MOU NO.
2012-01

MEMORANDUM OF UNDERSTANDING
(BEVERLY HILLS POLICE MANAGEMENT ASSOCIATION)

The Beverly Hills Police Management Association, a formally recognized employee organization, representing all Police Captains and Police Lieutenants (hereinafter "police management employees"), and duly authorized representative of the management of the City of Beverly Hills, (hereinafter "City") have met and conferred in good faith; freely exchanging information, opinions and proposals, and have reached the following understanding on matters within the scope of representation;

Now, therefore, the parties agree and mutually recommend to the City Council of the City of Beverly Hills (hereinafter "City Council") the following for its determination:

1. Integration This document embodies a written memorandum of the entire understanding and mutual agreement of the parties as required by Government Code Section 3505.1 and supersedes all prior Memoranda of Understanding and verbal agreements between the parties hereto.

   The City recognizes that certain past practices may be identified during the term of this agreement which should have been included in this document but, due to inadvertent omission, are not set forth herein. Mutual agreement between the parties shall be necessary to implement change to such past practices. All other practices, policies and procedures affecting wages, hours and working conditions may be changed only after a meet and confer process has been conducted between the parties. However, the parties agree neither party may compel the other party to negotiate regarding proposed changes to any matter within the lawful scope of bargaining (wages, hours and other terms and conditions of employment) during the term of this Agreement. This is known as a "zipper clause."

   This Memorandum of Understanding is subject to a determination and implementation by the City Council pursuant to Government Code Section 3505.1. Upon determination by the City Council pursuant to Government Code Section 3505.1, the provisions of the City Compensation Plan for police personnel (the "Plan") which are referred to herein shall be modified as set forth herein

2. Term. Unless otherwise specified herein, this Memorandum of Understanding shall be effective beginning October 8, 2011 and shall expire on October 6, 2016.

1. SALARY INCREASES

The current salary schedule, which is attached hereto as Exhibit A, will be increased as follows:

Effective January 1, 2013, police management employees shall receive a two percent (2%) base salary increase.

Effective January 1, 2014, police management employees shall receive a one percent (1%) base salary increase.

Effective January 1, 2015, police management employees shall receive a one percent (1%) base salary increase.

Effective January 1, 2016, police management employees shall receive a one percent (1%) base salary increase.

2. APPOINTMENT & ADVANCEMENT

A. Management Advancement

Employees promoted to Lieutenant shall be placed at the Management pay scale L-54 Step 5 or at least a minimum 5.5% higher than their Sergeant pay scale, (including deferred compensation and bonus calculation). At each anniversary date thereafter, the Lieutenant will receive a pay step increase of 2.75% until the Lieutenant reaches L-57 Step 5.

A Lieutenant promoted to Captain who is at top step Lieutenant salary, shall be placed at salary grade Q62-Step 5. A Lieutenant who is not at top step Lieutenant salary and who is promoted to Captain shall receive a minimum 5.5% higher than his/her Lieutenant pay. On his or her anniversary date, the Captain will receive a pay step increase of 2.75% until the Captain reaches Q62 Step 5.

Police Captains and Lieutenants shall maintain 40 hour minimum annual level of training in Police Administration, Public Administration, Police Management, or a related field. This training can include job related courses such as seminars or other approved training. Prior approval shall be granted by the Chief of Police.

B. Effective Date Of Increase

Approved salary step increases shall be effective on the first day following the satisfactory completion of the probation period and on every subsequent anniversary date.

C. Separation Of Rank

The differential between Police Lieutenant and Police Captain shall be no less than 12%. The calculation of this differential between Lieutenants and Captains shall include base pay level at 5th step, (using L-54 for Lieutenant and Q-58 for Captain) the City's contribution to deferred compensation and the City's contribution to flexible benefits.

The differential between Police Sergeant and Police Lieutenant, at the base pay level of the 6th step Sergeant and the base pay level of 5th step Police Lieutenant shall be no less than 19%. The calculation of this differential between Sergeant and Lieutenant shall include base pay level at 5th step and the City's contribution to deferred compensation for both Sergeants and Lieutenants.

D. Special Merit Advancement

The City Manager may authorize the advancement of an employee to any step within the prescribed schedule for that employee's current position, upon written recommendation of the Appointing Authority, as submitted to the Assistant Director of Administrative Services/Human Resources. Such salary increases shall be effective on the first day of the pay period following the approval of the City Manager if not otherwise specified by the City Manager. A special salary advancement shall affect the anniversary date of an employee, causing it to change to the effective date of the special increase.

E. Superior-Subordinate Relationships

For the purpose of this section, a superior-subordinate relationship is defined as a relationship in which a classification has the responsibility for the direct supervision of another classification.

In such a relationship, a superior shall be paid a monthly salary rate above his/her subordinates. When a subordinate's monthly salary rate is equal to or exceeds that which is being paid to his/her superior, the superior shall receive a special adjustment in an amount which is at least 2.75% above that received by his/her subordinates.

At any time the superior's base salary (excluding this salary adjustment) exceeds the base salary of his/her subordinates, the salary adjustment granted to him/her by this section shall be eliminated.

Monthly salary is defined as the base monthly salary paid to a position. Excluded from salary computations for this provision are any bonuses paid, shift differentials, overtime payments, or any additional payment paid to a position.

F. Acting Time

Every sworn Police Management employee temporarily assigned to a classification higher than his/her regularly assigned classification shall receive acting time compensation while so assigned to the higher position.

This amount shall be at least 5.5% above his/her present monthly base salary, provided that this additional amount shall not exceed the fifth step nor be lower than the first step

of pay scale for the higher classification. The Assistant Director of Administrative Services/Human Resources and the City Manager shall approve acting time requests.

To be eligible for acting time compensation, the employee has to meet the criteria for the higher classification and be capable of performing those specific tasks which he/she will be performing during this acting time and which differentiates it from the lower classifications.

Police Management employees temporarily assigned to a higher classification and receiving acting time compensation shall not acquire status or credit for service in the higher classification and may be returned to their regular classification at any time.

3. POLICE LIEUTENANT ASSIGNMENT BONUS

The Police Lieutenant regularly assigned as the Detective Division Commander shall receive a monthly bonus of $407.91 which is equal to the value as of January 1, 2012 of 2.75% of the monthly base salary of a top step Lieutenant. The amount of $407.91 will be increased if the Police Lieutenant's salary is increased either through a settlement or if the Association is successful in its grievance with the City regarding the 2010 salary survey. This bonus shall not become effective until an official personnel transaction form authorizing the bonus is approved by the Assistant Director of Administrative Services/Human Resources.

4. RECLASSIFICATION, PROMOTION & Y-RATING

A. Reclassification

When a position is reclassified upward, the incumbent may be appointed to that position, providing that:

1. The incumbent has held the position which was reclassified for a minimum of ninety (90) days prior to the reclassification, and

2. Said employee meets the qualifications established for the position.

   If the incumbent does not meet both of the above criteria, the positions shall be filled through a recruitment process. Employees shall serve a probation period unless the reclassified position is exempt.

B. Y Rating

In the event an employee in a position is Y-rated the employee's monthly salary shall not be increased until the monthly salary of the position held by that employee meets or exceeds the monthly salary paid to that employee.

C. Promotion

Every employee who is promoted (i.e., any employee promoted to Lieutenant or Captain) shall serve a probation period as defined in the Personnel System Rules & Regulations. Benefits and leave rights shall be available to employees on probation as a result of accepting a promotion.

5. MEDICAL INSURANCE

The City contracts with the Public Employees' Retirement System ("P.E.R.S.") for medical insurance. Insurance coverage is effective the first day of the month following the 30-day waiting period. For the period of October 8, 2011 through and including December 31, 2012, the City shall provide medical insurance benefits in accordance with the terms and conditions of the previous Memorandum of Understanding between the parties covering the term between September 29, 2007 and October 7, 2011, the contents of which are incorporated by reference as though set forth in full.

A. Health and Welfare Benefits Effective January 1, 2013

The City shall continue to contract with P.E.R.S for medical insurance coverage of eligible employees and retirees. Eligible new hires are covered under the program on the first day of the month following a 30-day waiting period that begins on the hire date.

Effective January 1, 2013, the City will continue to contribute the PERS statutory minimum ($112.00 for 2012, and yet still undetermined for 2013-2016) on behalf of each participant in the program. A participant is defined as any of the following individuals: (1) a covered employee, (2) a covered retiree, and (3) a covered surviving annuitant of a deceased retiree. In addition to the statutory minimum, the City will provide current employees with flexible benefits through a cafeteria plan as provided below.

B. Benefits provided through Cafeteria Plan

Effective January 1, 2013, the following insurance benefits described in this Article will be provided to employees and eligible dependents through a cafeteria plan adopted in accordance with the provisions of Internal Revenue Code § 125: medical insurance, dental insurance, and optical insurance.

1. The Purchase of Optional Benefits Through the Cafeteria Plan:

The cafeteria plan offers employees the opportunity to purchase the following optional benefits: medical insurance, dental insurance and optical insurance.

Effective January 1, 2013, each month during 2013 the City will contribute to the cafeteria plan an amount (which includes the CalPERS statutory minimum) equal to the total of

the monthly premiums for (a) the employee plus family category of the PORAC medical insurance plan available through PERS, (b) the employee plus family category of the "S*afety Standard"* Guardian dental plan and (c) the employee plus family category of the *"Safety Standard"* optical VSP plan to purchase the optional benefits of medical insurance, dental insurance and optical insurance. The dollar amount of the 2013 contribution will continue into subsequent years of the MOU, unless increased as set forth below.

Each calendar year during the term of this MOU, starting on January 1, 2014, the City will increase its monthly contribution by an amount equal to 80% of the total net increase over the previous year, if any, in the monthly premium, as of January 1 of each year, attendant to the three designated insurance plans described in the paragraph above. For contributions effective January 1, 2014, the City will look at the cost of those benefits in 2013 to determine how much of the increase (if any) will be paid by the City and the employee.

Thus, for example, assume that the items in the cafeteria plan for 2013, as described above, equal $1,551.00. If, for 2014, the premiums for the three designated insurance benefits increase by $114 (for a total of $1,165), the City's contribution to the cafeteria plan shall increase by $91.20, which equals 80% of that premium increase. Thus, the 2014 cafeteria contribution would be $1,642.20. The same formula to determine increases in the City's cafeteria plan contribution would apply on a year-to-year basis throughout the term of the MOU, i.e., comparing 2015 costs to 2014 costs. For example, if the monthly premiums for the three designated insurance plans increase by an additional $100 in 2015, the City's monthly cafeteria plan contribution would increase by $80, for a total of $1,722.20. If the premiums for the plans and coverage selected by the employee exceed the amount of the cafeteria plan contribution, those excess premiums shall be the responsibility of the employee as described below.

2. **Medical Insurance**

Eligible employees may select any of the following medical insurance plans offered by CalPERS:

HMO Plans	PPO Plans
1) Kaiser;	1) PERS Care;
2) Blue Shield Access +; or	2) PERS Choice;
3) Blue Shield Net Value	3) PERS Select; or
	4) PORAC

If CalPERS changes any of the medical insurance plans by either adding to or deleting the plan options described above, employees will be limited to those plan options offered by CalPERS.

For each of the foregoing plans, employees will also be able to choose the benefit for the employee category, employee + 1 category or employee + family category, except that, an employee may elect not to participate if he/she provides the City with proof that he/she has comparable medical insurance from another source.

Medical insurance coverage may be changed from the PERS plan by mutual agreement of the City and the Police Management Association.

3. **Dental Insurance**

Employees shall also have the ability to select from two levels of dental insurance from the City's dental insurance provider, Guardian. The City reserves the right to change dental insurance providers if necessary. If it does, employees will be provided with similar benefits with the new provider and, if the amount of the new monthly premium for family coverage shall exceed that due under the former plan, the City's monthly cafeteria plan contribution shall be increased by the amount of the premium increase. As with medical insurance, employees will have the options of participating in the employee category, the employee + 1 category or the employee + family category. Employees do not have to choose any dental insurance and need not provide proof of dental insurance from another source in order to make that choice.

4. **Optical Insurance**

Employees shall also have the ability to select from two levels of optical insurance from the City's optical insurance provider, Vision Service Plan (VSP). The City reserves the right to change optical insurance providers if necessary. If it does, employees will be provided with similar benefits with the new provider and, if the amount of the new monthly premium for family coverage shall exceed that due under the former plan, the City's monthly cafeteria plan contribution shall be increased by the amount of the premium increase. As with medical insurance, employees have the options of participating in the employee category, the employee + 1 category or the employee + family category. Employees do not have to choose any optical insurance and need not provide proof of optical insurance from another source in order to make that choice.

5. **Employee Contributions for Benefit Options**

If an employee chooses optional benefits whose aggregate cost exceeds the total City contribution to the Cafeteria Plan, the City will automatically deduct the excess amount on a pre-tax basis from the employee's bi-weekly payroll.

6. **The Receipt of Cash Through the Cafeteria Plan**

If they choose optional benefits whose combined premiums are less than the City's cafeteria plan contributions, employees will be eligible to receive cash (subject to taxation as wages) through the cafeteria plan if they either opt out of receiving one of the optional benefits provided through the plan or if they choose optional benefits that do not cost as much as the maximum dollar amount they receive through the plan as follows:

7. **Receipt of Cash for Opting Out of the Optional Benefits**

Employees who elect not to be covered by one or more of the three optional benefits provided through the cafeteria plan, and meet the opt out requirements, if any, shall receive the following monthly amount as cash wages for each benefit for which the employee opts out:

1)	medical insurance	$450.00
2)	dental insurance	$100.00
3)	optical insurance	$15.00

8. **Maximum Receipt of Cash If Optional Benefits Chosen Result in the Employee Still Having Cafeteria Plan Contributions Available**

The cafeteria plan offers employees the ability to purchase each of the three optional benefits with the City's contribution to the cafeteria plan. Employees may choose to purchase benefits that cost less than the City's contribution to the cafeteria plan and choose to receive cash wages with their remaining City contribution. Any such employee shall be eligible to receive in cash the difference between the City's monthly cafeteria plan contribution and the total of the monthly premiums selected by the employees, not to exceed $475, as cash wages:

As an example, assume that the City's monthly cafeteria plan contribution is $1,551.00. If an employee opts out of dental insurance and purchases medical and optical insurance with premiums which add up to $1,363.00, he/she would receive $100.00 (the maximum amount) for opting out of dental insurance. However, if the premiums added up to $1,500.00 (and the maximum amount was $1,551.00) the employee would only receive $51 for opting out of dental insurance, not the $100 because the $51 would cause the employee to reach the cafeteria plan contribution maximum.

9. **Flexible Spending Accounts**

The cafeteria plan will also offer employees the opportunity to participate in both a health care and dependent care flexible spending account (each an FSA) whereby employees will be able to defer up to $2,500 per year (for the health care FSA) and up to $5,000 per year (for the dependent care FSA) to pay for any eligible out of pocket expenses related to health care or dependent care on a pre-tax basis. The provisions of both of these FSA's will be provided in a plan document. The plan document will be available to each eligible employee upon request. Essentially, before January 1 of every year, employees will be able to elect to have their compensation (up to the aforementioned limits) for the upcoming year deducted biweekly and contributed on a pre-tax basis to the FSA. During the year (and for a short grace period thereafter), an employee can receive reimbursements under the FSA for covered expenses incurred during the year, up to the amount of the employee's contributions for the year. The FSA deductions will be withheld from employees' regular payroll. Any amount allocated but not used within the prescribed time limits shall be forfeited.

10. **Supplemental Term Life Insurance**:

Employees may also purchase supplemental term life insurance, if available, with deductions from their bi-weekly compensation as designated by each employee. Employees cannot allocate cash contributions made to the cafeteria plan to pay the premiums for this supplemental term life insurance. However, they may, on a post-tax basis, allocate any cash back they receive from the cafeteria plan for that purpose. It must be a deduction from their paycheck.

11. **Deferred Compensation**

Any cash that an employee may receive through the cafeteria plan may not be deferred to the employee's accounts under the City's deferred compensation plans. The employee may, however, be able to elect to increase his/her deferrals to the City's deferred compensation plans from his/her regular wages.

C. **Retiree Medical Insurance**

1) For police management employees hired prior to July 1, 2012 retiring after July 1, 1989, the City shall pay the difference between the PERS statutory minimum and the actual cost of medical insurance premium up to two-party rate of the PORAC Plan under PERS.

2) For police management employees retiring before July 1, 1979, the City shall pay the PERS statutory minimum for PERS health insurance.

3) In the event of the death of a retired employee hired prior to July 1, 2012, who retired after July 1, 1989 the City shall continue to pay the actual cost of single party coverage for the spouse.

4) Police management employees hired by the City on or after July 1, 2012 who retire from the City will receive the PERS statutory minimum paid by the City. In addition, for police management employees hired into the unit as new employees of the City on or after July 1, 2012, in lieu of additional retiree medical insurance benefits, the City shall, while the employees are working for the City, contribute the sum of $275.00 per month ($126.92 per pay period) to a retirement account on behalf of such employees. For police management employees who promote into the unit on or after July 1, 2012 who were City employees as of June 30, 2012, they will receive retiree medical benefits in accordance with the benefits of this MOU as though they were a member of the bargaining unit prior to July 1, 2012.

D. **Alternative Retiree Medical Plan**

The parties agree that the City may offer an Alternative Retiree Medical Plan (ARMP) to the members of the PMA. The ARMP is a voluntary plan which each member can decide whether to accept or not.

6. LIFE INSURANCE

Police Management employees shall be entitled to a One hundred thousand dollar ($100,000) term life insurance policy under the City's life insurance program. The full premium for such policy shall be paid for by the City under the life insurance program of its choosing. Each such

employee shall have the option to individually purchase additional life insurance at the City's unit cost, if available.

7. DEFERRED COMPENSATION

The City shall contribute $30.00 per month on behalf of each Police Management employee to the City's deferred compensation program.

8. HOLIDAYS

A. Holidays

A Police Management employee shall be entitled to the following paid holidays if the employee worked the regularly assigned work period or was absent on authorized paid leave the day before and the day after the holiday. Police Management employees assigned to the "4-10" work schedule shall receive ten 10-hour paid holidays each year. Police Management employees assigned to a "3-12" work schedule shall receive nine 12 1/2 hour holidays each year.

NON-PATROL	
New Year's Day	January 1
Martin Luther King Day	Third Monday in January
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veteran's Day	November 11
Thanksgiving Day	Fourth Thursday in November
Day after Thanksgiving	Fourth Friday in November
Christmas Day	December 25

Lieutenants assigned to Patrol who are scheduled to work on one of the holidays listed below and who work the full scheduled shift on the actual holiday shall receive holiday pay of 12 1/2 hours, in addition to their predetermined salary, at the straight time hourly rate designated in the salary matrix.

PATROL	
New Year's Day	January 1
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veteran's Day	November 11

Thanksgiving Day	Fourth Thursday in November
Day after Thanksgiving	Fourth Friday in November
Christmas Day	December 25

Each Police Management employee may elect to receive compensation for each holiday in the form of either a cash payment or time off with pay. Any such time off with pay that has not been used at the end of the calendar year in which it was earned shall be paid in cash at the same rate the employee would have received had he received full pay for using the benefit on the last day of that year.

B. Personal Holiday

Police Management employees shall be entitled to one additional paid holiday each fiscal year. This holiday may be taken at the employee's discretion subject to his/her supervisor's and Appointing Authority's approval. The employee shall request the holiday in writing. This holiday is non-accruable and shall not be paid for if not taken.

9. VACATION

A. Authorization For Taking Vacation

Upon completion of 12 months of service and approval of the Chief of Police or designee, employees may take accrued vacation leave.

A Police Management employee entitled to vacation leave shall make written application therefor in the manner and within the time directed by the Chief of Police or designee. The Chief of Police or designee shall establish a vacation schedule for each calendar year based as much as possible upon application and seniority of the employees concerned and subject to the Chief of Police's right to plan work under his/her control. He/she or designee shall notify employees within a reasonable time whether their application is approved.

B. Holidays During Vacations

When a holiday falls within an employee's vacation leave, the day will count as a holiday not vacation, unless the employee elects to be compensated for the holiday in the form of a cash payment. An employee on vacation during a holiday may elect to be compensated for up to five (5) holidays per year by using vacation on the same day.

C. Vacation Accumulation

Vacation credit shall be accrued by-weekly to employees at the following rates:

FIRST 4 YEARS OF SERVICE	AFTER 4 YEARS OF SERVICE	AFTER 14 YEARS OF SERVICE
3.07 Hours Bi-weekly	5.54 Hours Bi-weekly	7.39 Hours Bi-weekly
80 Hours/year	144 Hours/year	192 Hours/year

Police Management employees with more than four but not more than fourteen years of service may not accumulate more than 432 hours of vacation. Employees with 432 hours of vacation on the books will not continue to accrue vacation until their balance falls below 432 hours

Police Management employees with more than fourteen years of service whose vacation accumulation at the beginning of a calendar year is less than 432 hours may accumulate annual vacation which will result in their balance being above 432 hours. However, if at the end of any calendar year the vacation accumulation is above 432 hours, they will not continue to accrue vacation until the balance falls below 432 hours, whereupon they will then continue to accrue vacation during that calendar year.

At the end of each calendar year, upon the employee's request, an employee with 432 hours or more of accumulated vacation, can receive cash payment for up to 80 vacation hours earned but not taken during the calendar year.

Payroll division records are the final authority for settling disputes regarding accrued and accumulated vacation.

10. SICK LEAVE

Except as is otherwise provided, each employee shall accrue, use and be compensated for sick leave as follows:

A. Accrual.

Each employee shall accrue sick leave at the rate of 3.68 hours for each complete biweekly period of employment. Payroll division records are the final authority for settling disputes regarding accrued and accumulated sick leave.

B. Sick Leave Incentive

Police Management employees who accumulate 72 hours or more of sick leave in any payroll year, may convert up to 24 hours of sick leave to cash during the month of January of the following year. The limit of payment shall be 24 hours per year.

11. BEREAVEMENT LEAVE

Bereavement leave is an absence occasioned by the death of a family member, herein defined as a spouse, parent, brother, sister, child, step-child, grandparent, in-law or registered domestic partner of the employee

Up to a maximum of forty (40) hours of bereavement leave, per calendar year, (regardless of the number of family deaths) may be used in the event of the death of a family member. In the event an employee needs additional time off for this leave, he/she may use up to 40 hours of sick leave per calendar year.

Requests for bereavement leave shall be made in writing when feasible and shall be approved by the appointing authority and the Assistant Director of Administrative Services/Human Resources.

12. WITNESS LEAVE

A Police Management employee who is required to serve as a witness pursuant to a lawful subpoena in any judicial or quasijudicial proceeding in a matter other than one to which the employee is a party, or who is required to serve as a juror, shall be allowed time off without loss of pay to perform such duties. In addition, per California Labor Code § 230(b) an employee shall be allowed time off but with loss of pay, if the employee is a party to the matter for reasons other than actions within the scope of the employee's current or past public employment. All fees to which the employee is entitled by law for such service shall be paid (less transportation allowance, if any) to the City. This Section is not applicable to those employees participating in judicial or quasijudicial proceedings that are within the scope of their employment.

13. LEAVE WITHOUT PAY

Requests for leaves of absence without pay must be submitted through the chain of command and approved by the Chief of Police or designee and shall be used only if all appropriate accrued leaves have been exhausted. Police Management employees on leave of absence without pay shall not accrue vacation, leave rights, nor shall the City pay for any fringe benefits, except as required by law. Decisions whether to grant such a leave will be made based on operational needs of the Department and any other factors set forth in City policy.

14. PROFESSIONAL DEVELOPMENT PROGRAM

A. A City-paid Professional Development leave of absence (sabbatical leave) program shall be established with the following privileges and restrictions.

   The granting of sabbatical leaves shall be at the sole discretion of the City Manager.

B. Approval of requests for sabbatical leave shall be based on the following criteria:

1. Content of leave program with a basic requirement that the program be designed to professionally develop the employee in a manner potentially beneficial to his or her City employment.

2. A plan for maintaining work continuity of the employee's duties and responsibilities during his or her absence, with emphasis placed on development of subordinates through training assignments.

3. Coordination with departmental priorities and workload.

4. Employee's performance record.

C. Sabbatical leaves may allow up to Five Hundred Dollars ($500) for expenses.

D. Sabbatical leaves shall be restricted to one (1) leave, up to ninety (90) calendar days, for each management employee each five (5) years, with not more than five (5) City employees participating in any one (1) year.

E. Each participant in Sabbatical leave programs shall submit to the City Manager reports summarizing his or her activities prior to final approval of such programs.

F. Typical Sabbatical leave Programs might include internship on-loan executive programs, educational programs, travel study programs, or authorship sabbaticals.

15. ADMINISTRATIVE LEAVE

Each Police Management employee will be granted 96 hours of Administrative Leave each calendar year pursuant to the following:

Administrative Leave shall be granted in recognition of work performed above normal work hours and the nature of the work performance and expectations placed upon Police Management employees. Use of Administrative Leave shall be approved by the Chief of Police noting the needs of the department and the necessity of having Police Management employees available for the effective functioning of the department.

Administrative Leave as provided herein is non cumulative between calendar years. At the end of each calendar year, upon employee request, the employee will receive cash payment for up to 40 hours administrative leave earned but not taken as time off during the calendar year.

16. OVERTIME

Unless otherwise determined by the City, employees assigned to the classification of Lieutenant qualify as employees exempt from overtime under the FLSA. Under extraordinary circumstances, Lieutenants whose assignments require frequent assignment to extra work shifts, in addition to the normal work schedule, may receive extra compensation in addition to their base salary. Eligibility and approval for such extra compensation will be determined in the sole discretion of the Chief of Police whose decision shall be final and shall not be subject to challenge, appeal or grievance. Extra compensation, as used in this paragraph, will be for hours actually worked during the extra work shifts and will be paid at the straight time base hourly rate designated in the salary matrix.

Extraordinary circumstances will generally require the frequent scheduling of extra shifts over an extended period of time as a result of operational needs or as a result of an extended period of emergency. At his/her discretion, the Chief of Police may determine the appropriate staffing needs that constitute extraordinary circumstances necessitating additional shift coverage which may include scheduling of single shifts.

17. PLAIN CLOTHES ALLOWANCE

The City will pay a plain clothes allowance of $600.00 per calendar year for each Police Management employees.

18. RETIREMENT

A. Retirement (PERS%)

1. Until December 31, 2015, the City shall pay an amount equal to nine percent (9%) of the individual gross salaries of Police Management employees to the Public Employees' Retirement System (P.E.R.S.) on behalf of such employees in lieu of their individual retirement contribution obligation. Effective January 1, 2016, employees shall pay one percent (1%) of their gross salary towards the member contribution to P.E.R.S.. Thus, effective January 1, 2016, the City shall pay an amount equal to eight percent (8%) of the individual gross salaries of police management employees to P.E.R.S. on behalf of such employees in lieu of a portion of their individual retirement contribution obligation. The City shall "pick up" pursuant to Internal Revenue Code Section 414(h)(2) the amount of the employee-paid member contribution to enable the police management employee's taxable income to be reduced by the amount of the employee-paid contribution. Although the parties believe that the pick up of the employee paid retirement contribution is pre-tax, the parties agree that the City is not responsible for the tax treatment of that contribution and the Association holds the City harmless from any liability related to a determination that such contributions is not a pre-tax contribution.

2. For purposes of this Section, "gross salaries" shall mean "compensation earnable" as defined in Section 20636 of the California Government Code.

3. Effective January 1, 2014, in accordance with Section 20156(f) of the California Government Code, police management employees shall pay to CalPERS on a pre-tax basis pursuant to a cost-sharing arrangement to fund the retirement formulas described herein an amount equal to one percent (1%) of their gross salaries. Effective January 1, 2015, the police management employees' contribution shall be increased by an additional two percent of gross salaries, for a total of three percent (3%) of their gross salaries. Although the parties believe that the cost sharing contribution is pre-tax, the parties agree that the City is not responsible for the tax treatment of that contribution and the Association holds the City harmless from any liability related to a determination that such contributions is not a pre-tax contribution.

B. 3% at 50 Formula

The City's contract with the Public Employees' Retirement System provides for the 3% at 50 retirement formula set forth in California Government Code Section 21632.2 for all current police management employees hired prior to July 1, 2012.

C. 3% at 55 Formula – For Police Management Employees Hired On Or After July 1, 2012

The City will amend its contract with P.E.R.S. to provide for the 3% at 55 retirement formula set forth in California Government Code section 21363.1 for police management employees first hired by the City on or after July 1, 2012.

D. Single Highest Year

The City's contract with the Public Employees' Retirement System provides for the "Single Highest Year" retirement benefit for current Police Management employees hired prior to July 1, 2012 pursuant to California Government Code Section 20042.

E. Highest Average Annual Compensation During Three Consecutive Years of Employment – For Police Management Employees Hired on or After July 1, 2012

The City will amend its contract with P.E.R.S. to provide for retirement benefits based on the highest annual average compensation earnable during the three consecutive years of employment immediately preceding the effective date of his or her retirement or as designated by the police management employee in accordance with Government Code Section 20037 for employees first hired by the City on or after July 1, 2012.

F. PERS Benefit Provided by Government Code section 20636(c)(4)

Pursuant to Government Code section 20636(c)(4), the City shall pay (as already provided by subdivision A of this article) and report to P.E.R.S. as compensation earnable the monetary value of contributions paid by the City on behalf of each employee (as described in subparagraph A1 above and known as "employer-paid member contribution") (EPMC) covered by this MOU. For purposes of this agreement this "Pay and Report of EPMC" benefit shall be known as "PERS on PERS".

G. Military Buy-Back

The City's contract with PERS provides for the military buy-back option to a maximum of four (4) years buy-back time. The entire cost of this benefit shall be borne solely by those police management employees taking advantage of the buy-back option.

H. 1959 Survivor's Benefit

The City provides Level 4 coverage under the 1959 Survivors Benefit.

I. Reopener

If, at any time during the term of this MOU, there is legislation, a regulation issued in the California Code of Regulations or case law, that requires employees to pay (during the term of the MOU) additional contributions to their P.E.R.S. retirement or reduces employee cost sharing (during the term of the MOU), the City or the Association may demand to reopen the MOU to address the impact of the legislation, regulation or case law. This reopener will not be triggered if the aforementioned changes in the law provide that modifications to employee or employer retirement contributions are subject to collective bargaining or if such modifications would not go into effect during the term of the MOU.

19. RESIGNATION

To resign in good standing, an employee must file a resignation with his/her appointing authority at least two weeks before the resignation date and state therein the reason for resignation. An employee who resigns may be reemployed within one year if said request for reemployment is approved by the appointing authority.

20. VEHICLES

The City will provide Police Captains, the Lieutenant assigned as the Detective Division Commander, the Lieutenant assigned as Executive Officer and the Lieutenant assigned to the Emergency Services Bureau with un-marked vehicles with communication and emergency equipment for use within Los Angeles and Ventura Counties or other areas when necessary to fulfill their duties.

The above noted Police Management employees will monitor the communication equipment whenever driving these vehicles and respond as appropriate to emergencies, or other matters requiring command level attention.

The City will provide fuel, maintenance and insurance for the vehicles assigned to Police Management employees.

21. SEPARATION FROM CITY SERVICE

A. Sick Leave Pay-Off

All Police Management employees shall be eligible for the sick leave payoff programs as described below:

All accrued, unused sick leave at the date of separation from City service shall be the basis for determining the amount to be paid to each employee who qualifies to receive sick leave pay-off.

Employees who have achieved seven (7) or more continuous years of service shall be eligible for sick leave pay upon separation of employment with the City.

The rate of Sick Leave pay off shall be calculated as follows:

a. For the first 7 full years of service - 21% of accrued, unused sick leave.
b. For each year after the seventh year - 5% of accrued, unused sick leave per full year of service to a maximum of 79%. The maximum rate of sick leave payoff when subparagraphs a and b are combined is 100%.
c. Sick leave pay off shall be calculated at the rate of pay received by the employee at the time of separation which shall be equal to the identical compensation the employee would have received had he used the sick leave to receive a paid leave of absence immediately prior to separation. Each employee eligible to receive sick leave pay shall receive the pay at the time of separation.

B. Vacation Pay-Off

A Police Management employee who separates from City service shall receive an amount equal to accrued unused vacation at the time of separation. The rate of payoff shall be based on the rate of pay at the time of separation.

An employee shall not have the option of utilizing accrued unused vacation, in lieu of receiving vacation pay-off at the time of separation which shall be equal to the identical compensation the employee would have received had he used the vacation to receive a paid leave of absence immediately prior to separation.

C. Conversion of Sick Leave to Deferred Compensation

Police Management employees may convert accumulated sick leave to salary. The extra pay may only be used to fund "catch-up" contributions to deferred compensation. The following restrictions apply to this program:

1. The employee shall have a minimum of 15 years of service with the City of Beverly Hills.

2. The individual's sick leave balance cannot be reduced below 500 hours.

3. The conversion is limited to no more than three consecutive years, and the conversion can be used only for funding the deferred compensation "catch-up".

4. The conversion shall not exceed the amount which will bring the annual deferral to the maximum allowed by law.

5. The conversion will be at the then existing sick leave payoff percentage.

22. ADMINISTRATIVE APPEAL PROCESS

The following administrative appeal process is established pursuant to Government Code § 3304.5. It shall supplement, though not replace, the existing disciplinary appeal process which was agreed to between the City and the City of Beverly Hills Police Officers' Association on November 7, 2006 and which applies to the Police Management employees. This procedure shall not apply to disciplinary actions for which Police Management employees already are entitled to receive an appeal hearing pursuant to November 7, 2006 agreement for disciplinary transfer, step reduction, suspension, demotion and dismissal.

A. Right to Administrative Appeal Under this Procedure

1. Any public safety officer (as that term is defined by Government Code § 3301 and which applies to Police Management employees) who is subjected to punitive action (within the meaning of Government Code § 3303) other than dismissal, demotion, step reduction, suspension or disciplinary transfer; or who is subjected to an action which may lead to punitive action, shall be entitled to receive an administrative appeal under this procedure. The Police Management employee shall not be entitled to appeal the action prior to its imposition, i.e., a Police Management employee shall not be entitled to receive a hearing akin to a *Skelly* hearing or other pre-disciplinary appeal hearing prior to imposition of the punitive action.

2. Police Management employees subjected to dismissal, demotion, step reduction, suspension or disciplinary transfer shall continue to be entitled to an appeal in accordance with existing procedures.

B. Notice of Appeal

1. Within five (5) calendar days of receipt by a Police Management employee of notification of punitive action as set forth above, the Police Management employee shall notify the Assistant Director of Administrative Services/Human Resources in writing of the Police Management employee's intent to appeal the punitive action.

2 The notice of appeal shall specify the action being appealed and the substantive and procedural grounds for the appeal.

C. Hearing Officer

1. The City Manager shall have twenty-one (21) calendar days from receipt of the notice of appeal to designate himself/herself as the hearing officer or appoint a neutral hearing officer who is not embroiled in the controversy, i.e., a person who did not initiate or authorize the action in question.

2. If a hearing officer is appointed by the City Manager, the hearing officer shall serve in an advisory capacity and shall be responsible for making recommended findings of fact and issuing an advisory decision to the City Manager. The City Manager may adopt, modify, or reject the hearing officer's recommendations and advisory decision and the City Manager's decision shall be final and binding.

D. Burden of Proof/Persuasion

1. If the punitive action being appealed does not involve allegations of misconduct (i.e., allegations that the Police Management employee has violated one or more federal, state, or local laws, and/or City or Police Department regulations, procedures, or rules) the limited purpose of the hearing shall be to provide the Police Management employee the opportunity to establish a record of the circumstances surrounding the action. The City's burden shall be satisfied if the City establishes that the action was reasonable, even though reasonable persons might disagree about whether the action was the best one under the circumstances.

For example, if the Police Department effected a non-disciplinary transfer of a Police Management employee out of an assignment with the intent of affording other Police Management employees the opportunity to work in the assignment, the decision would not be subject to being overturned as long as it was reasonable, even if one or more persons might disagree with the decision.

2. If the punitive action involves charges of misconduct, (i.e., allegations that the Police Management employee has violated one or more laws, regulations, procedures, or rules), the City shall have the burden of proving by a preponderance of the evidence the facts which form the basis for the charge of misconduct and the burden of persuasion that the punitive action was reasonable under the circumstances.

   For example, if a Police Management employee received a written reprimand for unauthorized absence from work then the City would bear the burden of proving that the Police Management employee was absent from work without authorization and that a written reprimand was reasonable under the circumstances.

E Conduct of Hearing

1. The formal rules of evidence do not apply, although the hearing officer shall have discretion to exclude evidence which is incompetent, irrelevant or cumulative.

2. The parties may present opening statements.

3. The parties may present evidence through documents and testimony.

   a. Witnesses shall testify under oath.

   b. The hearing officer shall issue subpoenas for documents or testimony upon reasonable request of the parties.

4. The parties shall be entitled to confront and cross-examine witnesses.

5. Following the presentation of evidence, if any, the parties may submit oral and/or written closing argument for consideration by the hearing officer.

F Recording of the Hearing

If the punitive action involves an allegation of misconduct, then the hearing shall be stenographically recorded by a certified court reporter. Otherwise, the hearing may be tape recorded. The per diem cost of the court reporter shall be equally borne by the parties. The cost to receive a transcript of the hearing shall be borne by the party requesting the transcript.

G Representation

The Police Management employee may be represented by an association representative or attorney of his or her choice at all stages of the proceedings. All costs associated with such representation shall be borne by the Police Management employee.

The City shall also be entitled to representation at all stages of the proceedings.

H Decision

1. If a hearing officer is appointed by the City Manager, the hearing officer shall issue his/her advisory decision in writing within sixty (60) calendar days of the submission of the case by the parties for decision. The written decision shall set forth proposed findings of fact and a proposed decision.

2. Within ten (10) calendar days of receipt of the advisory decision, the City Manager shall serve the parties with written notice of his/her decision adopting, modifying, or rejecting the hearing officer's recommendations and advisory decision. If the City Manager modifies or rejects the hearing officer's advisory decision, then the City Manager shall review the entire record prior to making a decision.

3. If the City Manager is the hearing officer he/she will issue his/her decision within sixty (60) calendar days of the submission of the case by the parties for decision. The City Manager's written decision shall set forth his/her findings of fact and final decision.

4. The City Manager's decision shall be served by first class mail, postage pre-paid, upon the Police Management employee as well as his/her attorney or representative, shall be accompanied by an affidavit or certificate of mailing, and shall advise the Police Management employee that the time within which judicial review of the decision may be sought is governed by Code of Civil Procedure § 1094.6.

This contract is prepared pursuant to the requirements of Government Code Section 3505.1 for presentation to the City Council for its approval.

This Memorandum is signed on this 6th day of March, 2012.

City of Beverly Hills
Representatives

Sandra Olivencia

Peter J. Brown

Beverly Hills Police
Management Association

Joseph A. Chirillo

Needs to be fixed in final agreement

POLICE MANAGEMENT ASSOCIATION
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