

THIS LOU IS SUBJECT TO RATIFICATION BY AMEA MEMBERS
AND ADOPTION BY THE CITY COUNCIL

LETTER OF UNDERSTANDING

between the
ANAHEIM MUNICIPAL EMPLOYEES ASSOCIATION, GENERAL EMPLOYEES
and the
CITY OF ANAHEIM

The Anaheim Municipal Employees Association (AMEA) and the City of Anaheim (ANAHEIM) have met and conferred and reached an agreement on matters pertaining to the wages, hours and other terms and conditions of employment for those employees in classifications assigned to the AMEA General Employees bargaining unit. The parties hereby agree as follows:

1. AMEA may, by written notice to ANAHEIM, elect to terminate all special terms and conditions of the Letter of Understanding between the Parties dated December 7, 2010 in advance of the scheduled reversion date of July 7, 2012, it being understood that such termination shall be effective the first day of the pay period following the pay period in which such notice is received by ANAHEIM.
2. AMEA and ANAHEIM agree that ANAHEIM will amend the PERS Miscellaneous Plan for Anaheim City, Employer Number 0303, upon agreement between ANAHEIM and all other Miscellaneous bargaining units to institute a revised defined benefit retirement plan consisting of a "2%@60" defined benefit formula and "three-year final averaging" for AMEA General Employees bargaining unit employees hired on or after the effective date of those agreements. If any other Miscellaneous bargaining unit reaches agreement with ANAHEIM to institute a PERS Miscellaneous Plan with a defined benefit formula of less than "2%@60" with "three-year final averaging," AMEA and ANAHEIM agree to reopen the AMEA General Employees bargaining unit MOU on the issue of instituting a second-tier PERS Miscellaneous plan for employees hired on or after the effective date of any Agreement that results from that reopener.
3. Except as provided below, ANAHEIM shall provide lump sum payments to each employee in a classification represented by the AMEA General Employees bargaining unit as follows:
 - a. A payment in the amount of \$1100 to any such employee who is employed by ANAHEIM on December 6, 2012, which payment shall be included on the employee's regular pay check dated December 14, 2012.

- b. A payment in the amount \$1100 to any such employee who is employed by ANAHEIM on July 4, 2013, which payment shall be included on the employee's regular pay check dated July 12, 2013.
 - c. Notwithstanding the foregoing, the lump sum payments described above shall not be paid to any AMEA-represented employees who did not receive a five percent (5%) net reduction in pay pursuant to the Letter of Understanding between the parties dated December 7, 2010, or to any AMEA-represented employees hired after the effective date of this agreement.
4. ANAHEIM agrees that, in the event any other full-time City bargaining unit is granted a general net economic benefit increase effective during the term of this agreement, those employees in classifications represented by the AMEA General Employees Unit shall be granted the same general net economic benefit increase. The Parties acknowledge that this provision excludes any General Cost of Living adjustment, greater than ANAHEIM's Last Best and Final offer, which may be granted the Anaheim Firefighters Association (AFA) through the interest arbitration proceedings provided for in Article X of the Anaheim City Charter, and General Cost of Living adjustments negotiated with the Service Employees International Union (SEIU) and the Teamsters applicable solely to part-time employees.
 5. ANAHEIM shall not outsource any line of work performed by any AMEA-represented employees during the term of this agreement. This provision shall not be precedent setting for any purpose and shall not be applicable in the event the City encounters a catastrophic fiscal emergency. This provision shall terminate effective the 3rd day of January, 2014.
 6. ANAHEIM shall not lay off any AMEA-represented employee during the term of this agreement. This provision shall not be precedent setting for any purpose and shall not be applicable in the event the City encounters a catastrophic fiscal emergency. This provision shall terminate effective the 3rd day of January, 2014.
 7. Article 64 DURATION is amended to read:

64.1 The terms of this Memorandum of Understanding are to remain in full force and effect until the 4th day of January, 2014. Upon adoption of a resolution approving this Memorandum and the terms hereof by the City Council of the City of Anaheim, this Memorandum shall be in full force and effect as of the 8th day of January, 2010."

All other terms and conditions of the Memorandum of Understanding between the Parties dated January 8, 2010 through July 7, 2011, as extended, shall remain in full force and effect.

**STAFF OFFICIALS of the CITY OF ANAHEIM,
a Municipal Corporation**

By: [Signature]

By: [Signature]

By: _____

By: _____

By: _____

By: _____

By: _____

By: _____

Dated: 5-25-12

**ANAHEIM MUNICIPAL EMPLOYEES
ASSOCIATION, General Employees**

By: [Signature]

By: [Signature]

By: [Signature]

By: Margaret Hunter

By: Jessica Banerjee

By: _____

By: _____

By: _____

Dated: 5-24-12