



METROPOLITAN
TRANSPORTATION
COMMISSION

Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105
TEL 415.778.6700
WEB www.mtc.ca.gov

Memorandum

TO: Administration Committee

DATE: December 5, 2018

FR: Deputy Executive Director, Operations

RE: MTC Resolution No. 4376 – Amendment to MTC’s ICMA-RC 457 Plan Document

This memorandum requests the Committee’s approval to refer MTC Resolution No. 4376 to the full Commission to amend MTC’s ICMA-RC 457 plan document to allow former employees of the Association of Bay Area Governments (ABAG) and current ABAG retirees enrolled in ABAG ICMA-RC 457 and/or 401(a) plans to enroll in MTC’s ICMA-RC 457 plan. This plan change would allow MTC Human Resources to engage ICMA-RC to contact the participants in the ABAG ICMA-RC 457 and 401(a) plans to offer them the opportunity to move their investments directly from the ABAG plans to the MTC plan with minimal disruption to their investments and limited administrative actions.

The reduction of the number of deferred compensation plans MTC is administering for the benefit of current and former ABAG and MTC employees is in line with the consolidation of the ABAG and MTC staffs that took effect on July 1, 2017.

The proposed actions would have no direct budget impact, but would result in administrative cost savings when the deferred compensation plan management is consolidated.

Recommendation:

Staff recommends that the Committee refer MTC Resolution No. 4376 authorizing amendment of MTC’s ICMA-RC 457 plan to allow former employees and current retirees of ABAG currently enrolled in ABAG’s ICMA-RC 457 and 401(a) deferred compensation plans to enroll in MTC’s ICMA-RC 457 plan to the full Commission for approval.



Andrew B. Fremier

SH:rj

Attachments

J:\COMMITTEE\Administration\2018 by Month\12 Dec'2018 Administration Committee\2g_Memo_Reso 4376 Admendment to ICMA-RC Plan_121218_v2.docx

Date: December 19, 2018
W.I.: 1153
Referred By: Administration

ABSTRACT

Resolution No. 4376

This resolution authorizes the amendment of the Metropolitan Transportation Commission (MTC) ICMA-RC 457 plan document to allow the former Association of Bay Area Government (ABAG) employees and retirees currently enrolled in ABAG's ICMA-RC 457 or 401(a) deferred compensation retirement plans to enroll in MTC's (MTC) ICMA-RC 457 deferred compensation retirement plan.

Further discussion of the amendment to MTC's ICMA-RC 457 plan document is contained in the Executive Director's December 5, 2018 memorandum to the Administration Committee.

Date: December 19, 2018
W.I.: 1153
Referred By: Administration

Re: Amendment to MTC's ICMA-RC 457 Plan Document

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 4376

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 *et seq.*; and

WHEREAS, Resolution 1205 established the MTC Deferred Compensation Plan, which was subsequently modified by Resolution 2943; and

WHEREAS, the Association of Bay Area Governments (ABAG) has approved plan documents for deferred compensation 457 and 401(a) retirement plans with ICMA-RC; and

WHEREAS, MTC Human Resources is continuing the consolidation of employee services per the Contract for Services between the MTC and ABAG dated May 30, 2017; and

WHEREAS, consolidating administration of the deferred compensation plans will result in administrative cost savings; and

WHEREAS, ICMA-RC requires evidence of board approval before it can process the consolidation; therefore, be it

RESOLVED, that the MTC ICMA-RC plan documents be amended to allow former ABAG employees and retirees currently enrolled in the ABAG ICMA-RC 457 and/or 401(a) deferred compensation retirement plans to enroll in MTC's ICMA-RC 457 deferred compensation retirement plan; and, be it further

RESOLVED, that MTC is authorized to direct ICMA-RC to take necessary administrative steps to enroll former ABAG employees and retirees currently enrolled in ABAG ICMA-RC 457 and/or 401(a) deferred compensation retirement plans in MTC's ICMA-RC 457 deferred compensation retirement plans if so desired.

METROPOLITAN TRANSPORTATION COMMISSION

Jake Mackenzie, Chair

The above resolution was entered into by the
Metropolitan Transportation Commission at a
regular meeting of the Commission held in
San Francisco, California on December 19, 2018.