

METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS
777 North Capitol Street, NE
Washington, D.C. 20002-4239

RESOLUTION TO AMEND THE METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS' PENSION PLAN

WHEREAS, the Metropolitan Washington Council of Governments (COG) has established and maintains a Pension Plan (Plan) for its employees; and

WHEREAS, section 10.01 of the Plan provides that COG may amend the Plan; and

WHEREAS, in keeping with COG's obligation to review the financial status of the Plan and to examine how COG can best position the financial aspects of the pension within the bounds allowed by law pertaining to governmental pension plans; and

WHEREAS, COG needs to find balanced and manageable ways of enhancing pension benefits and ensuring a healthy financial outlook today and in the future; and

WHEREAS, the amendments herein, with an estimated total cost of \$1,303,000 paid for through the \$4.35 million of accrued funds that exceed current plan funding obligation as of July 1, 2003 valuation report, with due consideration to a sustained ability to maintain a healthy level of funding that represents at least \$3.5 million over amounts necessary for meeting the current obligation of the Pension Plan at any given time; and

WHEREAS, the amendments benefit COG's staff and its members in general, and will not negatively impact the financial health of the Plan assets; and

WHEREAS, the amendments were unanimously adopted by the Pension Plan Administrative Committee on March 10, 2004, after consultation and concurrence with the Plan's actuary and pension attorney.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS THAT:

1. Section 2.21 and 5.04(a) of the Plan shall be amended to replace High Five-Year Average Compensation to High Three-Year Average Compensation. Consequently, all appropriate changes within this section and other sections of the pension plan shall be made referencing three years instead of five years for the purpose of calculating the Participant's final average compensation. This change shall be effective upon formal adoption of this resolution, but shall apply only to participants who are employed on or after that date.
2. Section 5.13 Retirement Subsidy shall be amended to increase the supplemental monthly payment in the amount of \$100 to \$200. This change shall be effective July 1, 2004, and shall apply to existing as well as future retirees.
