

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

RESOLUTION NO. 2012-025

**APPROVE IMPLEMENTATION OF A
MEDICAL BENEFITS PREMIUM SHARING PROGRAM
FOR NON-REPRESENTED EMPLOYEES, DEPUTY GENERAL MANAGERS,
DISTRICT OFFICERS AND MEMBERS OF THE BOARD OF DIRECTORS,
AND OTHER RELATED ACTIONS**

April 27, 2012

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* elements is Initiative No. 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 Board, by Resolution No. 2011-073 at its meeting of July 22, 2011, approved: 1) implementation of Individual Medicare Plan and Health Reimbursement Accounts for current and future non-bargaining unit retirees and their eligible dependents who have attained eligibility for Medicare, effective July 1, 2012; 2) modifications to policies regarding pension benefits and eligibility for retiree medical benefits for new hires; 3) its intention to implement modifications to the District's medical benefit policies in the form of premium sharing and/or medical plan restructuring at a future date; and, 4) authorization of a two percent wage increase for all non-bargaining unit employees, with the exception of District Officers and Deputy General Managers effective July 25, 2011; and,

WHEREAS, the proposed reforms are consistent with proposals that have been under negotiation with the Union Coalition whose Memoranda of Understanding expired on June 30, 2011; and,

WHEREAS, no modifications are being made in the covered benefits or quality of any of the District's medical benefit programs (Kaiser HMO, Blue Shield HMO and Blue Shield PPO); and,

WHEREAS, principles of equity relative to contribution toward the cost of enrollment are evident by the creation of three tiers of contribution levels predicated upon the base wage rates applicable to each participant; and,

WHEREAS, the Rules, Policy and Industrial Relations Committee/Committee of the Whole, at its meeting of April 27, 2012, has so recommended; now, therefore, be it

RESOLUTION NO. 2012-025
BOARD OF DIRECTORS MEETING OF APRIL 27, 2012
PAGE 2

RESOLVED that the Board of Directors (Board) of the Golden Gate Bridge, Highway and Transportation District (District) hereby approves a modification of the District's medical and prescription drugs programs by implementation of a premium sharing component applicable to non-represented employees, Deputy General Managers, District Officers and members of the Board, as follows: participants will contribute toward the premiums charged and/or applicable COBRA rates for the medical plan in which they elect to enroll and based on the level of enrollment (i.e., single, employee + one, or family), with the understanding that no changes will be made in the quality of the medical benefits, effective July 1, 2012, on the following basis:

- a. Participants with wage rates at or below \$32.00 per hour, 2.5% of enrollment cost;
- b. Participants with wage rates at or below \$50.00 per hour, 5% of enrollment cost; and,
- c. Participants with wage rates above \$50.00 per hour, 7.5% of enrollment cost; and, be it further

RESOLVED that the Board hereby approves inclusion of members of the Board in the classification of participants with wage rates above \$50.00 per hour; and, be it further


RESOLVED that the Board hereby authorizes a 2% wage increase for Deputy General Managers, effective April 27, 2012.

ADOPTED this 27th day of April 2012, by the following vote of the Board of Directors:

- AYES (17):** Directors Arnold, Chu, Cochran, Elsbernd, Fredericks, Mar, Moylan, Pahre, Rabbitt, Renée, Sears, Snyder, Sobel and Stroeh; Second Vice President Grosboll; First Vice President Eddie; President Reilly
- NOES (2):** Directors Campos and Theriault
- ABSENT (0):** None



Janet Reilly
President, Board of Directors

ATTEST: 

Janet S. Tarantino
Secretary of the District