

**LETTER OF AGREEMENT**

**by and between**

**MUNICIPALITY OF ANCHORAGE (MOA)**

**and the**

**ANCHORAGE POLICE DEPARTMENT EMPLOYEES ASSOCIATION (APDEA)**

**Subject: Wages and Contract Extension**

**Number: APDEA - 004**

The Municipality of Anchorage has a significant budget shortfall for fiscal year 2009. The MOA and APDEA have worked collaboratively to assist in reducing the budget shortage and have agreed to the following changes to their collective bargaining agreement.

**A. 2009 Wage Concessions**

The following is new language:

**Article XV, Section 5.B(i)**

Effective the first full pay period after the Assembly approves this agreement the three percent (3%) increase contained in Section 5.B will be prospectively rolled back.

**Article XV, Section 5.B(ii)**

Any employee who retires prior to January 5, 2014 will receive the rollback retroactively from the effective date (from the first full pay period after the Assembly approves this agreement). Employees who provide a written 30 day notice of intent to retire shall receive their retroactive payment in the pay period prior to their retirement. Employees who provide less notice will receive the retroactive payment in their final pay check. Retroactive payment percentages will be as follows:

2009 - 2011 retroactive payment will be three percent (3%)

2012 retroactive payment will be two percent (2%)

2013 retroactive payment will be one percent (1%)

The following will replace Article XV, Section 5(E) language:

Effective the first full pay period nearest to January 1, 2012, all pay scales shall be increased across-the-board by the average annual rate of increase of the Anchorage CPI-U over the previous five years, as measured by the First Half indices for each of the five years, with a minimum increase of 2.9% and a maximum increase of 4.5%, plus an additional one percent (1%).

**Exhibit A**

The following will replace Article XV, Section 5(F) language:

Effective the first full pay period nearest to January 1, 2013, all pay scales shall be increased across-the-board by the average annual rate of increase of the Anchorage CPI-U over the previous five years, as measured by the First Half indices for each of the five years, with a minimum increase of 2.9% and a maximum increase of 4.5%, plus an additional one percent (1%).

The following is new language Article XV, Section 5(J) language:

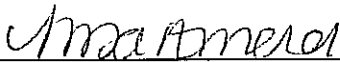
The Union shall have the option to require the contract be "opened" for the sole purpose of negotiating an increase in wages for the period January 1 to December 31, 2014. If the Union elects to exercise this option, it shall give at least ninety (90) days written notice to the Municipality prior to December 31, 2013.

The following will replace Article XXVIII, Section 1


This agreement shall become effective upon the date of mutual ratification by the parties and shall remain in effect until December 31, 2014

IN WITNESS WHEREOF, this Agreement is entered into freely and voluntarily by the signatures of the parties below.

FOR THE MOA

 5/15/09  
Lisa Arnold Date  
Acting Employee Relations Director

FOR THE APDEA

 5/15/09  
Derek Hsieh Date  
President, APDEA