

reserve funding of cost-of-living increases to retirees for all active members of the retirement system as recommended by the actuary. The additional employee contribution made under this paragraph is known as the "Reverse Pickup" and is designed to offset both the prospective increased costs, as well as the increased costs attributable to past service liability of providing this enhanced retirement benefit.

- a. The portion of the additional employee contribution that is attributable to past service liability shall be in accordance with, and for the purposes stated, in Section 31678.3(d) of the Government Code. This additional employee contribution shall continue beyond the expiration date of this MOU, for the purpose of amortizing, over a 20 year period, the cost of the enhanced retirement benefit.
- b. The portion of the additional employee contribution that is attributable to the prospective increased cost of the benefit shall also continue beyond the expiration date of this MOU but unlike the past service liability, does not expire at the end of the 20 year period set forth above.

3. Reduction in Reverse Pickup

- a. Effective the first day of the first full pay period following Board of Supervisors adoption of this MOU, the annual reverse pickup contribution rate for employees in the PEPR and 1.62% at 65 Classic benefit formulas will be frozen at the fiscal year 2019-2020 rate. The reverse pickup contribution rate for employees in the 2.7% at 55 benefit formula shall continue to be calculated pursuant to Section 2 of this Article.
- b. Effective the first day of the first full pay period following Board of Supervisors adoption of this MOU, reduce Reverse Pickup by an ongoing 1.2%.
- c. Effective July 3, 2020, reduce Reverse Pickup by an additional 1.2%, for a total fixed ongoing 2.4% reduction of the employee's paid reverse pickup.
- d. Effective July 2, 2021, reduce Reverse Pickup by an additional

1.2% for a total fixed ongoing 3.6% reduction of the employee's paid reverse pickup.

- e. By July 2, 2021, the entire Reverse Pickup for employees in the PEPRA and 1.62% at 65 Classic benefit formulas shall be eliminated.

Section 3. Defined Contribution Retirement Plan

- A. Beginning on May 7, 2010, the County will make available a County 1.62 Retirement, Section 457(b) Defined Contribution Plan (the "DC Plan") to those employees who are covered by the "1.62 at 65" benefit formula (whether by election, deemed to have elected or are hired on or after January 1, 2013 and are deemed to be "new members" within the meaning of PEPRA). These employees will be permitted to make voluntary contributions to the DC Plan. The County will make matching contributions as described in Section 3.B. below.
- B. The County will contribute a biweekly amount to a Section 401(a) Defined Contribution Plan for an eligible employee equal to the biweekly amount that the employee contributes to the DC Plan, not to exceed two (2) percent of the employee's base salary (the "match"). County contributions to the Section 401(a) Defined Contribution Plan shall vest on behalf of the participant after that participant has been continuously employed by the County for a period of five (5) years. For this purpose, one year shall be equal to 2080 paid hours of service, exclusive of overtime.
- C. Employee contributions to the DC Plan(s) and the County contributions to a Section 401(a) Defined Contribution Plan shall be subject to contribution limits imposed by the Internal Revenue Service. In no event shall the County be required to pay any portion of the matching contributions that would cause the employee to exceed applicable Internal Revenue Service contribution limits.

Section 4. Tax-Deferred Retirement Plan

The County will administer an approved tax-deferred retirement plan which will allow employees to reduce their taxable gross income by the amount of their retirement contribution. The plan shall be in effect for the term of this Memorandum of Understanding subject to approval by the Internal Revenue Service.

ARTICLE XXII SEPARABILITY

In the event that any provisions of this Memorandum are declared invalid by any court of competent jurisdiction, such decision shall not invalidate the entire Memorandum, it being the express understanding of the parties hereto that all other provisions not declared invalid shall remain in full force and effect.

ARTICLE XXIII RECOGNITION

Pursuant to the Employee Relations Resolution of the County of Orange and applicable State law, the Orange County Employees Association is the Exclusively Recognized Employee Organization for the Healthcare Professional Unit for classes in effect on June 21, 2019. Said classes are listed in Appendix A.

ARTICLE XXIV FLEXIBLE SPENDING ACCOUNTS

The County will administer the following Flexible Spending Accounts:

Section 1. Dependent Care Reimbursement Account (DCRA)

The County will administer a Dependent Care Reimbursement Account that will allow eligible employees the opportunity to allocate a specified amount of biweekly pre-tax salary into the employee's dependent care reimbursement account to pay for dependent care expenses as permitted by state and federal law, regulations and guidelines, and as permitted by the County's Section 125 Plan document.

Section 2. Health Care Reimbursement Account (HCRA)

The County will administer a Health Care Reimbursement Account that will allow eligible employees the opportunity to allocate a specified amount of biweekly pre-tax salary into the employee's health care reimbursement account to pay for health care expenses as permitted by state and federal law, regulations and guidelines, and as permitted by the County's Section 125 Plan document.

ARTICLE XXV PERFORMANCE INCENTIVE PROGRAM (PIP)

Section 1.

Effective, June 1, 2015, employees who are granted PIP awards will receive non-cashable time off of twenty (20) hours. This time off will not be subject to the requirement that PIP time be taken off within one (1) year.

All other performance management components of PIP remain in effect.

ARTICLE XXVI LABOR MANAGEMENT COMMITTEES

Section 1. Introduction

- A. The County and OCEA desire to mutually encourage a cooperative, collaborative partnership approach to addressing and resolving workplace issues. The County and OCEA further desire to provide an opportunity for labor and management representatives to promote and maintain harmonious labor/management relations through the establishment of agency/department Labor Management Committees. This section is not intended to change or replace mutually agreeable existing arrangements, including labor-management forums, except by mutual agreement.
- B. The Labor Management Committee (LMC) process is intended for agency and department management and labor representatives to collaborate in a regularly scheduled (at least monthly) forum to develop solutions to workplace issues that are deemed appropriate for discussion. The County and OCEA recognize that this process will provide an important opportunity to achieve mutually acceptable solutions to workplace issues.
- C. It is the intent of the process that each party should raise issues prior to making decisions or adopting courses of action that may affect the other party.
- D. An issue may be considered by the LMC members unless the issue:
 - 1. Concerns only an individual employee, such as that employee's performance evaluation, PIP award, discipline or an individual problem with another employee;
 - 2. Has County-wide impact; or
 - 3. Involves the classification of one or more employees.
- E. LMC members will have the authority to discuss and develop solutions to workplace issues submitted by employees and management and to present those solutions to the LMC Sponsors.
- F. The activities of LMCs will be effectively communicated to all employees through monthly newsletters or other mutually agreeable methods.

Section 2. Structure

- A. The LMC program shall be jointly administered by four central LMC Program Sponsors, two of whom shall be appointed by the Chief of Employee Relations and two of whom shall be appointed by OCEA. Any issue concerning the implementation or administration of the LMC process may be referred to the LMC Program Sponsors by request of either party.
- B.
 - 1. Every agency/department shall have an LMC.
 - 2. The agency/department LMC structure shall consist of management representatives selected by the agency/department and employee representatives selected by OCEA. The LMC Program Sponsors may also select representatives to participate on the LMC.
 - 3. Each agency/department LMC shall have two sponsors who may or may not be members of the LMC: the agency/department head and a representative designated by OCEA. The role of the sponsors is to monitor the direction and progress of the LMC and to provide the support and resources necessary to constructively address and resolve workplace issues.

Section 3. Time Off for LMC Activities

- A. A reasonable number of employees shall be allowed reasonable time off without loss of pay to serve as employee representatives in the LMC process.
- B. In addition to A, above, reasonable time off without loss of pay shall be given to employees and LMC employee representatives as necessary to effectuate the purposes of the LMC process.

Section 4. Process

- A. Employees may submit a form entitled Workplace Issue Statement Form describing the workplace issue, the recommended change(s) and the advantage(s) associated with the change. Employees may choose to remain anonymous when submitting their workplace issue; however, anonymity may hinder the ability of the LMC to fully evaluate the issue presented.
- B. Employees may submit the Workplace Issue Statement form to any active LMC member or to LMC sponsors.
- C. The LMC member shall discuss and develop possible solutions to the submitted workplace issues. An LMC member may contact the employee who submitted the workplace issue to obtain additional information/clarification.

- D. Workplace issue solutions will be determined by a consensus of the members present at the LMC meeting and submitted as a recommendation to the LMC sponsors.
- E. Within 30 days of receipt of the LMC recommendation, the agency/department LMC sponsors shall respond to the LMC members in writing, indicating their acceptance, suggested modifications or rejection of each proposed solution and/or schedule for implementation. The sponsors shall provide written reasons for a rejection/modification of a solution submitted by the LMC.
- D. Any issue which is not resolved by the agency/department LMC shall upon request by either departmental sponsor be submitted to the central LMC Program Sponsors for advisory review.

ARTICLE XXVII SALARY

1. Effective the first day of the first pay period following adoption of this 201-2023 MOU, the salary scheduled will be increased by 2.50%.
2. Effective July 3, 2020, the salary schedule will be increased by 2.50%.
3. Effective July 2, 2021, the salary schedule will be increased by 2.50%.
4. Effective July 1, 2022, the salary schedule will be increased by 3.5%.

ARTICLE XXVIII DEPENDENT/CHILD CARE AND WORK-LIFE BALANCE

Section 1. Upon adoption of the MOU, the County and OCEA agree to establish a working group to discuss issues related to dependent/childcare and work-life balance.

APPENDIX A

Classes included in the Healthcare Professional Unit as of June 21, 2019:

5105HP	Assistant Environmental Health Specialist
7066HP	Behavioral Health Clinician I
7067HP	Behavioral Health Clinician II
4175HP	Behavioral Health Nurse
7494HP	Clinical Psychologist I
7495HP	Clinical Psychologist II
4109HP	Comprehensive Care Licensed Vocational Nurse
4161HP	Comprehensive Care Nurse I
4162HP	Comprehensive Care Nurse II
4153HP	Comprehensive Care Nurse Practitioner I
4154HP	Comprehensive Care Nurse Practitioner II
4137HP	Dental Assistant I
4138HP	Dental Assistant II
4140HP	Dental Hygienist
4586HP	Dentist
5709HP	Emergency Medical Services Coordinator
5108HP	Environmental Health Specialist I
5112HP	Environmental Health Specialist II
5116HP	Environmental Health Specialist III
8366HP	Epidemiologist
5140HP	Hazardous Materials Specialist I
5141HP	Hazardous Materials Specialist II
5142HP	Hazardous Materials Specialist III
4705HP	Health Educator
5114HP	Industrial Hygienist
4108HP	Licensed Vocational Nurse
4151HP	Nurse Practitioner I
4152HP	Nurse Practitioner II
4330HP	Occupational Therapist I
4334HP	Occupational Therapist II
4335HP	Occupational Therapist III
4329HP	Occupational Therapist Assistant II
4520HP	Pharmacist
4310HP	Physical Therapist I
4316HP	Physical Therapist II
4317HP	Physical Therapist III
4309HP	Physical Therapist Assistant II
4572HP	Physician I

4574HP	Physician I – Correctional
4576HP	Physician II
4578HP	Physician II – Correctional
4580HP	Physician III
4582HP	Physician III – Correctional
4550HP	Psychiatrist
3920HP	Public Health Chemist
3882HP	Public Health Microbiologist I
3886HP	Public Health Microbiologist II
3845HP	Public Health Microbiologist Trainee
4181HP	Public Health Nurse I
4182HP	Public Health Nurse II
4185HP	Public Health Nurse III
4721HP	Public Health Nutritionist I
4724HP	Public Health Nutritionist II
4186HP	Senior Public Health Nurse
4144HP	Senior Staff Nurse
4143HP	Staff Nurse
5150HP	Veterinarian