

By Ordinance No. _____

(_____, 2016)

AMENDMENT

TO

FIRE AND POLICE DISABILITY, RETIREMENT AND DEATH BENEFIT PLAN

Pursuant to authority granted to the City Council of Portland under Chapter 5 of the Charter of the City of Portland, as amended (the "Plan"), the Plan is hereby amended by ordinance of the City Council to provide additional benefits to members of the Portland Firefighters Association (PFFA) and Portland Police Commanding Officers Association (PPCOA) for good faith compliance with the requirements of the Arbitrator's Opinion and Award of October 19, 2016. This amendment is retroactively effective to January 1, 2013 for those members of PFFA and PPCOA at the time of their retirement, termination or preretirement death, until such time as the inclusion of 12 months of pay in the Final Pay calculation as described in Section 1. (b) 1. below is disavowed or otherwise modified in a subsequent collective bargaining agreement with PFFA and PPCOA.

1. Article 3 (FPDR Two and Three Benefits), Section 5-303, subsection (b) is deleted in its entirety and replaced with the following in good faith reliance on the requirements of the Arbitrator's Opinion and Award of October 19, 2016 regarding the PFFA's and PPCOA's FPDR Pension Benefits Grievances

(b) Final Pay. As used in this Chapter, Final Pay means:

- 1. For members of the Portland Police Association, the Portland Firefighters Association and the Portland Police Commanding Officers Association: the greater amount of subparagraphs a or b:
 - a. The highest Base Pay received by the FPDR Two Member during any of the three consecutive 12-month periods preceding the calendar month in which the FPDR Two Member retires, dies, or otherwise terminates employment with the Bureau of Fire or Police.

Final Pay for any such period does not include any retroactive payments received by the Member for days preceding such 12-month period but does include adjustments to the Base Pay of the FPDR Two Member's position in the Bureau of Fire or Police that would have been received had the Member's applicable collective bargaining agreement been in effect during such 12-month period.

Final Pay for any FPDR Two Member who retires, dies or otherwise terminates employment with the Bureau of Fire or Police and has either received FPDR disability benefits or who was employed in a part-time

status by the Bureau of Fire or Police during any such 12-month period shall be based on the Base Pay for a full-time employee in the FPDR Two Member's position in the Bureau of Fire or Police at the time of retirement, death or termination from employment.

- b. The highest Base Pay received by the FPDR Two Member for any of the three consecutive 365-day, or 366-day in a leap year, periods where the most recent day is the last day for which pay was received in the calendar month preceding the calendar month in which the FPDR Two Member retires, dies, or otherwise terminates employment with the Bureau of Fire or Police.

Final Pay for any such period does not include any retroactive payments received by the Member for days preceding such 365-day or 366-day period but does include adjustments to the Base Pay of the FPDR Two Member's position in the Bureau of Fire or Police that would have been received had the Member's applicable collective bargaining agreement been in effect during such 365-day or 366-day period.

Final Pay for any FPDR Two Member who retires, dies or otherwise terminates employment with the Bureau of Fire or Police and has either received FPDR disability benefits or who was employed in a part-time status by the Bureau of Fire or Police during any such 365-day or 366-day period shall be based on the Base Pay for a full-time employee in the FPDR Two Member's position in the Bureau of Fire or Police at the time of retirement, death or termination from employment.

2. For FPDR Two Members who are not members of a collective bargaining unit subject to the Arbitrator's Opinion and Awards of March 16, 2016 or October 19, 2016 :

The highest Base Pay received by the FPDR Two Member for any of the three consecutive 365-day, or 366-day in a leap year, periods where the most recent day is the last day for which pay was received in the calendar month preceding the calendar month in which the FPDR Two Member retires, dies, or otherwise terminates employment with the Bureau of Fire or Police.

Final Pay for any such period does not include any retroactive payments received by the Member for days preceding such 365-day or 366-day period but does include adjustments to the Base Pay of the FPDR Two Member's position in the Bureau of Fire or Police that would have been received had the Member's applicable collective bargaining agreement been in effect during such 365-day or 366-day period.

Final Pay for any FPDR Two Member who retires, dies or otherwise

terminates employment with the Bureau of Fire or Police and has either received FPDR disability benefits or who was employed in a part-time status by the Bureau of Fire or Police during any such 365-day or 366-day period shall be based on the Base Pay for a full-time employee in the FPDR Two Member's position in the Bureau of Fire or Police at the time of retirement, death or termination from employment.