

# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
8	03/23/15	Open	Action	03/11/15

Subject: Approving the New Cafeteria Plan, Effective January 1, 2015, for Sacramento Regional Transit District

## ISSUE

Whether or not to Approve a New Cafeteria Plan, Effective January 1, 2015 for Sacramento Regional Transit District.

## RECOMMENDED ACTION

Adopt Resolution No. 15-03-\_\_\_\_, Approving the New Sacramento Regional Transit District Cafeteria Plan, Effective January 1, 2015.

## FISCAL IMPACT

There is no fiscal impact associated with this action.

## DISCUSSION

On December 9, 2014, the Board delegated authority to the General Manager/CEO to enter into an Agreement with Flex Plan Services, Inc. (Flex Plan) to administer RT's Flexible Spending Account (FSA) Program. The Agreement was executed in December and Flex Plan has been administering RT's FSA Program since January 1, 2015.

In order for contributions to health and welfare benefits to be made on a pre-tax basis, RT must have a Cafeteria Plan that complies with the requirements of Section 125 of the IRS code. The Plan document contains sections pertaining to eligibility, elections, plan operations, employee contributions, benefits offered, accounting of employee contributions as well as RT's COBRA program. To facilitate that administration, our new service provider, Flex Plan, Inc., has requested that RT adopt a new Cafeteria Plan document, ensuring that the Plan is up-to-date and includes all federally mandated changes.

Staff recommends approval of the new Cafeteria Plan for Sacramento Regional Transit District, and authorizing the General Manager/CEO to execute and deliver the Cafeteria Plan, and adopting resolution to the Administrator.

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Approved:

Presented:

Final 03/17/15

General Manager/CEO

Director, Human Resources

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RESOLUTION NO. 15-03 - \_\_\_\_\_

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

March 23, 2015

**APPROVING THE NEW SACRAMENTO REGIONAL TRANSIT DISTRICT  
CAFETERIA PLAN, EFFECTIVE JANUARY 1, 2015**

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE  
SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the form of amended Cafeteria Plan including a Health Care Flexible Spending Arrangement and Day Care Spending Arrangement and COBRA Administration effective January 1, 2015, presented to the Board is hereby approved and adopted.

THAT, the General Manager/CEO is hereby authorized and directed to execute the Sacramento Regional Transit District Cafeteria Plan and the adopting resolution certification, and deliver to the Administrator of the plan the approved documents.

THAT, the General Manager/CEO or his designee must notify employees of the approved of the Cafeteria Plan by delivering to each employee a copy of the summary description of the Plan.

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JAY SCHENIRER, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: \_\_\_\_\_  
Cindy Brooks, Assistant Secretary