

**CITY OF HAYWARD
and
Hayward Fire Chiefs' Association**

Side Letter of Agreement

This side letter of agreement is entered into by and between the City of Hayward ("City") and the Hayward Fire Chiefs' Association ("Union"), collectively referred to as the Parties, regarding the following:

The City acknowledges as a result of recent review of the January 1, 2024, published Benefit Summary document there is a discrepancy between the retiree medical insurance contribution amounts as stated in the Hayward Fire Chiefs' Association MOU Section 5.01 Medical Insurance and the Benefit Summary document. In response, the City desires to correct this discrepancy to ensure eligible members of the Hayward Fire Chief's Association are not negatively impacted.

Section 5.01 Medical Insurance, paragraph two (2) of the MOU states Retirees: Effective January 1, 2008, the City shall contribute up \$300.00 per month for each active employee, each eligible retired employee, or the eligible survivor of a retired employee who subscribes for coverage. The monthly contribution shall remain in place for the term of this MOU.

The Benefits Summary reflects the current retiree benefit amount of \$508.30 per month.

The City believes this discrepancy is an oversight and the original intent was to have the Hayward Fire Chiefs' Association receive the same benefit provided to members of the International Association of Firefighters - Local 1909 bargaining unit.

The City and the Union have met and discussed in good faith and agree to amend Section 5.01 for the duration of the term of this MOU, to provide \$508.30 per month for each eligible retired employee or survivor of a retired employee who subscribes for coverage.

The City agrees to modify Section 5.01 medical Insurance, paragraph two (2), to read:

Each eligible retired employee, or the eligible survivor of a retired employee who subscribes for coverage, shall be entitled to receive a supplemental retirement benefit as provided in this section. This benefit shall be equal to \$508.30 per month, less the amount provided for under PEMHCA. The City contribution shall not exceed the lesser of \$508.30 or the premium cost, which is either the basic rate or the supplement to Medicare rate incurred by the retiree or the retiree's survivor under CalPERS policy and includes any required Public Employees' Medical and Hospital Care Act (PEMHCA) contribution, the minimum contribution amount required by Government Code Section 22892.

And to add an additional paragraph to read:

This supplemental benefit is provided in the form of cash to the retiree on a monthly basis. In order to receive this benefit, the retiree must begin receiving pension benefits within one hundred twenty days (120) of leaving City employment and be enrolled in a CalPERS sponsored healthcare plan as a retiree of the City of Hayward. Retirees are solely responsible for any tax consequences associated with the receipt of benefits under this Section.

Hayward Fire Chiefs' Association

This agreement shall be effective immediately upon City Council approval and shall remain in effect until the expiration of the current MOU contract dates (September 16, 2021, through June 30, 2024), between the parties.

For the Union:



Scott Anderson, Deputy Fire Chief

For the City:



Dustin Claussen, Interim City Manager



Eric Vollmer, Deputy Fire Chief

Brittney Frye, Human Resources
DirectorDated 6/6/2024Dated 6/12/24