all our clients fairly and equitably over time. The commissions we charge may be higher or lower than those charged by other broker-dealers.

We correct our trade errors arising from transactions in your account at our expense; however, we reserve the right to retain any gains that may arise from correcting such errors and to charge your Advisor any retail ticket charges that result from a trade correction.

Agency cross transactions take place when we cause a security to be transferred from one client account to another. Kestra AS does not allow agency cross transactions in advisory accounts. Also, we do not direct client securities transactions to obtain research or other benefits, otherwise known as “soft dollars.”

We and our Advisors will aggregate orders for your account where aggregation is appropriate and practicable or will result in a more favorable overall execution for you. We will allocate such orders at the average price of the aggregated order. You will pay the same ticket charges on any aggregated orders that you would on non-aggregated orders. Aggregation does not benefit you when your account has trades in mutual funds or exchange-traded funds, and therefore we do not aggregate trades of these securities.

We effect transactions for your account through broker-dealers that refer us advisory business. The use of such broker-dealers for trades in your account creates a conflict of interest since we have an incentive to increase referrals to our company. Commissions and fees may be higher at those broker-dealers than what is charged by other broker-dealers.


Our Advisors will oversee and direct the investments of your accounts subject to the terms of your advisory agreement and any limitations you may impose on us in writing. We have an obligation to seek to obtain best execution for transactions in your account. To the extent you have imposed a limitation on brokerage selection, or have directed us or your Advisor to utilize a certain broker-dealer, we will not have the ability to negotiate commissions among various brokers or to obtain volume discounts. We also may not achieve best execution, and you may pay higher commissions and transaction costs and receive less favorable net pricing than other clients as a result.

### **Mutual Fund Selection**

Investment advisers must act in the best interest of their clients, including the selection of appropriate mutual fund share classes, and disclose fees associated with the recommended share classes. Many mutual funds offer multiple share classes depending on certain eligibility and purchase requirements. Each class represents the same interest in the mutual fund’s portfolio. The principal difference between the classes is that the mutual fund charges different fees and expenses on the various share classes based often on the amount invested. For instance, in addition to the more commonly offered retail share classes (typically, Class A, B and C shares), mutual funds may also offer institutional share classes and other share classes that are specifically designed for accounts that participate in fee-based investment advisory programs. Institutional share classes or classes of shares designed for purchase in an investment advisory program usually have a lower expense ratio and are less costly than other share classes. Even with respect to a particular share class, expenses will vary by fund and by fund company. These fees and expenses negatively impact investment returns.

The brokerage or clearing platforms we utilize, such as those provided by NFS and the other custodians, and





Kestra IS do not make available all mutual fund families or all share classes of all mutual funds. This means that mutual funds or share classes not available through these platforms cannot be purchased for advisory clients. Certain share classes are not eligible to be purchased in connection with an advisory relationship. Accordingly, clients may not be invested in the lowest cost share class offered by a mutual fund company. We do not allow B or C share mutual funds to be held in connection with an advisory relationship.

In an effort to ensure we recommend an appropriate mutual fund share class, we utilize a subset of the mutual fund families available through our custodians and Kestra IS. Thus, the availability of individual funds and share classes is dependent upon the agreement that the custodians have with individual fund families. Only one share class is available for each fund recommended on our platform within the fund families we utilize. These funds are chosen based on a set of criteria designed to utilize an appropriate share class for the largest segment of our clients while having consistency across our platforms. This means that the funds and share classes we recommend may not be the lowest cost share class available in the marketplace but will meet our criteria of analysis that includes cost, custodial availability, minimum investment size, and average client trade volume. Clients should not assume they are invested in the share class with the lowest possible expense ratio or cost.

Mutual funds often impose criteria that must be met in order for certain share classes to be purchased. Certain mutual funds will waive such criteria if requested by a financial intermediary, such as an investment adviser. As a general practice, the firm does not request waivers of the share class criteria set by mutual fund companies even if the prospectus for a fund states that such a waiver is possible. This means that clients generally will not receive the benefit of being able to invest in a lower cost share class that might be obtainable if the firm were to request a waiver of the criteria set by a fund company to purchase a particular share class.

The list of funds available on our platform is subject to review, and we monitor and update our funds list at least annually. You may hold mutual funds not available for purchase in our advisory accounts and those positions will be subject to advisory billing unless specifically excluded. While other mutual funds may be appropriate and meet your needs and objectives, mutual fund recommendations will be limited to those funds we have elected to make available for purchase through our firm and is available on the NFS platform. This purchase limitation extends to funds you may hold in your advisory account.


You should ask your Advisor why the particular funds or other investments that will be purchased or held in your advisory account are appropriate for you in consideration of your expected holding period, investment objective, risk tolerance, time horizon, financial condition, amount invested, trading frequency, the amount of the advisory fee charged, whether you will pay transaction charges for fund purchases and sales, whether you will pay higher internal fund expenses in lieu of transaction charges that could adversely affect long-term performance, and relevant tax considerations. Your Advisor may recommend, select, or continue to hold a fund share class that charges you higher internal expenses than other available share classes for the same fund.

### **Equivalent Strategy Funds**

Kestra identifies mutual funds and ETFs that offer the same underlying investment strategy, even if the funds have a different fund family or fund name and limits the purchase of the more expensive option. Where mutual funds and ETFs share an equivalent strategy, Kestra restricts the purchase of the more expensive option if the difference in expense ratio is greater than 10 basis points.

### **Revenue Sharing to Kestra IS**






Kestra IS receives servicing fees, 12b-1 distribution fees and other third-party payments if you implement our recommendations through Kestra IS. For mutual fund purchases made through Kestra IS, for the period in which you are invested in the mutual fund, Kestra IS will receive ongoing 12b-1 and service fees directly from the mutual fund company or ongoing fees from the adviser, underwriter or distributor of the mutual fund. Mutual funds with 12b-1 fees are generally more expensive than funds without such fees. There is a conflict of interest when we recommend these products or services since they result in increased compensation to our affiliated broker-dealer. To mitigate this conflict of interest, we credit back to your account an amount equal to the 12b-1 and service fees Kestra IS collects in connection with your advisory assets, except for 12b-1 fees generated through the default sweep money market mutual funds available on the NFS platform, which NFS remits to Kestra IS and Kestra IS retains. This credit is only available for accounts custodied at NFS. Other custodians available through Kestra AS, such as Schwab or TDA, retain any 12b-1 and service fees generated from the mutual fund holdings in your account.

NFS and IWS offer a no-transaction-fee (NTF) mutual fund program where the transaction charge normally charged to customers is waived for the purchase and sale of mutual funds participating in the program. Participating funds compensate NFS or IWS as applicable, which in turn compensates our affiliated broker-dealer, Kestra IS, based on the amount of assets invested in those funds. As a result, we have a conflict of interest when Advisors recommend these funds on behalf of the firm and the trade is executed through Kestra IS, because this affiliated broker-dealer will receive compensation in addition to any advisory fees you pay to us. If your Advisor normally absorbs the transaction fees for your account, the NTF program creates a conflict of interest as it results in increased compensation to your Advisor (because there are no transaction costs to be absorbed by your Advisor). NFS generally charges mutual fund companies a higher fee for NTF mutual fund share classes than for other mutual fund share classes. As a result, the mutual funds participating in the NTF program generally have higher expense ratios than similar funds not in the program. Thus over time, you typically will pay higher costs for funds in this program than you would for non-NTF funds subject to transaction charges. The higher internal expenses charged to clients who hold NTF funds will adversely affect the long-term performance of their accounts when compared to share classes of the same fund that assess lower internal expenses.

In addition, Kestra IS generally receives a higher revenue share payment from NFS for each investment in an NTF mutual fund share class than for mutual fund share classes that are not included in the NTF program. Certain fund companies with share classes in the NTF program pay a lower fee to NFS than other fund companies with share classes in the NTF program. This means that Kestra IS receives a lower revenue share payment for each investment in such companies' mutual fund share classes in the NTF program than other mutual fund share classes in the NTF program.

NFS also offers a no 12b-1 fee, no-transaction-fee (iNTF) mutual fund program where the transaction charge is waived for the purchase and sale of mutual funds participating in the iNTF program. Participating funds compensate NFS as applicable, which in turn compensates our affiliated broker-dealer, Kestra IS, based on the amount of assets invested in those funds. As a result, we have a conflict of interest when Advisors recommend these funds on behalf of the firm and the trade is executed through Kestra IS, because this affiliated broker-dealer will receive compensation in addition to any advisory fees you pay to us. If your Advisor normally absorbs the transaction fees for your account, the iNTF program creates a conflict of interest as it results in increased compensation to your Advisor (because there are no trading costs to be absorbed by the Advisor). The funds in the program also often have higher expense ratios than similar funds not in the program. Thus over time, you typically will pay higher costs for funds in this program than you would for non-iNTF funds subject to transaction charges. The higher internal expenses charged to clients





who hold iNTF funds will adversely affect the long-term performance of their accounts when compared to share classes of the same fund that assess lower internal expenses.

Through the clearing agreement between Kestra IS and NFS, NFS remits a portion of the compensation it receives to Kestra IS from the mutual funds participating in the transaction fee (TF) mutual fund program that NFS operates. This compensation increases as the amount of assets held in funds participating in the TF mutual fund program increases. As a result, we have a conflict of interest when Advisors recommend these funds on behalf of the firm and the trade is executed through Kestra IS, because this affiliated broker-dealer will receive compensation in addition to any advisory fees you pay to us.


Kestra IS offers a no-transaction-fee program where the transaction charge is waived for the purchase and sale of ETFs participating in the program (the NTF ETF program). Participating ETFs pay our affiliated broker-dealer, Kestra IS, a rate based on the amount of assets invested in those funds and the average weighted net expense ratio of the fund. As a result, we have a conflict of interest when our Advisors recommend these funds on behalf of the firm and the trade is executed through Kestra IS, because our affiliated broker-dealer will receive compensation in addition to any advisory fees you pay to us. If your Advisor normally absorbs the transaction fees for your account, the NTF ETF program creates a conflict of interest as it results in increased compensation to your Advisor (because there are no trading costs to be absorbed by the Advisor.)

Kestra IS sponsors a Free Ticket Program through which it provides customers the opportunity to purchase or exchange select mutual funds and ETFs at no cost to the Advisor or customer. Kestra IS is able to provide the Free Ticket Program because certain fund families have agreed to reimburse Kestra IS, for the trading costs associated with their funds. Kestra IS supports the trade costs for certain fund companies in the program, which incentivizes us to recommend fund companies for whom trade costs are not supported by Kestra IS. These Free Ticket Funds can be purchased and exchanged at NFS without trading fees paid by our Advisors and their clients. However, there are trading fees charged on the sale of these funds. Some participants of the Free Ticket Program may also be Select Providers.

Some mutual fund families offer share classes of funds, including funds with share classes that are available in the NFS programs discussed above, that do not make payments to NFS. As a result, Kestra IS does not receive revenue-sharing payments derived from investments or holdings in these fund families, which creates a conflict of interest as we are incentivized to recommend fund families that pay revenue-sharing to Kestra IS. When funds do not make payments to NFS for NFS to share with Kestra IS in the form of revenue sharing, they generally have lower fund expenses and will cost clients less money over longer holding periods than funds with share classes that make these payments. As noted, mutual funds sponsored by Fidelity Investments, which is an affiliate of NFS, do not make revenue sharing payments to NFS.

While there are no transaction costs associated with the purchase or exchange of the mutual funds and ETFs purchased through the NTF, iNTF, NTF ETF, or Free Ticket Programs, they often are more expensive (due to having higher operating expenses) over time compared to other share classes of these funds, or similar mutual funds or ETFs that have transaction fees. Higher operating expenses erode overall returns. The revenue sharing arrangements between NFS and Kestra IS create a conflict of interest for the firm when it recommends mutual funds to clients that are purchased through Kestra IS as they result in increased compensation to our affiliated broker-dealer, Kestra IS, and to your Advisor to the extent your Advisor would normally absorb any trading costs. The firm has an incentive to recommend the mutual funds and mutual fund share classes for which NFS pays revenue (or more revenue) to Kestra IS over mutual funds and





mutual fund share classes for which NFS does not pay revenue (or pays less revenue) to Kestra IS, even if these mutual fund share classes are more expensive for clients. Your Advisor does not receive any portion of the fees paid to Kestra IS through the NTF, iNTF, NTF ETF, TF, or Free Ticket programs. You should discuss the details of these costs with your Advisor or contact our Chief Compliance Officer for additional information.

The firm has a conflict of interest in connection with the revenue sharing Kestra IS receives from NFS because the firm recommends that clients use Kestra IS as an introducing broker-dealer and Kestra IS earns revenue, including the revenue sharing payments it receives from NFS, for acting in that capacity. In addition, when the rate or amount of the revenue sharing payment is based on maintaining or increasing asset thresholds, there is an incentive to make recommendations to you that will help meet those thresholds.

These conflicts are mitigated in several ways. Neither the firm nor the Advisors receive (i) any of the revenue that NFS pays to Kestra IS, or (ii) any more or less compensation based on what mutual funds or mutual fund share classes are held in a client's account. Additionally, as noted above, Kestra IS makes only one share class of a mutual fund available for purchase and cost is one of the factors Kestra IS considers in deciding what share classes to offer. If a more favorable share class for a particular mutual fund becomes available that meets the criteria utilized by Kestra IS (as determined by Kestra IS in its sole discretion), Kestra IS may make such share class available, and if it does it will convert any holders of such mutual fund to the more favorable share class

The substantial economic benefits that Kestra IS receives from NFS based on assets invested by firm clients provides an incentive, and therefore creates a conflict of interest, for the firm to utilize NFS as a custodian and to recommend that firm clients use NFS as the custodian.

#### **Asset Based Pricing for Certain Investment Advisory Programs**


For the assets in certain investment advisory programs, such as separately managed account programs, unified managed account programs, third party strategist programs and third party asset management programs, Kestra IS pays a recurring fee to NFS based on a percentage of the aggregate assets invested by advisory clients, excluding certain investments, such as those in NTF and iNTF mutual fund share classes, Fidelity funds, cash and cash equivalents. This creates conflicts of interest for the firm as it has an incentive to recommend mutual fund share classes that are excluded from the calculation of the fee Kestra IS pays to NFS, even if such investments are more expensive for clients. The firm also has an incentive to maintain client assets in cash or cash equivalents.

When the assets for these investment advisory programs in Kestra IS accounts that are custodied at NFS reach certain thresholds, the percentage used to calculate Kestra IS's fee to NFS decreases. Similarly, where Advisor ticket charges are in place, Kestra IS receives volume ticket discounts if certain targets are met. This creates an incentive for the firm to recommend advisory clients use NFS as a custodian over other custodians and to recommend that you increase the amount you have invested in your advisory account.

When the assets for these investment advisory programs in a client's account custodied at NFS through Kestra IS are less than a minimum amount established by NFS (other than for "rep as pm" ticket programs), NFS charges Kestra IS a minimum fee for such account. This creates an incentive for the firm to recommend that such an advisory client increase the amount invested in the client's account.

The above conflicts are mitigated in several ways. Neither the firm nor the Advisors receive (i) any benefit if Kestra IS pays lower fees to NFS or (ii) any more or less compensation based on what securities are





purchased or held by clients. Additionally, as noted above, Kestra IS makes only one share class of a mutual fund available for purchase and cost is one of the factors Kestra IS considers in deciding what share classes to offer. If a more favorable share class for a particular mutual fund becomes available that meets the criteria utilized by Kestra IS (as determined by Kestra IS in its sole discretion), Kestra IS may make such share class available, and if it does it will convert any holders of such mutual fund to the more favorable share class.

### **Sweep Account Options for Kestra IS Brokerage Account**

Kestra IS provides a “cash sweep” program to its brokerage customers so that uninvested cash balances (such as from securities transactions, dividends, interest payments, or deposits) in a customer’s brokerage account are deposited into a selected investment option each business day. Generally, sweep account investment vehicles generate lower yields than cash alternatives available outside of the sweep program. Kestra IS selects the cash sweep investment options available to be selected for customers’ brokerage accounts. Please review the brokerage account agreement, as well as the other account opening documents for information about the cash sweep program. You should also refer to the prospectus (or other disclosure document) for the brokerage account’s sweep vehicle which will be provided to you and is also available upon request.

When you establish a brokerage account with Kestra IS custodied at NFS, you are required to select a bank sweep option or money market mutual fund in which the cash in your brokerage account will be held. The sweep account options are features of your brokerage account you have with Kestra IS and the firm plays no role with respect to the sweep account program. The firm does not provide investment advice or any other service with respect to the sweep account program or the options available thereunder. All service with respect to the sweep account program is provided solely by Kestra IS. Your Advisor is acting solely as a registered representative of Kestra IS when they provide service with respect to the sweep account program and the options thereunder.

The firm has a conflict of interest in connection with Kestra IS’s sweep account program because the firm recommends that clients use Kestra IS as an introducing broker-dealer and Kestra IS earns revenue, including revenue from its cash sweep account program, for acting in that capacity. This revenue to Kestra IS, which is in addition to the investment advisory fees paid to the firm, creates an incentive for the firm to recommend the use of Kestra IS as an introducing broker-dealer.

### **FDIC Insured Bank Account Option**

While retirement plans are not eligible for the FDIC bank deposit sweep account option, participant level and one person plan accounts may have access to this option. The FDIC bank deposit sweep account option is the default option for cash contributed to non-entity (individual) accounts and Kestra IS receives more from NFS for assets held in that sweep account option than it does for assets placed in a money market fund. This creates a conflict of interest as the default sweep account option is the one that results in more revenue being paid to Kestra IS. In a low interest rate environment, Kestra IS receives a higher amount than customers on funds invested in the bank sweep arrangement. Entities are not eligible to participate in the bank deposit sweep option. The bank sweep account has a yield that varies based on prevailing interest rates. Kestra IS has the ability to dictate what portion of the yield (interest rate paid) on the bank sweep accounts it will retain. Kestra IS’s ability to adjust the yield creates a conflict of interest for Kestra IS since the lower the portion of the yield paid to you, the more Kestra IS earns. While Kestra IS has an incentive for its brokerage customers to select the bank sweep arrangement as the cash sweep option for their accounts, the Advisors do not receive any portion of the bank sweep compensation paid to Kestra IS. In addition, the Advisors do not receive any more or less compensation based on what cash sweep option is selected by a





client.

In low-interest rate environments, the application of the investment advisory fee to the funds invested through the bank sweep arrangement will exceed the return on the sweep vehicle, resulting in a negative net yield. Clients should consider this scenario, in addition to the compensation Kestra IS receives in connection with the bank sweep arrangement, when evaluating the reasonableness of the investment advisory fee. The interest rate payable on the bank deposit sweep arrangement generally is lower than what is available directly from a bank.

### **Money Market Fund Options**

In addition to the bank sweep deposit option, Kestra IS makes available a limited number of money market funds that you may elect to have serve as the cash sweep vehicle for your brokerage account. Pursuant to Kestra IS's clearing agreement with NFS, NFS remits to Kestra IS the amount of 12b-1 fees and shareholding servicing fees for money market mutual funds affiliated with or specified by NFS in amounts set forth in the prospectus, plus ten basis points of the amount invested in such funds. The higher the 12b-1 fees paid by the money market mutual fund, the lower the yield on cash in your brokerage account. This revenue sharing creates a conflict of interest on the part of Kestra IS as the increased revenue generated from the money market funds is paid to Kestra IS. Because Kestra IS receives and retains these amounts, it has an incentive to recommend as the sweep option money market funds that pay 12b-1 fees, which in turn will negatively impact the amount you earn on cash in your account. Our Advisors do not receive any portion of the money market compensation paid to Kestra IS.

Kestra IS does not make available share classes of the sweep money market funds that do not pay 12b-1 fees; however, you may purchase money market funds in addition to the ones that are part of the cash sweep program, including funds that do not pay 12b-1 fees, and move your cash from the money market fund or bank deposit account that serves as your cash sweep vehicle into such other funds. While you are not obligated to maintain your cash in the core sweep money market fund or bank deposit sweep account that are part of the cash sweep program, cash in your brokerage account is placed in the sweep option you select or by default and will remain in that sweep option until the funds are invested elsewhere or you withdraw the cash from your account.

### **Margin**

Kestra IS is credited the interest assessed on margin accounts by NFS above the prime lending rate plus 100 basis points. This credit creates a conflict of interest since our affiliated broker-dealer receives additional compensation on margin accounts custodied at NFS in addition to the advisory fees we collect, which provides an incentive to place business with that custodian and to recommend that clients use margin in the accounts we manage or advise on.


### **Fully Paid Lending Program**

NFS operates a program known as the Fully Paid Lending Program (the "FPL Program"). The FPL Program enables you to lend fully-paid or excess-margin securities to NFS. In exchange, NFS will pay you a securities lending fee, calculated based on the market value of the securities loaned and will pay Kestra IS a fee. The amount of the fee NFS agrees to pay Kestra IS reduces the fee NFS pays to participating clients. Although the fee Kestra IS receives is not shared with our Advisors, we have an incentive to recommend clients participate in the FPL Program since our affiliate will receive compensation, which is a conflict of interest.

### **Securities Backed Lines of Credit**

Kestra IS has entered into a securities backed lending (SBLOC) program with The Bancorp Bank, Tristate





Capital Bank, and Goldman Sachs Private Bank Select. This program allows clients to use their securities as collateral in order to obtain a line of credit. In consideration for marketing of their SBLOC programs, the Bancorp Bank, Tristate Capital Bank, and Goldman Sachs Private Bank Select pay Kestra IS quarterly revenue sharing payments up to 50 bps based on the average daily outstanding loan balance (total loan amount) of the SBLOC. Additional details are available regarding this calculation upon request. Such providers also pay us or our affiliate fixed fees of up to \$85,000 annually to support and participate in various conferences and seminars conducted by us and our affiliates.

### **Item 13 Review of Accounts**

Our Advisors will contact you, and typically meet with you at least annually, to review the performance of your account and any changes to your Plan's financial situation and investment goals and objectives. In addition, our Advisors typically review the quarterly performance report received from your account custodian. Advisors may also perform account reviews more frequently when market conditions dictate. Other conditions that may trigger a review are changes in laws, new investment information and changes in your own situation. We also require you, in our standard client agreement, to inform your Advisor promptly of any changes to your information, including changes to your financial situation or investment objectives and policies. You will receive confirmations of all transactions, monthly statements and/or quarterly performance reports from the designated custodian of your Plan assets. Our Advisors and our home office personnel are typically available during normal business hours to answer questions or concerns you may have.

### **Item 14 Client Referrals and Other Compensation**


We compensate various affiliated and unaffiliated third parties called "referrers" to refer us clients and prospects they believe would benefit from our investment advisory services. Any such arrangements will be designed to comply with the Advisers Act, which requires, among other things, that you receive this brochure, we have an agreement with the referrer, and that you receive a compensation disclosure detailing the amount we will pay the referrer that referred you.

We may also enter into arrangements wherein we and our Advisors refer you to affiliated and unaffiliated investment advisers that will provide advisory services to you. When we make such a referral, we and our Advisor will typically receive a portion of the total fee the investment adviser charges you for as long as they provide you services. Any such arrangements will be designed to comply with the Advisers Act.

We have arrangements with various third-party managers or service providers that our Advisors may refer you to. We receive compensation from these managers or service providers to support conferences, training, marketing efforts, staffing, ongoing education of Advisors and the marketing efforts we perform on their behalf. These fees are negotiable, and range up to \$820,000 or up to 0.1 percent of the assets under management or new sales.

In addition, we receive compensation from various third-party managers or service providers based upon a percentage of our client assets under their management. Such compensation ranges up to 0.05 percent of the assets under management. The third-party managers or service providers with which we currently have such arrangements are: AssetMark, SEI Investments Management Corporation ("SEI"), Brinker Capital, Focus Partners Advisor Solutions, City National Rochdale, Symmetry Partners, Horizon Investments, BNY Mellon. These relationships and the compensation we receive create a conflict of interest because we have an incentive to recommend the services of these third-party managers versus other third-party managers. Although they benefit from the conferences, training and other services supported by these third party





managers, our Advisors do not receive any monetary compensation associated with these arrangements.

In addition, Focus Partners Advisor Solutions offers all Advisors with assets on their platform a basic subscription to MoneyGuidePro at no cost to the Advisor. Additionally, Advisors can pay \$660 to receive an upgraded version of MoneyGuidePro with Focus Partners Advisor Solutions' data integrated into the software. Those Advisors who place at least \$10MM on Focus Partners Advisor Solutions' platform receive the upgrade at no cost. This arrangement creates a conflict of interest because it incentivizes an Advisor to place business with Focus Partners Advisor Solutions in exchange for software access.

Our Chief Compliance Officer is available to address any questions that a client or prospective client may have regarding our services, compensation or conflicts of interest.

We or our affiliated broker-dealer make available hundreds of different mutual fund and variable insurance products to our representatives and customers. We also make available many retirement vehicles such as 401(k) and group annuity products, as well as alternative investment products such as limited partnerships, real estate investment trusts, and hedge fund products. Our Advisors are free to choose what products they sell to customers from among these many products. Because of the numerous investment and insurance alternatives available, we and our affiliates focus on the sale of products of a select number of providers ("Select Providers"). Select Providers are given increased access to our Advisors for the purpose of providing marketing, education, and product support.

We or our affiliated broker-dealer receive both financial and non-financial support from certain mutual fund, insurance and other companies or their affiliates based upon the sale of such companies' products. We or our affiliate receive more compensation for the sale of products of Select Providers than for the products of other providers we sell and thus have a financial incentive to sell the products of Select Providers. The amounts and forms of compensation we or our affiliate receive from Select Providers vary based on a number of factors including level of past sales, prospective future sales, and the types of service and access to distribution we provide. We or our affiliate receive one or more of the forms of compensation described below in connection with our arrangements with each Select Provider. These payments are made from the resources of the investment adviser or distributor (or one of their affiliates) in the case of mutual fund Select Providers, and from the resources of the insurance company (or its affiliate) in the case of variable annuities, group annuities, and variable life products. These payments are in addition to the sales charges, service fees, redemption fees, deferred sales charges and other fees and charges described in the prospectus fee tables or offering documents of the various products.


The select provider payments listed below are as of the date of this filing and subject to change. These relationships create a conflict of interest as they result in increased compensation to us, your Advisor or our affiliates.

Please visit our website <https://www.kestrafinancial.com/disclosures/company-information> more information regarding the companies and amounts and types of compensation we receive. If you do not have access to our website, you may contact your Advisor or our home office for additional information.

### **Mutual Funds, ETFs, and UITs**

Select Providers of mutual funds and ETFs pay us or our affiliated broker-dealer either an amount of up to 0.07% on AUM for products attributable to us, or fixed fees of up to \$525,000 annually. Our affiliated broker-dealer also receives up to 0.54% on AUM of ETFs participating in the Kestra NTF ETF Program and up to





\$17,500 through the Kestra Mutual Fund Fee Ticket Program as described in the **BROKERAGE PRACTICES** section of this brochure. We also receive fixed fees of up to \$80,000 annually to support and participate in various conferences and seminars conducted by us and our affiliates.

### **Variable Insurance Products – Variable Annuities and Variable Life Insurance**

Select providers of variable insurance pay our affiliate, Kestra IS, an amount up to .25% of the amount of our new sales of their variable annuity products quarterly. Select providers of variable life insurance products also pay our affiliate, Kestra IS, or their affiliated insurance agencies wholesale overrides in an amount up to approximately 31% of first year target premium and an amount up to approximately 4% of any renewal premiums of their variable life products. These providers will also pay our affiliate, Kestra IS, fixed fees of up to \$75,000 annually to support various workshops and meetings, to support development of account management tools and other technology and to support due diligence efforts conducted by us and our affiliates. In the case of variable life insurance products, Select Providers provide a variety of policy and underwriting support services to Kestra IS, our affiliate and our Advisors. Kestra IS may pay our Advisors a higher percentage of compensation for sales of Select Provider variable life insurance products than for other such products we sell.

### **Equity and Fixed Indexed Annuities**

Select providers of equity and fixed indexed annuities pay us or our affiliate an amount of up to 0.15% based on gross new sales volume. Such providers also pay us or our affiliate fixed fees of up to \$75,000 annually to support and participate in various conferences and seminars conducted by us and our affiliates.

Kestra IS provides a higher compensation schedule for the sale of variable life insurance products to members of PartnersFinancial than to non-members. Members of PartnersFinancial are also eligible to receive bonus payments from PartnersFinancial for the sale of these products. Please ask your Advisor or contact our offices if you are unsure whether your Advisor is a member of PartnersFinancial.

### **Retirement Products**

Select Providers of 401(k), group annuity and other retirement products pay fixed fees for the benefit of Kestra AS or its affiliates up to \$125,000 annually to support and participate in conferences and seminars.

### **Alternative Investments**

Select Providers of alternative investment products, including limited partnership, real estate investment trust (REIT), and hedge fund products, pay us or our affiliate an amount of up to 1.00% of new investments in such products. In addition, such providers pay us or our affiliate fixed fees of up to \$75,000 annually to support and participate in conferences and seminars. Select Providers of alternative investment products also pay us or our affiliates an initial fee of up to \$5,000 and an annual fee of up to \$1,500 to support the due diligence efforts of Kestra IS and its affiliates related to such products and providers.

### **Fixed Income**

Advisors Asset Management, Inc. (AAM) is a Select Provider for fixed income securities transactions, including Unit Investment Trusts (UITs) and structured products. First Trust Portfolios, LP (FTP) is a Select Provider for UITs and structured product transactions. The **BROKERAGE PRACTICES** section of this brochure details our broker-dealer affiliate's compensation arrangement with AAM and FTP.





## Deposit Products

We have a relationship with Goldman Sachs that allows our Advisors to make available non-securities deposit products and services, including a high-yield savings account. We or an affiliated company receive a fee in connection with each account opened through this program. The fee ranges from 15 bps to 37.5 bps and is based on the Target Federal Funds Rate. Although the fee is not shared with our Advisors, we have an incentive to recommend clients open accounts with Goldman Sachs since we or our affiliate will receive compensation, which is a conflict of interest.

## Investment Banker Referral


Through our affiliated broker-dealer's relationship with Foro Capital Markets, our Advisors may refer clients to Foro Capital, which has a network of investment bankers that may assist clients with potential mergers, acquisitions or financing arrangements. This relationship allows our Advisors to support their business owner clients considering the sale of a business, as well as options available for raising capital. Neither we, our Advisors or affiliates are involved in brokering the purchase or sale of client businesses or raising capital for such businesses. However, to the extent a client utilizes an investment banker introduced by Foro Capital, Foro Capital will receive a referral fee from the investment banker, a portion of which Foro Capital will pay our affiliated broker-dealer and we in turn share with our Advisor. As such, we and our Advisor have a financial incentive to recommend the use of Foro Capital to source investment bankers, which is a conflict of interest.

We or our affiliated broker-dealer generally charge a non-refundable due diligence fee to third-party managers or product sponsors considered for inclusion in our investment platforms available to Advisors. We do not share these fees with our Advisors. Paying such a fee does not guarantee acceptance on any of our platforms or access to our Advisors. Initial fees charged may be up to \$5,000, depending on the complexity of the manager and the resources we need to perform the due diligence. Thereafter, the due diligence fee is typically \$1,500 annually, but may be more or less than this amount based upon the third-party manager or product sponsor and the nature of the product or services. We may waive these fees.

We have entered, through our affiliated broker-dealer, into a custodial support services agreement with NFS and Fidelity Brokerage Services, LLC in connection with our participation in their Fidelity Institutional Wealth Services (IWS) platform. We provide back-office, administrative, custodial support and clerical services in connection with your accounts on the IWS platform. For these services, we receive an amount of up to 0.28 percent of our client assets on the IWS platform.

To the extent we utilize the services of other broker-dealers and custodians to execute or assist us in filling customer trade orders, we generally receive compensation from such broker-dealers in connection with the trades. In addition, we may receive execution price discounts and other compensation from these custodians and broker-dealers.

In order to help cover or defray the costs of transitioning from another investment adviser to Kestra AS, our Advisors receive various forms and amounts of transition assistance. Such transition assistance may include loans, rent, technology services and equipment, legal expenses, administrative support, termination fees associated with moving accounts and regulatory services, payments based on production, reimbursement of fees, free or reduced-cost marketing materials, attendance at conferences and events, and access to preferred pricing.



We may vary the amount of the loan to Advisors based on the type of business conducted. For example, Kestra provides a higher loan amount for advisory business on the AdvisorEnterprise platform compared to non-AdvisorEnterprise business or broker-dealer or commission business. The payment of a higher loan amount for advisory business on the AdvisorEnterprise platform creates a conflict of interest as your Advisor has an incentive to recommend you open and maintain accounts on the AdvisorEnterprise platform instead of brokerage or non-AdvisorEnterprise options.

We receive compensation from our custodian to offset the cost of transitioning assets from direct mutual fund providers. NFS will pay Kestra IS a portion of the fees and costs which customers incur from other clearing providers or otherwise in connection with the transfer of eligible accounts. This compensation is not shared with our clients or our advisors, however the compensation serves an incentive to recommend clients transfer their accounts to NFS, which is a conflict of interest.

NFS will also pay Kestra IS an annual net flows credit on eligible assets transferred onto the NFS platform. This revenue is not shared uniformly with our advisors, but to the extent it is shared, the conflict of interest to refer assets to NFS is also shared with our Advisors.

We make loans to Advisors which may be forgivable based on years of service with Kestra AS or its affiliates, assets under management, the amount of production with us or our affiliates or some combination of these factors. This practice creates a conflict of interest since the Advisor has a financial incentive to recommend a client engage Kestra AS for advisory services, engage Kestra IS for brokerage services, and to recommend additional products and services in order for their loan to be forgiven.


Vendors may also elect to pay the travel expenses of Advisors for whom the vendors provide either education or due diligence trips or to provide meals or invite Advisors to events such as sporting events. This compensation all serves as an incentive to recommend the products and services of those vendors from whom they receive such marketing reimbursements. Advisors are limited to \$100 for the receipt or provision of gifts per person per year.

For Advisors employed by one of our affiliated companies, overall compensation includes a base salary and performance-based bonus awards. These bonuses are tied to the success of the firm they work for and are intended to encourage the development of long-term advisory relationships and overall business growth. Advisors may earn bonuses based on the amount of new client assets brought under management or the total assets they manage. Notably, bonus compensation is higher for new advisory assets than for brokerage assets. This compensation structure creates a conflict of interest, as Advisors have a financial incentive to recommend advisory accounts over brokerage accounts. Clients are encouraged to carefully consider whether an advisory or brokerage relationship best aligns with their investment goals, preferences, and financial circumstances. If you are unsure whether an Advisor is employed by one of our affiliated companies, please contact us.

### **Item 15 Custody**

We and our Advisors do not hold or maintain your assets. Third-party qualified custodians hold and maintain your assets, and those custodians provide account statements directly to you at your address of record at least quarterly. We urge you to compare the account statements you receive from your account custodian with any performance report or statements we, our service providers, or our Advisors may create for you and to contact us with any questions.





Though we do not maintain custody of client accounts, we do have custody over certain assets of clients as defined under the Advisers Act. For example, some of our Advisors act as a trustee for a trust account of a client or we may take possession of physical security certificates and forward them to your account custodian as an accommodation.

### **Item 16 Investment Discretion**

Unless we grant specific authority and approval to your Advisor, your Advisor is typically not granted absolute trading discretion on Plan client assets. Absolute trading discretion means placing a trade in your account without your approval. When this authority is granted by approval, we may serve as a fiduciary as defined by ERISA under Section 3(38) by exercising any discretionary authority or control in the management of the plan or disposition of the plan's assets.

To the extent they are fiduciaries, Kestra AS and Advisor each acknowledge that it is subject to and will at all times exercise the standards of fiduciary responsibility set forth in Title 1, Subtitle B, Part 4 of ERISA. While we may approve an Advisor to offer 3(38) fiduciary services, you must contract with our advisor to act in that capacity as well. You may also engage our Advisor to serve as a 3(21) fiduciary to provide non-discretionary investment advice.

If you access our Wrap Fee Programs, you are required to grant us and our service providers discretionary trading authority so that the applicable third-party advisers can manage your account. If you participate in the Unified Managed Account (“UMA”) Program within our Wrap Fee Program, you authorize Kestra AS or another designated Overlay Manager to exercise discretionary authority solely to implement and coordinate trades across the multiple investment models in your UMAPlus account. This authority is limited to overlay trading and does not extend to other Wrap Fee Programs. Please see our Wrap Fee Brochure for additional details.

### **Item 17 Voting Client Securities**

Neither our firm nor our Advisors vote proxies on behalf of clients. For accounts in the UMAPlus Program, Kestra AS, acting as Overlay Manager, engages Institutional Shareholder Services Inc. (“ISS”) to execute proxy votes. ISS votes proxies for all UMAPlus Program accounts. For additional details regarding our wrap fee program, please refer to our **Wrap Fee Program Brochure**.

### **Item 18 Financial Information**

We do not have any financial condition likely to impair us from meeting our contractual commitments to you.

### **Miscellaneous**

#### **Termination of Accounts**

Typically, both you and our company have the option under our standard agreements to terminate the agreement at any time. In addition, you have the right to terminate the contract without penalty within five (5) business days after entering into the contract. If you pay a fee in advance, fees will be pro-rated from the termination date and refunded to you.

#### **Compliance Policies and Procedures**

We maintain written compliance policies and procedures as required by the Advisers Act.





**Anti-money Laundering Program**

We maintain an anti-money laundering program in accordance with applicable regulations.

**Business Continuity Plan**

We maintain a business continuity plan designed to minimize the impact of disasters, emergencies and other unforeseen circumstances on our services and communications. A description of our Business Continuity Plan is available on our website at <https://www.kestrafinancial.com/disclosures/company-information>, or by contacting your Advisor or our home office.





JEFFREY JASON SCOTT

489 W. South Jordan Parkway Suite 310, SOUTH JORDAN, UT, 84095  
385-352-9403

# Kestra Advisory Services, LLC

5707 Southwest Parkway  
Building 2, Suite 400  
Austin, Texas 78735  
844-553-7872 (p)


## Brochure Supplement

(Part 2B for Form ADV)

**Dated: Mar 02, 2026**

This Brochure Supplement provides information about JEFFREY JASON SCOTT that supplements the Kestra Advisory Services, LLC Brochure. You should have received a copy of that Brochure. Please contact your representative if you did not receive Kestra Advisory Services, LLC Brochure or if you have any questions about the contents of this supplement.

Additional information about JEFFREY SCOTT is available on the SEC's Investment Advisor Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov), by searching his full name or individual CRD#. In the event you do not have access to the internet, please call 737-443-2160 to request information be mailed to you.



## Educational Background and Business Experience

Prior to providing advisory services through our company, we require our investment advisor representatives (Advisors) to be properly licensed and registered.

### Professional Certifications:

#### Professional designation: Certified Plan Fiduciary Advisor

Description: The Certified Plan Fiduciary Advisor (CPFA®) credential — developed by some of the nation's leading advisors and retirement plan experts — demonstrates your knowledge, expertise, and commitment to working with retirement plans. Financial advisors who earn their CPFA designation demonstrate the expertise required to act as a plan fiduciary or help 401(k) plan fiduciaries manage their roles and responsibilities.

Minimum qualification: Completion of the Certified Plan Fiduciary Advisor (CPFA) examination. Final certification exam is proctored, closed book. No specific experience level is required. Existing Qualified Plan Financial Consultant (QPFC) designation holders will be grandfathered to the CPFA credential.

Issuing institution: National Association of Plan Advisors

Issuing institution Website: [napacpfa.org](http://napacpfa.org)

Continuing Education Requirements: 20 CE credits every two-year cycle. Two (2) of the 20 CE credits must be on ethics/professionalism topics. For more information, visit <http://www.napa-net.org/education/continuing-education/>.

### JEFFREY JASON SCOTT

Year of Birth: 1974

#### Educational Background:

School Type: College

Name of School: BYU

Degree Received: MASTER OF BUSINESS ADMINISTRATION

Field of study:

FINANCE

Date: 08/01/2014 - 06/25/2016

School Type: College

Name of School: BYU

Degree Received: BACHELOR OF SCIENCE

Field of study:

FINANCE

Date: 09/01/1996 - 04/01/1999

School Type: College

Name of School: BRIGHAM YOUNG UNIVERSITY-IDAHO

Degree Received: ASSOCIATE DEGREE

Field of study:

Date: 09/01/1992 - 05/01/1996



**Business Experience (past five years):**

Organization: KESTRA FINANCIAL SERVICES, INC.  
Position Held: REGISTERED REPRESENTATIVE  
City: AUSTIN  
State: TX  
Date: 04/01/2016 - Present

Organization: KESTRA ADVISORY SERVICES, LLC  
Position Held: INVESTMENT ADVISOR REPRESENTATIVE  
City: LEHI  
State: UT  
Date: 04/01/2016 - Present

Organization: KESTRA INVESTMENT SERVICES, LLC  
Position Held: REGISTERED REPRESENTATIVE  
City: LEHI  
State: UT  
Date: 10/01/2010 - Present

**Disciplinary Information**

Registered investment advisers (RIAs) must disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing you investment advice.

There is no disciplinary event to report for IAR JEFFREY JASON SCOTT.

**Regulatory Action Disclosure**

There is no disciplinary event to report for IAR **JEFFREY JASON SCOTT**

**Other Business Activities**

**A. Registered Representative of Kestra Investment Services, LLC**

JEFFREY SCOTT is a registered representative of Kestra Investment Services, LLC, a FINRA member broker-dealer ("Kestra IS"). Clients may choose to engage JEFFREY SCOTT as a registered representative of Kestra IS, to implement investment recommendations on a commission basis.

1. Conflict of Interest

JEFFREY SCOTT roles as both an Investment Adviser Representative and as a Registered Representative of a broker-dealer present a conflict of interest. If JEFFREY SCOTT recommends a purchase of a securities commission product and the product is purchased through Kestra IS, JEFFREY SCOTT will earn a commission on the purchase. At any time, a client may purchase recommended investment products through other, non-affiliated broker dealers. A client is under no obligation to purchase any commission products through JEFFREY SCOTT .

2. Commissions

In the event a client chooses to purchase investment products through Kestra IS, Kestra IS will charge brokerage commissions on the securities transactions, a portion of which will be paid to JEFFREY SCOTT as applicable. JEFFREY SCOTT brokerage commissions may be higher or lower than those charged by other broker-dealers. In addition, in connection with mutual fund purchases, Kestra IS and JEFFREY SCOTT may also receive additional ongoing 12b-1 trailing commission compensation directly from the mutual fund company during the period that the client maintains the mutual fund investment. JEFFREY SCOTT securities commission business is separate and apart from Kestra Advisory Services, LLC investment management services discussed in Kestra Advisory Services, LLC Brochure.



**B. Other Business Activities Not Addressed in A.**

Business Name:

KESTRA ADVISORY SERVICES, LLC

Nature of Business: Investment advisory services through Kestra Advisory Services, LLC

Hours spent on this activity per month: 80

Business Name:

NFP CORPORATE SERVICES (UT) NFP RETIREMENT, WELLCE

Nature of Business: Investment advisory services through Kestra Advisory Services, LLC

Hours spent on this activity per month: 160

Business Name:

NFP CORPORATE SERVICES (UT) NFP RETIREMENT, WELLCE

Nature of Business: Registered rep activities through Kestra Investment Services

Hours spent on this activity per month: 160

Business Name:

NFP

Nature of Business: Insurance

Hours spent on this activity per month: 152

Business Name:

NFP

Nature of Business: Investment advisory services through Kestra Advisory Services, LLC

Hours spent on this activity per month: 152

Business Name:

NFP CORPORATE SERVICES (UT) NFP RETIREMENT, WELLCE

Nature of Business: Insurance

Hours spent on this activity per month: 160

Business Name:

NFP CORPORATE SERVICES (UT) NFP RETIREMENT, WELLCE

Nature of Business: Consulting


Hours spent on this activity per month: 160

Business Name:

NFP

Nature of Business: Registered rep activities through Kestra Investment Services

Hours spent on this activity per month: 152



Our Advisors offer variable insurance products and fixed indexed annuities through our affiliate, Kestra Investment Services, LLC. Our affiliate and Advisors receive compensation in connection with such transactions. To the extent our Advisors offer non-variable insurance products (whole life or universal life insurance, for example) other than fixed indexed annuities, our Advisors are acting in their individual capacity as an insurance agent independent from our companies and are paid commissions directly by the insurance carrier or a brokerage general agency (BGA) through which the product is placed. Certain BGAs pay our affiliate insurance agency a portion of the commissions associated with non-variable insurance products placed by our Advisors through the BGAs. We are not responsible for sales and services of insurance products conducted through these other companies. The recommendation to purchase a commission-based product presents a conflict of interest because commission amounts vary and could incentivize our Advisors to recommend products paying higher commissions.

### **Additional Compensation**

**JEFFREY SCOTT** may offer a wide variety of securities products and financial services through our firm. The commissions, fees and other forms of compensation paid to an Advisor in connection with the purchase or sale of products will be in addition to the fees paid by you for investment advice.

Typically, when an Advisor joins Kestra AS or Kestra PWS, the company or its affiliate will make a loan to the Advisor or other Advisors in the same firm. These loans are usually forgiven based on future years of service, assets under management, the amount of production with us or our affiliates or some combination of these factors. This practice creates a conflict of interest since the Advisor has a financial incentive to recommend a client engage Kestra AS or Kestra PWS for advisory services, engage Kestra IS for brokerage services, and to recommend additional products and services in order for the loan to be forgiven. Please contact me directly for more detailed information regarding my specific loan arrangement.

Some of our Advisors participate in incentive trips and receive other forms of non-cash compensation based on the amount of their sales and services through Kestra AS, Kestra PWS and Kestra IS, non-affiliated marketing groups, or product manufacturers. To the extent your Advisor participates in an incentive trip or receives other forms of non-cash compensation, a conflict of interest exists in connection with the Advisor's recommendation of products and services for which they receive these additional economic benefits.

An affiliate of Kestra AS and Kestra PWS is engaged in the acquisition of wealth management businesses. Kestra AS's and Kestra PWS's affiliate periodically purchases the wealth management practice of existing Kestra Advisors. In addition, Kestra AS's and Kestra PWS's affiliate periodically purchases the wealth management practice of investment adviser representatives of other companies and those representatives become Advisors of Kestra AS or Kestra PWS as a result. These acquisitions create a conflict of interest since the Advisor has a financial incentive to recommend a client engage Kestra AS or Kestra PWS for advisory services, engage Kestra IS for brokerage services, and to recommend additional products and services. Please contact me directly for more detailed information regarding Kestra's or its affiliate's financial interest in my practice, if any.



## **Supervision**

We have adopted a system of compliance and supervision we believe is reasonably designed to oversee the activities of our Advisors in accordance with applicable law. We assign supervisors to oversee the activities of our Advisors conducted through our company. The designated supervisor of an Advisor may vary from time to time. Mark Mann manages the department responsible for monitoring the activities of our Advisors and may be contacted at 844-553-7872 should you have any questions or concerns regarding your Advisor.

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Client Initials

**ADDENDUM TO APPENDIX A  
TO DESCRIPTION OF SERVICES**

The services under this Agreement will be provided by investment adviser representatives of Advisor who are employees of NFP, unless otherwise permitted by Plan Sponsor.

*Description:* **ANNUAL PROPERTY TAX ADJUSTMENT**

*Fiscal Impact:* **N/A**

*Funding Source:* **GENERAL FUND**

*Account #:* **N/A**

*Budget Opening Required:*

**ISSUE:**

A resolution adopting a city policy to annually adjust West Valley City's certified property tax rate to offset inflationary costs and support the long-term financial stability and service provided by the city.

**SUMMARY:**

This resolution clarifies the policy, rationale, fiscal context, and governance considerations for implementing an annual property tax adjustment. Under Utah's Truth in Taxation framework, property tax revenues remain flat unless the certified rate is intentionally adjusted. Without periodic adjustments, the city experiences a gradual erosion of purchasing power, resulting in structural stress on core services.

Adopting an annual adjustment policy tied to recognized inflation measures such as the Consumer Price Index (CPI) or Municipal Cost Index (MCI) promotes predictability, transparency, and fiscal sustainability while minimizing the risk of larger and potentially disruptive tax increases in the future.

**BACKGROUND:**

West Valley City provides essential municipal services that are labor-intensive and subject to increasing costs. Over time, inflation in wages, benefits, fuel, utilities, materials, contractual services, and capital replacement exceed revenue growth. While sales tax and other revenues fluctuate with economic cycles, they do not keep up with the cost of city services. Property tax is the only significant and direct source of funding for City services that the City Council controls.

Utah's Truth in Taxation system protects taxpayers by requiring transparency and public disclosure whenever a taxing entity proposes to increase property tax revenue above the certified rate. However, it does not adjust revenues for inflation. As a result, when property tax revenues remain unchanged over long periods, service levels must often be reduced, deferred, or curtailed.

Incremental and regular property tax adjustments aligned with inflation help maintain service levels, stabilize long-range financial planning, and reduce future fiscal shocks.

**RECOMMENDATION:**

Recommend adoption of this resolution, as a prudent financial management practice that enhances fiscal sustainability, service continuity, and transparency for West Valley City residents and businesses.

**WEST VALLEY CITY, UTAH**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION EXPRESSING INTENT TO ANNUALLY CONSIDER ADJUSTMENTS TO THE CITY'S CERTIFIED PROPERTY TAX RATE TO OFFSET INFLATION AND SUPPORT THE LONG TERM FINANCIAL STABILITY AND SERVICE NEEDS OF THE CITY.**

**WHEREAS**, West Valley City is responsible for delivering essential municipal services that protect public safety, maintain infrastructure, and promote the long-term wellbeing of residents and businesses; and

**WHEREAS**, the cost of providing these services increases annually due to inflation, labor and equipment costs, capital replacement needs, and general operational demands; and

**WHEREAS**, under Utah's Truth in Taxation system, property tax revenues do not increase with inflation unless the certified tax rate is intentionally adjusted, resulting in a gradual erosion of the City's fiscal capacity if action is not taken; and

**WHEREAS**, prudent, incremental adjustments to the certified tax rate enhance financial resilience, stabilize operations, minimize the impact of economic volatility, and reduce the likelihood of large, disruptive tax increases in future years; and

**WHEREAS**, the City Council of West Valley City, Utah does hereby determine that it is in the best interests of the health, safety, and welfare of the City to approve this Resolution.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of West Valley City, Utah, that the City shall:

1. In accordance with Utah's Truth in Taxation system , annually Adjust the Tax Rate based on the annual percentage change in the Consumer Price Index (CPI) or the Municipal Cost Index (MCI) as deemed appropriate by the City Council.
2. Maximum Adjustment Cap
  - a. In no event shall this annual adjustment exceed three percent (3%) in any given year, regardless of the actual CPI or MCI increase.
  - b. If the CPI increase is less than 3%, the adjustment shall be limited to the actual CPI percentage change.

**PASSED, APPROVED and MADE EFFECTIVE** this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

WEST VALLEY CITY

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MAYOR

ATTEST:

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CITY RECORDER



**WEST VALLEY CITY**

[www.wvc-ut.gov](http://www.wvc-ut.gov)

# ANNUAL PROPERTY TAX ADJUSTMENTS

Support Financial Stability Operational Sustainability

# Purpose and Fiscal Context

## Fiscal Reality

- Municipal costs rise annually due to labor, benefits, materials, utilities, capital replacement, and service demands
- Under Truth in Taxation, property tax revenues remain flat unless the certified tax rate is intentionally adjusted
- Without action, purchasing power erodes over time, placing pressure on services

## This Resolution

- Expresses Council intent to annually adjust for inflationary impacts on City finances
- Preserves long-term service levels and financial stability
- Establishes a transparent, policy-based framework for future tax decisions
- Reinforces compliance with Utah Truth in Taxation requirements

# Inflation, Benchmarks, and Policy Discipline

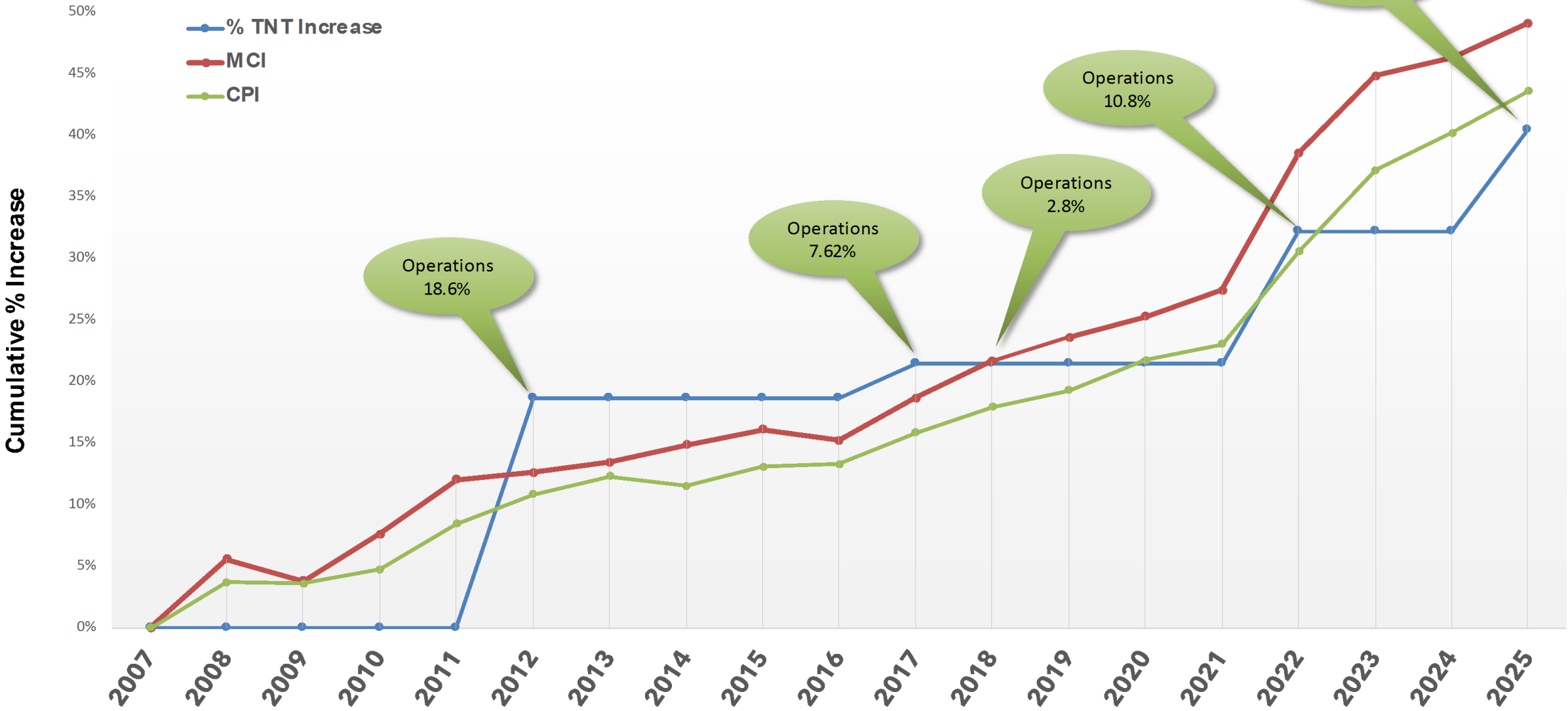
## CPI and MCI are appropriate reference points

- Provide objective, externally recognized measures of inflation
- Municipal Cost Index (MCI) better reflects public-sector cost drivers than CPI alone
- Benchmarking improves credibility, transparency, and consistency
- Supports disciplined, data-driven Council decision-making

## Policy clarification

- Benchmarks inform consideration — they do not mandate outcomes
- Final decisions remain subject to Council judgment and public process

# Inflation vs Property Tax Revenue



	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026
<b>% TNT Increase</b>	0.0%	0.0%	0.0%	0.0%	23.5%	0.0%	0.0%	0.0%	0.0%	4.7%	-0.2%	0.0%	0.0%	0.0%	0.0%	-0.5%	0.0%	0.0%	-3.9%
<b>MCI</b>	0.0%	5.6%	-1.8%	0.0%	4.4%	0.6%	0.8%	1.4%	1.3%	-0.9%	3.5%	3.0%	1.9%	1.6%	2.2%	11.2%	6.3%	1.4%	2.8%
<b>CPI</b>	0.0%	3.7%	-0.1%	1.2%	3.7%	2.4%	1.5%	-0.8%	1.6%	0.2%	2.5%	2.1%	1.4%	2.4%	1.3%	7.5%	6.6%	3.0%	3.4%

% TNT Increase

MCI

CPI

# Purpose of this Resolution

- Acknowledges that the cost of City Operations generally increase over time and the CPI and MCI are credible measures of increased market costs of operation.
- Establishes intent to raise the certified tax rate annually to meet inflationary costs
- Does not mandate or guarantee a tax increase
- Preserves full Council discretion each year
- Requires compliance with all Truth in Taxation laws



*Description:* City Hall Parking Lot Reconstruction

*Fiscal Impact:* \$1,200,000

*Funding Source:* CIP

*Account #:* 45-9610-40750-75310-0000

***Budget Opening Required:* No**

---

**Issue:**

A resolution authorizing the City to award a construction contract for the City Hall Parking Lot Reconstruction Project

**Summary:**

Award a construction contract to B H, Inc. for the City Hall Parking Lot Reconstruction Project in the amount of \$1,137,908.90.

**Background:**

Bids were opened for the City Hall Parking Lot Reconstruction project on February 10, 2026. A total of thirteen (13) bids were received. The lowest responsible bidder was B H, Inc. in the amount of \$1,137,908.90.

This project includes the reconstruction of City Hall parking lot, featuring a redesigned parking layout to improve traffic circulation and enhance accessibility. The project also includes updated landscaping and site lighting to improve safety and overall appearance.

Additionally, the sidewalk and landscaped area in front of City Hall will be reconstructed. Improvements include a widened sidewalk along Constitution Blvd. to enhance pedestrian safety and improve ADA accessibility.

**Recommendation:**

Award the contract to B H, Inc. in the amount of \$1,137,908.90 and authorize the Public Works Department to spend up to \$1,200,000 on potential change orders.

Department: Public Works  
Submitted by: Coby Wilson, City Engineer  
Date: 2/19/26



**WEST VALLEY CITY, UTAH**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AWARDING A CONTRACT TO B H, INC.  
FOR THE CITY HALL PARKING LOT  
RECONSTRUCTION PROJECT.**

**WHEREAS**, West Valley City solicited bids in accordance with state law to construct the City Hall Parking Lot Reconstruction Project (the “Project”); and

**WHEREAS**, B H, Inc. (hereinafter, “Contractor”) submitted the lowest responsive and responsible bid; and

**WHEREAS**, the City Council of West Valley City, Utah, does hereby determine that it is in the best interests of the health, safety, and welfare of the citizens of West Valley City to award a contract to Contractor for the Project.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of West Valley City, Utah, as follows:

1. The contract is hereby awarded to Contractor in the amount of \$1,137,908.90, with a total authorization not to exceed \$1,200,000.00 for the Project, inclusive of change orders.
2. The Mayor is hereby authorized to execute, for and on behalf of West Valley City, any documents necessary to complete this transaction, subject to approval of the final form of the documents by the City Manager and the City Attorney’s Office.

**PASSED, APPROVED, and MADE EFFECTIVE** this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

WEST VALLEY CITY

\_\_\_\_\_  
MAYOR


ATTEST:

\_\_\_\_\_  
CITY RECORDER

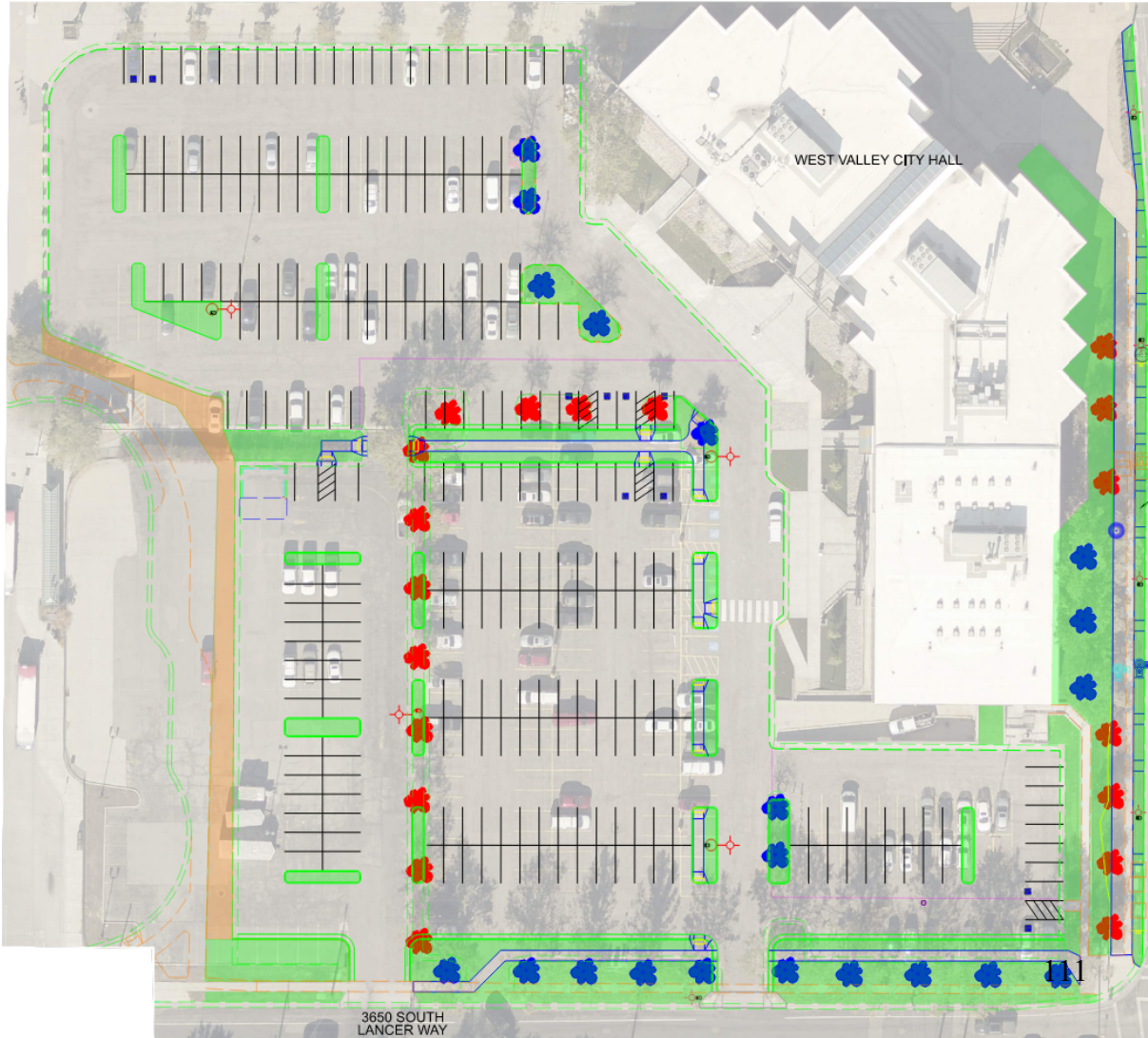
West Valley City, Utah - Bid Tabulation Summary

Project Name: City Hall Parking Lot

Opening Date: 2/10/2026

	Bid Totals	City Provider Preference (1%)	Other Prefs. (Veteran, Safety, Drug Testing, Job Training, Health Insurance, Non-Discrimination) (1%)	Total Bid Evaluation Preference Reduction	Bid Evaluation Total with Preference Reduction (Used Only for Determination of Low Bidder)
Engineer's Estimate	\$ 1,679,421.50				
Response 1 B H, Inc	\$ 1,137,908.90	\$0.00 0%	(\$11,379.09) -1%	(\$11,379.09)	<b>\$1,126,529.81</b>
Response 2 Black Forest Paving	\$ 1,176,226.35	\$0.00 0%	(\$11,762.26) -1%	(\$11,762.26)	\$1,164,464.09
Response 3 Kilgore Contracting	\$ 1,192,120.00	(\$11,921.20) -1%	(\$11,921.20) -1%	(\$23,842.40)	\$1,168,277.60
Response 4 MC Contractors	\$ 1,212,369.78	\$0.00 0%	\$0.00 0%	\$0.00	\$1,212,369.78
Response 5 Acme Construction, Inc	\$ 1,233,364.30	\$0.00 0%	(\$12,333.64) -1%	(\$12,333.64)	\$1,221,030.66
Response 6 RC Enterprise Paving Const	\$ 1,268,103.00	\$0.00 0%	\$0.00 0%	\$0.00	\$1,268,103.00
Response 7 Pronghorn Construction Inc	\$ 1,284,571.50	\$0.00 0%	(\$12,845.72) -1%	(\$12,845.72)	\$1,271,725.79
Response 8 Asphalt Construction Exc	\$ 1,293,511.26	\$0.00 0%	\$0.00 0%	\$0.00	\$1,293,511.26
Response 9 Stapp Construction, Inc	\$ 1,305,215.05	\$0.00 0%	(\$13,052.15) -1%	(\$13,052.15)	\$1,292,162.90
Response 10 Geneva Rock Products	\$ 1,310,731.85	(\$13,107.32) -1%	(\$13,107.32) -1%	(\$26,214.64)	\$1,284,517.21
Response 11 JLR Contractors	\$ 1,557,785.50	\$0.00 0%	\$0.00 0%	\$0.00	\$1,557,785.50
Response 12 Wasatch West Contracting	\$ 1,561,218.19	\$0.00 0%	\$0.00 0%	\$0.00	\$1,561,218.19
Response 13 Hughes General Contractors	\$ 1,721,987.00	\$0.00 0%	(\$17,219.87) -1%	(\$17,219.87)	\$1,704,767.13

# CITY HALL PARKING LOT REC



Engineer's Estimate	\$	1,679,421.50
Response 1	\$	1,137,908.90
B H, Inc		
Response 2	\$	1,176,226.35
Black Forest Paving		
Response 3	\$	1,192,120.00
Kilgore Contracting		
Response 4	\$	1,212,369.78
MC Contractors		
Response 5	\$	1,233,364.30
Acme Construction, Inc		
Response 6	\$	1,268,103.00
RC Enterprise Paving Const		
Response 7	\$	1,284,571.50
Pronghorn Construction Inc		
Response 8	\$	1,293,511.26
Asphalt Construction Exc		
Response 9	\$	1,305,215.05
Stapp Construction, Inc		
Response 10	\$	1,310,731.85
Geneva Rock Products		
Response 11	\$	1,557,785.50
JLR Contractors		
Response 12	\$	1,561,218.19
Wasatch West Contracting		
Response 13	\$	1,721,987.00
Hughes General Contractors		





**Description:** Voluntary PTO Leave Bank Program

**Fiscal Impact:** N/A

**Funding Source:** N/A

**Account #:** N/A

**Budget Opening Required:** N/A

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**Issue:**

The creation of a Voluntary PTO Leave Bank Program.

**Summary:**

This program would allow employees to voluntarily donate accrued leave to a shared pool, which may then be used by eligible employees experiencing qualifying medical hardships.

**Background:**

The city currently provides employees with accrued leave benefits such as PTO and holiday. However, employees who experience serious medical conditions, or need to care for an immediate family member may exhaust their accrued leave and face unpaid time away from work.

A Voluntary PTO Leave Bank allows employees to support one another during times of hardship by donating leave hours into a shared pool. Many public sector organizations have adopted similar programs as a way to enhance employee support, morale, and retention while maintaining fiscal responsibility.

**Recommendation:**

Approve the creation of a Voluntary PTO Leave Bank Program and authorize Human Resources to finalize administrative procedures and implementation.

Department: Human Resources

Submitted by: Kimberly Foster, Human Resources Deputy Director

Date: March 2, 2026



**WEST VALLEY CITY, UTAH**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION APPROVING AN EXECUTIVE ORDER TO  
CREATE A VOLUNTARY LEAVE BANK PROGRAM.**

**WHEREAS**, pursuant to Title 3 of the West Valley City Municipal Code, the City Manager is authorized to issue an executive order amending personnel policies, subject to the advice and consent of the City Council; and

**WHEREAS**, a voluntary leave bank policy has been prepared by the Human Resources Department; and

**WHEREAS**, the City Council of West Valley City, Utah, does hereby determine that it is in the best interests of the health, safety, and welfare of the citizens of West Valley City to approve said policy.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of West Valley City, Utah, that the City Council consents to the issuance of an executive order by the City Manager enacting a voluntary leave bank policy as set forth in the attached memorandum.

**PASSED, APPROVED and MADE EFFECTIVE** this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

WEST VALLEY CITY

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY RECORDER

**EXECUTIVE ORDER NO. \_\_\_\_\_**

**FROM: Ifo Pili, City Manager**

**DATE: \_\_\_\_\_**

*An Executive Order Enacting a Leave Bank Policy*

**WHEREAS**, the Human Resources Department has recommended the creation of a voluntary leave bank program; and

**WHEREAS**, I have determined that such a program is a desirable option to offer to City employees.

**NOW, THEREFORE**, I hereby order the following:

1. A voluntary leave bank program is hereby created as shown in the attached PDF, with minor or technical changes permitted upon my approval as needed.
2. This Executive Order takes effect upon my signature and approval by the West Valley City Council.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

WEST VALLEY CITY

\_\_\_\_\_  
Ifo Pili  
City Manager



# Memorandum

To: Ifo Pili, City Manager  
John Flores, Assistant City Manager

From: Kimberly Foster, Human Resources Deputy Director  
Paula Melgar, Human Resources Director

Date: February 23, 2026

Re: Request for Voluntary Leave Bank Program

## West Valley City Voluntary Leave Bank Program

**Effective:** March 2026

### **Purpose:**

West Valley City recognizes that employees and their family members may have a serious health condition, resulting in the need for additional time off in excess of their available accrued leave. To address this need, all eligible employees will be allowed to donate PTO to their co-workers in need of additional paid time off, in accordance with the policy outlined below. Participation in this policy is entirely voluntary.

### **Policy:**

1. A benefited employee who has suffered a life event (serious health condition or needs to care for a spouse, child, or parent with a serious health condition) and whose leave benefits have been or will be exhausted may apply for leave bank hours earned by a benefited employee. Employees may donate PTO, but it must follow this policy and be approved by Human Resources.
2. Access to the leave bank is not an employee's right and will be authorized at the discretion of Human Resources; after considering multiple factors regarding policy, the employee, and their status.
3. An employee requesting a leave bank for their own, a spouse's, child's, or parent's serious health condition must apply for leave under the Family Medical Leave Act before Human Resources can determine if the employee is eligible to receive donated leave. **Time used from the Leave Bank will count towards FMLA usage.** If an employee is not eligible for FMLA, they must provide comparable medical certification before Human Resources can determine if an employee is eligible to receive donated leave.



## WEST VALLEY CITY

### Human Resources

4. Employees receiving Short Term Disability Leave (STDL) benefits are eligible to use donated leave to supplement up to 40% of their daily wages, not to exceed the equivalent of two pay periods (four weeks).
5. Nothing in this policy will be construed to limit or extend the maximum allowable absence under the Family and Medical Leave Act and Short Term Disability Leave policy.
6. If approved leave bank hours are not available in the general leave bank, Human Resources will send an email to all employees requesting donations. Leave bank hours will then be collected by Human Resources. Any donated hours received above the requested amount, will be added to the general leave bank.
7. An employee applying for leave bank hours must agree to release a sufficient amount of medical information or proof of major disaster insurance claims to Human Resources, for proper need determination.
8. Before donated hours may be transferred to the individual needing leave, the individual seeking leave bank hours must exhaust all available leave (PTO, floating holiday, banked training time, banked sick leave, etc.)
  - a. If approved, donated leave time will be added to the employee's timecard by Human Resources. The leave balances of a donating employee will be reduced by the number of hours they contribute. There is no cost to the division of an employee who contributes to the leave bank.
  - b. Only a benefited employee may contribute to the leave bank for another benefited employee.
  - c. All benefited city employees who have completed their probationary period are eligible to donate to the leave bank.
  - d. Donations must be voluntary and submitted in writing using the Leave Bank Donation form. All donations must be in whole-hour increments and are irrevocable once transferred to the leave bank.
  - e. Employees who donate time to the leave bank need to maintain a minimum PTO balance of at least one of the employee's pay periods.
9. Employee use of the leave bank is not a long-term solution. For each employee, no more than four weeks (224 hours for Fire Department 24-hour employees) of donated leave will be granted in a rolling 12-month period. A benefited employee who works less than full-time is eligible for pro-rated leave hours in accordance with their normal hours worked.



## WEST VALLEY CITY

### Human Resources

- a. Any donated hours not used for the intended purpose will be returned to the Leave Bank.
10. If the employee's leave request exceeds the four-week leave bank allotment or involves anticipated absences beyond this duration, they will need to submit a written request to the Human Resources office for additional leave accommodations.
11. Employees may not receive donated leave for occupationally related accident or illness which is compensable under Workers Compensation benefits.
12. Military leave does not fit the definition of a life event. All full-time active-duty employees are eligible for paid military leave hours per city policy Part 10, section XI.
13. The Request for Voluntary Leave Bank form is completed by the employee seeking leave bank hours. If possible, application should be made prior to the employee exhausting the employee's leave benefits. Human Resources shall review the request and required documentation and make a recommendation for approval or denial. Factors to consider when reviewing an employee application to use leave bank hours include:
  - a. The employee's leave usage history.
  - b. Condition meets the definition of "life event".
14. An employee who is on any form of paid leave granted through a leave bank may not engage in outside employment without pre-approval from Human Resources.
15. Leave Bank hours cannot be used for vacation purposes.
16. Leave Bank hours will not be approved for the employee's last day of work or if the employee is scheduled to work and is absent without excuse.
17. All donation and recipient information will be treated as confidential.
18. West Valley City reserves the right to modify, suspend, or terminate the program at any time.
19. Leave Bank hours are subject to an annual blackout during pay period 13. During this period, donated hours cannot be contributed or used.

#### **Attachments:**

*Attachment 1- Leave Bank Application form*

*Attachment 2- Leave Bank Donation form*



**WEST VALLEY CITY**

Human Resources

*Attachment 1*



## **West Valley City Leave Bank Application**

**Instructions:** After completion of this form, present this form to Human Resources.

**Note:** *Leave Bank time is based upon availability within the city's Leave Bank. The program does not create any expectation or promise of approval or continued employment.*

### **Part I- Application**

*To be completed by the applicant employee or designee on their behalf*

**Name** (Last, First, Middle Initial)

**Title**

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**Email**

**Phone #**

---

**Date Accrued Leave Exhausted**

Date \_\_\_\_\_

**Amount of Leave Requested** (Total hours requested in One (1) hour increments)

\_\_\_\_\_

**Duration Dates of Leave Request**

Beginning Date \_\_\_\_\_ Projected Ending Date \_\_\_\_\_

### **Part II- Explanation of Leave Usage**

*To be completed by the applicant employee or designee on their behalf*

Please provide a written explanation of leave usages resulting in low leave balances that necessitate the need for Leave Bank usage. Include any extenuating circumstances or situations that have required large amounts of leave to be taken.

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### **Part I & II Certification & Understanding**

*To be completed by the applicant employee or designee on their behalf*

**Certification:** (if certifying on behalf of an employee, modify as appropriate)

I certify that:

1. I, a spouse, child, or parent have been affected by a serious health condition, described on the leave bank application, that I release at my own free will, free from any pressure.
2. I have or will have exhausted all accrued leave as of date indicated above.
3. I expect to be absent from duty without paid leave because of this serious health condition.
4. I agree that any leave accrued while on leave is required to be used prior to Leave Bank hours.
5. I agree to continue to provide the employer with updated physician’s certificates, as requested and as needed.

**I understand that I will forfeit the benefits of the Leave Bank by:**

- a. Resignation or termination of employment with West Valley City.
- b. Any fraud or misrepresentation of facts in making application for benefits from the Leave Bank; and,
- c. The Leave Bank Committee is not an agency, board, or other subdivision of the city. Human Resources decisions/actions are not subject to grievance, arbitration, or litigation. Human Resources decisions/actions are final.

**Name and Signature of Recipient or his/her Designee** (please specify)

Name of Recipient/Designee: \_\_\_\_\_

Signature of Recipient/Designee: \_\_\_\_\_

Relationship to Recipient: \_\_\_\_\_

Date: \_\_\_\_\_

### **Part III- Human Resources Verification**

*To Be Completed by Human Resources*

Does employee have any history of disciplinary action for leave abuse?

Yes \_\_\_ No \_\_\_

Why has this employee's leave been exhausted?

\_\_\_\_\_

Could this job be restructured temporarily to allow employee to return to work at an earlier date?

Yes \_\_\_ No \_\_\_ Explain: \_\_\_\_\_

Other information you may find relevant to this decision: \_\_\_\_\_

\_\_\_\_\_

**Benefited Employee:** Yes \_\_\_ No \_\_\_



# WEST VALLEY CITY

Human Resources

### FMLA/Short-term Disability Status:

Applied? \_\_\_\_\_ Approved? \_\_\_\_\_ Pending? \_\_\_\_\_ Denied? \_\_\_\_\_

Other: \_\_\_\_\_

Did employee/designee provide sufficient evidence to justify life event or major disaster?

Yes \_\_\_\_\_ No \_\_\_\_\_

Was the employee's exhausted leave reasonably justified?

Yes \_\_\_\_\_ No \_\_\_\_\_

### Part IV- Final Decision

*To Be Completed by Human Resources*

Approved? Yes \_\_\_\_\_ No \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_

Human Resources Signature \_\_\_\_\_



**WEST VALLEY CITY**

Human Resources

*Attachment 2*



## **West Valley City** **Donation to Leave Bank**

Donation of leave is intended simply to assist eligible employees needing assistance as a result of a catastrophe. This form is to be completed by an employee wishing to donate their accrued leave to another employee who has exhausted all other paid leaves.

**Name of Donor Employee:** \_\_\_\_\_

**Employee Number:** \_\_\_\_\_

**Number of PTO Hours Donated:** \_\_\_\_\_

***I certify that:***

- A. I am making this donation entirely of my own free will and that no attempts have been made to intimidate, threaten, or coerce me to donate my accrued leave. I understand that I have no right under any circumstances to have any of the donated PTO restored to my accrued leave.
- B. I understand that I may only donate leave to the leave bank in accordance with the West Valley City approved Voluntary Leave Bank policy, and I may request a policy at any time.
- C. I understand that I must maintain a minimum balance of two weeks accrued leave in my bank.

\_\_\_\_\_  
**Signature of Employee (Donor)**

\_\_\_\_\_  
**Date Signed**

***Return this form to the Human Resources office.***



# Voluntary Leave Bank Program

Presented by: HR Department

# What is a Leave Bank?

- A shared pool of donated leave hours
- Employees voluntarily contribute accrued leave
- Hours are used by eligible employees facing a **serious medical condition or caring for a family member with a serious medical condition.**
- Provides income protection when PTO is exhausted

# How the Program Works

- Employees may voluntarily donate PTO to the leave bank
- HR tracks and manages the leave bank
- Employees apply to receive PTO
- HR approves or denies requests
- Approved hours are distributed to the employee

# Eligibility to Receive Leave

Employees may qualify if they:

- Experience a **serious health condition or need to care for an immediate family member with a serious health condition.**
- Have exhausted their own accrued leave
- Provide required medical documentation
- Meet employment eligibility requirements

ISSUE: \_\_\_\_\_  
FISCAL IMPACT:   N/A    
FUNDING SOURCE:           N/A          

**ISSUE:**

A resolution re-appointing Michael Finch to the Professional Standards Review Board.

**SYNOPSIS:**

This resolution re-appoints Michael Finch as a member of the Professional Standards Review Board for a two-year term commencing on April 1, 2024 and ending on March 30, 2026.

**BACKGROUND:**

The Professional Standards Review Board reviews all allegations of police misconduct from a citizen’s perspective and makes various recommendations to the Police Chief regarding these incidents.

**RECOMMENDATION:**

Ratify the City Manager’s re-appointment of Michael Finch to the Professional Standards Review Board.

**WEST VALLEY CITY, UTAH**

**RESOLUTION NO. 26-XX**

**A RESOLUTION RATIFYING THE REAPPOINTMENT OF  
MICHAEL FINCH TO THE PROFESSIONAL STANDARDS  
REVIEW BOARD FOR A TERM COMMENCING APRIL 1,  
2026 AND ENDING MARCH 30, 2028.**

**WHEREAS**, members of the Professional Standards Review Board are appointed for a two-year term by the City Manager; and

**WHEREAS**, the City Manager desires to reappoint Michael Finch to serve on the Professional Standards Review Board for a term commencing April 1, 2026 and ending March 30, 2028; and

**WHEREAS**, Michael Finch is willing to accept said reappointment; and

**WHEREAS**, said reappointment requires the advice and consent of the City Council;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of West Valley City, Utah, that it hereby ratifies the City Manager's reappointment of Michael Finch to the Professional Standards Review Board for a term commencing April 1, 2026 and ending March 30, 2028.

**PASSED AND APPROVED** this 24<sup>th</sup> day of March 2026.

WEST VALLEY CITY

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY RECORDER



Michael Finch is a resident of West Valley City Council District 3. He is a retired entrepreneur. Michael Finch has been a resident of West Valley City for more than 45 years and resided here prior to the city's incorporation. Michael and his wife Leisa raised seven children in West Valley and have seventeen grandchildren. They have owned multiple businesses over the years, all located in West Valley City and sold their most recent business to retire, enjoy their family, and spend time giving back to our community. Michael has volunteered his service to the city and if confirmed will continue as a valuable member of the PSRB.



*Description:*

*Fiscal Impact:*

*Funding Source:*

*Account #:*

*Budget Opening Required:*

---

**Issue:**

A resolution appointing Susan Atkin to the Professional Standards Review Board.

**Summary:**

This resolution appoints Susan Atkin as a member of the Professional Standards Review Board for a two-year term commencing on April 1, 2026 and ending on March 30, 2028.

**Background:**

The Professional Standards Review Board reviews all allegations of police misconduct from a citizen's perspective and makes various recommendations to the Police Chief regarding these incidents.

**Recommendation:**

Ratify the City Manager's appointment of Susan Atkin to the Professional Standards Review Board.

Department: Legal  
Submitted by: Eric Bunderson, City Attorney  
Date: 03.10.2026



**WEST VALLEY CITY, UTAH**

**RESOLUTION NO. 26-XX**

**A RESOLUTION RATIFYING THE APPOINTMENT OF  
SUSAN ATKIN TO THE PROFESSIONAL STANDARDS  
REVIEW BOARD FOR A TERM COMMENCING APRIL 1,  
2026 AND ENDING MARCH 30, 2028.**

**WHEREAS**, members of the Professional Standards Review Board are appointed for a two-year term by the City Manager; and

**WHEREAS**, the City Manager desires to appoint Susan Atkin to serve on the Professional Standards Review Board for a term commencing April 1, 2026 and ending March 30, 2028; and

**WHEREAS**, Susan Atkin is willing to accept said appointment; and

**WHEREAS**, said appointment requires the advice and consent of the City Council;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of West Valley City, Utah, that it hereby ratifies the City Manager's appointment of Susan Atkin to the Professional Standards Review Board for a term commencing April 1, 2026 and ending March 30, 2028.

**PASSED AND APPROVED** this 24<sup>th</sup> day of March 2026.

WEST VALLEY CITY

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MAYOR

ATTEST:

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CITY RECORDER

My name is Susan Atkin; I have been a resident of West Valley for 26 years. WVC is where my husband and I decided to buy a home and raise our 3 sons.

After graduating from Southern Utah University, I began my teaching career in Jordan School District. I later earned my master's degree at Westminster College where I studied Adolescent Science Literacy. I spent the last 23 years of my career teaching chemistry at Granger High School.

When I am not hanging out at the West Valley Fitness center, you can find me delivering Meals on Wheels to seniors throughout the WV area.

West Valley City has provided my family with many opportunities and experiences, and I look forward to serving on the PSRB.





*Description:*

*Fiscal Impact:*

*Funding Source:*

*Account #:*

*Budget Opening Required:*

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**Issue:**

A resolution appointing Jennifer Olsen to the Professional Standards Review Board.

**Summary:**

This resolution appoints Jennifer Olsen as a member of the Professional Standards Review Board for a two-year term commencing on April 1, 2026 and ending on March 30, 2028.

**Background:**

The Professional Standards Review Board reviews all allegations of police misconduct from a citizen's perspective and makes various recommendations to the Police Chief regarding these incidents.

**Recommendation:**

Ratify the City Manager's appointment of Jennifer Olsen to the Professional Standards Review Board.

Department: Legal  
Submitted by: Eric Bunderson, City Attorney  
Date: 03.10.2026



**WEST VALLEY CITY, UTAH**

**RESOLUTION NO. 26-32**

**A RESOLUTION RATIFYING THE APPOINTMENT OF JENNIFER OLSEN TO THE PROFESSIONAL STANDARDS REVIEW BOARD FOR A TERM COMMENCING APRIL 1, 2026 AND ENDING MARCH 30, 2028.**

**WHEREAS**, members of the Professional Standards Review Board are appointed for a two-year term by the City Manager; and

**WHEREAS**, the City Manager desires to appoint Jennifer Olsen to serve on the Professional Standards Review Board for a term commencing April 1, 2026 and ending March 30, 2028; and

**WHEREAS**, Jennifer Olsen is willing to accept said appointment; and

**WHEREAS**, said appointment requires the advice and consent of the City Council;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of West Valley City, Utah, that it hereby ratifies the City Manager's appointment of Jennifer Olsen to the Professional Standards Review Board for a term commencing April 1, 2026 and ending March 30, 2028.

**PASSED AND APPROVED** this 24<sup>th</sup> day of March 2026.

WEST VALLEY CITY

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MAYOR

ATTEST:

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CITY RECORDER

## Jennifer Olsen

I am married with 5 children and 2 grandchildren. I have lived in West Valley for 23 years and have served in this community in various capacities over the years. I manage my husband's chiropractic office and enjoy spending time with family and friends.

