



Agenda Item No. (3)

To: Rules, Policy and Industrial Relations Committee/Committee of the Whole
Meeting of October 24, 2025

From: Jennifer H. Mennucci, Auditor-Controller
Denis J. Mulligan, General Manager

Subject: **APPROVE ACTION RELATIVE TO DISTRICT CONTRIBUTIONS TO
THE GOLDEN GATE TRANSIT-AMALGAMATED RETIREMENT PLAN**

Recommendation

The Rules, Policy and Industrial Relations Committee recommends that the Board of Directors approve a one-time lump sum Golden Gate Bridge, Highway and Transportation District (District) contribution to the Golden Gate Transit-Amalgamated Retirement Plan (GGTARP), equal to the remaining assets of the Golden Gate Transit-Amalgamated Health and Welfare Trust, subject to the receipt of the funds.

This matter will be presented to the Board of Directors at its October 24, 2025, meeting for appropriate action.

Summary

Prior to 2021, the cost of health benefits for active and retired bus operators was funded through the Golden Gate Transit-Amalgamated Health and Welfare Trust ("Health and Welfare Trust"), a sister trust to the GGTARP that was administered by a Board of Trustees alongside the GGTARP. The Health and Welfare Board of Trustees was disbanded and District contributions to the Health and Welfare Trust ceased when the District and the Amalgamated Transit Union, Local 1575 ("ATU"), agreed to provide health benefits for active and retired bus operators through the CalPERS health program, effective as of 2021.

After 2021, the District was notified that the trustee for the Health and Welfare Trust received payments of approximately \$313,000 in class-action litigation settlement funds, which involved health insurance programs formerly utilized by the Trust. By the time those funds were received, however, the Health and Welfare Trust was no longer used as a funding source for District employee health coverage costs. As a result, the funds currently remain unused in the Health and Welfare Trust account, although this Trust itself has not yet been terminated.

The agreement under which the Health and Welfare Trust was established provides that the Trust will terminate upon disbursement of all remaining Trust assets. The agreement further provides

that, upon cessation of the District's obligation to make contributions to the Trust, any remaining assets shall be applied for the payment of premiums for group insurance policies to provide medical and related benefits for active and retired bus operators. The former third-party administrator for the Health and Welfare Trust advised the District that the remaining funds held by the Health and Welfare trustee will be returned to the District to be applied for such purposes upon notification of the parties' agreement to allocate the funds accordingly.

The District and the ATU have agreed that, upon receipt of the remaining Health and Welfare Trust assets, the District will make a one-time, lump sum contribution to the GGTARP in the equivalent amount. This will allow the funds to be applied in accordance with the Health and Welfare Trust agreement.

Fiscal Impact

There is no fiscal impact, given that the amount of the additional contribution to the GGTARP will be equal to the amount of remaining Health and Welfare Trust assets recovered from the trustee of the Health and Welfare Trust in the amount of the balance of the Health and Welfare Trust fund, which currently is estimated to be approximately \$320,000.