

Memorandum of Understanding

Reference: Article 18 - Wages, as applied to DROP Participants.

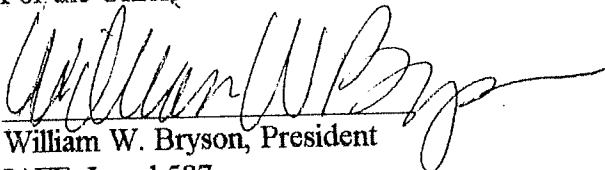
The undersigned parties to this Memorandum of Understanding agree to the following concerning Article 18 (Wages), Section 4 of the Collective Bargaining Agreement effective October 1, 1995 through September 30, 1998:

1. Employees who participate in the Deferred Retirement Option Program (DROP) shall upon retirement (entering the DROP) receive a retroactive salary increase of five percent (5%) for the employee's last or highest one (1) year's salary.
2. The retroactive increase shall be paid to the employee in the form of a lump sum payment on the first full pay period following entering the DROP.
3. The retroactive increase shall not be applicable to overtime
4. The five percent (5%) salary increase shall be for the one (1) year only and shall not apply to salary earned after the employee has entered the DROP.
5. Upon the DROP participant's employment ceasing with the City, the five percent (5%) salary increase shall be reflected in the hourly pay rate for the purpose of calculating leave balance payoffs.


Date

9/28/95

For the Union


William W. Bryson, President
IAFF, Local 587

For the City


Sue R. Weller
Labor Relations Officer