

## **MEMORANDUM OF AGREEMENT**

### **I The Parties**

The Parties to this Memorandum of Agreement (MOA) are Multnomah County, Oregon, hereinafter referred to as the County, and the Multnomah County Corrections Deputy Association, hereinafter referred to as the Association.

### **II Background**

In January 2009 the Association approached the County with the request that one percent (1%) of each employee's hourly rate be contributed to each employee's individual HRA-VEBA account. The parties accordingly signed a Memorandum of Agreement. The conversion of wages to benefits reduced each employee's hourly rate by one percent (1%). The conversion of one percent (1%) of wages to benefits was applied to the compensation calculation of base wages (plus applicable incentive and longevity) for each payroll period since initiation on February 1, 2009. The Parties agreed that this HRA-VEBA contribution process would remain in place unless otherwise modified by mutual agreement.

On June 10, 2009, the parties mutually agreed to terminate the HRA-VEBA MOA.

In 2012 Association approached the County to reinstate the HRA-VEBA program for its members. The parties have agreed as follows.

### **III Terms of Agreement**

1. The County agrees to convert the equivalent of one percent (1%) of each employee's total hourly rate and contribute that amount into each employee's individual HRA-VEBA account each pay period beginning on January 1, 2013. The conversion of one percent (1%) of wages to benefits shall be applied to the compensation calculation of base wages (plus applicable incentive and longevity) for each payroll period. Overtime wages shall also be subject to this conversion. The result will be that one percent (1%) will vary in terms of the actual dollar amount based upon the number of hours worked and any increases in compensation in the base hourly wage, either as a step increase or subsequent COLA increase.

**Example: Step 6 Corrections Officer**

|  |   |           |
|--|---|-----------|
| FY 2013 Step 6 base hourly rate (per CBA)                                  | = | \$ 32.13  |
| Incentive Pay at seven percent (7%)  | = | + \$ 2.25 |
| <u>Longevity Pay at two and one-half percent (2.5% x Base + Incentive)</u> | = | + \$ 0.86 |
| Pre-Conversion hourly pay rate   | = | \$ 35.24  |
| <u>HRA-VEBA contribution (1% of hourly rate)</u>                           | = | - \$ 0.35 |
| Post-Conversion hourly rate - paid as wages                                | = | \$ 34.89  |

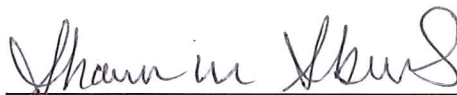
2. Upon implementation of this MOA, each bargaining unit member's hourly rate will be reduced by one percent (1%) for each payroll period as illustrated in the example above.
3. The one percent (1%) conversion amount will be considered and identified as an employer paid benefit and will not be subject to PERS contributions or benefits.
4. The HRA contribution process described above will remain in place for the duration of this agreement unless the parties mutually agree otherwise.
5. Notwithstanding paragraph 4, above, if circumstances outside the control of the parties substantively impairs the ability of the County to make the salary conversion and HRA-VEBA contributions as described above (e.g., a change in law or administrative rule), this Agreement may be voided by the County, at which time the status quo as reflected in the parties' current collective bargaining agreement will be restored.


This MOA was agreed to this date November 6, 2012, and will expire upon ratification and implementation of a successor contract to the 2010-2017 collective bargaining agreement.

For the County:

  
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Jeff Heinrich  
Labor Relations Manager  
Multnomah County

For the Association:

  
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Shawn Skeels, President  
MCCDA

  
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Doug Hewitt,  
Executive Vice President  
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