

**SIDE LETTER TO CURRENT MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF REDLANDS (CITY) AND THE SAN BERNARDINO PUBLIC EMPLOYEES
ASSOCIATION REPRESENTING THE GENERAL EMPLOYEE ASSOCIATION OF REDLANDS (GEAR)**

LIFETIME RETIREE DENTAL INSURANCE COVERAGE

PURPOSE:

To provide appropriate written authorization and to specify the language for the provision of "Lifetime Medical" or "Lifetime Health" and the question for inclusion of "dental insurance coverage", the following language will be applicable to all previous Memoranda of Understanding and the individuals retiring under them. As authorized by City Council on September 20, 2011, for the Memorandum of Understanding effective July 1, 2009 - June 30, 2012, the current Memorandum of Understanding is amended as follows and all previous Memoranda of Understanding containing similar provisions shall be interpreted so that health and medical benefits for retirees shall include dental benefits:

PROVISION:

The current provision, Article 20-HEALTH INSURANCE, Section E shall be amended to the following (changes are highlighted):

"Upon service retirement and completion of twenty (20) cumulative years of service with the City, and in lieu of any sick leave buyback, an employee hired prior to March 11, 2010, may elect fully paid medical and dental insurance (excludes vision coverage) for the employee and eligible dependents, under the City's medical and dental insurance programs. Employees electing the fully paid medical and dental insurance may also select benefit D or F, set forth in Article 26 – Sick Leave, upon service retirement. Employees hired on or after March 11, 2010 are not eligible for this benefit."

Therefore, to clearly state the intent and authorization of and by the City Council, the following information is provided:

1. All active employees hired prior to March 11, 2010 and previous employees retiring under the GEAR unit who have met the applicable requirements to receive lifetime "medical" or "health" benefits will receive medical and dental benefits for both the retiree and qualified family members under the City's plan that is provided for active City employees, specifically the following:
 - a. Medical Insurance Coverage as provided for under the California Public Employees Retirement System medical program, Public Employees Medical Care and Hospitalization Act (PEMCHA); and
 - b. Dental Insurance Coverage as provided for under the current City provider.
2. Insurance premiums will be paid 100% by the City.
3. The City shall notify the Retiree and/or their qualified dependants of any change in medical or dental coverage carriers.
4. Retirees/eligible dependents that cancelled or dropped their coverage in response to the City's letter in December 2010 will be reinstated prospectively and will be reimbursed for insurance coverage premiums incurred between January 2011 and the effective date of reinstatement. For reimbursement, proof of paid premiums must be submitted to the address below.
5. Retirees who were not offered this coverage at time of retirement, but are eligible, shall be able to enroll in the current dental plan by sending written notification to:

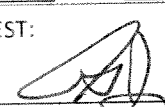
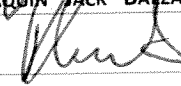
City of Redlands
Human Resources Department
Attn: Retiree Benefits
35 Cajon Street, Suite 10
P.O. Box 3005

Redlands, CA 92373-1505

Individuals requesting to be enrolled in the dental plan must meet the eligibility requirements for "Lifetime Medical" or "Lifetime Health" to participate. This will only be a prospective benefit with no retroactivity payments. Enrollment start date will be determined by the date all required information is received by the Human Resources Department staff to facilitate processing.

6. This provision applies to all Memoranda of Understanding containing the provision for lifetime medical/health recognizing the exclusion of employees hired on or after March 11, 2010.

SIGNATURES

CITY OF REDLANDS		SBPEA REPRESENTING THE GENERAL EMPLOYEES ASSOCIATION OF REDLANDS	
X 		X 	
PETE AGUILAR, MAYOR		DEIDRE RODRIGUEZ - SBPEA	DATE
ADOPTED, SIGNED AND APPROVED THIS <u>20th</u> DAY OF <u>SEPT</u> , 2011		X 	9/13/11
ATTEST:		JOAQUIN "JACK" BAEZA-PRESIDENT	DATE
X 		X 	9/14/11
Sam Irwin, City Clerk		RICH SMITH-VICE PRESIDENT	DATE