

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. 99-40

Salary adjustments and payment of health benefits for employees not covered by collective bargaining agreements.

The Multnomah County Board of Commissioners Finds:

- a. Multnomah County (County) employs individuals not covered by any collective bargaining agreement (exempt employees).
- b. The Multnomah County Board of Commissioners (Board) adopted County compensation policy in MCC 9.202.
- c. Certain exempt employees work as elected officials' staff and the elected officials set their pay.
- d. County authorized the employee benefits board to modify health and welfare benefits for exempt classified and unclassified County employees.
- e. The Board adopts total compensation for exempt employees' salaries and health and welfare benefits in FY 99-00 and 00-01. This is consistent with the 1998-2001 agreement between the County and AFSCME Local 88.
- f. Based on total compensation, the costs of increases for health and welfare benefits, or savings, are partially offset by increases or decreases to the cost-of-living adjustments for exempt employees in FY 99-00 and 00-01.
- g. The Board wants a long-term plan for financing and jointly managing, with unions and exempt employees, County health and welfare benefits.

The Multnomah County Board of Commissioners Resolves:

1. General Salary Increases. Except for elected officials' staff, exempt employees are eligible for cost of living increases based on the following formula for FY 99-00 and 00-01:
 - a. July 1, 1999
 - 1) Cost of Living Increase - CPI Formula

Effective July 1, 1999 the salary rates and ranges of employees covered by this resolution will increase in accordance with the following formula as modified by subsection 2):

(% increase in CPI)		(%)
(Portland Urban Wage)		(increase)
(Earners and Clerical)	=	(in each)
(Workers Index -)		(wage)
(Second Half 1997 to)		(rate)
(Second Half 1998)		

The minimum CPI based percentage is 2.0%. The maximum CPI based percentage is 4.0%.

2) Total Compensation Adjustment

The CPI based percentage from the formula will be adjusted upward or downward. The County budget director will calculate the amount added to or deducted from the CPI. The computation involves three steps: (1) calculate total employee compensation including salaries and health and dental insurance costs, (2) determine the total amount of employee salary increases and health and dental insurance increases, and (3) convert the total increase into two allocations, first for the insurance costs and the balance for the salary adjustment. The maximum adjustment to the CPI based percentage for salaries is an increase or decrease of .75%.

b. July 1, 2000

1) Cost of Living Increase - CPI Formula

Effective July 1, 2000 the salary rates and ranges of employees covered by this resolution will increase in accordance with the following formula as modified by subsection 2):

(% increase in CPI)		(%)
(Portland Urban Wage)		(increase)
(Earners and Clerical)	=	(in each)
(Workers Index -)		(wage)
(Second Half 1998 to)		(rate)
(Second Half 1999)		

The minimum CPI based percentage is 2.0%. The maximum CPI based percentage is 4.25%.

2) Total Compensation Adjustment

The CPI based percentage from the formula will be adjusted upward or downward. The County budget director will calculate the amount added to or deducted from the CPI. The computation involves three steps: (1) calculate total employee compensation including salaries and health and dental insurance costs, (2) determine the total amount of employee salary increases and health and dental insurance increases, and (3) convert the total increase into two allocations, first for the insurance costs and the balance for the salary adjustment. The maximum adjustment to the CPI based percentage for salaries

is an increase or decrease of .75%.

- c. July 1, 2001. Exempt employees will receive cost of living increases approved by the Board.
2. Health Account. A health account is created in the County Risk Management Fund. The County will place monthly medical, dental, and vision premiums in this account together with any employee share of the monthly premium cost. Premium charges, reinsurance charges, claims and related costs will be paid from this account. The account will accrue interest.
 3. Financing and Joint Management of Health and Welfare Benefits
 - a. If the Board and collective bargaining units approve a financing and joint management plan for medical, dental and vision insurance benefits by January 1, 2001, the County will create a stabilization account within the Risk Management Fund.
 - 1) At 11:59 p.m., June 30, 2001, the County will place \$140,169 in a stabilization reserve account on behalf of exempt employees, and any additional amounts negotiated as part of collective bargaining agreements on behalf of union employees.
 - 2) The stabilization account may be reduced to secure long-term agreements with the bargaining units. Stabilization reserve money will be segregated for accounting purposes from other such monies and assets in the Risk Management Fund. However, the money may be used in the same manner as other money in the health account.
 - b. If the Board and collective bargaining units by January 1, 2001 approve a financing and joint management plan for medical, dental and vision insurance benefits, and if the employee share of any FY 99-00 or 00-01 premium increases are paid by the Board approved offsets to the July 1 cost-of-living salary increases, the County will increase salary pay ranges in the exempt compensation plan effective July 1, 2001 by a percentage that will restore rates to the level they would have been had the FY 99-00 or 00-01 offsets been only 60% of the offsets actually implemented.
 - 1) Except elected officials' staff, pay for exempt employees will be increased by a commensurate percentage if exempt compensation plan salary ranges are increased effective July 1, 2001.
 - 2) The Chair may decide to have exempt employees make contributions by payroll deductions rather than such offsets in either FY 99-00 or 00-01, or both. The percentage salary increases under this paragraph will be the same as if the amount of employee insurance payments had been paid as salary offsets in each fiscal year.

- c. The Multnomah County Employees' Benefits Board has authority to allocate any costs or savings from health plan modifications for plan changes affecting exempt and confidential employees, and for union employees in accordance with collective bargaining agreements. The allocations will vary between bargaining units depending on the effect of changes to specific benefit plans. County benefit consultants will reasonably determine the cost calculations based on accepted actuarial practices. Allocation determinations will be made without regard to funding reserve levels, except for reasonable plan specific Incurred But Not Reported (IBNR) Reserves.
4. Notwithstanding this Resolution, the medical, dental and vision benefits for confidential employees will be the same as those for equivalent positions subject to collective bargaining agreements.

Adopted this 18th day of March, 1999.



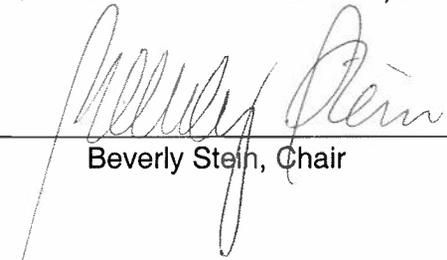
REVIEWED:

THOMAS SPONSLER, COUNTY COUNSEL
FOR MULTNOMAH COUNTY, OREGON



Thomas Sponsler, County Counsel

BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON



Beverly Stein, Chair