



Metro

Los Angeles County
Metropolitan Transportation Authority

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MARCH 9, 2012

TO: BOARD OF DIRECTORS

THROUGH: ARTHUR T. LEAHY *by PEG*
CHIEF EXECUTIVE OFFICER

FROM: TERRY MATSUMOTO *[Signature]*
CHIEF FINANCIAL SERVICES OFFICER AND TREASURER

SUBJECT: PENSION REFORM

ISSUE

The Finance, Budget and Audit Committee ("FBAC") requested additional data regarding our employees who may be most impacted by pension reform legislation currently being considered in Sacramento.

DISCUSSION

In October 2011, the Governor released his Twelve Point Pension Reform Plan. Based on the Twelve Point Plan, all current and future MTA employees could be impacted. At the February 2011 FBAC meeting, a high level summary of employees who could be most directly impacted by changes, employees who are eligible to retire under their respective pension plans, was presented to FBAC. FBAC requested further detail of potentially impacted employees, a full analysis of pending changes and a plan to address any impacts to our abilities to meet our transportation mission.

The attached charts show the percentage of executive and management employees in each department who are eligible to retire. Employees in these two management classes become eligible to retire at age 50 with 5 years of service.

NEXT STEPS

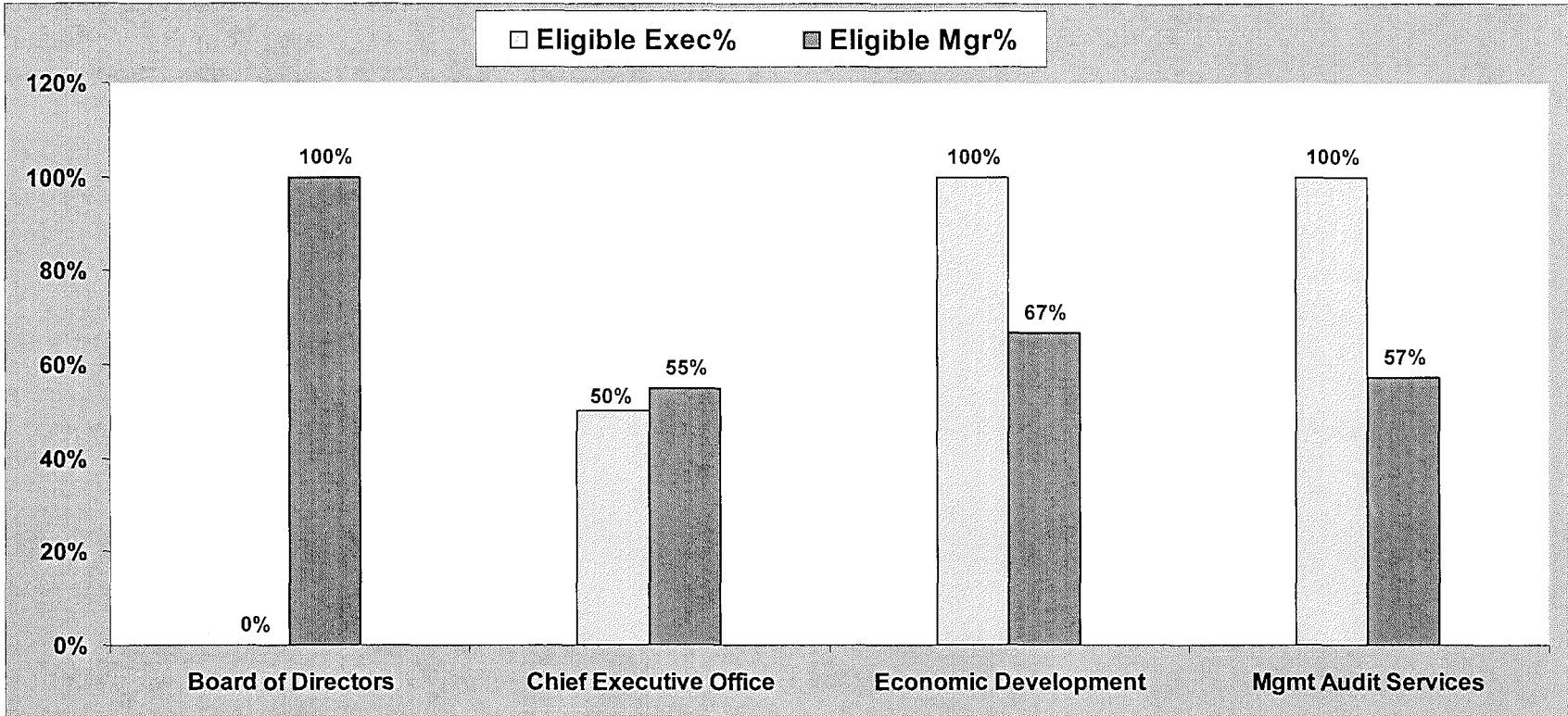
- Further discussion of pension reform issues via an oral report at the March 2012 FBAC meeting.
- Board report outlining workforce development and succession planning strategies to be presented in April 2012 Board cycle.

ATTACHMENTS

- I. Chief Executive Officer
- II. Programs Department
- III. Operations Department
- IV. Support Department

Attachment I

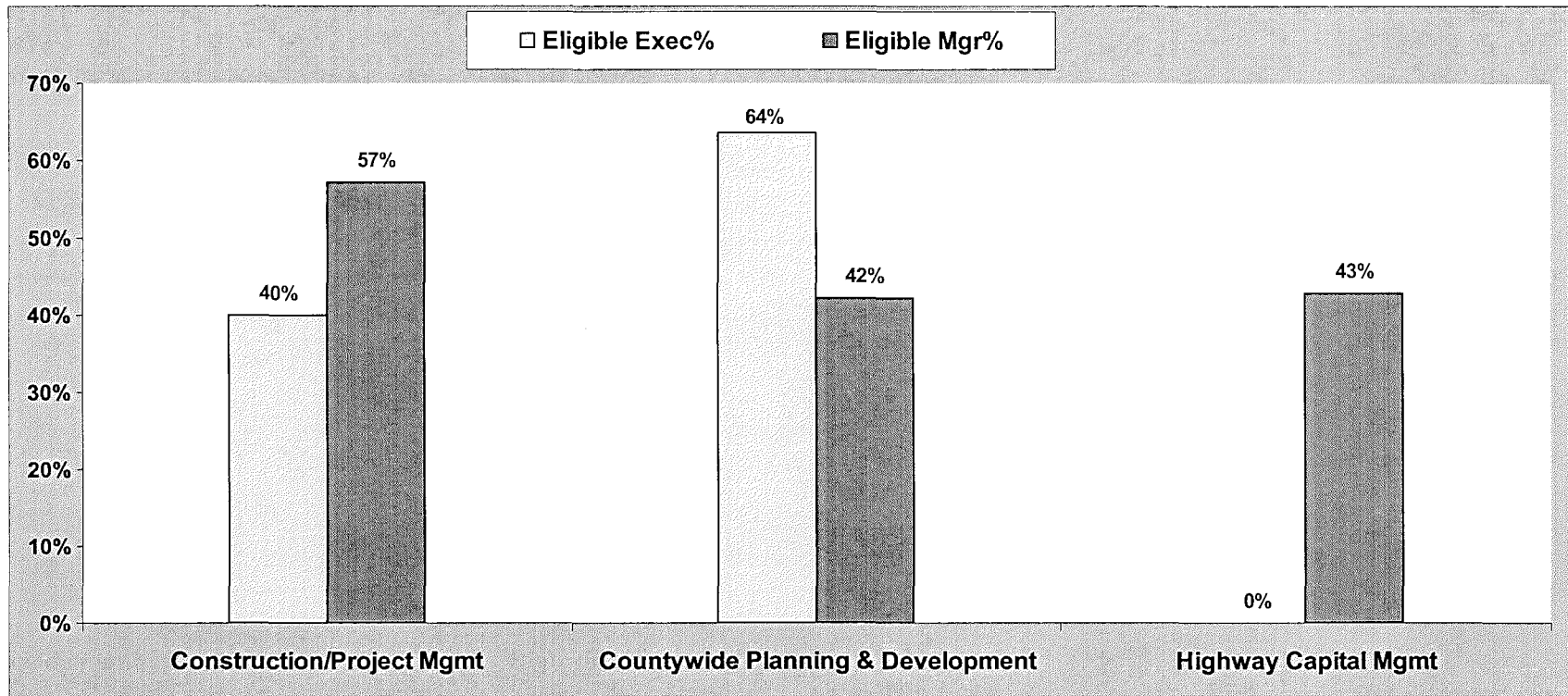
Non Contract Retirement Eligibility – CEO



	Board of Directors	Chief Executive Office	Economic Development	Mgmt Audit Services
Eligible Exec	0	6	2	1
Total Exec	0	12	2	1
Eligible Mgrs	5	17	4	4
Total Mgrs	5	31	6	7

Attachment II

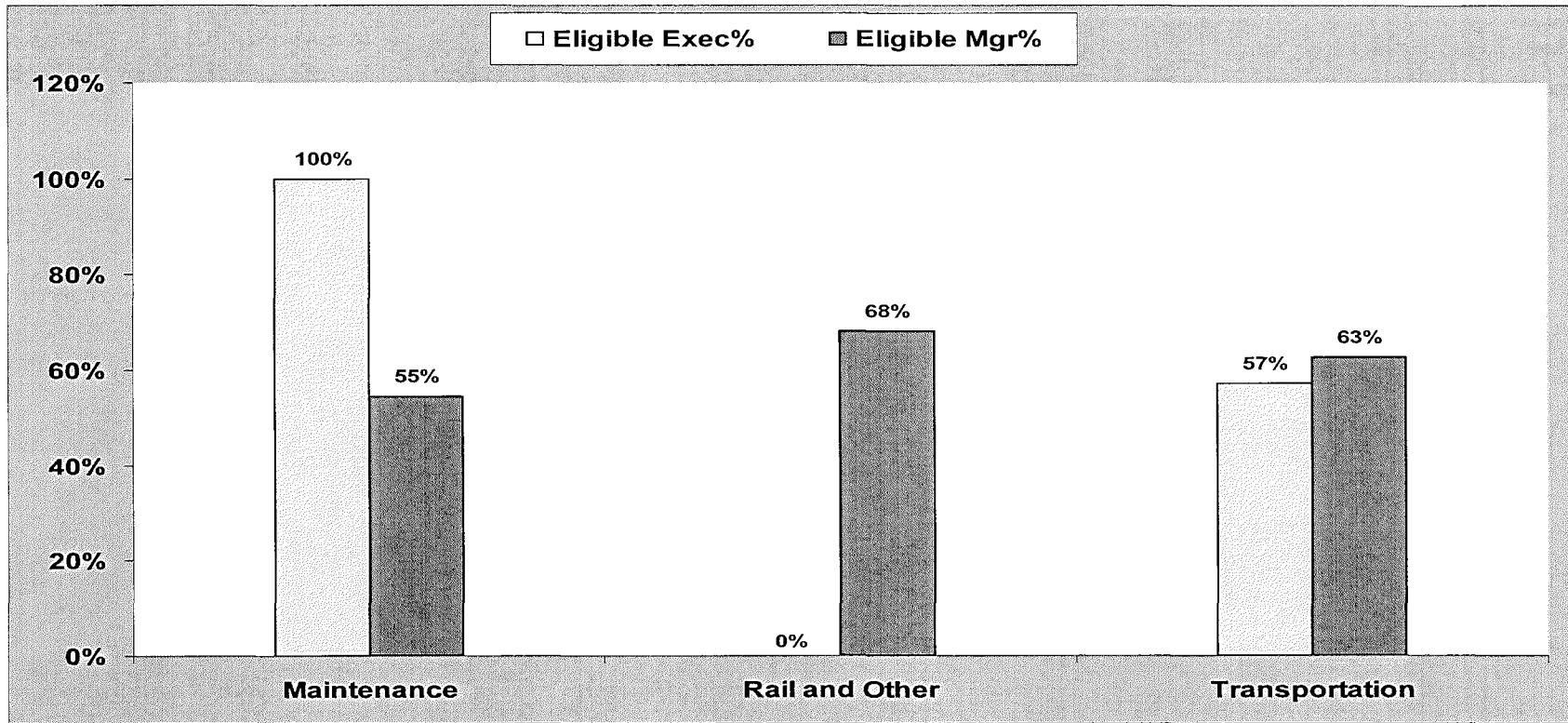
Non Contract Retirement Eligibility – Programs



	Construction / Project Mgmt	Countywide Planning & Development	Highway Capital Mgmt
Eligible Exec	4	7	0
Total Exec	10	11	3
Eligible Mgrs	20	19	3
Total Mgrs	35	45	7

Attachment III

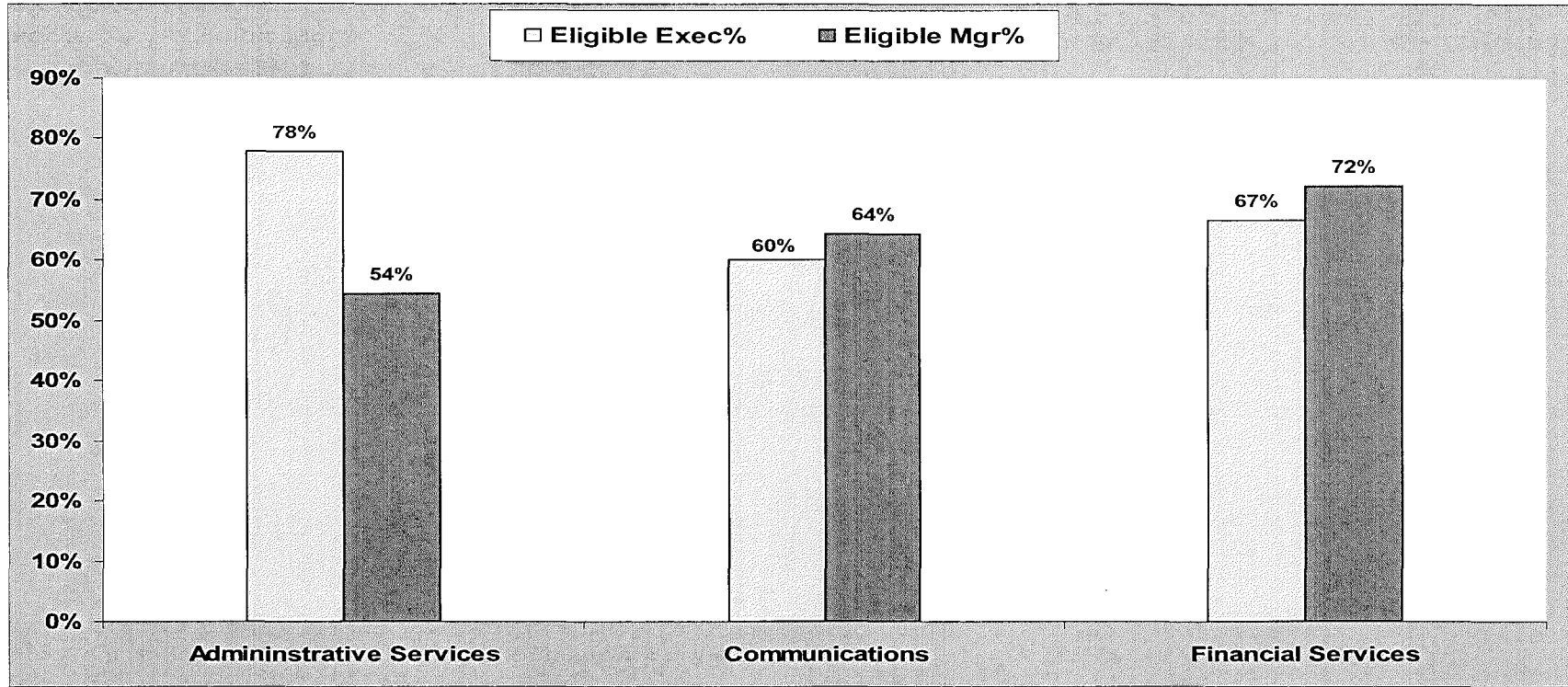
Non Contract Retirement Eligibility - Operations



	Maintenance	Rail and Other	Transportation
Eligible Exec	4	0	4
Total Exec	4	3	7
Eligible Mgrs	12	28	42
Total Mgrs	22	41	67

Attachment IV

Non Contract Retirement Eligibility - Support



	Administrative Services	Communications	Financial Services
Eligible Exec	7	3	2
Total Exec	9	5	3
Eligible Mgr	25	18	13
Total Mgr	46	28	18