



Administrative Services

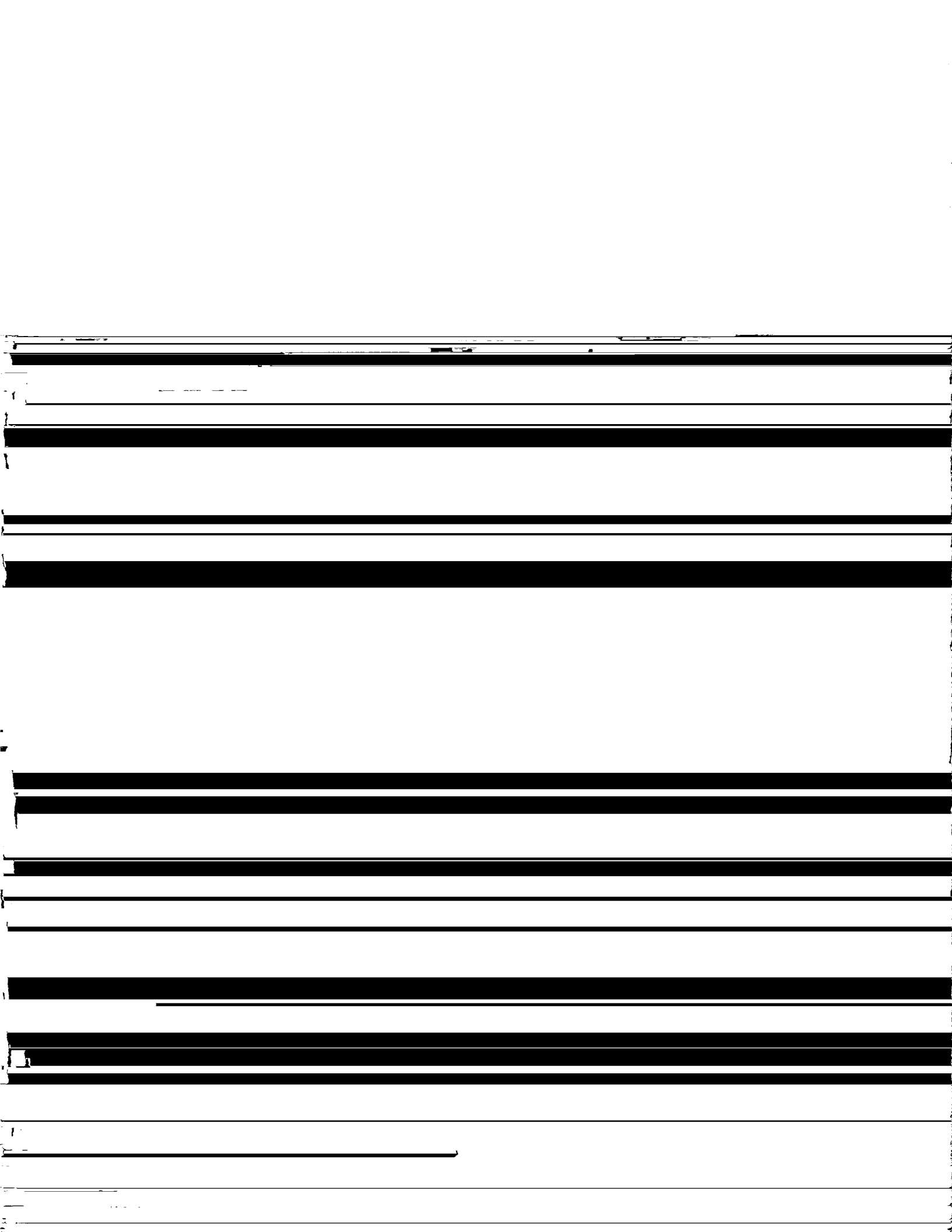
Sacramento

SCUSD/SCTA Retiree Health Investment and Trust Plan
Agreement
October 4, 2012



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PLAN TABLE OF CONTENTS

I. SCUSD/SCTA RETIREE HEALTH INVESTMENT AND TRUST PLAN 1

A Name of Plan 1

B Investment of Assets 1

SCUSD/SCTA RETIREE HEALTH INVESTMENT AND TRUST PLAN AGREEMENT

(SCUSD) and the Sacramento City Teachers Association (SCTA), effective upon signature by SCUSD and SCTA, as follows:

I. SCUSD/SCTA RETIREE HEALTH INVESTMENT PLAN

- A. Name of Plan: This Plan Agreement, including the exhibits referenced herein, shall be known as the "SCUSD/SCTA Retiree Health Investment Plan"

Dana Flaten (4 year term)
Katherine Gaffey-Lehman (3 year term)

Patricia A. Hagemeyer or Chief
Business Officer (4 year term)
Jess Serna or Chief Human Resource
Officer (3 year term)

SCTA ALTERNATE TRUSTEES

SCUSD ALTERNATE TRUSTEES

1st - To Be Determined

1st - Amari Watkins

2nd - To Be Determined

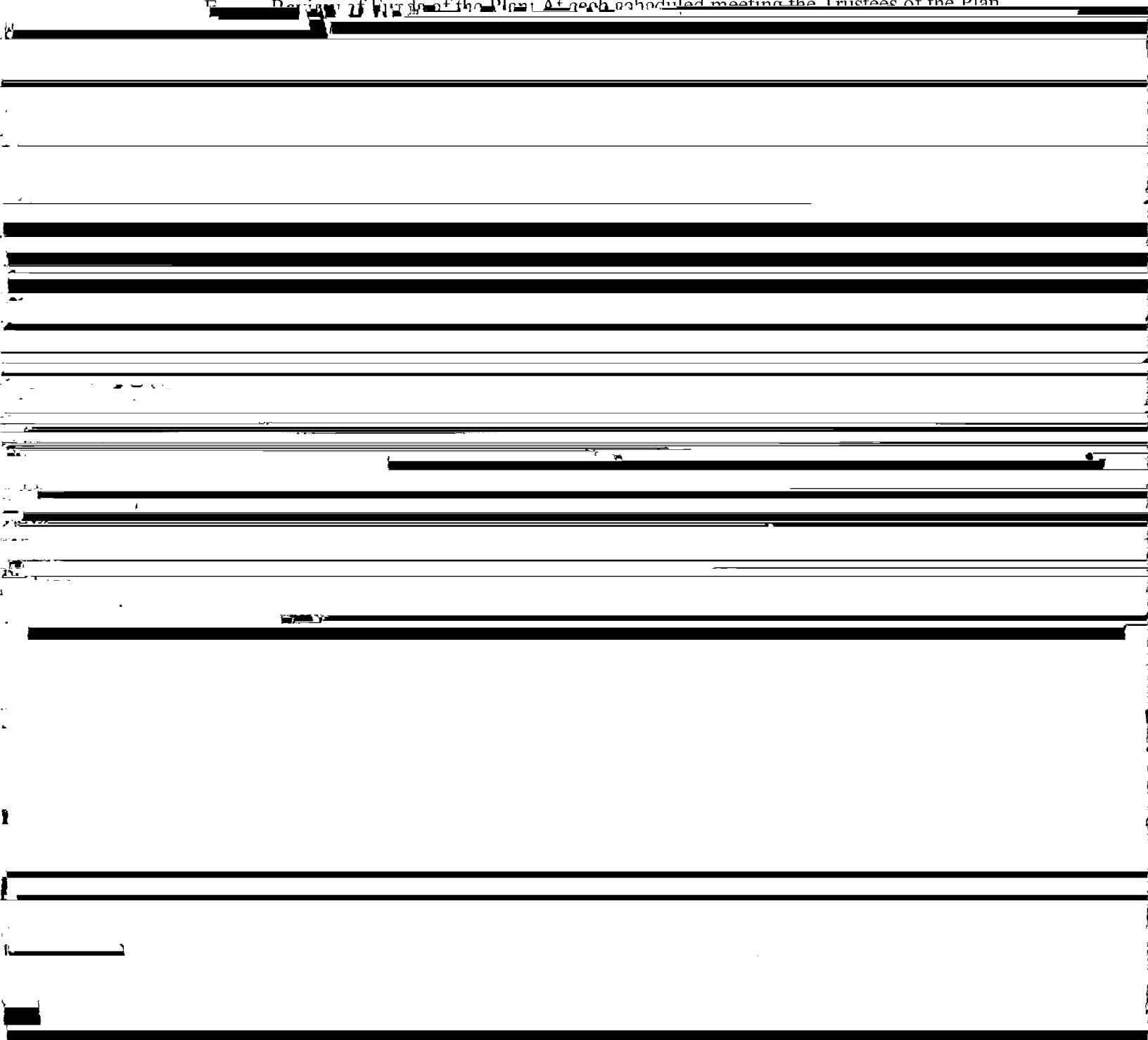
2nd - Cancy McArn

- I. Use of Accumulated Assets of the Plan: The contributions from the SCUSD as required by any collective bargaining agreement and/or memorandum of

administrative costs, which may include reasonable Trustee training expenses. Monies may be directed by the Board of Trustees of the Plan to pay benefits at the earlier of (1) 5 years from July 1, 2012 or (2) when invested assets equal or exceed 5% of the Actuarial Accrued Liability of the SCTA's postretirement benefits as negotiated between the SCUSD and the SCTA. The SCUSD Board of Education will direct the use of funds pursuant to the decisions of the Board of Trustees of the Plan.

- D. Benefit Levels for Retirees of the Plan: The Board of Trustees of the Plan shall have no authority to modify or change the level of benefits for retirees.

E. Review of Funds of the Plan: At each scheduled meeting the Trustees of the Plan



Plan Sponsor may request binding arbitration which shall then be determined by the American Arbitration Association ("AAA") or a similar organization as agreed to by a majority vote of the Board of Trustees of the Plan. Costs of any

A quorum of three members of SCTA Trustees and three members of SCUSD Trustees is required for any votes for decision making.

Trustee meetings will be held twice yearly on or about the first Mondays of October and March of each school year unless otherwise agreed to by the Trustees.

D. Appointment of Trustees

- i. The Plan Sponsors shall possess full authority and discretion to appoint the Trustees and Alternate Trustees. The SCUSD shall appoint three SCUSD

the American Arbitration Association (“AAA”) or a similar organization as
agreed to by the Plan Sponsors. Costs of any mediation or arbitration shall be

equally shared by the Sponsors.

Exhibit A

CALIFORNIA EMPLOYERS' RETIREE BENEFIT TRUST PROGRAM ("CERBT")

**AGREEMENT AND ELECTION
OF
Sacramento City Unified School District**

**TO PREFUND OTHER POST EMPLOYMENT
BENEFITS THROUGH CalPERS**

WHEREAS (1) Government Code Section 22940 establishes in the State Treasury the Annuitants' Health Care Coverage Fund for the prefunding of health care coverage for annuitants (Prefunding Plan); and

NOW, THEREFORE, BE IT RESOLVED THAT EMPLOYER HEREBY MAKES THE FOLLOWING REPRESENTATION AND WARRANTY AND THAT THE BOARD AND

A. Representation and Warranty

Employer represents and warrants that it is a political subdivision of the State of California or an entity whose income is excluded from gross income under Section 115 (1) of the Internal Revenue Code.

C. Other Post Employment Benefits (OPEB) Cost Reports and Employer Contributions

(1) Employer shall provide to the Board an OPEB cost report on the basis of the actuarial assumptions and methods prescribed by the Board. Such report shall be for the Board's use in financial reporting, and shall be prepared at least as often as the minimum frequency required by GASB 43. This OPEB cost report may be prepared as

1-

Employer's expense, an OPEB cost report that meets the Board's financial reporting needs. The Board may recover from Employer the cost of obtaining such OPEB cost report by billing and collecting from Employer or by deducting the amount from Employer's account in the Prefunding Plan.

(3) Employer shall notify the Board of the amount and time of contributions which contributions shall be made in the manner established by the Board.

(4) Employer contributions to the Prefunding Plan may be limited to the amount necessary to fully fund Employer's actuarial present value of total projected benefits, as supported by the OPEB cost report acceptable to the Board. As used throughout this

E. Reports and Statements

(1) Employer shall submit with each contribution a contribution report in the form and containing the information prescribed by the Board.

(2) The Board shall prepare and provide a statement of Employer's Prefunding Account at least annually reflecting the balance in Employer's Prefunding Account, contributions

H. Termination of Employer Participation in Prefunding Plan

(1) The Board may terminate Employer's participation in the Prefunding Plan if:

- (a) Employer gives written notice to the Board of its election to terminate;
- (b) The Board finds that Employer fails to satisfy the terms and conditions of this Agreement or of the Board's rules or regulations.

(2) If Employer's participation in the Prefunding Plan terminates for any of the foregoing reasons, all assets in Employer's Prefunding Account shall remain in the Prefunding

administering this Agreement. Employer shall cooperate fully with the

Employer shall consult specialists as needed, in connection with any

Addresses for the purpose of giving notice are as shown in Paragraph B.(1) of this Agreement.

- (b) Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused

unclaimed, or deemed undeliverable by the postal authorities, messenger or overnight delivery service.

- (c) Any party may change its address, telex, fax number, or e-mail address by giving the other party notice of the change in any manner permitted by this Agreement.

(d) All notices, requests, demands, amendments, modifications or other

communications under this Agreement shall be in writing. Notice shall be sufficient for all such purposes if personally delivered, sent by first class, registered or certified mail, return receipt requested, delivery by courier

(7) Necessary Acts Further Agreement

The parties shall at their own cost and expense execute and deliver such further

Signature of the Presiding Officer: _____

Printed Name of the Presiding Officer: Diana Rodriguez

Name of Governing Body: Board of Education

~~Name of Employer: Sacramento City Unified School District~~

Date: October 18, 2012

BOARD OF ADMINISTRATION
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____

~~RANDY ANDERSON~~



SECTION I: Asset Allocation Strategy and Discount Rate Selection

I certify that

1. My agency chooses the following asset allocation strategy
Select one Asset Allocation Strategy and the corresponding Discount Rate

<u>Asset Allocation</u>	<u>Discount Rate with NO</u>
-------------------------	------------------------------

[REDACTED]

the space provided below, please describe your funding approach and how the approach relates to the average discount rate assumption made by your actuary in

Exhibit B

CERTIFICATION OF OPEB FUNDING POLICY &

[REDACTED]

We understand that we will be asked to provide accounting information to CalPERS as

[REDACTED]

CERTIFICATION OF OPEB FUNDING POLICY &
GASB 43/45 REPORTING COMPLIANCE

SECTION I: Asset Allocation Strategy and Discount Rate Selection

C

[REDACTED]

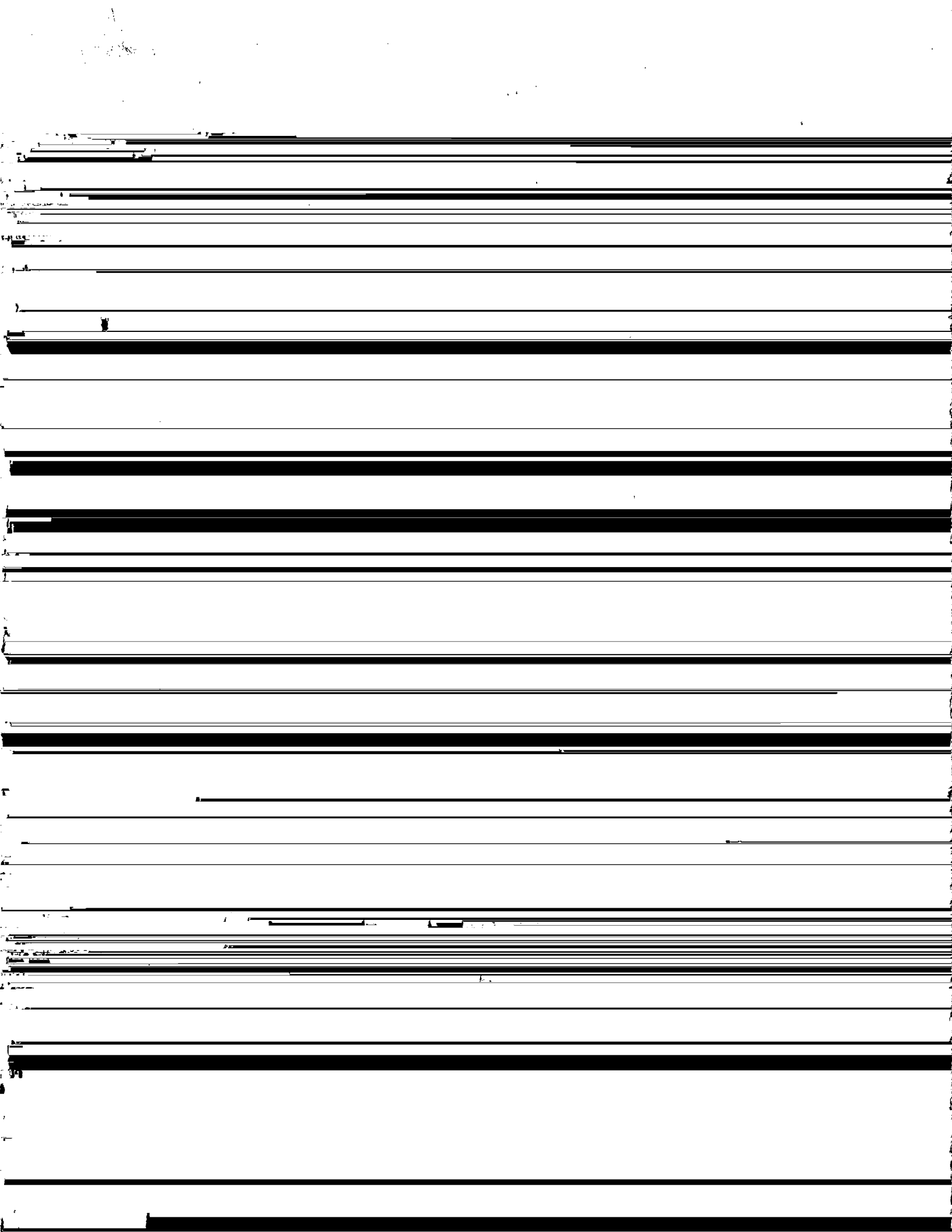
RESOLUTION
OF THE

Board of Education

[REDACTED]

[REDACTED]

SACRAMENTO CITY TEACHERS ASSOCIATION
AND
SACRAMENTO CITY UNIFIED SCHOOL DISTRICT



In addition to the current brokers, the parties agree to utilize the Segal Company or other mutually agreeable consultant to review and analyze the changes and make additional recommendations over the contributions to support the retiree health benefit program.

To reduce future costs for retiree health benefits, all eligible retirees will remain