

# Metropolitan Transportation Commission Administration Committee

January 13, 2021

Agenda Item 2f - 21-0036

## Vacation/Sick Leave Accrual Adjustment for Former Local Government Services (LGS) Employees Based on CalPers/LGS/MTC Reallocation Agreement

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**Subject:** Staff requests Committee approval to provide a one-time Vacation/Sick Leave accrual adjustment for former LGS employees based on the CalPers/LGS/MTC Reallocation Agreement.

**Background:** In July 2018, MTC, the California Public Employees Retirement System (CalPERS), and Local Government Services Authority (LGS) entered into a Reallocation Agreement that reallocated all the assets and liabilities of LGS to MTC as though such assets and liabilities had accrued under MTC. The main liability was the CalPERS pension benefit. The CalPERS pension adjustment has been finalized.

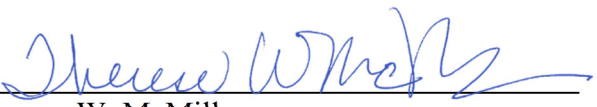
The final action for which approval is requested is approval of a one-time vacation/sick leave accrual adjustment for former LGS employees. This one-time action to be taken pursuant to the Reallocation Agreement will allow for the final adjustment of vacation and sick leave hours to account for the difference between what was earned as LGS employees and what would have been earned had these individuals been recognized as MTC employees from the start of their employment.

This is a balance sheet adjustment of the total financial liability in the amount of \$277,000 from MTC benefit reserves to former LGS employee vacation accruals. This amount represents the dollar value of the sum total of 4357.68 hours owed to former LGS employees.

**Issues:** None

**Recommendation:** Staff recommends that this Committee authorize the Executive Director to make a one-time Vacation/Sick Leave accrual adjustment for former LGS employees pursuant to the Reallocation Agreement.

**Attachments:** Not applicable.

  
Therese W. McMillan