

August 12, 2004

**Public
Transportation
Services
Corporation**

One Gateway
Plaza, Los Angeles,
CA 90012

213 922 4611

SUBJECT: ADD SECTION 21023.5 (PUBLIC SERVICE CREDIT FOR PEACE CORPS OR AMERICORPS: VISTA SERVICE) OPTIONAL BENEFIT TO THE PTSC PERS CONTRACT

ACTION: ADOPT RESOLUTION AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN PERS AND PTSC

RECOMMENDATION

Adopt the Resolution Authorizing an Amendment to the Contract between PTSC and the Board of Administration California Public Employees' Retirement System (PERS) (Attachment 1). Authorize completion of Certification of Final Action of Governing Body.

RATIONALE

PERS procedures require the Resolution to amend the contract be adopted by affirmative vote of a majority of the members of the governing body no earlier than twenty days after the adoption of the Resolution of Intention. At the request of several employees, the PTSC Board of Directors elected to add Section 21023.5 Public Service Credit for Peace Corps or AmeriCorps: VISTA Service (Corps) as an optional benefit. The provision provides for employees to purchase up to three (3) years of service credit for any volunteer service in the Corps. The PTSC Board adopted the Resolution of Intention on June 4, 2004, as notice of its intent to amend the contract.

POLICY IMPLICATIONS

The PTSC contract currently permits employees to purchase service credit for Military Service under optional Section 21024. Section 21023.5 recognizes members' service in the Corps through an equivalent benefit.

FINANCIAL IMPACT

Employees will purchase the service credit at their own expense. The addition of the optional benefit will not require an immediate actuarial valuation. Actual costs will emerge in future valuations and will depend upon employee utilization.



Metropolitan Transportation Authority

Metro

ALTERNATIVES CONSIDERED

The PTSC could choose not to add optional Section 21023.5. However, adding the Corps optional benefit enhances the PTSC retirement plan, which is used to attract and retain employees.

NEXT STEPS

File the Resolution Authorizing an Amendment To The Contract, the Certification of Final Action of Governing Body, and the executed Amendment to Contract with PERS.

ATTACHMENT(S)

- A. Resolution Authorizing an Amendment To The Contract
- B. Certification of Final Action of Governing Body
- C. Amendment to Contract

Prepared by: Donna Mills, Assistant Treasurer

Terry Matsumoto
Executive Officer Finance, and Treasurer