

## Exhibit "A"

MEMORANDUM OF AGREEMENT

Modification to Agreement between the City of Portland (City) and the Portland Fire Fighters (PFFA) for the Period July 1, 1999 through June 30, 2002

1. Representatives of the City and the PFFA agreed upon certain terms and conditions of employment for employees in the PFFA bargaining unit.
2. The terms and conditions were been reduced to a Labor Agreement that has been executed by the City and the Association.
3. The City and the Association have agreed to changes in Article XXX, VEBA in order to ensure compliance with applicable IRS codes and regulations.
4. The revised terms and conditions of Article XXX, VEBA have been reduced to an Agreement that should be executed by the City and the Association.

**For the Portland Fire Fighters Association:**

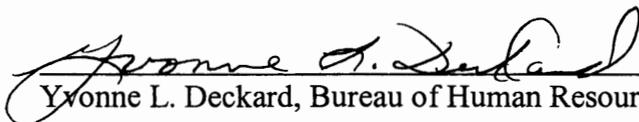


Tom Chamberlain, President

6-19-01

Date

**For the City of Portland:**



Yvonne L. Deckard, Bureau of Human Resources Director

6/20/01

Date

**Approved as to Form:**



Rudy Westerband, Sr. Deputy city Attorney

J. SCOTT MOEDE

6-20-2001

Date

ARTICLE XXX  
VOLUNTARY EMPLOYEE BENEFICIARY ASSOCIATION (VEBA)

XXX.1 The City shall allow employees who are covered by the Fire and Police Disability and Retirement Fund (hereinafter referred to as the Fund) to participate in a Voluntary Employee Benefit Association (VEBA), hereinafter known and referred to as the MSA VEBA.

- A. For every employee who is covered under the Fund, the City shall, upon that employee's retirement, deposit into the MSA VEBA account of the officer covered by the Fund a maximum of 100.0% of the unused sick leave which is eligible to be cashed out under Article 11 at the time of the employee's retirement, a maximum of 100% of vacation leave which is eligible to be cashed out under Article 10 at the time of the employee's retirement, and a maximum of 100% of compensatory time off which is eligible to be cashed out under Article 9 of this Agreement.
- B. The percentage of unused sick leave, vacation and compensatory time to be deposited into the MSA VEBA upon retirement of an employee under Section A above shall be established by the Association no later than June 1 of the year prior to retirement. The amount established will be documented in writing on a form specified for that purpose. The documentation shall specify what portion of unused sick, vacation or compensatory time shall be deposited into an employee's account in the MSA VEBA. Should no selection be made by June 1 of the year prior to retirement, 100% of all unused sick, vacation, and compensatory time shall be deposited into a retiring employee's account in the MSA VEBA.
- C. The Association may make contributions to the Plan or Plans on behalf of its members. In addition, individual members may make contributions to the Plan or Plans.
- D. If at any time during the operation of the Plan or Plans it is determined that (1) deposits may not be made on a pre-tax basis or (2) that plan earnings are not tax-exempt or (3) payments from the Plan or Plans are not tax exempt or if participation in the Plan or Plans or operation of the Plan or Plans is in violation of any federal or state law or regulation, then in that event the parties agree to negotiate a substitute provision in order to carry out the original intention of the Agreement.
- E. In order to participate in the Plan or Plans described above; each individual employee will be required to sign a waiver agreement acceptable to the City and the Association.

**ORDINANCE NO. 175731**

- \* Authorize an amendment to the labor agreement between the City and the Portland Fire Fighters Association relating to terms and conditions of employment of represented personnel. (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. Representatives of the City and the PFFA agreed upon certain terms and conditions of employment for employees in the PFFA bargaining unit.
2. In ordinance number 175387 passed by Council on March 7, 2001, the new agreement was ratified.
3. The City and the Association have agreed to changes in Article 27, VEBA in order to ensure compliance with applicable IRS codes and regulations.
4. The revised terms and conditions of Article 27, VEBA have been reduced to an Agreement which the Mayor and Auditor should be authorized to execute.

NOW, THEREFORE, the Council directs:

- a. The Mayor and Auditor are authorized to execute an amendment to the Labor Agreement between the City and the PFFA relating to terms and conditions of employment of represented employees in the Bureau of Fire, Rescue & Emergency Services.
- b. Said amendment to conform to the provisions in the Memorandum of Agreement attached to this Ordinance marked Exhibit "A" which by this reference is made a part hereof.

Section 2. The Council declares that an emergency exists because delay would unnecessarily delay the orderly implementation of the provisions of the Labor Agreement; therefore, this Ordinance shall be in force and effect from and after its passage by the Council.

**Passed by Council: JUL 0 5 2001**

Mayor Vera Katz  
Yvonne L. Deckard  
June 20, 2001

**GARY BLACKMER**

Auditor of the City of Portland

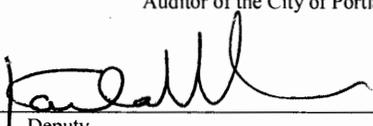
By *Susan Parsons*  
**DEPUTY**

Agenda No.

**ORDINANCE NO. 175731**

Title

\* Authorize an amendment to the labor agreement between the City and the Portland Fire Fighters Association relating to terms and conditions of employment of represented personnel. (Ordinance)

INTRODUCED BY	DATE FILED: <b>JUN 29 2001</b>
Mayor Vera Katz	Gary Blackmer Auditor of the City of Portland
NOTED BY COMMISSIONER	By:  Deputy  For Meeting of: _____  <b>ACTION TAKEN:</b>
Affairs	
Finance and Administration <i>Vera Katz / TKS</i>	
Safety	
Utilities	
Works	
BUREAU APPROVAL	
Bureau: Office of Management and Finance - Bureau of Human Resources	
Prepared by: David Shaif on behalf of Yvonne L. Deckard <i>YLD</i> Date: 06/20/2001	
Budget Impact Review: <input type="checkbox"/> Completed <input checked="" type="checkbox"/> Not Required	
Bureau Head: Timothy Grewe, Chief Administrative Officer Office of Management and Finance <i>Tom Grewe</i>	

AGENDA	FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
		YEAS	NAYS
Consent <input checked="" type="checkbox"/> Regular	Francesconi	✓	
NOTED BY	Hales	✓	
City Attorney	Saltzman	✓	
City Auditor	Sten	—	
City Engineer	Katz	✓	