



# Sacramento Regional Transit District Agenda

**SPECIAL RETIREMENT BOARD MEETING**  
**9:00 A.M. WEDNESDAY, JULY 26, 2017**  
**REGIONAL TRANSIT AUDITORIUM**  
**1400 29<sup>th</sup> ST., SACRAMENTO, CALIFORNIA**  
**Website Address: [www.sacrt.com](http://www.sacrt.com)**  
(29th St. Light Rail Station/Bus 38, 67, 68)

**MEETING NOTE:** *This is a joint and concurrent meeting of three of the five independent Retirement Boards for the pension plans for the employees and retirees of the Sacramento Regional Transit District. This single, combined agenda designates which items will be subject to action by which board(s). Members of each board may be present for the other boards' discussions and actions, except during individual closed sessions.*

<b><u>ROLL CALL</u></b>	ATU Retirement Board:	Directors: Li, Morin, Niz, De La Torre Alternates: Jennings, McGee Lee
	IBEW Retirement Board:	Directors: Li, Morin, Ohlson, Bibbs Alternates: Jennings, Flanders
	AEA Retirement Board:	Directors: Li, Morin, Devorak, Robison Alternates: Jennings, McGoldrick

**PUBLIC ADDRESSES BOARD ON MATTERS ON CONSENT AND MATTERS NOT ON THE AGENDA**  
At this time the public may address the Retirement Board(s) on subject matters pertaining to Retirement Board business listed on the Consent Calendar, any Closed Sessions or items not listed on the agenda. Remarks may be limited to 3 minutes subject to the discretion of the Common Chair. Members of the public wishing to address one or more of the Boards may submit a "Public Comment Speaker Card" to the Assistant Secretary. While the Retirement Boards encourage your comments, State law prevents the Boards from discussing items that are not set forth on this meeting agenda. The Boards and staff take your comments very seriously and, if appropriate, will follow up on them.

## **RECESS TO CLOSED SESSION**

- |    |   | <u>ATU</u>                          | <u>IBEW</u>                         | <u>AEA</u>               |
|----|---|-------------------------------------|-------------------------------------|--------------------------|
| 1. | <b>Closed Session Item (ATU):</b><br>Conference with Legal Counsel – Anticipated Litigation<br>Significant Exposure to Litigation Pursuant to Government Code<br>Section 54956.9(d)(2): Two Potential Cases | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 2. | <b>Closed Session Item (IBEW):</b><br>Conference with Legal Counsel – Anticipated Litigation<br>Significant Exposure to Litigation Pursuant to Government Code<br>Section 54956.9(d)(2): One Potential Case | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

3. **Closed Session Item (AEA):**     
Conference with Legal Counsel – Anticipated Litigation  
Significant Exposure to Litigation Pursuant to Government Code  
Section 54956.9(d)(2): Two Potential Cases

**RECONVENE IN OPEN SESSION**  
**CLOSED SESSION REPORT**

4. Motion: Corrective Pension Payments (AEA/ATU/IBEW). (Bonnell)

**ADJOURN**

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NOTICE TO THE PUBLIC

It is the policy of the Boards of Directors of the Sacramento Regional Transit District Retirement Plans to encourage participation in the meetings of the Boards of Directors. At each open meeting, members of the public shall be provided with an opportunity to directly address the Board on items of interest to the public that are within the subject matter jurisdiction of the Boards.

This agenda may be amended up to 72 hours prior to the meeting being held. An agenda, in final form, is located by the front door of Regional Transit's building at 1400 – 29<sup>th</sup> Street and posted to RT's website at [www.sacrt.com](http://www.sacrt.com).

Any person(s) requiring accessible formats of the agenda or assisted listening devices/sign language interpreters should contact the Human Resources Manager at 916-556-0280 or TDD 916/483-4327 at least 72 business hours in advance of the Board Meeting.

Copies of staff reports or other written documentation relating to each item of business referred to on the agenda are on file with the Human Resources Administrative Technician at 916-556-0298 and/or Clerk to the Board of Directors of the Sacramento Regional Transit District, and are available for public inspection at 1400 29<sup>th</sup> Street, Sacramento, CA. Any person who has questions concerning any agenda item may call the Human Resources Administrative Technician of Sacramento Regional Transit District to make inquiry.

# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
4	07/26/2017	Retirement	Action	07/20/2017

Subject: Corrective Pension Payments (AEA/ATU/IBEW). (Bonnel).

## ISSUE

Whether to Instruct Staff to Process Corrective Pension Payments.

## RECOMMENDED ACTION

Motion: Direct Staff to Process Corrective Pension Payments.

## FISCAL IMPACT

Budgeted: No  
Budget Source: Pension Funds  
Funding Source:  
  
Cost Cntr/GL Acct(s) or Capital Project #: 210035, 210037, 210038

The fiscal impact cannot be calculated until the Retirement Boards determine the actions to be taken.

## DISCUSSION

The Retirement Boards adopted the "Policy for Correcting Retirement Plan Overpayments and Underpayments" on March 25, 2015 (the "Overpayment/Underpayment Policy"). Staff has identified several corrective payments that are owed to retirees or beneficiaries under the applicable terms of the Retirement Plans. These corrective payments are owed due to various administrative errors, including use of incorrect survivor allowance formulas to calculate benefits and failure to make necessary adjustments to benefit payments following the Board's approval of a number of corrective payments in 2013. In accordance with the Overpayment/Underpayment Policy, five of these corrective payments require Board approval for payment.

Staff engaged Cheiron (the Plans' actuary) to perform the required calculations, and Cheiron applied the underpayment interest rate that the Boards adopted in December 2012 to the payments as required under IRS rules and the Overpayment/Underpayment Policy.

Staff requests the Boards' approval to process the corrective payments, including interest, to all affected persons.

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Approved:

Presented:

Final 7/21/2017

VP, Finance / CFO

Director, Human Resources

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