SIDE LETTER OF AGREEMENT

TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF RIO VISTA AND THE RIO VISTA PROFESSIONAL FIREFIGHTERS' ASSOCIATION FOR THE PERIOD JULY 1, 2021 – JUNE 30, 2024

ARTICLE V - INSURANCE

Section 39 - Retiree Medical Trust

- A. The City acknowledges that the Association has entered into an agreement with the California Firefighters Benefit Trust (hereafter, the "Trust").
- B. <u>DEFINED CLASS OF EMPLOYEES RECEIVING CONTRIBUTIONS</u>. Employees receiving contributions to the Trust, as set forth below, consists of all employees represented by the Association.
- C. <u>EMPLOYEE CONTRIBUTION AMOUNT</u>. The City and the Association agree that the City shall withhold a mandatory contribution of \$100.00 per pay month on a pre-tax basis from the pay of every employee who is a member of the bargaining unit represented by the Association and shall transmit such contributions to the Trust pursuant to the requirements in Section F below. No employee shall be permitted to opt-out of the mandatory contributions or receive any portion of the contribution in cash.
- D. <u>SICK LEAVE TRANSFER</u>. The City and the Association agree that the City will make the following mandatory transfers of sick leave, on a pre-tax basis, to the Trust on behalf of every employee in the Defined Class:
- 1. Mandatory Accrued Sick Leave Contribution (Annually). For every employee who is represented by Association, the City shall, at the end of each fiscal year, provide each employee the option to irrevocably contribute to the employee's Trust account on a pre-tax basis, an amount equal in value to 40 hours of accrued sick leave at the employee's regular rate of pay in effect at the time of the contribution. The employee shall not have the option to receive a cash payout for the value of the accrued sick leave contributed to the Trust in lieu of making contributions to the Trust.
- 2. Mandatory Accrued Sick Leave Contribution at separation or retirement. For every employee who is represented by Association, the City shall, upon the employee's separation or retirement from the City, irrevocably contribute to the employee's Trust account or the employee's IRS 457 plan on a pre-tax basis, an amount equal in value to a maximum of 480 hours pursuant to City Personnel Rule XII, Section. The employee shall not have the option to receive a cash payout for the value of the accrued sick leave in lieu of making contributions to the Trust or 457 plan.
- 3. Any remaining sick leave hours shall be transferred to the employees CalPERS service credit

- EMPLOYER CONTRIBUTION AMOUNT. Upon implementation of the Trust, the E. Employer shall make a onetime contribution of \$2000.00* on a pre-tax basis for every employee in the Defined Class. No employee in the Defined Class shall be permitted to opt-out of the mandatory contributions or receive any portion of the contribution in cash.
- REMITTANCE OF CONTRIBUTIONS. The City shall remit the above contributions directly to the Trust for the duration of the Side Letter to the Memorandum of Understanding. Those contributions shall be remitted per pay period, in one aggregate [ACH transfer or wire] directly to the custodian of the Trust within 30 days of the date the payment would have been payable to the employee.

The City hereby acknowledges receipt of the Trust Agreement governing the Trust and will comply with rules set by the Trust Office in regard to reporting and depositing the required contributions set forth herein.

REPORTING TO TRUST OFFICE. The City shall electronically submit to the Trust Office a report of contributing employees for each contribution sent to the Trust, in the format requested by the Trust, and received by the Trust Office within five (5) days of receipt of the contribution funds.

The City shall also provide an initial report of information for all contributing employees, as reasonably requested by the Trust; and shall send updates to this information to the Trust Office whenever the City has notice of changes to the information.

MODIFICATION OF EMPLOYEE CONTRIBUTION AND LEAVE AMOUNTS. The Η. City and the Association agree that the Association has the right, subject to approval of its members according to the Association's internal rules, to prospectively modify the amount of the mandatory employee contribution (Section C) in any increment of \$25, or to include the mandatory transfer of employee leave where an employee is eligible to receive a monetary payout of accrued leave during the course of this Agreement, so long as the modification is mandatory for all employees covered by this Agreement.

Mayor: Prahl Kolt

Professional Firefighters Association

Date: 6/21/2022.