

PERSONNEL, PENSION AND INSURANCE COMMITTEE
SPECIAL MEETING
The Metropolitan District
555 Main Street, Hartford
Tuesday, May 16, 2026

Present: Commissioners David Drake, Maureen Magnan, Petrel Maylor, Dominic Pane, Bhupen Patel, Edwin Vargas and District Chairman Donald Currey (7)

Remote

Attendance: Commissioners Dimple Desai and Christopher Tierinni (2)

Absent: Commissioners John Avedisian, Joan Gentile and Byron Lester (3)

Also

Present: Commissioner Andrew Adil (Remote Attendance)
Commissioner William DiBella
Commissioner Jackie Mandyck (Remote Attendance)
Commissioner Pasquale Salemi (Remote Attendance)
Scott W. Jellison, Chief Executive Officer
Christopher Stone, District Counsel
Carl Nasto, Senior Assistant District Counsel
John S. Mirtle, Assistant District Counsel
Victoria S. Escoriza, Interim District Clerk
Kelly Shane, Chief Administrative Officer
Christopher Levesque, Chief Operating Officer
Jonathan Perugini, Chief Financial Officer/Director of Finance
Jamie Harlow, Director of Human Resources
Robert Schwarm, Director of Information Systems (Remote Attendance)
Tom Tyler, Director of Facilities (Remote Attendance)
Diana Phay, Manager of Treasury
Carrie Blardo, Assistant to the Chief Executive Officer (Remote Attendance)
Kevin Sullivan, Systems Analyst (Remote Attendance)
Dylan Pecego, Helpdesk Coordinator (Remote Attendance)
Elizabeth Tavelli, Independent Consumer Advocate (Remote Attendance)
David Lee, Dahab Associates, Inc.

CALL TO ORDER

Chairwoman Magnan called the meeting to order at 4:00 PM

PUBLIC COMMENTS RELATIVE TO AGENDA ITEMS

No one from the public appeared to be heard.

**INDEPENDENT CONSUMER ADVOCATE COMMENTS AND QUESTIONS
RELATIVE TO AGENDA ITEMS**

Independent Consumer Advocate Elizabeth Tavelli did not have any comments or questions relative to agenda items.

APPROVAL OF MEETING MINUTES

On motion made by District Chairman Currey and duly seconded, the meeting minutes of May 18, 2026 were approved.

PENSION INVESTMENT POLICY AMENDMENT

To: Personnel, Pension and Insurance Committee

June 16, 2026

Dahab Associates presented the 2026 1ST Quarter Performance Review of the pension portfolio of investments to the Personnel, Pension and Insurance Committee on May 18, 2026, and made the following reallocation recommendations:

1) REAL ESTATE– Reduce target allocation for Real Estate and increase both Large Cap and Small Cap target allocations

CONSIDERATIONS

- As of March 2026, real estate investments accounted for 10% of the portfolio's target allocation

RECOMMENDATION

- Reduce the real estate allocation by 5% and increase the target allocations to both Large Cap and Small Cap by 2.5% each. The revised target allocations at market value will be as follows:

ASSET ALLOCATION		
	<u>Allocation</u>	<u>Range</u>
Large Cap Equity	32.5%	+/-16.25%
Mid Cap Equity	10.0%	+/-5%
Small Cap Equity	12.5%	+/-6.25%
International Equity	12.5%	+/-5%
Real Estate	5.0%	+/-2.5%
Timber	5.0%	+/-5%
Fixed Income	22.5%	+/-7.5%

It is therefore RECOMMENDED that it be:

VOTED: That the Personnel, Pension and Insurance Committee recommend to the District Board passage of the following resolution:

RESOLVED: The pension fund's Real Estate Allocation be reduced by 5%.

FURTHER

RESOLVED: The pension fund's investment in Large Cap and Small Cap both be increased by 2.5%.

Respectfully Submitted,

Victoria S Escoriza

Victoria S. Escoriza
Interim District Clerk

DRAFT

RETIREMENT PLAN FOR EMPLOYEES OF THE METROPOLITAN DISTRICT

STATEMENT OF
INVESTMENT POLICY AND GUIDELINES

JUNE 2026

I. Statement of Purpose

The investment management of the Retirement Plan for Employees of The Metropolitan District (the "Plan" or "Pension Trust") shall follow this Statement of Investment Policy and Guidelines as adopted June 16, 2026.

Statutory authority for the investment program of this Plan is provided by the provisions of section 7-450 of the Connecticut General Statutes. This Statement of Investment Policy and Guidelines applies only to the Pension Trust. This Statement of Investment Policy and Guidelines shall be reviewed annually, but may be amended at any time.

A. Objectives

The objective of the Plan's Investment Policy is to preserve the actuarial soundness of the Pension Trust. The Trust shall be for the purpose of funding current and future pension benefits for eligible participants in accordance with the Pension Trust.

The performance of the Plan will be measured each quarter for various rolling periods, but at a minimum three and five years. These periods are usually considered sufficient to accommodate the different market cycles commonly experienced with investments.

B. Fiduciary Standards

In striving to attain these objectives, the Plan will be managed in a manner consistent with fiduciary standards, namely:

1. All transactions shall be in the sole interest of the participants and their beneficiaries, and
2. All investments shall be made with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in an expert like capacity and familiar with such matters would use in conduct of an enterprise of like character and with the same aims, and
3. All entities dealing with the Plan are required to disclose conflicts of interest as soon as they become apparent, in writing to the Pension Board or as part of a public meeting when the problem becomes apparent.

The Pension Board, as described below, or the Trust Administrator acting on the Board's behalf, shall make its decisions solely for the benefit of plan members. All entities dealing with the Plan must conduct themselves in a manner worthy of the public trust, keeping in mind that the Plan is subject to public review and evaluation.

In general, the investment and management of the assets of the Plan shall be in compliance with the prudent investor rule as set forth in Connecticut General Statutes Sections 45a-541 to 45a-541f, inclusive.

II. Roles and Responsibilities

All parties serving the Plan at the date of the original adoption of this Statement of Investment Policy and Guidelines have 60 days to be in compliance with its provisions, or to notify the Pension Board in writing as to why they cannot be in compliance.

A. Pension Board

The District Board (the "Pension Board" or "Board"), or the Trust Administrator acting on the Board's behalf, has the responsibility of establishing and maintaining policies for all aspects of the Plan including:

- Setting of investment policy;

- Performing asset allocation for the Plan;
- Selecting, evaluating, and replacing investment professionals.

The Board, or the Trust Administrator acting on the Board's behalf, may select other professionals to assist in its duties.

B. Trust Administrator

The Metropolitan District has delegated the responsibility to its Personnel, Pension & Insurance Committee to plan, organize, and administer the operations of the Trust under broad policy guidance from the Board. These operations include but are not limited to accounting; administration of investments, attorneys, accountants, actuaries, consultants and select investment oversight.

C. Actuary

The Board or the Trust Administrator acting on the Board's behalf, will select an actuary to perform a valuation of the Plan as often as needed.

D. Investment Consultant

The Board, or the Trust Administrator acting on the Board's behalf, may engage an investment consultant. The investment consultant will give an independent perspective on the Plan, help select custodians and investment managers, review asset allocation, provide investment performance measurement, and assist in constructing a portfolio that will have the potential of earning the actuarial rate of return with a high probability of success while muting as much volatility as possible.

The investment consultant is expected to attend meetings of the Board as needed and to perform asset allocation studies as needed.

The investment consultant will acknowledge in writing that he is a fiduciary of the plan relative to the provided services.

E. Custodian

The Custodian will hold all cash and securities or evidence thereof. The Custodian will be responsible for maintaining records, providing fund accounting and other services as defined in its contract.

The Custodian may not engage in financial transactions related to the Trust that are based on written or oral instructions from any person other than the Board, or the Trust Administrator acting on the Board's behalf.

F. Investment Managers

In managing assets for the Plan, the Board, or the Trust Administrator acting on the Board's behalf, may engage the services of investment managers. Investment managers buy and sell securities or other investments according to guidelines established for their particular asset class.

Investment managers are to acknowledge in writing that they are fiduciaries of the plan relative to provided services.

III. Pension Trust

The Pension Board, or the Trust Administrator acting on the Board's behalf, has three tasks to accomplish in managing the Trust: first, to adopt a realistic actuarial rate of return for the Trust; second, to recommend the level of contributions needed to keep the Trust financially sound; and third, to construct a portfolio that will have the potential of earning the actuarial rate of return with a high probability of success while muting as much volatility as possible.

The Board, or the Trust Administrator acting on the Board's behalf, shall exercise an appropriate level of due

diligence with respect to all aspects of the investments in the Trust, development of the asset allocation structure, selection of external investment managers and the monitoring of investment performance.

The Board or the Trust Administrator acting on the Board's behalf, is aware that mutual funds and other commingled vehicles have separate guidelines and/or prospectuses. When employing such vehicles, the Board or the Trust Administrator acting on the Board's behalf, acknowledges that those separate guidelines and/or prospectuses shall supersede the guidelines that follow.

A. Manager Responsibility

Managers of funds administered under the Trust must acknowledge fiduciary responsibility relative to their work with the plan. Managers shall be held to the prudent expert standard articulated in Section I.B.2. above.

B. Trust Characteristics

In constructing portfolios for the Trust, the Board or the Trust Administrator acting on the Board's behalf, should consider the following characteristics.

1. Liquidity

The Plan should have liquidity to meet its cash flow needs. Individual investments may have limited liquidity so long as they do not interfere with the operation of the Plan as a whole. The Board acknowledges the most liquid investments come at a cost of lower expected return. Some investments may be selected with limited liquidity if expected returns exceed those of the more liquid investments and/or if the investments provide greater risk mitigation.

2. Diversification

Assets should be diversified among asset categories, sectors, and geographic areas to minimize volatility.

3. Time Horizon

The time horizon of the Plan is perpetual. In projecting returns for the Plan, the Board may consider information from recent history (20 years), long-term history (about 70 years) or some combination of the two. The Board, or the Trust Administrator acting on the Board's behalf, must judge what data gives the best estimate for future returns by applying evidence from the past to current circumstances.

4. Risk Tolerance

The primary investment emphasis of the Trust is to preserve capital and achieve consistency of results. However, a secondary goal is to meet the actuarial rate of return. The Board, or the Trust Administrator acting on the Board's behalf, should strive to attain these goals while still meeting the actuarial rate of return.

The Board, or the Trust Administrator acting on the Board's behalf, recognizes that risk is present in all investments. The assumption of risk is needed to achieve satisfactory long-term results. It is the responsibility of the Board, or the Trust Administrator acting on the Board's behalf, to manage the tradeoff between risk and return given the projected needs of the Trust, always attempting to minimize risk of the overall portfolio for any given level of return.

5. Asset Allocation

An asset allocation study should be periodically performed. The study requires a projection of cash flows, which are dependent on contributions made into the Plan and disbursements made from the Plan in the form of benefits and expenses. The purpose of the asset allocation study is to understand the trade off between risk and return, and to aid in the construction of a portfolio that has a high probability of earning the actuarial rate of return but achieves this goal with a minimum of volatility.

6. Rebalancing

Once policy targets for the asset allocation are set in the asset allocation study, the Board, or the Trust Administrator acting on the Board's behalf, in conjunction with the investment consultant, should monitor and rebalance the Plan in an effort to keep the asset allocation in line with the policy target while at the same time minimizing transaction costs.

C. Investment Alternatives

Investment alternatives are divided into four broad categories: fixed income, domestic equity, international equity and alternative investments.

Fixed income investments shall be used primarily to provide stability of principle. Domestic equity and international equity may be added to enhance return. Alternative investments may be added to enhance return, and to provide diversification that will reduce volatility.

The Plan also participates in an Immediate Participation Guarantee used to fund benefits that have been guaranteed to past and present Plan participants; the Board has limited control over these assets. They offset guaranteed benefits and fluctuate as the relation between the actuarial value of the liabilities and underlying assets change. This investment has been reviewed in the past and is periodically evaluated. At present, because of contractual obligations and the costs associated with reallocation, this allocation has remained.

D. Performance Standards

Each manager hired will be assigned a benchmark. Active managers are expected to exceed their benchmark net of fees, and to perform in the upper half of a universe of managers in a similar style over a market cycle. Passive managers are expected to track their respective benchmarks with minimal tracking error. Guidelines for each of the asset classes are outlined in the next section.

IV. Manager Guidelines

A. Fixed Income Managers

1. Investment objective. Active bond managers are expected to beat a benchmark appropriate to their style, and to perform in the top half of a universe of similar portfolios. The benchmark used for comparison should be assigned to the manager as part of the selection process.
2. Permissible securities. Fixed income managers may invest in U.S. Government and agency bonds, U.S. domestic corporate bonds, asset-backed and mortgage-backed securities, and convertible bonds.
3. Non-permissible securities. Fixed income managers are prohibited from investing in equity securities (except for term trusts) and municipal bonds. Fixed income managers are also prohibited from investing in commodities, unregistered letter stock, foreign securities (other than those evidenced by American Depositary Receipts which are listed on the New York Stock Exchange (NYSE), warrants, loans of portfolio securities, venture capital issues and private placements.
4. Non-permissible transactions. Fixed income managers are prohibited from purchasing securities on margin or selling short.
5. Cash balances. Managers are expected to remain fully invested. However, the decision to maintain cash balances is left to the manager's discretion, keeping in mind that the benchmark will be applied to the manager's total portfolio and not just to the non-cash portion. Managers should inform the Board within 10 business days if cash balances exceed 10%. Cash and equivalents may be invested in commercial paper rated A1 or P1, repurchase agreements, U.S. Treasury Bills and money market fund.

6. Marketability. Fixed income securities should be readily marketable.
7. Diversification. Fixed income obligations of any one issuer, other than securities subject to the guarantee of the United States government or any of its agencies, should represent no more than 5% of the aggregate fair market value of a manager's portfolio.

B. Domestic Equity Managers

1. Investment Objective. Active equity managers are expected to outperform a benchmark appropriate to their style (value, core or growth) and market capitalization (large, mid and small). In addition, active equity managers should be ranked in the upper half of a universe of similar portfolios. Passive equity managers are expected to track their appropriate benchmark.
2. Permissible securities. Equity managers may invest in common stocks, convertible securities, and American Depositary Receipts (ADRs) and for listed securities of foreign corporations. Listed securities are those traded on the NYSE, American Stock Exchange (AMEX) and National Association of Securities Dealers Automated Quotation System (NASDAQ) exchanges. Any investment in convertible debentures must carry an investment grade rating of "A" or better. Securities purchased should come from the universe of their benchmark - or closely resemble them. For example, a large cap value manager should largely purchase large cap value securities. However, it is acceptable to purchase a modest amount of mid cap value or large cap growth as long as the characteristics and the performance of the fund generally resemble those of a large cap value fund.
3. Non-permissible securities. Equity managers may not invest in foreign securities other than those defined above, fixed income securities, commodities, unregistered letter stock, warrants, real estate mortgages, all options and futures, real or personal property, oil and gas property, loans of portfolio securities, venture capital issues, private placements, securities of a contributing employer, and derivatives. Derivatives include collateralized mortgage obligations, interest-only and principal-only strips, and currency swaps or other specialized investment activities.
4. Non-permissible transactions. Except with the written consent of the Board, or the Trust Administrator acting on the Board's behalf, equity managers may not purchase securities on margin or sell short.
5. Cash balances. Managers are expected to remain fully invested. However, the decision to maintain cash balances is left to the manager's discretion, keeping in mind that the benchmark will be applied to the manager's total portfolio and not just to the non-cash portion. Managers should inform the Board and the Trust Administrator within 10 business days if cash balances exceed 10%. Cash and equivalents may be invested in commercial paper rated A1 or P1, repurchase agreements, U.S. Treasury Bills and money market fund.
6. Marketability. Securities should be marketable. It is understood that small- and mid-capitalization stocks offer less liquidity than more widely held securities.
7. Diversification. Equity investments by a manager in any single corporation shall be limited to no more than 5% of the manager's total portfolio based on the fair market value of the portfolio at the time of purchase, and no more than 10% of the manager's total portfolio at any quarterly valuation. The portfolio should also be appropriately diversified by industry sector. The manager should inform the Board and the Trust Administrator in writing of any violation within 10 business days of its occurrence.
8. Income. There are no minimum yield or dividend requirements.

C. International Equity Managers

1. Investment objective. Active international equity managers are expected to outperform a benchmark appropriate to their style. In addition, active international equity managers should be ranked in the upper half of a universe of similar portfolios.

2. Permissible securities. International equity managers must invest in securities of companies not domiciled in the United States, including common stocks traded on any major stock exchange or ADRs traded in the United States, global depository receipts (GDRs) and preferred stocks traded on any major stock exchange. International equities include equities of both developed countries and emerging markets.
3. Non-permissible securities. Foreign equity managers may not invest in equities of U.S.-domiciled companies, fixed income securities, commodities, unregistered letter stock, warrants, real estate mortgages, all options and futures, real or personal property, oil and gas property, loans of portfolio securities, venture capital issues, private placements, securities of a contributing employer, and derivatives. Derivatives include collateralized mortgage obligations, interest-only and principal-only strips, and currency swaps or other specialized investment activities.
4. Non-permissible transactions. Except with the written consent of the Board, or the Trust Administrator acting on the Board's behalf, managers may not purchase securities on margin or sell short.
5. Cash Balances. Managers are expected to remain fully invested. However, the decision to maintain cash balances is left to the manager's discretion, keeping in mind that the benchmark will be applied to the manager's total portfolio and not just to the non-cash portion. Managers should inform the Board and Trust Administrator within 10 business days if cash balances exceed 10%. Cash and equivalents may be invested in commercial paper rated A1 or P1, repurchase agreements, U.S. Treasury Bills and money market fund.
6. Marketability. Securities should be marketable. It is understood that international equity securities, especially in emerging markets, offer less liquidity than more widely held securities.
7. Diversification. Equity investments by a manager in any single corporation shall be limited to no more than 5% of the manager's total portfolio based on the fair market value of the portfolio at the time of purchase, and no more than 10% at any quarterly valuation. The portfolio should also be appropriately diversified by industry sector. The manager should inform the Board and Trust Administrator in writing of any violation within 10 business days.
8. Income. There are no minimum yield or dividend requirements.

D. Alternative Investments

Alternative investments should be considered with the goal of increasing the return of the portfolio without increasing risk, or lowering risk of the overall portfolio without lowering return.

If the Board, or the Trust Administrator acting on the Board's behalf, allocates part of the portfolio to an alternative asset class, separate investment guidelines specific to that asset class shall be adopted.

V. Manager Guidelines

Investment managers may not act upon written or oral instructions from any person other than the Board, or the Trust Administrator acting on behalf of the Board or the Administrator.

A. Discretionary Authority

Managers are given full discretion to act in accordance with the Statement of Investment Policy and Guidelines. In placing portfolio transaction orders on behalf of the Trust, each manager shall obtain execution of orders through responsible broker/dealers at the most favorable prices and at competitive commission rates, taking into consideration the efficiency of execution of the transaction.

B. Reporting

1. Within 14 calendar days a manager must inform the Board and Trust Administrator of changes in organizational structure, ownership, or key personnel. Also a manager must inform the Board and Trust Administrator of material litigation brought by a client or former client relating to investment advisory services, or any enforcement proceeding by a regulatory agency that would have a material effect on the manager, within 14 calendar days after the manager has been notified of the litigation or the enforcement proceeding.
2. On a quarterly basis each manager is to submit a brief letter or report to the Board and Trust Administrator on the status of and outlook for his or her portfolio. The report should address the following:
 - Economic investment and outlook;
 - Investment strategy (short- and intermediate-term)
 - Explanation of any high concentrations in any one sector or security;
 - A list of portfolio holdings or a summary of the largest holdings;
 - Commissions on trades upon request;
 - Market and book values for all security holding;
 - Performance results compared with designated benchmarks;
 - Brokerage commission reports (if any);
 - Turnover ratio;
 - Derivative use;
 - Quality ratings with average quality (for fixed income portfolios).
3. On an annual basis each manager may be required to submit an annual proxy voting report and the filing of Form ADV with the Securities and Exchange Commission.

C. Proxy Voting

The Board requires that managers exercise authority with regard to proxy voting, acting solely in the interest of and for the exclusive purpose of providing benefits to participants and beneficiaries, and always acting in the best interests of participants and beneficiaries. With regard to corporate governance, proxy votes should be against proposals to limit or eliminate liability for violation of duty of care and to indemnify directors in instances of gross negligence.

Managers shall be able to provide, upon request, an annual proxy voting report that shall include the following:

- Summation of all votes cast;
- Affirmation that all stock holdings with votes due were voted;
- Description of proposed changes in proxy voting policies;
- Confirmation that all votes cast were consistent with policy;
- Explanation of any violation of the previous requirements.

D. Cost Management

1. Turnover. The Board acknowledges that in the course of a year, investment conditions and opportunities will require managers to buy and sell securities on the Board's behalf. While the Board does not wish to inhibit the normal transactions executed by the managers, it does wish to be made aware of the need for any high levels of turnover to avoid churning the portfolio. The following reporting requirements are therefore for control purposes and are not necessarily intended to limit portfolio turnover to the stated limits.
 - Turnover is defined as the lesser of total purchases or sales divided by opening balance. Convertible bonds are considered equity surrogates and are subject to the discussions for

common stocks. Preferred stocks are considered perpetual bond surrogates and are subject to the discussions for corporate bonds.

- Equity turnover. Within five business days of the time in any calendar quarter in which the cumulative equity turnover during the quarter exceeds 30%, or within any calendar year in which the cumulative equity turnover exceeds 100%, the manager must submit a report to the Board and Trust Administrator stating the reason for the turnover as well as a list of any brokerage firms whose fees during the quarter or year exceeded \$10,000.
 - Fixed income turnover. Within five business days of the time in any calendar quarter in which the cumulative fixed income turnover during the quarter exceeds 100% or within any calendar year in which the cumulative fixed income turnover exceeds 200%, the manager must submit a report to the Board and Trust Administrator stating the reason for the turnover as well as a list of any brokerage firms handling more than 20% of the subject trades. U.S. government securities, used as collateral as part of the repurchase agreements, are exempt from this requirement.
 - Turnover may be considered as one factor in the money manager selection and retention process.
2. Broker Relations. The manager is free to execute trades whenever it is in the best interests of the Trust, and will have the discretion to execute transactions with brokerage firms of his or her choosing.
- The selection of a broker should be based on the quality of executions. Factors affecting the quality of executions include the financial health of the brokerage firm, the business integrity of the brokerage firm, commission costs and overall efficiency.
 - Commission dollars are a Trust asset and should not be used for purposes other than those that directly benefit Trust participants. The manager is required to provide reports and descriptions of all soft dollar arrangements involving the use of commission dollars to acquire resources of any type.

VI. Execution of Investment Policy

IN WITNESS WHEREOF, this document has been approved and executed by the undersigned on this

_____ day of xxxx, 2026

Retirement Plan for Employees of The Metropolitan District

Date: _____

By: _____
Trust Administrator

By: _____
Board Chairman

ADDENDUM

ASSET ALLOCATION

The Board has currently adopted the following asset allocation at market value:

	<u>Allocation</u>	<u>Range</u>
Large Cap Equity	32.5%	+/-16.25%
Mid Cap Equity	10%	+/- 5%
Small Cap Equity	12.5%	+/- 6.25%
International Equity	12.5%	+/- 5%
Real Estate	5%	+/- 2.5%
Timber	5%	+/- 5%
Fixed Income	22.5%	+/- 7.5%

On motion made by Commissioner Pane and duly seconded, the report was received and resolution adopted by unanimous vote of those present.

PENSION PLAN AMENDMENT

To: Personnel, Pension and Insurance Committee for consideration on June 16, 2026

WHEREAS, by resolution of the District Board at its meeting of February 17, 2016 the District Board voted to approve an amendment to the employment contract for the Chief Executive Officer that provided the following:

“As additional compensation, and subject to the limitations set forth below, the District shall credit the CEO with one (1) additional year of credited service for each year of credited service he earns on or after January 1, 2015, up to a maximum of ten (10) additional years of credited service ("Additional Years of Credited Service"). On or before March 1, 2016, the District shall amend the District's retirement plan to incorporate such provisions as are necessary to effectuate this aspect of the CEO's compensation.”

WHEREAS, The Metropolitan District (the “MDC”) is the sponsor of the Retirement Plan for Employees of The Metropolitan District (the “Retirement Plan”); and

WHEREAS, the District Board of the MDC has the authority to adopt amendments to the Retirement Plan upon the recommendation of the Personnel, Pension and Insurance Committee of the MDC (the “PPI Committee”); and

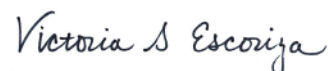
WHEREAS, it is desirable that the PPI Committee recommend to the District Board of the MDC that it adopt an amendment to the Retirement Plan consistent with the amended contract for the Chief Executive Officer to memorialize the approved calculation of his annual retirement benefit;

NOW, THEREFORE, BE IT

RESOLVED: That the PPI Committee does hereby recommend to the District Board that it adopt the attached Amendment to the Retirement Plan,, together with any modifications that are determined by pension counsel for the MDC to be necessary or desirable to effectuate the intention thereof and to comply with the requirements of the Internal Revenue Code of 1986, as amended; and further

RESOLVED: That the Chairman of the District Board, or any other officer designated by the said Chairman be, and each of them hereby is, authorized and empowered, for and on behalf of the MDC, to take any and all actions which may be necessary or desirable to effectuate the intention of the foregoing resolution.

Respectfully Submitted,



Victoria S. Escoriza
Interim District Clerk

**AMENDMENT NO. __ TO THE
RETIREMENT PLAN FOR EMPLOYEES OF
THE METROPOLITAN DISTRICT**

The Metropolitan District (the “Company”) has adopted this Amendment No. __ to the Retirement Plan for Employees of The Metropolitan District (the “Plan”), effective as of the date set forth herein.

(1) Effective as of _____, Article V of the Plan is amended by adding a new Section 5.2(f) to the Plan to read as follows:

(f) For purposes of computing the annual retirement benefit of the chief executive officer of the Employer who was in office on February 1, 2015, the number of his Years of Credited Service shall be increased by one for each Year of Credited Service that he performs after December 31, 2014; *provided, however*, that the additional Years of Credited Service credited to such chief executive officer under this subsection (f) shall not exceed ten additional Years of Credited Service.

Notwithstanding the provisions of Section 9.2(a), if either of the following events occurs on or before December 31, 2024, then: (i) the portion of the Accrued Benefit of such chief executive officer which is attributable to the additional Years of Credited Service credited to such chief executive officer under this subsection (f) shall be forfeited; and (ii) the additional Years of Credited Service credited to such chief executive officer under this subsection (f) shall not be taken into account for purposes of determining whether the sum of his age and Years of Credited Service for purposes of Section 2.21(b) (Normal Retirement Date) equals eighty-five (85):

(i) such chief executive officer voluntarily elects to terminate his employment by providing the Employer with at least one hundred (100) calendar days’ prior notice of termination, as permitted by Section 7(A)(i) of the Employment Agreement between the Employer and such chief executive officer dated February 1, 2015 (the “2015 CEO Employment Agreement”); or

(ii) the Employer terminates such chief executive officer for “just cause” (as defined in Section 7(B) of the 2015 CEO Employment Agreement), as permitted by Section 7(A)(iii) of the 2015 CEO Employment Agreement.

However, notwithstanding the provisions of this subsection (f) relating to the forfeiture of the portion of the Accrued Benefit of such chief executive officer which is attributable to the additional Years of Credited Service credited to such chief executive officer under this subsection (f), such portion of his Accrued Benefit which is accrued to the date of his sixty-fifth (65th) birthday shall become vested and nonforfeitable upon such date (as required by Section 5.1). In addition, upon the termination or partial termination of the Plan or the complete discontinuance of contributions to the Plan, the portion of the Accrued Benefit of such chief executive officer which is attributable to the additional Years of Credited Service credited to such chief executive officer under this subsection (f) and which is accrued to the date of such termination or partial termination or complete discontinuance of contributions shall become vested and nonforfeitable, to the extent funded as of such date (as required by Section 22.3).

(2) All section numbers and cross references thereto are appropriately amended to effectuate the intention of the foregoing amendments.

Witness:

THE METROPOLITAN DISTRICT

By

Title:

Date:

On motion made by Commissioner Tierinni and duly seconded, the report was received and resolution adopted by unanimous vote of those present.

APPOINTMENT OF DISTRICT COUNSEL

The Personnel, Pension and Insurance Committee held a discussion regarding the Appointment of District Counsel. District Counsel Stone suggested interviewing three interested internal candidates who submitted resumes. District Counsel Stone and Chief Executive Officer Jellison will meet jointly to compose questions for the candidates. Each question will be posed in the same manner to each individual being interviewed. Interviews will be scheduled for the following week, and members of the Personnel, Pension and Insurance Committee will be invited to attend.

Commissioner Tierinni made a motion to follow District Counsels' recommendations for interviews. The motion was duly seconded and adopted by unanimous vote of those present.

OPPORTUNITY FOR GENERAL PUBLIC COMMENTS

No one from the public appeared to be heard.

COMMISSIONER REQUESTS FOR CONSIDERATION OF FUTURE AGENDA ITEMS

There were no requests made.

ADJOURNMENT

The meeting was adjourned at 5:20 PM

ATTEST:

Victoria S. Escoriza
Interim District Clerk

Date Approved