

AFSCME Counter Proposal
October 22, 2024

Placeholder New Article VEBA

The City agrees to create a Labor Management workgroup to explore a Voluntary Employee Beneficiary Association (VEBA) for employees covered by the ~~DCU~~ AFSCME 189.

The City shall allow ~~DCU~~ AFSCME 189 members to participate in a Plan(s) which is defined to include a Voluntary Employee Beneficiary Association (VEBA), a Section 457 plan or any other form of non-qualified deferred compensation program.

The Union will be responsible for the administration and management of the VEBA.

The City shall ~~withhold X amount~~ contribute one percent (1%) of each individual ~~DCU~~ AFSCME 189 member's gross wages per pay period. This amount shall be contributed on the member's behalf to the VEBA each pay period or monthly, the interval to be determined by the City. The contribution ~~withholding~~ shall be made on a pre-tax basis.

Sick Leave Utilization Upon Retirement. The City agrees to convert sick leave pay, upon retirement to a PERS supplement, as contemplated by ORS 238.350, to the extent allowed by law. 13.21 Unused Sick Leave Upon Retirement. This provision applies to PERS Tier 1/ Tier 2 employees. For such employees, because the sick leave credit under this provision is merely a match, it will not require sick leave to be used in exchange for VEBA credits and consequently will not reduce the number of hours that the City reports to PERS as unused sick hours upon retirement under

Further, this provision applies to PERS Tier 3/OPSRP employees. An employee who has accumulated sick leave at the time of retirement shall receive a match in an amount equal to thirty percent (30%) of the first four hundred and eighty (480) hours of such accumulated sick leave, fifty percent (50%) of the second four hundred and eighty (480) hours, and seventy percent (70%) of all accumulated sick leave in excess of nine hundred and sixty (960) hours up to a maximum of 2,080 hours. The cash value of such a match will be calculated on the basis of the member's pay rate at the time of retirement.

Participation is mandatory for all bargaining unit members.