

Side Letter of Agreement

City of Atascadero And Atascadero Professional Firefighters Local 3600

April 14, 2022

Pursuant to the provisions of the Meyers-Milias-Brown Act ("MMBA"), and Section 5.5 of the Memorandum of Understanding ("MOU") between the City of Atascadero ("City") and the Atascadero Professional Firefighters Local 3600 ("Union") effective July 1, 2021 through June 30, 2024 ("MOU"), this Side Letter of Agreement ("Side Letter Agreement") is entered into on April 14, 2022, between the City and the Union as an amendment to the MOU. The Union and the City are collectively referred to herein as the "parties." It is understood and agreed that the specific provisions contained in this Side Letter Agreement shall supersede any previous agreements, whether oral and written, regarding the matters contained herein. Except as provided herein, all wages, hours and other terms and conditions of employment presently enjoyed by the Union in the MOU shall remain in full force and effect.

The City and Union have met and conferred in good faith concerning the terms and conditions of this Side Letter Agreement and its implementation and agree to the following:

SECTION 5.5 – RETIREE MEDICAL EXPENSE REIMBURSEMENT PLAN

The City will administer employee <u>pre-tax</u> payroll deductions that are directed to a Medical Expense Reimbursement Plan selected by the Association, with City approval, which lawfully permits employee contributions by payroll deductions (e.g., Retiree Medical Trust, Retiree Health Savings Account). Employee mandatory deductions will be administered in accordance with the Joinder Agreement between the California Firefighters Benefit Trust and the Atascadero Professional Firefighters Local 3600, as acknowledged by the City. The City will transmit timely the withheld contributions and related reporting information to the Trust in accordance with the Joinder Agreement.—The City shall not incur or be liable for any costs or contributions associated with such a plan. The City will only administer payroll deductions toward a qualifying employee benefit plan under the Internal Revenue Code.

The Association shall indemnify, defend and hold harmless the City from any claim, complaint, assessment, penalty, or damages asserted by any person or entity, including any state or federal authority, arising out of Association participation in such a plan, including, but not limited to fines, fees, or penalties issued by a state or federal taxing authority against the City due to employee payroll deductions or compensation payouts that are directed to the plan.

APF Local 3600

Date

Rachelle Rickard, City Manager Date