

SIDE LETTER #1 TO THE
2021-2026
MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF BEAUMONT
AND
SEIU 721 GENERAL UNIT EMPLOYEES

On January 1, 2021, the City of Beaumont (“City”) and the SEIU General Unit Employees (SEIU) entered into a Memorandum of Understanding that is effective from January 1, 2021 through June 30, 2026 (“MOU”).

The City and SEIU met and conferred in good faith and have agreed to the terms of this side letter to the MOU, which shall operate prospectively from the date it is both approved by BPOA and ratified by the City Council.

This side letter shall amend and replace Article 13.1(C) and Article 13.1(D) of the MOU with the following:

ARTICLE 13: HEALTH BENEFITS AND INSURANCE

1. **HEALTH BENEFITS**

C. **Cafeteria Plan Contributions:**

Effective January 1, 2024, the CITY agrees to make monthly contributions on behalf of each eligible employee up to a maximum of \$1,860 to be used for the options available as described in subpart (B) above.

If the combined premiums for Healthcare, Dental, and Vision insurance increase more than 5% from their January 2024 rates, then the parties agree to meet and confer about increasing the Cafeteria Plan Contribution. The parties agree to hold additional reopeners in this regard if, subsequent to triggering the initial meet and confer, measuring the combined premium increases (cumulative to the triggering date) for the subsequent year(s) shows subsequent premium increases of more than 5%.

D. **Medical Waiver Option:**

Employees may elect not to participate in the Cafeteria Plan. Employees who on or before March 31, 2022, elect to not participate

in the Cafeteria Plan and can show adequate proof of a qualifying alternative group health plan, by complying with the verification requirements described below, shall receive cash in lieu in an amount equal to \$667.63 paid to the employee. Cash in lieu is not to be considered as pensionable compensation for the purposes of CalPERS. Such qualifying alternative health plan coverage must be verified initially and thereafter on an annual basis by signing a verification that complies with the Affordable Care Act, which is available from the City's Human resources Department (HR), and submitting it to HR. The alternative group health plan coverage must be maintained for the entire calendar year. After April 1, 2022 employees who opt out of the Cafeteria Plan will not receive any cash in lieu of health insurance.

1. Employees who elect to participate in the medical waiver option and waive city provided health plans(s) may use the balance of the cafeteria plan contribution for any of the following or any combination thereof:
 - a) Dental Insurance for employee's, spouse and/or dependents;
 - b) Eye care plan for employee, spouse and/or dependents;

All other terms of the MOU, as amended, shall remain in full force and effect.

For the City of Beaumont:



Elizabeth Gibbs 1/18/24

Elizabeth Gibbs
City Manager

Date

For SEIU:



Juanita Salas J.S.

Juanita Salas Date 12/20/23
SEIU Worksite Organizer