



## **Board Policy No. 120**

### **Annuity Benefits for Elected Officials**

**ADOPTED:** 11/1986

**RECENT AMENDMENT:** 3/1988

**SEE ALSO:** 123, 125

**SUBJECT CATEGORY:** SECTION 100, GOVERNANCE &  
ADMINISTRATION

**SUBSECTION:** COMPENSATION AND BENEFITS (Board of  
Directors)

**CONTROL DEPARTMENT:** GENERAL COUNSEL

#### **I. ATTACHMENTS**

Resolution No. 654 Adopted by the Board of Directors on March 23, 1988.

\* NOTE: Pursuant to the Public Utilities Code, this policy shall not apply to Board members elected after January 1, 1989

RESOLUTION NO. 654

AMENDMENT TO RESOLUTION NO. 633 OF ALAMEDA-CONTRA COSTA  
TRANSIT DISTRICT ESTABLISHING ANNUITY BENEFITS FOR  
MEMBERS OF THE BOARD OF DIRECTORS

WHEREAS, at its meeting of November 12, 1986, the Board of Directors passed Resolution No. 633 establishing annuity benefits for its members as set forth in Attachment "A" thereto, entitled "Board of Directors Annuity Benefits"; and

WHEREAS, the Board of Directors now desires to increase the current minimum five year vesting requirement to be consistent with the ten year period required for all employees and officers of the District; and

WHEREAS, increasing the time period of vesting from five years to ten years would not affect Directors Bettencourt, Nakadegawa and Rinehart (since they each have served in excess of ten years), but would affect the previously adopted and vested rights of Directors Fajans and Shepard (who have each already vested under the five year term but who have less than ten years of service), and the anticipated vesting rights of Director Wiggins (who has less than five years of service); and

WHEREAS, the Board of Directors also desires to add a new element of individual member contributions in place of a like percentage of District funding to said annuity benefits, namely three percent (3%) of monthly gross fees; and

WHEREAS, adding a new provision for a 3% monthly contribution effective April 1, 1988, by the Directors would not affect Director Rinehart who plans to retire on March 31, 1988, but would affect the previously adopted non-contributing annuity

benefits of Director Bettencourt, Fajans, Nakadegawa, Shepard and Wiggins; and

WHEREAS, the Board of Directors recognizes that by mere majority vote they cannot change the previously adopted terms, conditions and benefits of the retirement plan for Directors who would be adversely affected by the changes, unless such Directors voluntarily consent to waive their individual rights pursuant to the initial plan adopted on November 12, 1986, and accept the modified terms and conditions as contained herein;

NOW, THEREFORE BE IT RESOLVED, that passage of this amendment to Resolution No. 633 by a majority of the Board of Directors shall be effective to impose a minimum ten year vesting period for annuity benefits, and monthly contributions by individual Board members of 3% of gross fees (currently \$500 per month, resulting in a monthly contribution of \$15.00 per Director, to be deducted from monthly checks), upon all future members of the Board of Directors, including any new members sworn in at this meeting of March 23, 1988. The 3% monthly contribution by Board members shall actually commence effective April 1, 1988; and

BE IT FURTHER RESOLVED, that individual members of the Board of Directors who vote in favor of the Amendment to Resolution No. 633, and who sign a waiver of the original five year vesting period (if applicable) and/or of the prior fully District-funded annuity provisions (if applicable) of Resolution No. 633, do hereby amend Attachment "A" of said resolution as follows:

- a. Minimum Vesting Period: Changed from five years to ten years (effective immediately upon passage and execution of the waiver);
- b. Contribution by Directors: Added to read as follows:  
3% of gross monthly fees to be deducted from monthly Director checks, effective as of April 1, 1988.

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT  
LAWRENCE J. ROSENBERG, Secretary  
BY *Francis J. Adams* Deputy

I certify that Resolution No. 654 was adopted by the Board of Directors of the Alameda-Contra Costa Transit District on March 23, 1988.

I further certify that said Resolution No. 654 and related subject matter is recorded on page 173 of Volume No. XXIII.