



CITY OF PASADENA & AFSCME  
SIDE LETTER

The purpose of this side letter is to establish EOBf rates for employees of the unit. Due to CalPERS medical premium rate reductions and the addition of several new HMO plans, EOBf allowances for family are reducing to levels below current allowances. The open enrollment period for 2014 is September 16 - October 11, 2013. In an effort to mitigate impacts to employees, the parties agree to the following to modify their Memorandum of Understanding:

**Medical Insurance & EOBf Allowance**

The City of Pasadena participates in the CalPERS Medical program (per the Public Employee Medical and Hospital Care Act – “PEMHCA”). For employees enrolled in a CalPERS medical plan, the City contributes the required statutory minimum (per Government Code section 22892) toward the medical premium which is part of the EOBf allowance.

The Employee Option Benefit Fund (EOBF) allowance is used to offset health premium costs and includes the PEMHCA minimum.

Effective January 1, 2014, the EOBf allowance for employees enrolled in a medical plan offered through the City is:

Tier 1:	Employee Only	\$1,183.26
Tier 2:	Employee +1	\$1,183.26
Tier 3:	Employee +2	\$1,221.77

The parties agree that either party has the right to reopen negotiations on the EOBf allowance for future years either as part of ongoing contract negotiations or by either party requesting to do so if not currently negotiating a successor MOU.

Employees in the unit as of December 31, 2013 who elect to opt out of medical coverage offered by the City because they have provided proof of medical coverage will receive an EOBf opt out allowance of \$1,064.26 per month which will be designated to the employee’s deferred compensation account. Employees may elect to have 65% of the EOBf Opt Out allowance paid as cash in lieu of depositing the total allowance to a deferred compensation account offered by the City.

Effective January 1, 2014 new employees electing to opt out of medical coverage offered by the City because they have provided proof of medical coverage will receive an EOBF opt out allowance of \$400 per month which will be designated to the employee's deferred compensation account. New employees may elect to have 65% of the EOBF Opt Out allowance paid as cash in lieu of depositing the total allowance to a deferred compensation account offered by the City.

For the City:

For AFSCME:

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Michael J. Beck, City Manager

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Marchell Parker, AFSCME President

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Kristi Recchia, Director of Human Resources

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Lee Wax, AFSCME Business Representative

Approved by City Council:

October 7, 2013



CITY OF PASADENA & IUOE  
SIDE LETTER

The purpose of this side letter is to establish EOBFF rates for employees of the unit. Due to CalPERS medical premium rate reductions and the addition of several new HMO plans, EOBFF allowances for family are reducing to levels below current allowances. The open enrollment period for 2014 is September 16 - October 11, 2013. In an effort to mitigate impacts to employees, the parties agree to the following to modify their Memorandum of Understanding:

**Medical Insurance & EOBFF Allowance**

The City of Pasadena participates in the CalPERS Medical program (per the Public Employee Medical and Hospital Care Act – “PEMHCA”). For employees enrolled in a CalPERS medical plan, the City contributes the required statutory minimum (per Government Code section 22892) toward the medical premium which is part of the EOBFF allowance.

The Employee Option Benefit Fund (EOBFF) allowance is used to offset health premium costs and includes the PEMHCA minimum.

Effective January 1, 2014, the EOBFF allowance for employees enrolled in a medical plan offered through the City is:

Tier 1:	Employee Only	\$1,141.88
Tier 2:	Employee +1	\$1,141.88
Tier 3:	Employee +2	\$1,221.77

The parties agree that either party has the right to reopen negotiations on the EOBFF allowance for future years either as part of ongoing contract negotiations or by either party requesting to do so if not currently negotiating a successor MOU.

Employees in the unit as of June 30, 2012 who elect to opt out of medical coverage offered by the City because they have provided proof of medical coverage will receive an EOBFF opt out allowance of \$1,141.88 per month which will be designated to the employee’s deferred compensation account. Employees may elect to have 65% of the EOBFF Opt Out allowance paid as cash in lieu of depositing the total allowance to a deferred compensation account offered by the City.

Effective July 1, 2012 new employees electing to opt out of medical coverage offered by the City because they have provided proof of medical coverage will receive an EOBF opt out allowance of \$400 per month which will be designated to the employee's deferred compensation account. New employees may elect to have 65% of the EOBF Opt Out allowance paid as cash in lieu of depositing the total allowance to a deferred compensation account offered by the City.

For the City:

For IUOE:

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Michael J. Beck, City Manager

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Mardel Baldwin, IUOE President

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Kristi Recchia, Director of Human Resources

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Gavin Koon, IUOE Business Representative

Approved by City Council:

October 7, 2013