SIDE LETTER AGREEMENT TO
TO THE MEMORANDUM OF AGREEMENT
BETWEEN THE CITY OF FULLERTON
AND THE FULLERTON MANAGEMENT ASSOCIATION
July 1, 2011 through June 30, 2014

The City of Fullerton ("City") and the Fullerton Management Association ("FMA") hereby agree to this Side Letter of Agreement to the Memorandum of Agreement ("MOA") between them for the Period July 1, 2011 Through June 30, 2014.

WHEREAS, the wages, hours and other terms and conditions of employment of classifications represented by FMA are expressed in the MOA for the period covering July 1, 2011 Through June 30, 2014, and

WHEREAS, Article 7: Base Salary Rates of the MOA provides that either party may reopen negotiations for a one time salary increase to be effective on or after July 1, 2012 with the express understanding that any changes in base salary during the term of this Agreement would require mutual agreement, and

WHEREAS, the FMA notified the City on July 11, 2013 of their exercise of the reopener on salary, and

WHEREAS, the City and FMA ("Parties") have met and conferred and reached an agreement fully satisfying the reopener;

NOW THEREFORE, the Parties have agreed to amend the MOA as follows:

1. The Parties agree to extend the term of the current Memorandum of Agreement through June 30, 2015.

2. The City shall issue limited rebates in the form of lump sum payments to employees represented by this group of amounts contributed to CalPERS under Government Code Section 20516(f). The total value of these rebates/lump sum payments and the schedule for issuance shall be as follows:

    a. Rebate #1 will be issued no later than with pay for the pay period ending December 20, 2013. The rebate amount for each employee on the payroll during the aforementioned pay period shall be equivalent to 1% of the employee's total compensation earnable as defined by Government Code Section 20636 for the 2012 payroll year.

    b. Rebate #2 will be issued with pay for the pay period ending June 20, 2014. The rebate amount for each employee on the payroll

during the aforementioned pay period shall be equivalent to 1% of the employee's total compensation earnable as defined by Government Code Section 20636 for the 2013 payroll year.

c. Rebate #3 will be issued with pay for the pay period ending June 19, 2015. The rebate amount for each employee on the payroll during the aforementioned pay period shall be equivalent to 1% of the employee's total compensation earnable as defined by Government Code Section 20636 for the 2014 payroll year.

3. All other provisions of the December 12, 2011 Agreement remain unchanged unless otherwise amended in writing and approved by the parties.

The effective date of this Side Letter Agreement shall be December 4, 2013.

DATED: November 19, 2013

FOR THE FULLERTON MANAGEMENT ASSOCIATION

David Schickling, President

FOR THE CITY OF FULLERTON

Joseph B. Felz, City Manager