

MEMORANDUM OF UNDERSTANDING (MOU) #2011-02

**BETWEEN
AFSCME, OHIO COUNCIL 8, LOCAL 1632
AND THE CITY OF COLUMBUS**

Regarding Employee Contributions to the Ohio Public Employees Retirement System

In order to implement recent changes to Section 26.2 as agreed to in the Tentative Agreement dated March 1, 2011, between AFSCME, Ohio Council 8, Local 1632 and the City of Columbus, it is necessary to amend the subject Tentative Agreement and subsequent Collective Bargaining Agreement, April 1, 2011 – March 31, 2014. Section 26.2 is hereby modified as follows:

Section 26.2. Contributions to the Public Employees Retirement System of Ohio.

- (A) The term "earned compensation" shall mean any and all monies earned by an employee from the City of Columbus, for which there is a pension contribution.
- (B) Salary Reduction Employer Pick-up means the employee pays the retirement contributions and the employee's contributions are tax deferred. Fringe Benefit Employer Pickup means the employer pays the retirement contributions. Both types of pick-up are used in this Section 26.2(B).

For all full-time employees hired prior to May 15, 2011:

| <u>Effective Date</u> | <u>Fringe Benefit</u> | <u>Salary Reduction</u> |
|-----------------------|-----------------------|-------------------------|
| May 15, 2011 | 9% | 1% |
| April 1, 2012 | 8% | 2% |
| April 1, 2013 | 7% | 3% |

For all full-time employees hired on or after May 15, 2011:

| <u>Effective Date</u> | <u>Fringe Benefit</u> | <u>Salary Reduction</u> |
|-----------------------|-----------------------|-------------------------|
| May 15, 2011 | 0% | 10% |

For all part-time employees:

| <u>Effective Date</u> | <u>Fringe Benefit</u> | <u>Paid by Employee</u> |
|-----------------------|-----------------------|-------------------------|
| Continuing in effect | 6% | 4% |

Any remaining portion of the full-time employee contribution shall be paid by the employee. This contribution is a salary reduction employer pick-up and is tax deferred.

The provisions of Section 26.2 shall not apply to any employee hired (first day of employment) by the City on or after May 15, 2011, or as soon as practicable thereafter, into a classification in the bargaining unit; and such employee will be responsible for paying the full employee contribution to the Ohio Public Employees Retirement System. Transfers within the City

Memorandum of Understanding #2011-02


City-AFSCME Local 1632

Page Two

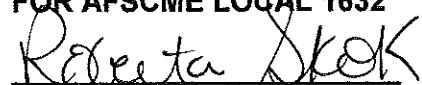
and employment status changes (without a break in service) are exceptions to this provision. This contribution is a salary reduction employer pick-up and is tax deferred.

- (C) The City shall, in reporting and making remittances to the Ohio Public Employee Retirement System, report that each employee's contribution has been made as provided by statute and separate ordinances as required and as passed by City Council.
- (D) If, at any time, the Ohio Public Employee Retirement System reduces the employee contribution to an amount less than ten percent (10%), the City's obligation shall be reduced accordingly with no further requirement to adjust employees' compensation.


All other provisions of the Contract apply.

FOR THE CITY:

Chester C. Christie, Director
Department of Human Resources

4/25/11
Date

FOR AFSCME LOCAL 1632

Roberta Skok
Regional Director
AFSCME, Ohio Council 8

4/25/11
Date


Douglas C. Moore, President
AFSCME Local 1632

4/22/2011
Date