



## MEMORANDUM OF UNDERSTANDING

### Insurance Benefits under Article 21, Section 4

This Memorandum of Understanding (“MOU”) is entered into by and between Deschutes County (the “County”), and The American Federation of State, County and Municipal Employees Local 3997 (“AFSCME”) (the “Parties”). The County and AFSCME are parties to the *Agreement between Deschutes County and The American Federal of State, County and Municipal Employees Local 3997: July 1, 2021 – June 30, 2025*, a collective bargaining agreement (“Agreement”). The Parties enter into this MOU to establish a mutually-agreeable interpretation of a specific provision within the first paragraph of the Agreement’s Article 21, Section 4 governing when the County provides insurance benefits to retired AFSCME members.

The Parties agree as follows:

1. The first paragraph of Article 21, Section 4 of the Agreement states the following (emphasis added):

“The County will provide insurance benefits at the same level and under the same conditions as a regular full-time employee, to retired County employees collecting PERS who have worked for the County for thirty (30) years or more on a full-time basis.” This benefit will be provided until the employee reaches the age of sixty-five (65), or until eligible for Medicare.

The Agreement does not define or otherwise make clear how to interpret and apply the above term “full-time basis” in the context of the first paragraph of Article 21, Section 4.

2. In the past, the term “full-time basis” as it appears in the first paragraph of Article 21, Section 4 was mutually interpreted by the Parties to be synonymous with the proceeding term in the same sentence, “regular full-time employee.” The result of that interpretation was that any period of time that an AFSCME member was employed by the County in a non-regular status, for example, as an “on-call” employee, did not count towards the thirty years necessary for the County to provide insurance benefits.
3. Going forward, the term “full-time basis” as it appears in the first paragraph of Article 21, Section 4 shall be interpreted more broadly to include any month when an AFCME member employed by the County in a non-regular status worked an equivalent or greater number of hours when compared to regular full-time employees. Specifically, the Parties agree if the number of hours worked for the County in a given month by a non-regular status AFSCME member equaled or exceeded the number of hours considered by the County at that time to constitute full-time employment, then that month shall count towards the 30 years (or 360 months) required to then receive County-provided insurance benefits at retirement. Correspondingly, if the number of hours worked for the County in a given month by a non-regular status AFSCME member were less than the number of hours considered by the County at that time to constitute full-time employment, then that month shall not count towards the 30 years nor shall that month be pro-rated.
4. The above interpretation shall be limited to the “full-time basis” term as it appears in the first paragraph of Article 21, Section 4 and as it applies to AFSCME members employed by the County in a non-regular status. That interpretation shall not alter the interpretation or application of any other term in the Agreement, nor shall that interpretation apply to AFSCME members employed by the County on a regular part-time basis.
5. The calculation period for determining “full-time basis” as it appears in the first paragraph of Article 21, Section 4 shall be monthly.

6. This MOU shall not be applied retroactively. As such, the mutually-agreeable interpretation of Article 21, Section 4 issued herein shall only apply to AFSCME members who retire after both Parties have executed this MOU.
7. Should any provision or provisions of this MOU be construed by a court of competent jurisdiction to be void, invalid or unenforceable, such construction shall affect only the provision of provisions so construed, and shall not affect, impair or invalidate any of the other provisions of this MOU which shall remain in full force and effect.
8. The provisions of this MOU are contractual and are not mere recitals. All terms, provisions and conditions of the MOU shall be binding upon and inure to the benefit of the parties and to their respective heirs, executors, administrators, agents, representatives, successors and assigns.
9. This MOU shall be governed by and interpreted in accordance with the laws of the State of Oregon.
10. This MOU may be executed in two or more counterparts, each of which together shall be deemed an original, but all of which together shall constitute one and the same instrument. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file or a similar format, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page is original thereof.
11. Any dispute concerning the terms and conditions of this MOU brought by the County or AFSCME on behalf of its represented employees will be resolved under the terms of Article 7 (Grievance Procedure) of the Agreement.
12. Except and unless specifically modified by this MOU, all terms and conditions of the Agreement shall remain in effect. To the extent any of the terms of this MOU conflict with those in the Agreement, the terms and conditions of this MOU shall prevail for so long as it is in effect.
13. The Parties acknowledge that they have had the opportunity to consult with their own legal counsel before signing and that they have either consulted with their own legal counsel regarding the terms and consequences of this MOU or have voluntarily elected not to consult with an attorney before signing.

**BY SIGNING BELOW, EACH OF THE PARTIES ACKNOWLEDGE THAT THEY HAVE READ THIS TWO-PAGE MEMORANDUM OF UNDERSTANDING, THEY UNDERSTAND AND AGREE TO ITS TERMS AND THE CONSEQUENCES THEREOF, AND THAT THEY HAVE SIGNED IT KNOWINGLY AND VOLUNTARILY.**

Dated: 4.14.2022

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For **AFSCME**:

For the **COUNTY**:

Signature: Brenda Johnson

Signature: Nick Lelack

Name: Brenda Johnson

Nick Lelack, County Administrator

Title: AFSCME Council Rep