HIGHLIGHTS OF TENTATIVE AGREEMENT FOR FY 2013 WITH MEA NEGOTIATING TEAM'S RECOMMENDATION: VOTE YES

The City and your elected MEA Negotiating Team, including MEA's labor attorney Ann M. Smith and MEA's General Manager Mike Zucchet, strongly recommend a YES VOTE ratifying the terms of the One-Year Tentative Agreement ("TA") reached with the City's Management Team. The City Council approved this TA in closed session on April 10, 2012. If the MEA Membership ratifies this TA, it will be presented in written form with an accompanying Resolution for the City Council's formal adoption in open session. Negotiations will begin again in early spring for a new MOU for FY 2014.

At the time of this writing, AFSCME Local 127, San Diego City Firefighters Local 145, San Diego Police Officers Association and Teamsters Local 911 have also reached Tentative Agreements with *no better* economic terms than MEA's – in fact, none of these other unions have a furlough program in place as MEA does to give employees the "benefit" (at least) of *time-off* in exchange for *reduced pay*. [Also see attached Article 4, Section 5, "Me Too Clause."]

As you know from MEA's prior communications, this TA is no cause for celebration and your Negotiating Team does not pretend otherwise. It does not regain for you the compensation you and your families have sacrificed over the past three fiscal years – even though we all recognize that your economic sacrifices have led, in part, to the Mayor's recent announcement that the City's decades-old structural budget deficit is over. Despite the modest budget "surplus," the City explains its unwillingness to give back *your* "take away" dollars during fiscal year 2013 by underscoring ongoing revenue uncertainties – as well as the big price tag associated with restoring compensation cuts across-the-board to *all* City employees. The bottom line of these negotiations was simply that the Council votes were not there to force the Mayor to give more at the bargaining table. Accordingly, your Team has reached a Tentative Agreement on the best achievable terms while recognizing that any impasse hearing would result in something worse. Here are the highlights:

- ✓ Furlough or Pay Deduction <u>No SPSP Waiver Available</u>. All full-time MEA-represented employees must take the 52 hours of unpaid furlough except hourly employees who will continue to have a 3% pay reduction. The SPSP waiver is *no longer an option* in view of the tax issues which the City discovered during the term of the current MOU.
- ✓ 16 Hours of Discretionary Leave Every MEA-represented full-time employee will have an extra 16 hours of discretionary leave available to use in the same manner as annual leave. Three-quarter time employees will have 12 hours and part-time employees will have eight hours. This is a one-time benefit and these hours must be used during FY 2013 or be forfeited.
- ✓ No Change to DROP During FY 2013 The re-opener re DROP preserves MEA's legal arguments related to DROP.
 - **✓** No Change to Your Flexible Benefits Plan Dollar Value.

See attached Details re Other Changes/Additions – including a number of language changes in the non-economic provisions of MEA's MOU which strengthen employee rights and MEA's ability to be an effective employee advocate. There is also a change in Holiday Pay for Dispatchers when Christmas, New Year's Day or July 4th fall on a Saturday or a Sunday.