

**COSUMNES COMMUNITY SERVICES DISTRICT
and
COSUMNES CHAPTER OF LOCAL 522
Side Letter Agreement
2018-04**

The contract language shown below represents changes to Appendix C, I of the MOU. The language below represents an agreement to clarify the language of this appendix

DISTRICT INTEREST: The District is interested in expanding this Appendix by employee benefits in one place, including the Cafeteria Plan, and clarifying existing language.

**APPENDIX "C" COSUMNES COMMUNITY SERVICES DISTRICT EMPLOYEE INSURANCE
BENEFITS**

I. ACTIVE EMPLOYEES

The District shall provide the insurance benefits to unit members as set forth in this Appendix.

A. Cafeteria Plan

Effective January 1, 2016, the District established a Section 125 complaint Cafeteria Plan ("Plan") as a vehicle for the payment of health, dental, vision and optional benefit premiums.

Employees will be covered under the California Public Employees' Retirement System (CalPERS) medical program using the minimum employer contribution methodology under the Public Employees' Medical and Hospital Care Act (PEMHCA).

1. **Employee Contribution to the Plan:**
The employee shall pay any difference, on a pre-tax basis, between the District's contribution to the Cafeteria Plan, if applicable, and the actual premium of insurance selected by the employee.
2. **PEMHCA Opt Out:**
An employee who elects to opt-out of PEMHCA shall forgo the District contribution to the Cafeteria Plan identified in section I.A above.
3. **PEMHCA Compliance:**
For qualifying employees enrolled in a CalPERS PEMHCA medical plan, the District's contribution to the Plan includes the minimum employer contribution amount required under PEMHCA.
4. **Optional Benefit plans**
The District shall offer, through the Plan, at least two (2) optional insurance plans for employee participation. Optional insurance may include accident, disability or other specialized insurance products. These optional elements shall be offered to the employee within the Plan, when permissible by law.

COSUMNES COMMUNITY SERVICES DISTRICT
and
COSUMNES CHAPTER OF LOCAL 522
Side Letter Agreement
2018-04

5. Cafeteria Plan Contribution by the District

The maximum cafeteria plan contribution for active employees shall be the sum of the applicable District contributions for medical, dental, vision, life and income protection and cancer insurance set forth in Section I(C) "Monthly Premiums" below.

B. Insurance Plans

1. MEDICAL INSURANCE

The District shall provide each full-time unit member, and his/her dependents, with the option of enrolling in any medical insurance plan available through its contract with the Health Division of PERS.

2. DENTAL INSURANCE

The District shall provide each full-time unit member, and his/her dependents, with the option of enrolling in the dental plan available through the District.

Unit members have the option of purchasing additional coverage, at the unit members cost.

Enrollment or changes to enrollment will only be allowed during the annual Open Enrollment period or when a qualifying life event occurs.

3. VISION PLAN

The District shall provide each full-time unit member, and his/her dependents, with the option of enrolling in the vision plan available through the District.

Unit members have the option of purchasing additional coverage, at the unit members cost.

Enrollment or changes to enrollment will only be allowed during the annual Open Enrollment period when a qualifying life event occurs.

4. LIFE INSURANCE/INCOME PROTECTION

The District shall provide each full-time unit member with the term life insurance/income protection policy available through the District.

CANCER INSURANCE

The District shall provide each full-time unit member with the cancer insurance policy available through the District.

COSUMNES COMMUNITY SERVICES DISTRICT
and
COSUMNES CHAPTER OF LOCAL 522
Side Letter Agreement
2018-04

C. Monthly Premiums

1. **Medical:** The District will pay, if actually required, up to that dollar amount equal to the lesser of either the Kaiser (KN) or the Blue Shield Access + (BS) rate, in the Region 1, (as set forth below) in the month the benefit is received for medical insurance coverage.

Effective January 1, 2018:

- | | |
|----------------------------|--|
| a. Employee only | 100% of the applicable monthly rate minus \$85.00 |
| b. Employee+ one dependent | 100% of the applicable monthly rate minus \$175.00 |
| c. Full Family | 100% of the applicable monthly rate minus \$225.00 |

In no case shall the District's monthly obligation exceed the premium rate established by CalPERS each year.

Employee contributions shall be made on a pre-tax basis and shall be based on the District default plan as outlined above. In the event that an employee selects a plan that is more expensive than the District default plan the employee will pay 100% of the additional premium.

2. **Dental:** The District will pay, if actually required, the monthly premium per family unit for the dental insurance coverage selected by the District.
 - a. Should the annual premium increase, in any year, by more than ten percent (10%) over the prior year, the District may select another plan after consultation with Local 522.
 - b. In no case shall the District's monthly obligation exceed the premium rate established by the District vendor each year.
3. **Vision:** The District will pay, if actually required, the monthly premium per family unit for the vision plan coverage selected by the District.
 - a. Should the annual premium increase, in any year, by more than ten percent (10%) over the prior year, the District may select another plan after consultation with Local 522.
 - b. In no case shall the District's monthly obligation exceed the premium rate established by the District vendor each year.

4. **Life and Income Protection:** The District will pay, if actually required, the monthly

COSUMNES COMMUNITY SERVICES DISTRICT
and
COSUMNES CHAPTER OF LOCAL 522
Side Letter Agreement
2018-04

premium for an employee who elects life insurance and income protection.

- a. Should the annual premium increase, in any year, by more than ten percent (10%) over the prior year, the District may select another plan after consultation with Local 522.
- b. In no case shall the District's monthly obligation exceed the premium rate established by the District vendor each year.

5. Cancer Insurance:

In no case, shall the District monthly obligation exceed the premium rate established by the District vendor each year.

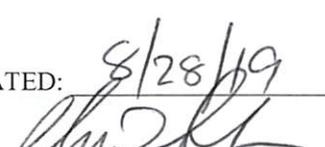
D. Payroll Deduction

1. Any employee who is enrolled in one or more of the plans set forth above which costs more than the District's required contribution is required to sign a payroll deduction form and pay the monthly difference by payroll deduction.
2. Failure to execute a payroll deduction form will result in immediate cancellation of insurance for non-payment of premiums.

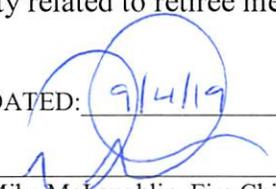
E. Other Post-Employment Benefits (OPEB) – Retiree Health Trust Account

Members shall contribute three percent (3%) of their base salary toward the irrevocable medical trust account to fund the liability related to retiree medical costs.

DATED: 8/28/19


Chris Schamber, 522 Union President
FOR THE SACRAMENTO AREA
FIRE FIGHTERS, LOCAL 522

DATED: 9/4/19


Mike McLaughlin, Fire Chief
FOR THE COSUMNES COMMUNITY
SERVICES DISTRICT