

**SIDE LETTER TO CURRENT COMPENSATION AND BENEFIT PROFILE
BETWEEN THE CITY OF REDLANDS (CITY) AND THE REDLANDS ASSOCIATION OF
DEPARTMENT DIRECTORS (RADD)**

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 Compensation and Benefit Profiles and the individuals retiring under them. As authorized by City Council on September 20, 2011, for the Compensation and Benefit Profile authorized by City Council on September 22, 2010 is amended as follows and all previous Compensation and Benefit Profiles containing similar provisions shall be interpreted so that health and medical benefits for retirees shall include dental benefits:

PROVISION:

The current provision, Article 5-RETIREMENT-END OF SERVICE, Section 5.03-LIFETIME MEDICAL shall be amended to the following:

"Department Directors who achieve 15 years of service with the City of Redlands shall be entitled to Lifetime Medical and Dental coverage for themselves and their dependents upon separation of service from the City. "Lifetime Medical" means equivalent medical and dental insurance as provided by the City to its then existing Directors through the CalPERS medical and City dental insurance plans. Department Directors hired after January 1, 2009, shall not be entitled to this benefit."

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

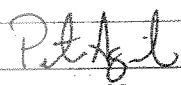
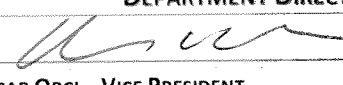
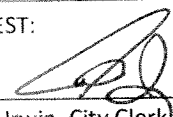
1. All active employees hired prior to January 1, 2009 and previous employees retiring in a Department Director position who have met the applicable requirements to receive lifetime "medical" or "health" benefits will receive medical and dental benefits for both the retiree and qualified family members 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 January 1, 2009.

SIGNATURES

CITY OF REDLANDS		REDLANDS ASSOCIATION OF DEPARTMENT DIRECTORS	
X		X	 9-13-11
PETE AGUILAR, MAYOR		OSCAR ORCI – VICE PRESIDENT	DATE
ADOPTED, SIGNED AND APPROVED THIS 20 TH DAY OF <u>Sept</u> , 2011		X	
ATTEST:		DAVID HEXEM - SECRETARY	DATE
X		X	
Sam Irwin, City Clerk			DATE