

SUMMARY MINUTES
HUMAN RESOURCES COMMITTEE
SPECIAL MEETING OF OCTOBER 21, 2015

Mr. Williams chaired the October 21 Special Human Resources Committee Meeting, calling it to order at 9:02 a.m. A quorum was present during the Meeting: Mr. Gates, Co-Chair, Mr. Curto, Ms. Hanley, Ms. Lang, Ms. Merrick and Ms. Wells. Mr. Adams, Mr. Caputo, Mr. Griffin, Mr. Kennedy, Mr. McDermott, Mr. Mims, Mr. Pozen and Mr. Session were also present.

Recommendation to Approve Revised Plan Documents of Metropolitan Washington Airports Authority Retirement Savings Plan and Metropolitan Washington Airports Authority Supplemental Savings Plan. Tony Vegliante, Vice President for Human Resources and Administrative Services, reported that Authority employees may contribute up to \$18,000 in pre-tax contributions to the 457(b) Retirement Savings Plan. He explained that the Authority matches 100 percent of elective contributions on the first 2 percent of an employee's base pay and 50 percent of the next two percent of employee's base pay up to a maximum of 3 percent. Mr. Vegliante noted that the Authority contributions are deposited in the 401(a) Supplemental Savings Plan. He reported that the Retirement Committee had re-competed services for Plan Administrator and Record-keeper and a new contractor, Lincoln Financial Services (Lincoln Financial) had been selected. Mr. Vegliante reviewed the change to the Restated Plan documents to align with existing plan provisions with two substantive changes: allow participants to obtain general purpose loans for any reason (in accordance with Internal Revenue Code (IRS) regulations and industry best practice); and remove the requirement for spousal consent of a plan participant's non-spousal beneficiary designations. Additionally, the Restated Plan Documents will reflect administrative processes for Lincoln Financial and require Lincoln Financial to keep those documents current as tax laws require.

Ms. Wells inquired about the rationale, which limited participants to obtain loans for hardship-related occurrences. Mr. Vegliante stated that the Authority's 457(b) Retirement Savings Plan had been created in the late 80s when a restricted type of loan process was likely more common than currently. He noted that the IRS had changed some of its regulations and plans had become more liberal. Mr. Vegliante explained the Authority's process that participants used to borrow from their Retirement Saving Plans. He stated that the Authority had denied a

substantial amount of participants' loan requests that were not relative to hardship occurrences.

Ms. Merrick inquired about the effective date and the number of Authority employees. Mr. Vegliante responded that there are approximately 1,575 employees. He noted that retirees were also enrolled in the Retirement Savings Plan; approximately 2,100 participants were enrolled. Mr. Vegliante stated that the change would be effective November 1 and noted that staff had been working during the last couple of months to inform employees of the transition, which also included individual and group meetings.

The Committee approved the recommendation. Mr. Williams reported that he would offer a resolution later in the day's Board Meeting.

The meeting was there upon adjourned at 9:12 a.m.