



DATE: June 28, 2018

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director
Li Zhang, Chief Financial Officer

SUBJECT: Approve the Revised TAM Human Resources Policies and Procedures (Action), Agenda Item No. 6c

RECOMMENDATION:

The TAM Board reviews and approves the revised TAM Human Resources Policies and Procedures.

BACKGROUND:

The Board adopted the first TAM Human Resources Policies and Procedures on November 30, 2017, in preparation for the agency's transition to become an employer on record on January 1, 2018. With the Board's selection of the CalPERS Health Program, operation of TAM as an employer of record for the past 5 months, and additional review conducted by an outside Human Resource support team, it is necessary for staff to bring the first set of recommended changes for review.

DISCUSSION/ANALYSIS:

While most of the revisions proposed are minor legal or policy clarifications, staff would like to highlight the following two major changes for your attention.

Major Revisions Proposed for Review:

1. Under Policy # 211, for all non-exempt employees, compensatory time off will be offered as the default option for overtime worked, instead of paid overtime. This will eliminate the monetary impact of overtime on the staff cost budget. All non-exempt employees were consulted and in agreement with this policy change. Compensatory time will be accrued at the appropriate overtime rate during the pay period that overtime was approved and worked.
2. Under Policy # 301, with the selection of the CalPERS Health Program as the medical benefit provider, the annual \$2,500 Health Retirement Account benefit is no longer provided to active employees. For employees hired prior to January 1, 2018, TAM will cover 100% of the Minimum Employer Contribution (MEC) medical premium cost upon retirement, which is in lieu of the

Health Retirement Account benefit offered prior to the transition. TAM has stopped paying into the Health Retirement Accounts of all employees as of January 1, 2018 and the savings will be used to address the potential Other Post Employment Benefit (OPEB) liability associated with the participation in the CalPERS Health Program. For employees hired after January 1, 2018 and retire from TAM, they will receive the retiree medical benefit specified in TAM Resolution 2018-03, which is 5% of the MEC for the first year of TAM's CalPERS Health Program contract (YR 2018), then increase by 5% each year until it reaches 100% of the MEC premium (YR 2038).

FISCAL CONSIDERATION:

The proposed revisions to the TAM Human Resources Policies and Procedures have no fiscal impacts.

NEXT STEPS:

Staff will review the TAM Human Resources Policies and Procedures periodically and bring necessary revisions to the Finance and Policy Executive Committee and the Board for review and approval.

ATTACHMENT:

NONE.

A copy of the TAM Human Resources Policies and Procedures with all changes highlighted can be provided upon request