

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
10	10/22/18	Open	Action	10/09/18

Subject: Adopt 401(a) Plan to Help Employees Save for Retirement

ISSUE

Whether or not to delegate authority to the General Manager/CEO to expand 401(a) Plan eligibly.

RECOMMENDED ACTION

Adopt Resolution No. 18-10-____, Delegating Authority to the General Manager/CEO to Expand 401(a) Eligibility to Employment Agreements.

FISCAL IMPACT

This action provides the General Manager/CEO with the authority to provide 401(a) plan options to future or existing employees. This action does not result in a fiscal impact. Utilization of the option will need to be either within the existing budget or if needed, brought to the Board of Directors under an employment contract, collective bargaining agreement, or other business arrangement.

DISCUSSION

At the August 28, 2017, SacRT Board meeting the Board approved the adoption of a 401(a) Retirement plan. Initially, SacRT contributions to the 401(a) Plan were only made available to employees with employment agreements providing for the benefit. The Plan does authorize an expansion of eligible participants if the General Manager/CEO is authorized by the Board to expand eligibility. Staff has tentatively negotiated 401(a) contributions for designated City of Folsom employees who will become SacRT employees to receive SacRT contributions under a 401(a) account, under the negotiated annexation agreement. Additionally, SacRT may want to expand eligibility to other employees to receive SacRT contributions under a 401(a) account, as employment contracts are negotiated. Staff recommends that the Board delegate authority to the General Manager/CEO to expand eligibility to a SacRT contribution to accommodate new business agreements or negotiated employment agreements.

Approved:

Presented:

Final 10/15/18

General Manager/CEO

Pension and Retiree Services Administrator

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RESOLUTION NO. 18-10-_____

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

October 22, 2018

**DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO EXPAND
401(A) ELIGIBILITY TO EMPLOYMENT AGREEMENTS**

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

THAT, the Board delegates authority to the General Manager/CEO to expand eligibility to participate in and to receive SacRT contributions into the 401(a) Plan, to accommodate new business agreements, collective bargaining agreements, negotiated employment agreements and other business arrangements.

PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary