

LETTER OF UNDERSTANDING
between the
INTERNATIONAL BROTHERHOOD of ELECTRICAL WORKERS, Local 47
and the
CITY OF ANAHEIM

The International Brotherhood of Electrical Workers, Local 47 (UNION), and the City of Anaheim (ANAHEIM) have met and conferred, and reached agreement concerning ANAHEIM's contributions towards medical premium costs for calendar year 2008. This agreement is necessary because the Joint Committee on Medical Programs recommends, and the Human Resources Director concurs, that the Blue Shield plan be cancelled effective January 1, 2008, and be replaced by Aetna Health Plans. The Parties hereby agree to the following:

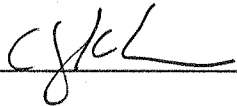
1. Effective January 1, 2008, ANAHEIM and employee monthly contributions to the various Aetna Health Plan components shall be:

| Plan/Tier | City Contributions | Employee Contributions | Total Monthly Premium |
|-----------------------------|--------------------|------------------------|-----------------------|
| AETNA HMO - Single | \$340.39 | \$17.62 | \$358.01 |
| AETNA HMO - Two Party | \$682.98 | \$33.04 | \$716.02 |
| AETNA HMO - Family | \$962.84 | \$50.32 | \$1,013.16 |
| AETNA PPO - Single | \$346.58 | \$124.20 | \$470.78 |
| AETNA PPO - Two Party | \$684.36 | \$257.20 | \$941.56 |
| AETNA PPO - Family | \$962.59 | \$369.72 | \$1,332.31 |
| AETNA High Ded. - Single | \$340.39 | \$82.78 | \$423.17 |
| AETNA High Ded. - Two Party | \$677.03 | \$169.30 | \$846.33 |
| AETNA High Ded. - Family | \$952.58 | \$244.98 | \$1,197.56 |

2. Effective January 1, 2009 and thereafter, ANAHEIM and employee contributions towards the cost of the Aetna Health plans shall be calculated in accordance with Article 62.2.1 of the Memorandum of Understanding between the Parties dated January 28, 2005 through January 7, 2010.

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

**INTERNATIONAL BROTHERHOOD of
ELECTRICAL WORKERS. Local 47**

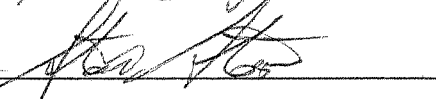
By: 

By: 

By: _____

By: 

By: _____

By: 

Dated: 7-30-07

Dated: July 27, 2007