

**GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT**

**RESOLUTION NO. 2011-073**

**APPROVE ACTIONS RELATIVE TO BENEFIT MODIFICATIONS FOR  
NON-REPRESENTED EMPLOYEES AND RETIREES AND  
A WAGE ADJUSTMENT FOR NON-REPRESENTED EMPLOYEES  
WITH THE EXCEPTION OF DISTRICT OFFICERS  
AND DEPUTY GENERAL MANAGERS**

July 22, 2011

**WHEREAS**, the Board of Directors (Board) of the Golden Gate Bridge, Highway and Transportation District (District), at its Special Meeting of October 30, 2009, approved the *Financial Plan for Achieving Long-Term Financial Stability (Plan)* to meet the District's then projected deficit of \$132 million; and,

**WHEREAS**, among the *Plan's* important elements is Initiative #24, "Negotiate Increased Cost Sharing for Health Benefit Plans for All Covered Individuals;" and,

**WHEREAS**, public sector benefit reforms have been implemented at all levels of government in the state of California and throughout the nation; and,

**WHEREAS**, the benefit reforms hereinafter set forth applicable to non-bargaining unit employees and retirees are consistent with proposals presented to the unions who represent bargaining unit employees whose Memoranda of Understanding expired on June 30, 2011, and are in keeping in various respects with agreements previously reached with the Amalgamated Transit Union, the bargaining representative for District bus operators; and,

**WHEREAS**, said benefit reforms are grounded in the principle that all District employees – current, future and former – should contribute more toward the cost of the medical and pension benefits provided by the District; and,

**WHEREAS**, a 2% wage increase for all non-bargaining unit employees, with the exception of the District's Officers and Deputy General Managers is eminently justifiable, given that with the exception of a 1.75% increase on January 1, 2011, this group of employees has had their wages frozen since July 1, 2008; and,

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**WHEREAS**, District salaries are not at parity with prevailing market levels, as reflected in the salaries paid by comparable public agencies; and,

**WHEREAS**, the District's current workforce includes a high percentage of individuals who are nearing retirement age and, for the District to compete successfully in the recruitment market for the next generation of talented employees needed to replace prospective retirees, salaries should be established at competitive levels; and,

**WHEREAS**, the short-term cost impact of the wage adjustment will be more than offset over time by savings to be derived from implementation of pension and medical benefit reforms; and,

**WHEREAS**, the Rules, Policy and Industrial Relations Committee/Committee of the Whole, at its meeting of July 21, 2011, has so recommended; now, therefore, be it

**RESOLVED** that the Board of Directors (Board) of the Golden Gate Bridge, Highway and Transportation District (District) hereby approves implementation of Individual Medicare Plan and Health Reimbursement Accounts for all current and future non-bargaining unit retirees and their eligible dependents who have attained eligibility for Medicare, effective July 1, 2012, except that Medicare eligible retirees may, in the alternative, elect to enroll in the District's Kaiser Senior Advantage Group Plan, as long as Kaiser remains outside the Medicare network available under the Extend Health Exchange; and, be it further

**RESOLVED** that the Board hereby establishes a policy that non-bargaining unit employees hired on or after August 1, 2011, will not become eligible for retiree medical benefits until they reach age 60, with the understanding that all other applicable retiree medical benefit criteria will remain in full force and effect; and, be it further

**RESOLVED** that the Board hereby enunciates its intention to implement additional changes in the employee benefit programs applicable to non-bargaining unit employees, consisting of:

- a. Establishment of a 2% at age 60 pension benefit for new hires based on the average salary during the employee's final three years of employment (employees will pay 7 percent of their wages to this plan);
- b. Modifications to the District's medical benefit policies in the form of employee premium sharing and/or medical plan restructuring; and, be it further


**RESOLVED** that the effective date of these changes, together with the specific details of the medical benefit policy modifications, will be determined at a future date; and, be it further


**RESOLVED** that the Board hereby authorizes a 2% wage increase for all non-bargaining unit employees, with the exception of District Officers and Deputy General Managers, effective July 25, 2011.

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**ADOPTED** this 22nd day of July 2011, by the following vote of the Board of Directors:

- AYES (16):** Directors Arnold, Boro, Campos, Chu, Cochran, Elsbernd, Mar, Moylan, Pahre, Snyder, Sobel, Stroeh and Theriault; Second Vice President Grosboll; First Vice President Eddie; President Reilly
- NOES (1):** Director Renée
- ABSENT (2):** Directors Brown and Rabbitt

  
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**Janet Reilly**  
**President, Board of Directors**

**ATTEST:**   
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**Janet S. Tarantino**  
**Secretary of the District**