



Legislation Text

File #: 2021-0255, **Version:** 1

DATE: September 14, 2021

SUBJECT:

PRESENTATION ON THE DISTRICT'S DEFINED BENEFIT PLAN BY THE RETIREMENT PLAN ADMINISTRATOR

EXECUTIVE SUMMARY:

The San Diego City Employees' Retirement System (SDCERS) is the Plan Administrator for the San Diego Unified Port District (District) Defined Benefit Retirement Plan. At the June 8, 2021 meeting of the Audit Oversight Committee a request was made for a presentation to the full Board of Port Commissioners (Board) on the District's defined benefit plan and pension liability. The SDCERS presentation is attached hereto as Attachment A but may be subject to change.

SDCERS staff will present on the valuation process and valuation results. The valuation and its contents were prepared in accordance with generally recognized and accepted actuarial principles and practices consistent with the Code of Professional Conduct and applicable Actuarial Standards of Practice established by the Actuarial Standards Board.

RECOMMENDATION:

Presentation on the district's defined benefit plan by the retirement plan administrator

FISCAL IMPACT:

This item is for presentation to the Board and for informational purposes and has no fiscal impact.

COMPASS STRATEGIC GOALS:

This agenda item is part of the reporting system to promote transparency and open communication with the community and supports the following Strategic Goals:

- A Port that the public understands and trusts.
- A Port with an innovative and motivated workforce.

DISCUSSION:

SDCERS is the Plan Administrator for the District's defined benefit retirement plan. State law requires that the SDCERS Board of Administration have a funding plan in place to ensure that District

and employee contributions, plus investment earnings, are sufficient to pay future retirement benefits.

In order to adequately assess the state of the District's defined benefit retirement plan, SDCERS as the District's Plan Administrator through its actuary conducts an annual actuarial valuation that measures the financial condition of the pension plan, analyzes past and expected trends in the financial condition of the plan, and that determines the annual contributions for the coming fiscal year. This item will be presented by SDCERS staff regarding actuarial valuation as of June 30, 2020.

General Counsel's Comments:

The Office of the General Counsel has reviewed the agenda sheet and any attachments, as presented to it, and approves the same as to form and legality.

Environmental Review:

The proposed Board action, including without limitation, receiving a presentation regarding the District's defined benefit Plan, does not constitute a "project" under the definition set forth in California Environmental Quality Act (CEQA) Guidelines Section 15378 because it will not have a potential to result in a direct or indirect physical change in the environment and is, therefore, not subject to CEQA. No further action under CEQA is required.

The proposed Board action complies with Section 35 of the Port Act, which allows the Board to do all acts necessary and convenient for the exercise of its powers. The Port Act was enacted by the California Legislature and is consistent with the Public Trust Doctrine. Consequently, the proposed Board action is consistent with the Public Trust Doctrine.

The proposed Board action does not allow for "development," as defined in Section 30106 of the California Coastal Act, or "new development," pursuant to Section 1.a. of the District's Coastal Development Permit Regulations. Therefore, issuance of a Coastal Development Permit or exclusion is not required.

Diversity, Equity, and Inclusion Program:

Not applicable.

PREPARED BY:

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