

**SIDE LETTER TO THE AFSCME COUNCIL 57 LOCAL 146-AFL-CIO
GENERAL SERVICES UNIT MOU**

May 2011

- A. The City of Lodi and the AFSCME Council 57 Local 146-AFL-CIO General Services Unit currently operate under a Memorandum of Understanding effective July 1, 2008 through December 31, 2010 and extended by Addendum dated June 2010 through December 31, 2011.
- B. This Addendum is entered for the purpose of addressing the continued significant budget crisis caused by the current economic downturn.

For the above reasons the parties agree that members of the bargaining group will:

Article I: Salary:

Add new sentences at the end of Article I as follows: Bargaining unit members agree to accept one fixed unpaid furlough day per month from July 1, 2011 through June 30, 2012. Fixed furlough days shall be scheduled by the City on the last Friday of the month except the November furlough date will be Wednesday November 23, 2011 that fits with the City's 9/80 and holiday schedule. Bargaining Unit Members also agree to accept six (6) unpaid floating furlough days from July 1, 2011 through June 30, 2012. Floating furlough days that are not used by June 30, 2012 will be forfeited. Fixed and Floating furlough leave shall be deducted from bargaining unit members salary in equal amounts (5.54 hours) over 26 pay periods.

Article IV: Deferred Compensation:

Add a new Section 4.2 as follows: However, Bargaining Unit Members agree to forego all deferred compensation matches they would otherwise be entitled to between the pay periods in which July 1, 2011 and June 30, 2012 fall.

Article XXV: Retirement:

Add a new sentence at the end of paragraph 25.2 as follows:

"However, between the pay periods in which July 11, 2011 and July 8, 2012 fall Employee's 7% will be paid both by Bargaining Unit Members (1%) and by City (6%)."

Notwithstanding any other provisions applicable to the employee from any other source, the employee is responsible for the one percent (1%) employee share of their CalPERS retirement benefit. City will take actions necessary to make employees' PERS payment pre-tax."

Article XIV: Medical Insurance:

Add 24.6: Employer will contribute the full cost (minus the Employee's Share) of the lowest cost PERS HMO Medical Plan available to employees in San Joaquin County (excluding Porac) toward Employee's selected PERS health care provider between the pay periods in which January 1, 2012 through June 30, 2012 fall. The lowest cost medical plan will be the lowest cost plan as of January 2012 for Employee's coverage category of: 1) employee, 2) employee plus one, or 3) family. If Employee selects a higher cost plan, Employee will pay the difference (and the Employee's Share) as a payroll deduction. The Employee's Share shall be \$0.00 for the employee only coverage category, \$80.00 per month for employee plus one and \$104.00 per month for family.

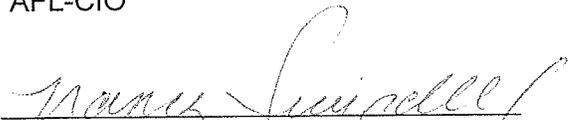
This Addendum shall not become effective until approved by the Lodi City Council.

CITY OF LODI,
a municipal corporation

AFSCME COUNCIL 57 LOCAL 146
AFL-CIO



KONRADT BARTLAM
City Manager



NANCY SWINDELL
Business Agent

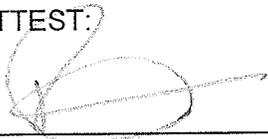


DEAN GUALCO
HR Manager



SHERRY MOROZ
President

ATTEST:



RANDI JOHL, J.D., City Clerk

APPROVED AS TO FORM:



D. STEPHEN SCHWABAUER
City Attorney