

**AGENDA  
ITEM**


**7**




# CITY COUNCIL AGENDA STAFF REPORT

**DATE:** October 19, 2022

**TO:** Mayor and City Council

**APPROVED BY:** Esperanza Colio-Warren, City Manager 

**PREPARED BY:** Denise Garcia, Human Resources/Risk Management Manager 

**SUBJECT:** Approval of a Side Letter of Understanding between the City of Calexico and the Calexico Municipal Employee's Association (CMEA) for the Remaining Term Beginning July 1, 2021 through June 30, 2023

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**Recommendation:**

Approve a Side Letter of Understanding between the City of Calexico and the Calexico Municipal Employee's Association (CMEA) for the Remaining Term Beginning July 1, 2021 through June 30, 2023.

**Background:**

The City agreed upon a Side Letter of Understanding with the Calexico Employee's Association on October 7, 2022, for the following terms to resolve the Health Insurance Premium Grievance submitted to the City on June 29, 2022, and to clarify the application to the CMEA MOU Article 12 Section 2. Both parties have agreed to compromise and resolve the matter through the Side Letter of Understanding.

**Discussion & Analysis:**

1. The City will reimburse the healthcare premium overage deducted from each CMEA member's payroll beginning July 1, 2017 to the present. The overage equates to \$1.36 (single and \$3.15 (family) per pay period per member.
2. This amount was to be paid by separate check no later than October 7, 2022, with the understanding that the adoption of this Letter of Understanding be ratified by the City Council at the next regularly scheduled Council Meeting.
3. Terms were clarified for Article 12 Section 2 for Health Benefit Premiums – Cost Share for the remaining term of the Memorandum of Understanding. The City will continue to pay 80% of the premiums in effect on June 30, 2017, identified as

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Single \$678.08 and Family \$1,565.10 (Employee Cost Per Pay Period – Single \$62.60 and Family \$144.47) and the City will pay 100% of the increase in premiums since that date.

4. Parties acknowledge the amount listed as the maximum amounts for payment by the City in the MOU do not represent a total premium for any period nor do they represent a cap on the current amount that the city will pay towards health insurance premiums.
5. The parties agree that the agreement contained herein fully resolves the grievance and CMEA withdraws and dismisses the grievance with prejudice.

**Fiscal Impact:**

The fiscal impact to the 2022-2023 budget is \$7,315.

**Coordinated With:**

Administration.  
Calexico Municipal Employee's Association.

**Attachment(s):**

1. CMEA Letter of Understanding July 1, 2021 to June 30, 2023.

**Letter of Understanding  
Between  
The City of Calexico and  
The Calexico Municipal Employees Association**

The City of Calexico (City) and the Calexico Municipal Employees Association (CMEA) have agreed to the following terms to resolve the Health Insurance Premium Grievance submitted to the City on June 29, 2022, and to clarify the application of the CMEA MOU Article 12 Section 2.

**1. Payment of Retroactive Over Deduction**

The City will reimburse the healthcare premium overage deducted from each CMEA member's payroll beginning July 1, 2017 to the present. The overage equates to \$1.36 (single) and \$3.15 (family) per pay period per member. This amount will be paid by separate check, by October 7, 2022, with the understanding that the adoption of this Letter of Understanding will be ratified by the City Council at the next regularly scheduled City Council Meeting.

**2. Health Benefit Premiums- Cost Share**

In accordance with CMEA MOU Article 12 Section 2, the City will pay 80% and the Employee 20% of the premium for healthcare benefits based on the premiums in effect on June 30, 2017 identified as – Single \$678.08 and Family \$1,565.10 (Employee Cost Per Pay Period-Single \$62.60 and Family \$144.47), and the City will pay 100% of the increase in premiums since that date. The parties specifically acknowledge that the amount listed as the maximum amounts for payment by the City in the MOU, do not represent a total premium for any period nor do they represent a cap on the current amount that the City will pay towards health insurance premiums.

**5. Withdrawal of Grievance**

The parties agree that the agreement contained herein fully resolves the grievance and CMEA withdraws and dismisses the grievance with prejudice.

6. **Remainder of the Contract Not Affected**

While the parties anticipate continued negotiation regarding the terms of a new Memorandum of Understanding (MOU), all other provisions of the current MOU between the City and CMEA shall remain unchanged.

IN WITNESS WHEREOF, the parties hereto have executed this Letter of Understanding as of the latest day and year below.

Date: 10/11/22


Date: 10/6/22

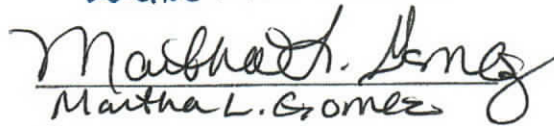
CITY OF CALEXICO

  
Esperanza Colio Warren, City Manager

  
Sandy Fonseca, Interim Director of Finance

CALEXICO MUNICIPAL EMPLOYEES ASSOC.

  
Lorena Minor - Montes

  
Martha L. Gomez