

AMENDMENT TO THE SUPPLEMENTAL
RETIREMENT PENSION PLAN FOR EMPLOYEES OF THE
JEFFERSON COUNTY PUBLIC SCHOOL DISTRICT R-1

The members of the Board of Education for the Jefferson County Public School District R-1 adopt the following recitals and resolutions at their meeting of June 15, 2006:

WHEREAS, section 10.01 of the Supplemental Retirement Pension Plan for Employees of the Jefferson County Public School District R-1 (the "Plan") authorizes the Board to amend the Plan; and

WHEREAS, the Board most recently amended and restated the Plan on September 15, 2005; and

WHEREAS, the Board wishes to amend the Plan to provide for a lump-sum payment as an optional form of payment under Plan section 5.02 for benefits payable due to Retirement before September 1, 2007, and as one optional form of payment with 120 monthly payments (current Option 3) as the only other optional form for benefits payable due to Retirement after August 31, 2007; and

WHEREAS, the Board has considered the effect of this amendment on the long-term financial stability of the Plan and the Board concludes that this amendment is in the interests of all Plan Members because (a) it offers the Plan an opportunity to satisfy its liability to those who voluntarily elect a lump-sum payment at an 8.75% interest assumption and (b) according to actuarial projections provided to the Board, it will increase the Plan assets available to pay benefits to those who do not receive a lump-sum payment; and

WHEREAS, the Board wishes to amend the benefit funding priority categories in Plan section 10.03 to correspond more closely to priorities described in Colorado case law;

NOW, THEREFORE, BE IT RESOLVED: That a sentence is added to the end of the definition of "Equivalent Actuarial Value" in section 1.11 to read as follows, effective with lump-sum payments under the Plan: "This definition of Equivalent Actuarial Value shall apply to lump-sum payments as well as all other forms of payment under the Plan."

FURTHER RESOLVED: That a definition of "Retirement" is added as section 1.18, to read as follows, effective the date of this resolution:

1.18 "Retirement" means the Member's employment as an Employee of the Board has terminated and the Member has timely filed an application for Plan benefits in accordance with deadlines established by the Retirement Committee.

FURTHER RESOLVED: That the following is added to Plan section 5.02, effective with payments beginning on or after October 1, 2006. In the case of Members and Beneficiaries receiving benefits in a form other than a lump sum, this provision shall be effective as specified in writing by the Chief Financial Officer following advice from the Financial Oversight and the Supplemental Retirement Committee:

Option 4. A single, lump-sum payment of Equivalent Actuarial Value. This lump-sum payment is available to (i) Members and Beneficiaries who are receiving Plan benefits, and (ii) Members and Beneficiaries who are eligible for payment due to the Member's termination of employment or death. The lump-sum payment is first payable October 1, 2006.

FURTHER RESOLVED: A sentence is added to section 5.01 and section 4.05(b) to read as follows: "In the case of a benefit payment under this Plan due to Retirement after August 31, 2007, the benefit shall be payable only in 120 monthly payments, as described in Option 3 of Section 5.02 or in a lump sum, as described in Option 4 of Section 5.02."

FURTHER RESOLVED: That the following sentence is added to the end of section 4.05(b), effective the date of this resolution:

In the case of a Member described in subsection (ii) of this section 4.05(b), the pension benefit described in this section 4.05(b) shall be paid in a single lump sum, in accordance with Option 4 in section 5.02 of the Plan.

FURTHER RESOLVED: That the first sentence of Plan section 5.02 is revised, and a second sentence is added, to read as follows: "Any Member (or, as permitted in Option 4 below, any Beneficiary) may elect, in such manner as the Retirement Committee shall prescribe, to convert the benefit otherwise payable to him into an optional benefit of Equivalent Actuarial Value, as provided in one of the options named below. In the case of a benefit payment under this Plan due to Retirement after August 31, 2007, the forms of payment described in Options 1 and 2 below are not available and payment shall be in either 120 monthly payments as described in Option 3 below or in a single lump sum as described in Option 4 below.

FURTHER RESOLVED: That the sentence that includes subsections (i), (ii), (iii) and (iv) of Plan section 10.03 is amended to read as follows, effective the date of this resolution:

As of the date of the termination (or partial termination) of the Plan, the Retirement Committee shall determine on the basis of actuarial valuation the share of the funds of the Plan allocable to each Member (or , as described in (i) below, Beneficiary) entitled to benefits under the Plan in the following order:

- (i) retired Members and Beneficiaries currently receiving benefits;
- (ii) terminated and active Members with at least 20 years of Credited Service who have attained age 50;
- (iii) terminated and active Members with at least 20 years of Credited Service who have not attained age 50, allocating assets available under this subsection (iii) to each Member described in this subsection (iii) in an amount equal to the assets available under this subsection (iii) multiplied by a fraction equal to the lump sum Equivalent Actuarial Value of the Member's accrued Plan benefit divided by the sum of the lump sum Equivalent Actuarial Values of all accrued Plan benefits of Members described in this subsection (iii) ;
- (iv) active Members with fewer than 20 years of Credited Service, allocating assets available under this subsection (iv) to each Member described in this subsection (iv) in an amount equal to the assets available under this subsection (iv) multiplied by a fraction equal to the lump sum Equivalent Actuarial Value of the Member's accrued Plan benefit divided by the sum of the lump sum Equivalent Actuarial Values of all accrued Plan benefits of Members described in this subsection (iv); and
- (v) terminated Members with fewer than 20 years of Credited Service, allocating assets available under this subsection (v) to each Member described in this subsection (v) in an amount equal to the assets available under this subsection (v) multiplied by a fraction equal to the lump sum Equivalent Actuarial Value of the Member's accrued Plan benefit divided by the sum of the lump sum Equivalent Actuarial Values of all accrued Plan benefits of Members described in this subsection (v).

In the event of a partial termination of the Plan, the benefits of Members affected by the partial termination shall be nonforfeitable to the extent funded as of the date of the partial termination, determining funding of the benefits of Members affected by the partial termination by applying the above allocation of Plan assets to benefits of all Plan Members (and, as described in (i) above, to Beneficiaries) as of the date of the partial termination.

FURTHER RESOLVED: That effective with lump-sum payments made according to Option 4 of section 5.02 and section 4.05(b), section 10.04 is amended as follows:

The first sentence of section 10.04(a) is amended by deleting the introductory clause "Upon the termination of the Plan in accordance with section 10.03," so that this sentence begins with the word "Notwithstanding."

A sentence is added to the end of section 10.04(b)(ii) to read as follows, to include 403(b) and 457(b) plans in the definition of plans eligible to receive direct rollovers:

An eligible retirement plan shall also mean an annuity contract described in section 403(b) of the Code and an eligible plan under section 457(b) of the Code which is maintained by a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this plan.

Adopted this 15th day of June, 2006.

JEFFERSON COUNTY SCHOOL DISTRICT
NO. R-1

By: _____
Jane Barnes
President, Board of Education

Attest:

By: _____
Scott D. Benefield
Secretary, Board of Education