

**SIDE LETTER AGREEMENT AMENDING
THE 2023-2026 MEMORANDUM OF UNDERSTANDING BETWEEN
THE CITY OF LA MESA AND
THE HEARTLAND FIREFIGHTERS OF LA MESA LOCAL #4759**

WHEREAS, on June 27, 2023, the City of La Mesa ("City") and the Heartland Firefighters of La Mesa Local #4759 ("Fire Union") executed a Memorandum of Understanding ("MOU") for the period July 1, 2023 through June 30, 2026;

WHEREAS, included in the MOU is a provision providing Fire Union members with a monthly cafeteria contribution from the City for health insurance, dental insurance, flexible spending accounts, and other cafeteria plan options that may be provided by the City;

WHEREAS, the City and Fire Union, by mutual written consent, desire to increase the City's monthly cafeteria contribution to Fire Union members beginning the first full pay period beginning on or after January 1, 2024;

WHEREAS, the City and Fire Union desire to amend the terms of the MOU stated herein subject to ratification by the Fire Union and the City Council; and

NOW, THEREFORE, the City and Fire Union agree as follows:

Section 1.18.01 (Cafeteria Plan) is amended to read as follows:

SECTION 1.18.01 CAFETERIA PLAN

The CITY agrees to provide a cafeteria style benefit plan for all EMPLOYEES. The CITY's current monthly cafeteria contributions are:

- Employee Only: \$704.72
- Employee + 1: \$1,219.32
- ~~Family: \$1,594.58~~

~~➤ Effective with the first full pay period beginning on or after January 1, 2024, the following additional monthly contributions shall be added to the current monthly cafeteria benefit plan amounts:~~

- ~~➤~~
- ~~➤ Employee Only: Additional \$40/mo.~~
- ~~➤ Employee + 1: Additional \$50/mo.~~
- Family: Additional \$6

Effective with the first full pay period beginning on or after January 1, 2024, the monthly cafeteria benefit plan contribution shall be:

- Employee Only: \$754.72
- Employee + 1: \$1,294.32
- Family: \$1,694.58

The cafeteria benefit plan contribution amounts for calendar years 2025 and 2026, as stated below, will be applicable if the Cafeteria Plan Reopener meet and confer, referenced below, does not result in any changes.

Effective with the first full pay period beginning on or after January 1, 2025, the following additional monthly contributions shall be added to the 2024 monthly cafeteria benefit plan amounts:

- Employee Only: Additional \$40/mo.
- Employee + 1: Additional \$50/mo.
- Family: Additional \$60/mo.

Effective with the first full pay period beginning on or after January 1, 2026, the following additional monthly contributions shall be added to the 2025 monthly cafeteria benefit plan amounts:

- Employee Only: Additional \$40/mo.
- Employee + 1: Additional \$50/mo.
- Family: Additional \$60/mo.

The allocation shall be used to pay for the benefits in the cafeteria plan selected by the EMPLOYEE, to include health insurance, dental insurance, and flexible spending accounts and other options as the CITY may make available. In the event that the total cost of benefits selected exceeds the allowance, the difference shall be deducted from the EMPLOYEE's salary as a payroll deduction.

In the event that the total cost of benefits or flexible spending accounts is less than the cafeteria allotment, the EMPLOYEE will receive the balance in the form of cash (less all applicable taxes). An EMPLOYEE who has met the requirements stated in Section 1.15 and elects not to be covered under City-provided medical insurance, or UNION-sponsored medical insurance that has been approved by the CITY, shall receive an allotment of \$100 per month for other cafeteria benefits.

CAFETERIA PLAN REOPENER

The CITY and UNION agree to meet and confer in March 2024 to discuss changes, if any, to the monthly contribution for the cafeteria benefit plan for subsequent years beginning with contributions that are effective January 1, 2025.

AFFORDABLE CARE ACT (ACA) REOPENER ON HEALTH INSURANCE

The City may reopen negotiations on the issue of health insurance or the cafeteria plan in order to avoid penalties or taxes under the ACA that may result from an interpretation of the ACA by an agency of the Federal Government (including, but not limited to, a revenue ruling, regulation or other written guidance) or a ruling by a court of competent jurisdiction.

Except as expressly modified in this side letter herein, all terms and conditions of the MOU shall remain in full force and effect.

CITY OF LA MESA:

**HEARTLAND FIREFIGHTERS OF LA
MESA LOCAL #4759:**

Amanda Lee, Lead Negotiator
Interim Director of Administrative Services

Domenic Provence
President