

SIDE LETTER TO THE
MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF FREMONT AND
FREMONT POLICE ASSOCIATION

This Side Letter is entered into by and between the City of Fremont (City) and the Fremont Police Association (“Association”). (collectively “the parties”) regarding contributions to the California Public Employees’ Retirement System (CalPERS) for employees hired on or after January 1, 2013.

WHEREAS, in 2013, the parties agreed to modify the contribution paid by Classic and New Members an additional amount above the statutory required contribution, resulting in a total contribution of twelve percent (12%); and

WHEREAS, Article 37 of the parties MOU accurately reflects the member contributions for New Members, stating that “new members” under PEPRA shall contribute the greater of 12% or the statutorily required minimum pension contribution for “new members” established by PEPRA.

WHEREAS, in 2019, the City amended its contract with California Public Employees’ Retirement System (CalPERS) to reflect the 0.75% additional contribution for New Members effective from and after June 15, 2014. At the time, the 0.75% additional contribution and the 50% of normal cost contribution still equaled 12%; and

WHEREAS, effective July 1, 2025, the required 50% of normal cost contribution for New Members increased from 11.25% to 11.75%, resulting in a total contribution of 12.5% when combined with the additional 0.75% contribution, and;

WHEREAS, the parties desire to clarify and adjust the additional contribution for New Members to maintain the intent of the 2013 agreement.

NOW THEREFORE, the parties agree as follows:

1. Required Employee Contribution

Employees hired on or after January 1, 2013, shall continue to contribute fifty percent (50%) of the normal cost as required by law.

2. Adjustment to Additional Contribution

The intent of the 2013 agreement and 2019 amendment was for new members to pay an additional contribution to equal a total contribution of twelve percent (12%). Therefore, effective July 1, 2025 or as

soon as administratively feasible, the additional contribution for new members should be reduced to 0.25%.

3. Future Contribution Adjustments

The parties acknowledge that the required contribution for new members could exceed twelve percent (12%). In the future, as the requirement contribution fluctuates, the City will adjust the additional contribution so that the total new member contribution shall be the greater of:

- (a) the PEPRA minimum contribution as required by law, or
- (b) twelve percent (12%).

4. CalPERS Contract Amendment

The City will amend its CalPERS contract to reflect that the total required CalPERS contribution shall be the greater of the PEPRA minimum contribution as required by law or 12%.

5. Employee Reimbursement

Following execution and implementation of the CalPERS contract amendment, the City will reimburse each new member in a lump sum for any contributions made above twelve percent (12%) between June 29, 2025, and the pay period when the correction takes effect.

6. MOU Amendment

To provide clarity regarding the parties’ intent for the additional member contribution, the parties agree to reformat the following sections of Article 5, Retirement Section 37 of the Association Memorandum of Understanding (MOU), as follows:

SECTION 37: PERS CONTRACT AMENDMENTS

CalPERS Benefits shall be administered as follows:

Benefit	Employees hired before 4/8/12	Employees hired from 4/8/12 – 12/31/12 and Classic CalPERS Members Hired After 12/31/12 as defined by [PEPRA]	Employees hired 1/1/13 or later as new CalPERS Members
Retirement Formula	3% at age 50	3% at age 55	2.7% at age 57
Average Highest Comp. Time	Single highest year	Three highest years	Three highest years

Normal Member CalPERS Contribution	9%	9%	50% of normal cost (currently 11.75%)
Additional Contribution to Employer CalPERS	3%	3%	Variable. Total employee contribution shall be the greater of the PEPPA minimum contribution as required by law or 12%

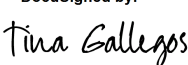
37.5 Effective as soon as administratively feasible by CalPERS but no later than December 27, 2015 FPA members agree to pick up additional CalPERS contributions via an offset as follows:

- Employees recognized as “classic” employees following the adoption of PEPPA, will contribute an additional three percent (3%) toward the cost of their respective pension benefits for a total contribution of 12%.
- Additionally, FPA members Employees who are defined as “new members” under PEPPA shall contribute the greater of 12% or the statutorily required minimum pension contribution for “new members” established by PEPPA.

The parties mutually recognize and acknowledge that the cost-sharing provisions provided herein satisfy the maximum cost-sharing terms set forth in Government Code section 20516.5.

This Agreement is executed by the Employer-Employee Representatives whose signatures appear below.

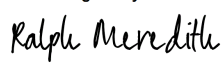
SIGNED FOR CITY

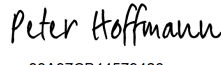
DocuSigned by:

 Tina Gallegos
 Human Resources Director
 DATE: 04/06/2026 | 8:39 AM PDT

DocuSigned by:

 Brian Stott
 Assistant City Manager
 DATE: 04/06/2026 | 9:11 AM PDT

SIGNED FOR FPA

DocuSigned by:

 Ralph Meredith
 President
 DATE: 03/26/2026 | 8:38 AM PDT

DocuSigned by:

 Peter Hoffmann
 Attorney
 DATE: 03/23/2026 | 10:56 AM PDT

APPROVED AS TO FORM AND LEGAL EFFECT:

Signed by:
Rafael E. Alvarado Jr.
By: _____
EE9A43E42BB8414...
Rafael E. Alvarado, Jr.
City Attorney

03/27/2026 | 1:24 PM PDT
DATE: _____