

SIDE LETTER AGREEMENT BETWEEN THE CITY OF FOUNTAIN VALLEY AND THE FOUNTAIN VALLEY FIREFIGHTERS' ASSOCIATION IAFF LOCAL 4530 REGARDING THE EMPLOYEE/EMPLOYER NORMAL COST RATE INCREASE FOR TIER 3 PEPRA EMPLOYEES RESULTING IN AN INCREASE TO THE EMPLOYEES CITY CONTRIBUTION TO RETIREMENT.

This Side Letter Agreement is made and entered into on this 24th day of July, 2018 by and between the City of Fountain Valley ("City") and the Fountain Valley Firefighters' Association IAFF Local 4530 ("FVFA") in regard to an increase in normal cost rate for Tier 3 PEPRA employees results in the an increase to the employees city contribution to retirement.

Recitals

WHEREAS, Article 8, Section 8.05 of the Memorandum of Understanding between the City and FVFA specifies new employees defined by PEPRA; and

WHEREAS, Government Code 7522.30, states "Equal sharing of normal costs between public employers and public employees shall be the standard; and

WHEREAS, the CalPERS annual valuation report for 2018/2019 shows an increase in the normal cost for employees from 11.5% to 12% and the City from 11.990% to 12.141% effective July 1, 2018; and

NOW, THEREFORE, the parties agree as follows:

Effective July 1, 2018, employees who fall under the Tier 3 PEPRA retirement benefits will begin paying a contribution of 12%.

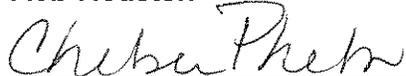
FOUNTAIN VALLEY FIREFIGHTERS'
ASSOCIATION IAFF LOCAL 4530

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