LETTER OF AGREEMENT (Revision to Article 35.G)

183638

<u>Parties</u>

The parties to this Letter of Agreement are: the City of Portland, by and through its Bureau of Human Resources (hereinafter "City"), and the Portland Police Commanding Officers Association (hereinafter "PPCOA"). This agreement amends Article 35.G of the parties' collective bargaining agreement (hereinafter "CBA") for the period July 1, 2006 - June 30, 2010.

Recitals

- 1. The parties have agreed, by and through Article 35 of their CBA to allow PPCOA members to participate in a Plan(s) which is defined to include a Voluntary Employee Beneficiary Association (hereinafter "VEBA"), a Section 457 plan or any other form of non-qualified deferred compensation program.
- 2. As referenced in Article 35.B, the PPCOA VEBA and Portland Police Association entered into a merger agreement, thereby establishing a retirement medical trust (hereinafter "PPA VEBA Trust").
- 3. The PPA VEBA Trust is funded through the mechanisms set out in Article 35 of the parties' CBA. The parties wish to alter the contribution amount agreed to in their CBA.

Agreement

- 1. Effective upon the date this Letter of Agreement is approved by City Council, Article 35.G shall be amended to provide that "the City shall withhold Two Percent (2 %) of Top Step Lieutenant wage from each individual commanding officer's gross wages per pay period. This amount shall be contributed on the commanding officer's behalf to the PPA VEBA Trust each pay period or monthly, the interval to be determined by the City. The withholding shall be made on a pre-tax basis."
- 2. All other provisions of Article 35 of the parties' CBA shall remain in full force and effect, including but not limited to the provision that 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.

For the City of Portland

For the Portland Police Commanding Off. Assoc.

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Date

Approved as to form:

Deputy City Attorney

Date