

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE CITY OF BEVERLY HILLS

AND

**BEVERLY HILLS
POLICE OFFICERS' ASSOCIATION**

October 7, 2016 - September 30, 2019

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EXHIBIT “A”: SALARY SCHEDULES

EXHIBIT “B”: SPECIAL ASSIGNMENT TERMS AND ROTATIONAL POSITIONS

EXHIBIT “C”: DEFINITIONS OF “NEW MEMBER” AND “CLASSIC MEMBER” PER THE
PUBLIC EMPLOYEES’ PENSION REFORM ACT OF 2013 (PEPRA)

BEVERLY HILLS POLICE OFFICERS' ASSOCIATION
MEMORANDUM OF UNDERSTANDING

The Beverly Hills Police Officers' Association, (hereinafter "Association") a formally recognized employee organization, representing all Police Sergeants and Police Officers (hereinafter "police personnel"), and Pre-Service Police Officers (who are non-sworn employees) and authorized representatives of the management of the City of Beverly Hills (hereinafter "City"), have met and conferred in good faith and have reached this Memorandum of Understanding (hereinafter "MOU").

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:

A. 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 MOU 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 MOU. This is known as a "zipper clause." The parties do, however, agree that during the term of this MOU, either side may request to reopen negotiations on the subject of body-worn camera use by members of the Association.

B. Term

Unless otherwise specified herein, this MOU shall be effective beginning October 7, 2016 and shall expire September 30, 2019.

1. SALARIES

Effective October 7, 2016, employees shall receive a two and one-half percent (2.50%) base salary increase.

Effective in the pay period following City Council approval of this MOU, employees shall receive an eight percent (8%) base salary increase.

Effective in the pay period which includes October 1, 2017, employees shall receive a two and thirty-eight one-hundredths percent (2.38%) base salary increase.

Effective in the pay period which includes October 1, 2018, employees shall receive a two and one-quarter percent (2.25%) base salary increase.

The salary schedules for the duration of the MOU are attached hereto as Exhibit "A".

2. APPOINTMENT AND ADVANCEMENT

A. Probationary Period for Police Personnel

The probationary period for sworn positions (Police Officer and Police Sergeant, including laterals) shall be twelve (12) months. The probationary period shall not include any time served in a non-sworn capacity (e.g., as a Pre-Service Police Officer). The City has the right to extend an employee's probation as follows:

1. For the length of any leave of absence or time on light duty while on probation in excess of one calendar week; and/or
2. At the discretion of the Chief of Police up to six months.

B. Pre-Service Police Officers

Each newly hired Pre-Service Police Officer (excluding individuals hired as lateral Police Officers) shall serve as a non-sworn civilian employee until such time as he/she successfully graduates from the Police Academy and is sworn in as a Police Officer. These Pre-Service Police Officers shall receive similar benefits as a sworn Police Officer with the exception of retirement and workers' compensation benefits. Because Pre-Service Police Officers are not sworn, they are considered miscellaneous employees under the Public Employees' Retirement Law and are not eligible for workers' compensation benefits pursuant to Labor Code section 4850.

An employee hired as a Pre-Service Police Officer shall be an at-will employee and cannot attain permanency as a Pre-Service Police Officer. Rather, such an employee will either be sworn in and appointed as a Police Officer upon graduation from the academy or will be separated from employment as a Pre-Service Police Officer. Time served in the classification of Pre-Service Police Officer shall not count towards departmental seniority (e.g. shift bidding and vacation requests) but will count towards total City service.

C. Salary Placement upon Initial Hire

Employees may be appointed at Step 1 or above in their allocated salary range. Upon the recommendation of the Police Chief or designee, the Assistant Director of Administrative Services/Human Resources or designee may approve placement above Step 1 based upon the employee's qualifications and performance justifying such placement.

D. Advancement Through Salary Range

Employees shall move through the steps on the salary range as follows:

1. Employees Appointed at Step 1 or Step 2

An employee appointed at Step 1 or Step 2 who receives a performance evaluation with at least a "satisfactory" rating shall receive a salary step increase at the completion of six (6) months of service. Annually thereafter, the employee will be eligible for a salary step increase provided he/she has received an overall rating of "satisfactory" on his/her performance evaluation.

2. Employees Appointed at Step 3 or Higher

In the event an individual is appointed at step 3 or higher, he/she shall be eligible for a salary step increase after the completion of one year of service, and annually thereafter, provided he/she has received an overall rating of "satisfactory" on his/her performance evaluation.

3. All step increases will be made in accordance with the following

- a. Increases are recommended by the employee's supervisor and department head (or designee) and are approved by the Assistant Director of Administrative Services/Human Resources or designee.
- b. All step increases are effective on the first day of the pay period that begins closest to the date the employee is eligible for an increase as set forth in D(1) and (2) above.

E. Step Placement Upon Promotion

A Police Officer who is promoted to Police Sergeant shall be appointed to the first step of the salary range for Police Sergeant or the step that provides at least a 5.5% increase, whichever is higher. Assignment pay shall be added to base salary for the purpose of establishing the initial salary step placement of a promoted employee. Benefits and

leave rights shall be available to employees on probation as a result of accepting a promotion.

F. Special Merit Advancement

The City Manager may authorize the advancement of an employee to any step within the prescribed schedule earlier than he/she would normally be eligible. Special merit increases shall require a written recommendation of the Police Chief or his/her designee, 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, unless a different effective date is specified by the City Manager. An employee will be eligible for their next scheduled increase one year after the date of the special merit advancement, and annually thereafter.

G. Acting Assignments

Police Personnel temporarily assigned to a classification higher than his/her regularly assigned classification shall receive acting assignment pay while so assigned.

While acting, the employee's base monthly salary shall be 5.5% above his/her present base monthly salary, provided that this additional amount shall not exceed the fifth step nor be lower than the first step of the higher classification. Acting assignments shall be recommended by the Police Chief or his/her designee and approved by the Assistant Director of Administrative Services/Human Resources or designee.

To be eligible for acting pay, the employee has to meet the minimum qualifications for the higher classification and be capable of performing the essential functions of the higher classification.

Police Personnel assigned to an acting assignment shall not acquire status or credit for service in the higher classification and may be returned to their regular position at any time.

H. Y-Rating

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

3. SPECIAL ASSIGNMENTS

Police Personnel are eligible for Special Assignments as provided in this Article. Assignment Pay is included in the regular rate of pay (as described by the Fair Labor Standards Act for purposes of calculating overtime and will be included in the rate used to cash out leaves of absence.

A. Selection of Employees for Special Assignments

It is the policy of the Beverly Hills Police Department that selection of employees for special assignments will be made by following the procedure indicated below.

1. When an opening for a special assignment is available or imminent, the Police Chief or designee shall request interested police personnel to submit a memorandum requesting appointment to the special assignment.
2. Police personnel submitting requests shall indicate their reasons and qualifications for the special assignment in memorandum form to their immediate supervisor.
3. Supervisors shall review requests after which they shall attach a memorandum of their own, which includes any comments they have and a recommendation of the employee for the special assignment.
4. After reviewing all requests for special assignment the Police Chief or designee will have the option of (a) making the selection based on the information submitted or (b) establishing an oral board for the purpose of interviewing all candidates and receiving recommendations from the oral board and then making a selection.
5. Notwithstanding the above, the Police Chief shall retain the right to assign employees to special assignments without following the above procedures when the Police Chief feels such action is in the best interest of the Department.
6. Within 10 days after an employee is informed that he/she was not chosen for a special assignment, the employee may ask the superior officer who effectively made the selection, for the reason the employee was not selected. The superior officer shall respond within 10 working days.

B. Rotation of Assignments

1. Effective January 1, 2017, certain special assignments will be subject to rotation and others will remain non-rotational. Each rotational assignment will have a specified duration and maximum term. At the Chief's discretion, assignments

may be extended for one year terms, up to the specified maximum. The parties' agreement on the specific assignments is set forth in Exhibit B to this MOU.

2. Every employee vacating a rotational assignment will serve for one year in a patrol capacity before assignment to a new special assignment (unless there is another special assignment opportunity with no other qualified applicants).
3. Police personnel in authorized permanent special assignments as of January 1, 2017 will be grandfathered into their current assignment. These employees will remain in their special assignment subject to removal only in accordance with the Discipline Article of this MOU. Police personnel grandfathered into their current assignment will not be subject to serving a one year period in a patrol capacity, as specified above in subparagraph 2, should they choose to leave their permanent special assignment for another special assignment. Once they have commenced serving in the new special assignment, they then would be subject to the rotation of assignments as described herein.
4. If an employee is in a rotational assignment position, and a non-rotational position in the same area of assignment becomes available, the employee will be eligible to apply for the non-rotational position per section A above.

C. Special Assignment Types and Pay

Employees cannot earn more than 8.25% in assignment pay as set forth below. The following are the available assignments and associated pays:

1. Special Tactics Unit

Four (4) Police Officers and one (1) Sergeant comprise the Special Tactics Unit. These employees shall receive assignment pay equal to 5.5% of their base salary.

2. Detective Assignment

Employees formally assigned to the Detective Bureau shall receive assignment pay equal to 8.25% of their base salary.

3. Field Training Officer (FTO)

There shall be a minimum of 6 Field Training Officers. When assigned as an FTO, a Police Officer shall receive assignment pay equal to 5.5% of his or her base salary.

4. Motor Officer Pay

Employees assigned as Motor Officers shall receive assignment pay equal to 8.25% of their base salary. In addition, police personnel assigned as Motor Officers shall receive four (4) hours of compensatory time off per month (accrued at 1.85 hours per pay period) for off-duty time spent maintaining the assigned motorcycle.

5. D.U.I. Team

Police Officers assigned to the Traffic Bureau – DUI Team shall receive assignment pay equal to 5.5% of their base salary.

6. Personnel & Training Bureau

The Sergeant(s) assigned to the Personnel & Training Bureau shall receive assignment pay equal to 5.5% of their base salary.

Police Officers assigned as Background Investigators shall receive assignment pay equal to 5.5% of their base salary. Police Officers assigned to the Personnel & Training Bureau as an Administrative Training Officer shall receive assignment pay equal to 5.5% of their base salary.

7. Office of the Chief

- a. Professional Standards Unit – The Sergeant(s) assigned to the Professional Standards Unit shall receive assignment pay equal to 8.25% of their base salary.
- b. Intelligence Unit – The Sergeant assigned to the Intelligence Unit shall receive assignment pay equal to 8.25% of his/her base salary.

8. Traffic/Accident Investigation

The Police Officers assigned to the traffic and accident investigation function shall receive assignment pay equal to 5.5% of their base salary. The Sergeants assigned to the traffic and accident investigation function shall receive assignment pay equal to 8.25% of their base salary.

9. Canine Handlers

Police Officers assigned in the canine special assignment shall receive the following compensation, in addition to their regular base pay:

- a. Assignment pay equal to 5.5% of monthly base salary per month.

- b. 5.5 hours of compensatory time off per 28 day work period. Employees shall accrue 2.75 hours per pay period.

The City and officers understand and agree that this additional compensation is intended to compensate canine officers for all off duty hours spent caring, grooming, feeding and otherwise maintaining their canine unit, in compliance with the FLSA and interpretive cases and rulings.

The parties acknowledge that the FLSA, which governs the entitlement to compensation for canine duties, entitles the parties to agree to a reasonable number of hours per month for the performance of off duty canine duties. The hours derived at in this agreement were determined after an actual inquiry of the officers assigned in the canine special assignment as addressed by *Leever v. City of Carson City*, 360 F.3d 1014 (9th Cir. 2004). It is the intent of the parties through the provisions of this section to fully comply with the requirements of the FLSA. In addition, both parties believe that this section of the MOU does comply with the requirements of the FLSA.

10. Desk Officers

Police Officers assigned as Desk Officers shall receive \$435.11 per month as assignment pay.

11. Crime Suppression Unit

Employees assigned to the Crime Suppression Unit shall receive \$435.11 per month as assignment pay.

12. Special Projects Detail

Police Officer(s) assigned to the Special Projects Detail shall receive assignment pay equal to 5.5% of base salary.

13. Crime Prevention Bureau

The Police Sergeant assigned to Crime Prevention shall receive assignment pay equal to 5.5% of his/her base salary.

Police Officers assigned as a School Liaison Officer or Crime Prevention Officer shall receive \$435.11 per month as assignment pay.

14. Red Light Photo Enforcement Officer

Police Officers assigned as the Red Light Photo Enforcement Officer shall receive \$435.11 per month as assignment pay.

4. CERTIFICATION AND EDUCATIONAL INCENTIVE PAY

Certification and Education Pay is included in the regular rate of pay (as described by the Fair Labor Standards Act) for purposes of calculating overtime and will be included in the rate used to cash out leaves of absence. Certification and Education Pay shall not be paid to Pre-service Police Officers and shall not be paid to a probationary Police Officers until he/she passes probation. The percentage an employee receives for education/certification pay outlined in this article will be calculated by taking the applicable percentage of base salary plus any assignment bonuses he/she is receiving.

A. Education Pay Eligibility

The maximum an employee can earn for certification and education pays set forth in this article is thirteen and three quarters' percent (13.75%), regardless of the level of education or certification achieved.

1. Employees who were receiving the Continuing Education Pay or who had begun coursework towards the first year of Continuing Education Pay (must have been pre-approved for the first year of coursework prior to the date of City Council approval of this MOU) are grandfathered to receive this pay, and are therefore eligible for the following types of pay:
 - (a) 2.75% for earning an Advanced P.O.S.T. Certificate
 - (b) 5.5% for earning a Bachelor's Degree.
 - (c) 5.5% for earning a Master's Degree
 - (d) 5.5% for Continuing Education Pay

These employees are eligible to receive either (c) or (d), but not both pays, so as not to exceed the maximum of 13.75% indicated above.

2. Employees who were not receiving the Continuing Education Pay and had not begun coursework towards the attainment of the Continuing Education Pay prior to the date of City Council approval of this MOU are eligible for the following types of pay:
 - (a) 2.75% for earning an Intermediate P.O.S.T. Certificate
 - (b) 2.75% for earning an Advanced P.O.S.T. Certificate
 - (c) 5.5% for earning a Bachelor's Degree

(d) 5.5% for earning a Master's Degree

If an employee achieves (a) – (d) above, he/she will no longer receive pay for the Intermediate P.O.S.T. certificate, so as not to exceed the maximum of 13.75%.

B. Certification and Education Incentive Pay Types

The following certification and education pays are available to members of this unit who meet the eligibility criteria.

1. Intermediate P.O.S.T. Certificate: Police Personnel who have earned an Intermediate P.O.S.T. Certificate shall receive pay equal to 2.75% of an amount equal to the employee's base salary plus any assignment pay he/she is receiving.
2. Advanced P.O.S.T. Certificate: Police Personnel who have earned an Advanced P.O.S.T. Certificate shall receive pay equal to 2.75% of an amount equal to the employee's base salary plus any assignment pay he/she is receiving.
3. Bachelor's Degree: Police Personnel who have earned a Bachelor's Degree from an accredited college or university recognized by the Council for Higher Education Accreditation and/or its regional accrediting organizations, or any other college or university approved in advance by the Police Chief and Assistant Director of Administrative Services/Human Resources shall receive pay equal to 5.5% of an amount equal to the employee's base salary plus any assignment pay he/she is receiving.
4. Master's Degree: Police personnel who have earned a Master's Degree from an accredited college or university recognized by Council for Higher Education Accreditation and/or its regional accrediting organizations, or any other college or university approved in advance by the Police Chief and Assistant Director of Administrative Services/Human Resources shall receive pay equal to 5.5% of an amount equal to the employee's base salary plus any assignment pay he/she is receiving.
5. Continuing Education Pay: An employee eligible for Continuing Education Pay based on the criteria outlined in section "A" above shall receive 5.5% of an amount equal to the employee's base salary plus any assignment pays he/she is receiving when either of the following conditions are met:
 - a. Following completion of eighty (80) hours of pre-approved coursework within the prior fiscal year, employees will be eligible for the Continuing Education Pay for the following fiscal year. Courses must be pre-approved and successfully completed (Grade "C" or higher) in order for the employee to qualify.

- b. Following attainment of the Continuing Education Pay for 6 consecutive fiscal years by way of the requirements in (a), employees will be eligible to receive Continuing Education Pay on a prospective basis without needing to take additional coursework under this section.

In order to qualify as continuing Education Pay, courses must be pre-approved and taken at an accredited college or university recognized by the Council for Higher Education Accreditation and/or its regional accrediting organizations or any other college or university approved in advance by the Police Chief and Assistant Director of Administrative Services/Human Resources.

C. Payment for educational expenses

Travel expense or per diem will not be reimbursed for educational courses taken by an employee where that employee will subsequently receive an education bonus for such education, unless and to the extent such expenses are reimbursed by P.O.S.T. Applications for reimbursement shall be submitted and processed in accordance with the Education and Training Administrative Regulation 3A.2.

5. HEALTH BENEFITS

A. Cafeteria Plan and Benefits

New hires are eligible for Cafeteria Plan benefits and health insurance beginning on the first day of the month following their start date.

The following insurance benefits are provided through a cafeteria plan adopted in accordance with the provisions of Internal Revenue Code § 125: medical insurance, dental insurance, and optical insurance.

1. City Contribution to the Cafeteria Plan

The City will contribute to the cafeteria plan on behalf of each employee an amount (which includes the PERS statutory minimum) determined annually by the method established herein. The total City contribution amount for each year will be determined by adding to the prior year's contribution amount an amount equal to 80% of the net increase, if any, in the total cost of the monthly premiums for the following plans: (a) the employee plus family category of the PORAC medical insurance plan available through PERS, (b) the employee plus family category of the "Safety Standard" Guardian dental plan and (c) the employee plus family category of the "Safety Standard" optical VSP. The cafeteria plan contribution is used to purchase the optional benefits of medical insurance, dental insurance and optical insurance. Should the total premium cost of these three benefits decrease

from one year to the next, the contribution amount from the City will remain the same for the following year.

For contributions effective January 1, 2017, the City has calculated the increase in the City's contribution using the 2016 actual contribution and 2017 premium rates, which are used in the following example to describe the calculation of the contribution increases:

The City's 2016 Cafeteria Plan contribution is \$1,880.95. For 2017, the premium cost of the three plans described above totals \$2,057.88, which is an \$81.58 increase in the cost of the benefits (the premium cost for these three plans for 2016 was \$1,976.30). The City will therefore increase its contribution by an amount equal to 80% of that increase, which is \$65.26. Thus, the 2017 cafeteria contribution will be $\$1,880.95 + \$65.26 = \$1,946.21$. The same methodology will be used each year of the contract to determine increases in the City's contribution.

2. Medical Insurance

The City contracts with the California Public Employees' Retirement System ("PERS") for medical insurance. The City will contribute the PERS statutory minimum on behalf of each participant in the program. Eligible employees may select any of the medical insurance plans offered by CalPERS.

An employee who elects to opt out of medical coverage offered by the City must be able to provide proof of minimum essential coverage ("MEC") through another source (other than coverage in the individual market, whether or not obtained through Covered California).

If at any time during the term of the MOU, the City is subject to penalties under the ACA, the parties agree to reopen negotiations on that provision of the cafeteria plan subjecting the City to such penalties for the limited purpose of making changes to ensure that such penalties are avoided, provided that no changes can be made without mutual agreement of the parties.

3. Dental Insurance

Employees may select a dental insurance plan available from the City's 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. 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 may select an optical insurance plan available from the City's 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. 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

Employees will be eligible to receive cash up to a maximum of \$475 per month (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.

B. Flexible Spending Accounts

Employees have 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 the maximum permitted by law) 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. Before January 1 of every year, employees will be able to elect to have their compensation 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 elected 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.

6. RETIREE MEDICAL INSURANCE

Each employee retiring from City service is eligible to continue coverage as a retiree through the group medical insurance plans offered through the California Public Employees' Retirement System ("PERS"). The City shall pay the PERS statutory minimum on behalf of each retiree.

A. Tier 1: Retirees Hired Prior to July 1, 2012

For employees (in the bargaining unit as of the date of approval of this MOU) hired prior to July 1, 2012 who retire from the City (service retirement only), through age 70 the City shall pay the difference between the PERS statutory minimum and the actual cost of the medical insurance premium up to the two-party rate of the PERS PORAC Plan.

B. Tier 2: Retirees Hired On or After July 1, 2012

Employees hired by the City on or after July 1, 2012 who retire from the City will receive the PERS statutory minimum, which will be paid directly to PERS by the City should the retiree select a medical plan through PERS. In addition, for any employee hired into the unit as a new employee on or after July 1, 2012, in lieu of additional retiree medical insurance benefits, the City shall, while the employee is working for the City, contribute the sum of \$275.00 per month (\$126.92 per pay period) to a retirement health savings account on behalf of each employee. For employees who promote into the unit 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.

C. Retiree Medical Insurance for Employees Who Disability Retire

Employees in Tier 1 (as described in paragraph A) who receive a disability retirement from the City are eligible for the benefits described in paragraph A above if said employee has they have 20 years of service with the Beverly Hills Police Department (which can include both sworn and non-sworn service in the Department) or are over 45 years of age at the time of his or her retirement.

7. LIFE INSURANCE

A. City-Provided Life Insurance

Employees shall be entitled to a \$50,000 term life insurance policy. The full premium for such policy shall be paid for by the City under a life insurance program of its choosing.

B. 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, as a deduction from their paycheck.

8. DEFERRED COMPENSATION

A. City Contribution to Deferred Compensation

The City shall contribute \$320.00 per month on behalf of each Police Officer (including Pre-Service Police Officers) to a deferred compensation account.

The City shall contribute \$475.00 per month on behalf of each police sergeant to a deferred compensation account.

B. Employee Contribution to Deferred Compensation

Employees may elect to contribute from their regular wages to deferred compensation accounts up to the IRS-established limits. In accordance with the tax laws, any cash that an employee may receive through the cafeteria plan may not be deferred to the employee's deferred compensation accounts directly from the cafeteria plan.

C. Conversion of Sick Leave to Deferred Compensation

Employees may elect to convert accumulated sick leave to deferred compensation. 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 accrual balance cannot be reduced below 500 hours.
3. Contribution amounts and deferral limits will be governed by IRS Code restrictions and the deferred compensation plan rules related to "catch-up" contributions.
4. An employee may only convert the amount of sick leave he/she would be eligible to receive if he/she separated from service at the time of the sick leave conversion to deferred compensation.

9. CALPERS RETIREMENT BENEFITS

The City contracts with CalPERS for retirement benefits. The definitions of “new member” and “classic member” are set forth in Exhibit “C” to this MOU.

A. For “Classic Member” Employees

1. Retirement Formula: The City contracts with CalPERS to provide the 3% at 50 retirement formula for all employees hired before July 1, 2012 as set forth in California Government Code Section 21362.2. For employees hired after July 1, 2012 who are classic members, the City contracts with CalPERS to provide the 3% at 55 retirement formula as set forth in California Government Code Section 21363.1
2. Retirement Benefit Calculation Period: The City's contract with CalPERS provides for the "Single Highest Year" retirement benefit for which “classic member” employees hired prior to July 1, 2012 in the unit are included per Government Code section 20042. For employees hired after July 1, 2012 who are classic members, final compensation will be 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 any other three consecutive year period chosen by the employee as set forth in Government Code section 20037.
3. Payment of Employee/Member Contribution: Effective at the beginning of the pay period following City Council adoption of this MOU, classic members shall pay their entire Member Contribution equal to nine percent (9%) of compensation earnable and the City shall pay and report zero percent (0%) of compensation earnable as Employer Paid Member Contribution (EPMC). Until City Council adoption of the MOU, the City will continue to pay and report eight percent (8%) of compensation earnable as an Employer Paid Member Contribution (EPMC) under Government Code section 20636(c)(4) pursuant to section 20691 and the employees shall continue to pay the remaining one percent (1%) of compensation earnable. The City has adopted the CalPERS resolution in accordance with IRS Code section 414(h)(2) to ensure that the employee contribution is made on a pre-tax basis.
4. Employer Cost-Share: Only from October 7, 2016 through the beginning of the pay period following City Council adoption of this MOU, in accordance with Section 20516(f) of the California Government Code, 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 three percent (3%) of compensation earnable. 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. For “New Members” As Defined By the Public Employees’ Pension Reform Act of 2013 (PEPRA)

1. Retirement Formula: Unit members who are defined as “new members” under the PEPRA, are covered by the 2.7%@ 57 formula provided for by the Public Employees’ Retirement Law at Government Code section 7522.25(d).
2. Retirement Benefit Calculation Period: For unit members defined as “new members” under the PEPRA, each such employee’s final compensation will be 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 any other three consecutive year period chosen by the employee as set forth in Government Code section 7522.32(a).
3. Payment of Employee/Member Contribution: Effective October 7, 2016, new member employees are responsible for paying the employee contribution of one-half of the normal cost of the plan, as defined by CalPERS, through a payroll deduction. This amount is currently determined by CalPERS and will continue to be determined by CalPERS in the future. The City has adopted the CalPERS resolution in accordance with IRS Code section 414(h)(2) to ensure that the employee contribution is made on a pre-tax basis.
4. Employer Cost-Share: Only from October 7, 2016 through the beginning of the pay period following City Council adoption of this MOU, in accordance with Section 20516(f) of the California Government Code, 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 three percent (3%) of compensation earnable. 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.

C. Additional Optional Benefits For All Employees

1. 1959 Survivor's Benefit: The City’s contract with CalPERS provides Level 4 coverage under the 1959 Survivor's Benefit per Government Code section 21574.
2. Military Service Credit: The City’s contract with CalPERS provides the Military Service Credit option set forth in Government Code section 21024.

3. Pre-Retirement Death Benefits: The City's contract with CalPERS provides the benefit known as the pre-retirement death benefits to continue after remarriage of survivor as set forth in Government Code section 21551.
4. Cost of Living Allowance: The City's contract with CalPERS provides the benefit known as the 2% Cost of Living Allowance Increase as set forth in Government Code section 21329.
5. Retired Death Benefit: The City's contract with CalPERS provides the \$500 Retired Death benefit as set forth in Government Code section 21620.
6. Prior Service: The City's contract with CalPERS provides the prior service benefit as set forth in Government Code section 20055.
7. Post Retirement Survivor Allowance as set forth in Government Code section 21635, 21624/21626.

10. HOLIDAYS

A. Holidays

Employees on patrol or who otherwise work a 3/12.5 hour schedule shall be entitled to holiday in lieu pay of 12.5 hours for the nine holidays listed below if the employee worked his/her regularly assigned work schedule or was absent on authorized paid leave the day before and the day after the holiday. Employees who are not on patrol or who otherwise work the 4/10 work schedule shall receive ten hours off from work with pay for the ten holidays listed below. If the holiday falls on an employee's regularly scheduled day off, the employee shall receive holiday in lieu pay of 10 hours.

Pre-Service Police Officers assigned to a 5/40 work schedule will generally receive 8 hours off from attendance at the academy for any of the holidays for non-patrol employees as described below. If a Pre-Service Police Officer is required to work a holiday, he/she will receive 8 hours of holiday pay in lieu of receiving the holiday off.

PATROL or on a 3/12.5 Work Schedule

New Year's Day	January 1
Martin Luther King Jr. 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
Christmas Day	December 25

NON-PATROL or on a 4/10 Work Schedule

New Year's Day	January 1
Martin Luther King Jr. 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

B. Personal Holiday

Employees shall be entitled to one personal paid holiday each fiscal year; for employees assigned to patrol or otherwise on a 3/12.5 schedule this shall be a 12.5 hour holiday, for all employees on a 4/10 schedule it shall be a 10 hour holiday. This holiday may be taken at the employee's discretion subject to his/her supervisor's and the Police Chief or designee's approval. The employee shall request this holiday in writing. This holiday is non-accruable from one year to the next and shall not be paid for if not taken.

11. VACATION

A. Authorization For Taking Vacation

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

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

B. Holidays During Vacations

When a holiday falls within an employee's vacation leave, for employees on patrol or who otherwise work a 3/12.5 work schedule who receive holiday-in-lieu pay, the day will still count against vacation since the employee will be receiving holiday in lieu pay as well. For employees who are being paid for not working on the holiday (i.e., those who

work a 4/10 work schedule) the day will not count against the employee's vacation as the employee is already off of work for the holiday.

C. Vacation Accumulation

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

<u>FIRST 4 YEARS OF SERVICE</u>	<u>AFTER 4 YEARS THROUGH 14 YEARS OF SERVICE</u>	<u>AFTER 14 YEARS OF SERVICE</u>
3.07 Hours Bi-weekly	5.54 Hours Bi-weekly	7.39 Hours Bi-weekly
80 Hours/Year	144 Hours/Year	192 Hours/Year

Employees with fourteen years of service or less may not accumulate more than 432 hours of vacation and will not continue to accrue vacation until their balance falls below 432 hours.

Effective January 1, 2017, employees with more than fourteen (14) years of service may not accumulate more than 480 hours of vacation at any time and will not continue to accrue vacation until their balance falls below 480 hours.

D. Briefing Preparation Time

Sergeants receive briefing preparation time of 50 hours per calendar year which shall accrue as 1.92 hours of compensatory time off each pay period. The accrual of this compensatory time off is intended to compensate the Sergeants in accordance with the Fair Labor Standards Act. The parties acknowledge that keeping track of pre-briefing hours is difficult and this agreement to pay for briefing preparation time is intended to comply with 29 CFR section 785.23 of the Department of Labor regulations implementing the FLSA. An employee who is at the maximum accrual for compensatory time as provided by this MOU during any pay period shall receive pay for the 1.92 hours for pre-briefing time.

12. SICK LEAVE

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

A. Accrual

Employees shall accrue sick leave at the rate of 3.69 hours for each complete biweekly period of employment. During years in which there are 27 pay dates, there will be no sick leave accrual during the 27th pay date. Payroll division records are the final authority for settling disputes regarding accrued sick leave and vacation.

B. New Employment

During the first six (6) months of employment, a new employee may use up to three (3) days of sick leave. After six (6) months, an employee may use any approved sick leave he/she has accrued.

C. Use of Sick Leave

Accumulated sick leave may be used by an employee during any period of illness of the employee, spouse, child, or registered domestic partner if the illness requires the presence of the employee. In addition, an employee may use up to one half of one year's annual accrued sick leave (48 hours per calendar year) for his/her parent, sibling, parent-in-law, grandchild or grandparent.

D. Sick Leave Incentive

After completion of one full year of service, police personnel who use twenty four (24) hours or less of sick leave each payroll year (defined as the year that ends at the end of the last full pay period in December where the pay day is also in December) may elect to receive cash payment for up to 24 hours of the accumulated unused sick leave during the month of January of the following year. Accrued unused sick leave shall be cashed out at separation as provided for in paragraph 16A of this MOU.

13. 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

Forty (40) hours of bereavement leave, per calendar year, 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 Police Chief or designee and the Assistant Director of Administrative Services/Human Resources.

14. WITNESS LEAVE

Employees who are required to serve as a witness pursuant to a lawful subpoena in any judicial or quasi-judicial proceeding in a matter other than one to which the employee is a party, or who are required to serve as a juror, shall be allowed time off without loss of pay to perform such duties. 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 Article is not applicable to those employees participating in judicial or quasi-judicial proceedings that are within the scope of their employment.

15. 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. Employees on leaves of absence without pay shall not accrue vacation, leave rights, nor shall the City pay for any fringe benefits. Decisions whether to grant such a leave will be made based on operational needs of the Department.

16. LEAVE PAYOFFS UPON SEPARATION FROM CITY SERVICE

A. Sick Leave Pay-Off

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 qualified to receive sick leave pay off.

1. Employees who have achieved ten (10) or more continuous years of service shall be eligible for sick leave pay upon separation of employment with the City at the rate of three percent (3%) of accrued, unused sick leave per full year of service. Sick leave shall be calculated at the rate of pay, including all education and assignment pays, received by the employee at the time of his/her separation.
2. Police personnel who have achieved twenty (20) or more continuous years of service shall be eligible for sick leave pay upon separation of employment with the City at the rate of four percent (4%) of accrued, unused sick leave per full year of service. Sick leave shall be calculated at the rate of pay, including all education and assignment pays, received by the employee at the time of his/her separation.

Police personnel eligible to receive sick leave pay shall receive the pay at the time of termination. At no time can the percentage of sick leave payoff exceed 100%.

B. Vacation Pay-Off

Employees who terminate from City service shall receive an amount equal to accrued unused vacation at the time of termination. The rate of payoff shall be based on the rate of pay at the time of separation.

17. UNIFORM ALLOWANCE

The City shall furnish the initial uniform and necessary equipment to each sworn Police employee and replace uniform items which are no longer serviceable. The administration of this program is contained in Administrative Regulation 3.B.7.

The City shall provide \$700 per year for uniformed personnel who have successfully completed their initial probation and \$800 per year for non-uniformed personnel who have successfully completed their initial probation as a uniform and equipment allowance. The allowance shall be paid annually in January (for the upcoming year) of each year, except that employees who successfully complete their initial probation during the course of a calendar year shall receive a pro-rata share of the annual allowance for that year. For example, an employee who successfully completes probation on October 1, and is entitled to the \$700 per year allowance shall then receive a \$175 allowance for that year and an additional \$700 allowance for the next year.

18. OVERTIME

Police personnel shall earn overtime when required to work holidays, normally scheduled days off, in excess of their normal daily work hours, or in excess of their prescribed work period. Whether an employee shall be paid overtime compensation or accrue compensatory time off shall be determined by the Police Chief or his/her designee.

The maximum amount of compensatory time off an employee can accrue is 160 hours (i.e., 106.66 hours of overtime accrued as compensatory time off at time and one half is 160 hours). An employee may use his/her accrued compensatory time off by providing reasonable notice. A request to use compensatory time off which was requested with reasonable notice will not be denied unless the request would be unduly disruptive to the department. The parties agree that having to pay overtime to another employee who works the shift does not constitute undue disruption to the City.

All MOU overtime pay (non-statutory overtime) shall be paid at one and one half times the regular rate of pay, as defined in the FLSA, except that cash received by employees who either opt out of health insurance or receive cash back for using less than the amount provided by the City shall not be included in those calculations.

A. Court Time

Employees called to appear in court shall receive a minimum of four (4) hours of overtime compensation (as defined above); except, that if the court appearance time is contiguous, either before or after, to the employee's assigned shift, the employee will be paid overtime for a minimum of one (1) hour or for the actual time spent in court, whichever is greater. If the court time occurs during the employee's regular shift, he/she will receive his/her regular wages.

B. Call Back

Employees who are called back to work shall receive a minimum of four hours paid at straight time even if the call back is less than four hours. Employees called back for more than four hours will be paid at time and one half for all hours worked beyond four hours.

C. Standby/On-Call

If an employee is required to be on standby/on-call, the employee shall receive an amount equal to three hours compensation per day. The hourly rate shall be computed by using the employee's base rate of pay.

The employee shall provide the department with a telephone number at which he/she can be reached. The employee must be able to return to the department within the amount of time he/she would be able to return if traveling from home. An employee on standby/on-call shall remain fit for duty.

D. Special Jobs

An employee working a "Special Job", as defined in the Beverly Hills Police Department Manual, shall receive a minimum of four (4) hours of pay at the overtime rate (as defined above).

19. WORK SCHEDULE

The workweek for Pre-Service Police Officers shall be 168 regularly recurring hours. Most Pre-Service Police Officers will work a 5/40 schedule, but other schedules may be assigned at the discretion of the Police Chief. For employees working a 5/40 or 4/10 work schedule, it shall begin on Saturday at 12:00 a.m. and end at 11:59 p.m. the following Friday. For employees working the 9/80 work schedule, each employee's designated FLSA workweek (168 hours in length) shall begin exactly four hours after the start time of his/her eight hour shift on the day of the week that corresponds with the employee's alternating regular day off.

Police Personnel will work a 4/10 or 3/12.5 work schedule. Those employees assigned to the Patrol Division shall work the 3/12.5 work schedule. Police personnel assigned to Motors shall work a 4/10 or a 3/12.5 work schedule. Those employees assigned to a 4/10 work schedule shall work 4 days per week, 10 hours per day.

Flexible scheduling on the use of two-person patrol vehicles in the early morning hours shall be the decision of the Watch Commander. There shall be no automatic doubling up of employees and such assignments may be made based upon available employees and the ability to provide adequate patrol coverage throughout the City.

Police Personnel assigned to a 3/12.5 work schedule shall work three 12.5 hour shifts during each of the four weeks of a 28-day FLSA work period. In addition, the employee shall work one additional ten (10) hour shift during the same work period. For those employees assigned to the 3/12.5 work schedule, overtime shall be defined as all time worked and/or regarded as having been worked because of use of a paid leave of absence in excess of the scheduled daily work shift and/or 160 hours in a 28-day work period. The ten (10) hour make-up shift for employees scheduled to work the 3/12.5 work schedule can occur at any time during the 28-day work period. The date will be assigned based on the operational needs of the department.

For those employees assigned to a 4/10 work schedule, overtime shall be defined as all time worked and/or regarded as having been worked because of use of a paid leave of absence in excess of the regularly scheduled work day or 40 hours in a seven day workweek.

Pursuant to Section 7(k) of the FLSA, the City has adopted a 28-day work period for all sworn police personnel.

20. ASSOCIATION TIME - BOARD MEMBERS

Beverly Hills Police Officers' Association Board members, subject to the approval of the Police Chief or designee, shall be allowed a reasonable period of time without loss of compensation for the sole and exclusive purpose of conducting transactions of the Beverly Hills Police Officers' Association. The amount of time shall not exceed one (1) hour per day for each Board member and an aggregate not to exceed five hundred (500) hours per year for all such Board members provided every reasonable effort is made to conduct Association meetings and/or business on nonduty time. Permission to attend Association meetings on duty must be obtained 48 hours in advance from Police Chief or designee. Permission to conduct Association business on duty must be obtained in advance from the Police Chief or designee. Approval to conduct Association business or attend Association meetings is conditioned upon field and/or assignment conditions.

As part of the five hundred (500) hours per year paid release time for Association Board members, up to a total maximum of six (6) days may be used to attend police related conferences, seminars or conventions. Permission to attend such conferences or conventions

must be obtained two (2) weeks in advance from the Police Chief or designee. The Association must track the five hundred (500) hours and provide monthly notification to payroll of the hours used.

The Association must notify the Assistant Director of Administrative Services/Human Resources in writing of changes in its Association Board.

21. OVERPAYMENT

In the event Sworn Police personnel are overpaid due to an error of the City or employee, repayment shall be made in a similar manner as the overpayment was received unless extraordinary circumstances prevent that from occurring or unless the overpayment was the result of an inappropriate action of the employee.

22. DISCIPLINE

This Article applies to sworn police personnel only and is not applicable to pre-service Police Officers, who do not attain permanency and are not covered under the Peace Officers' Procedural Bill of Rights Act. Where the term "employee" appears in this article it is referring to sworn police personnel – a Police Officer or Police Sergeant.

A. Disciplinary Procedure for Employees Subject to Disciplinary Transfer, Step Reduction, Suspension, Demotion, or Dismissal

1. Pre-Action Due Process for Disciplinary Transfer, Step Reduction, Suspension, Demotion and Dismissal

Prior to being subject to disciplinary transfer, step reduction, suspension, demotion or dismissal, an employee will first be served with a notice of intent to discipline. This document will set forth the grounds for discipline, the facts supporting the grounds and all evidence to which the employee is entitled by law. The notice of intent to discipline will also advise the employee of any prior discipline which the City representative issuing the notice believes is relevant to the current discipline. In addition, the notice of intent will advise the employee of his/her right to respond to the proposed discipline either in writing or orally at a meeting. If the employee does not respond within the time limits, the discipline will be imposed.

If the employee chooses to respond in writing, he/she must insure his/her response is received by the representative who issued the notice of intent to discipline within seven (7) calendar days of receiving the notice of intent to discipline. If the employee wishes to respond orally, he/she must call or write

the City representative who issued the notice of intent to discipline within seven (7) calendar days of receiving the notice of intent to discipline informing the representative that he/she wishes to have an oral response. The City representative will advise the employee when the oral response (in accordance with *Skelly vs. the State Personnel Board*) will take place.

At the *Skelly* response (assuming the employee wants to respond orally), the employee has the right to be represented per Government Code section 3303(i). The *Skelly* response is an opportunity for the employee and/or his/her representative to respond to the notice of intent to discipline.

The City representative who will hear the response (Skelly Officer) may or may not be the person who issued the notice of intent to discipline. If the Skelly officer is not the person who recommended the discipline, he/she will be at or above the rank of the individual issuing the discipline. The Skelly Officer's decision will either be to impose the proposed discipline, impose no discipline or to impose a lesser discipline. The City representative hearing the response does not have authority to impose discipline that is greater than that which was proposed.

If the discipline is imposed or if it is reduced but there is still discipline imposed which is covered by this procedure, the City representative shall issue a notice of discipline. Like the notice of intent, the notice of discipline shall set forth the grounds, and facts supporting the discipline as well as any prior discipline relied on by the City representative in imposing the discipline. The notice of discipline will also set forth the employee's appeal rights advising the employee that if he/she wishes to appeal the discipline, he/she must do so in writing by serving a notice of appeal to the Assistant Director of Administrative Services/Human Resources within seven (7) calendar days.

The Notice of Discipline will set forth the effective date of the discipline.

2. Appeal Rights For Employees Subjected to Disciplinary Transfer, Step Reduction, Suspension, Demotion and Dismissal

The following sets forth the appeal rights for employees subjected to a disciplinary transfer, step reduction, suspension, demotion and dismissal.

a. Hearing Officer Selection

- i. The parties, through their respective representatives, shall mutually agree upon a hearing officer.
- ii. In the event the parties are unable to agree on a hearing officer:

- a. The City will request a list of seven (7) neutral hearing officers from the California State Mediation and Conciliation Service ("SMCS"). The request will be sent by email and the employee's representative will be cc'd on the request.
- b. Once a list is received from the SMCS, the parties shall toss a coin to determine striking order, with the winner selecting between the options of striking first or striking second. The parties shall then alternately strike names from the list until only one name remains. The remaining name shall be the hearing officer unless the parties mutually agree to request a new list or mutually agree on a different hearing officer.

b. Hearing Officer's Authority

- i. The hearing officer shall have full authority to decide the appeal, including questions of fact and conclusions of law, but shall be bound by all applicable codes, rules, policies, procedures, and regulations. The hearing officer shall also be bound by the terms of this MOU.
- ii. The hearing officer shall preside over a hearing at which evidence and arguments of the parties may be presented. Except as otherwise mutually agreed by the parties, the hearing officer shall determine the procedures to be followed for the hearing, with due regard for the rights of the parties.
- iii. The hearing officer shall rule on all evidentiary matters and need not follow the strict rules of evidence.
- iv. The burden is on the moving party to prove any charge by a preponderance of the evidence.
- v. The hearing officer shall administer oaths, as authorized by law.
- vi. The hearing officer shall issue subpoenas and subpoenas duces tecum to compel the attendance of witnesses and the production of evidence, as authorized by law.
- vii. The hearing officer shall issue a written decision within 30 (thirty) calendar days of the close of the hearing. However, failure of the hearing officer to issue a timely decision shall not constitute

grounds for challenging the decision as being beyond the hearing officer's authority.

c. Final Decision, Judicial Review

- i. The written decision of the hearing officer shall be the final decision within the City's administrative process.
- ii. Either party may appeal the decision of the hearing officer to the Superior Court according to the procedures and subject to the standards provided in Code of Civil Procedure § 1094.5 by filing a writ of administrative mandamus.

d. Expenses

- i. Each party shall bear its own costs and attorney fees in connection with processing of a covered appeal and the hearing.
- ii. Both the City and the Association shall each pay one-half of the mutually incurred costs of the hearing. The mutually incurred costs of the hearing will be limited to the reasonable fee and expenses of the hearing officer and court reporter. Except as otherwise mutually agreed, the City will provide a meeting room at Beverly Hills City Hall, or another City facility, suitable for conducting the hearing.

B. Administrative Appeal for Employees Subject to Discipline Other Than Disciplinary Transfer, Step Reduction, Suspension, Demotion, or Dismissal

The following administrative appeal process is established pursuant to Government Code § 3304.5. This procedure shall not apply to disciplinary actions for which employees already are entitled to receive an appeal hearing for disciplinary transfer, step reduction, suspension, demotion and dismissal (outlined in Section "A" above).

1. Right to Administrative Appeal Under this Procedure

- a. Any employee who is subjected to punitive action (within the meaning of Government Code § 3303) other than dismissal, demotion, step reduction, suspension or disciplinary transfer, shall be entitled to receive an administrative appeal under this procedure. The employee shall not be entitled to appeal the action prior to its imposition, i.e., an 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. Notice of Appeal

- a. Within five (5) calendar days of receipt by an employee of notification of punitive action as set forth above, the employee shall notify the Assistant Director of Administrative Services/Human Resources in writing of his/her intent to appeal the punitive action.
- b. The notice of appeal shall specify the action being appealed and the substantive and procedural grounds for the appeal.

3. Hearing Officer

- a. 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.
- b. The hearing officer appointed by the City Manager 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.

4. Burden of Proof/Persuasion

- a. If the action being appealed does not involve allegations of misconduct (i.e., allegations that the officer 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 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 an employee out of a premium pay assignment with the intent of affording other 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.

- b. If the punitive action involves charges of misconduct, (i.e., allegations that the 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 an employee received a written reprimand for unauthorized absence from work then the City would bear the burden of proving that the employee was absent from work without authorization and that a written reprimand was reasonable under the circumstances.

5. Conduct of Hearing

- a. The formal rules of evidence do not apply, although the hearing officer shall have discretion to exclude evidence which is incompetent, irrelevant or cumulative.
- b. The parties may present opening statements.
- c. The parties may present evidence through documents and testimony.
 - i. Witnesses shall testify under oath.
 - ii. The hearing officer shall issue subpoenas for documents or testimony upon reasonable request of the parties.
- d. The parties shall be entitled to confront and cross-examine witnesses.
- e. Following the presentation of evidence, if any, the parties may submit oral and/or written closing argument for consideration by the hearing officer.

6. 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.

7. Representation

The 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 employee.

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

8. Decision

- a. 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.
- b. 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 decision. If the City Manager modifies, or rejects the hearing officer's decision, then he or she shall review the entire record prior to making a decision.
- c. If the City Manager hears the appeal him/herself, he/she will issue his/her decision within sixty (60) calendar days of the submission of the case by the parties for decision. The written decision shall set forth his/her findings of fact and final decision.
- d. The decision shall be served by first class mail, postage pre-paid, upon the employee as well as his/her attorney or representative, shall be accompanied by an affidavit or certificate of mailing, and shall advise the police personnel that the time within which judicial review of the decision may be sought is governed by Code of Civil Procedure § 1094.6.

FOR THE CITY OF BEVERLY HILLS

Shelley Ovrom

Date

Lisa Jenkins

Date

Peter Brown

Date

FOR THE BEVERLY HILLS POLICE OFFICERS' ASSOCIATION

Christopher Coulter

Date

Jason DuFour

Date

Richard Billingsley

Date

Stephen Silver

Date

EXHIBIT A

Salary Schedules

Effective 10/07/2016

POLICE OFFICER SALARY RATES

GRADE	STEP	HOURLY RATE	BIWEEKLY	MONTHLY SALARY	ANNUAL SALARY
P-39	1	\$ 37.65	\$ 3,012.28	\$ 6,526.62	\$ 78,319.40
P-39	2	\$ 39.75	\$ 3,180.25	\$ 6,890.54	\$ 82,686.50
P-39	3	\$ 41.97	\$ 3,357.58	\$ 7,274.76	\$ 87,297.09
P-39	4	\$ 44.31	\$ 3,544.80	\$ 7,680.40	\$ 92,164.79
P-39	5	\$ 46.78	\$ 3,742.46	\$ 8,108.66	\$ 97,303.89

POLICE SERGEANT SALARY RATES

GRADE	STEP	HOURLY RATE	BIWEEKLY	MONTHLY SALARY	ANNUAL SALARY
P-46	1	\$ 45.53	\$ 3,642.24	\$ 7,891.52	\$ 94,698.29
P-46	2	\$ 48.07	\$ 3,845.33	\$ 8,331.56	\$ 99,978.66
P-46	3	\$ 50.75	\$ 4,059.75	\$ 8,796.12	\$ 105,553.49
P-46	4	\$ 53.58	\$ 4,286.12	\$ 9,286.60	\$ 111,439.16
P-46	5	\$ 56.56	\$ 4,525.12	\$ 9,804.42	\$ 117,653.00
P-46	6	\$ 59.72	\$ 4,777.44	\$ 10,351.11	\$ 124,213.32

PRE-SERVICE ENTRY LEVEL RATES

HOURLY RATE	BIWEEKLY	MONTHLY SALARY	ANNUAL SALARY
\$ 35.48	\$ 2,838.03	\$ 6,149.07	\$ 73,788.84

Effective 2/18/2017

POLICE OFFICER SALARY RATES

GRADE	STEP	HOURLY RATE	BIWEEKLY	MONTHLY SALARY	ANNUAL SALARY
P-39	1	\$ 40.67	\$ 3,253.27	\$ 7,048.75	\$ 84,584.95
P-39	2	\$ 42.93	\$ 3,434.67	\$ 7,441.79	\$ 89,301.42
P-39	3	\$ 45.33	\$ 3,626.19	\$ 7,856.74	\$ 94,280.86
P-39	4	\$ 47.85	\$ 3,828.38	\$ 8,294.83	\$ 99,537.97
P-39	5	\$ 50.52	\$ 4,041.85	\$ 8,757.35	\$ 105,088.20

POLICE SERGEANT SALARY RATES

GRADE	STEP	HOURLY RATE	BIWEEKLY	MONTHLY SALARY	ANNUAL SALARY
P-46	1	\$ 49.17	\$ 3,933.62	\$ 8,522.85	\$ 102,274.15
P-46	2	\$ 51.91	\$ 4,152.96	\$ 8,998.08	\$ 107,976.95
P-46	3	\$ 54.81	\$ 4,384.53	\$ 9,499.81	\$ 113,997.77
P-46	4	\$ 57.86	\$ 4,629.01	\$ 10,029.52	\$ 120,354.29
P-46	5	\$ 61.09	\$ 4,887.12	\$ 10,588.77	\$ 127,065.24
P-46	6	\$ 64.50	\$ 5,159.63	\$ 11,179.20	\$ 134,150.39

PRE-SERVICE ENTRY LEVEL RATES

HOURLY RATE	BIWEEKLY	MONTHLY SALARY	ANNUAL SALARY
\$ 38.31	\$ 3,065.07	\$ 6,641.00	\$ 79,691.95

Effective 9/30/2017**POLICE OFFICER SALARY RATES**

GRADE	STEP	HOURLY RATE	BIWEEKLY	MONTHLY SALARY	ANNUAL SALARY
P-39	1	\$ 41.63	\$ 3,330.70	\$ 7,216.51	\$ 86,598.07
P-39	2	\$ 43.96	\$ 3,516.42	\$ 7,618.90	\$ 91,426.79
P-39	3	\$ 46.41	\$ 3,712.49	\$ 8,043.73	\$ 96,524.74
P-39	4	\$ 48.99	\$ 3,919.50	\$ 8,492.25	\$ 101,906.97
P-39	5	\$ 51.73	\$ 4,138.05	\$ 8,965.78	\$ 107,589.30

POLICE SERGEANT SALARY RATES

GRADE	STEP	HOURLY RATE	BIWEEKLY	MONTHLY SALARY	ANNUAL SALARY
P-46	1	\$ 50.34	\$ 4,027.24	\$ 8,725.69	\$ 104,708.27
P-46	2	\$ 53.15	\$ 4,251.80	\$ 9,212.23	\$ 110,546.80
P-46	3	\$ 56.11	\$ 4,488.88	\$ 9,725.91	\$ 116,710.92
P-46	4	\$ 59.24	\$ 4,739.18	\$ 10,268.23	\$ 123,218.72
P-46	5	\$ 62.54	\$ 5,003.44	\$ 10,840.78	\$ 130,089.39
P-46	6	\$ 66.03	\$ 5,282.43	\$ 11,445.26	\$ 137,343.17

PRE-SERVICE ENTRY LEVEL RATES

HOURLY RATE	BIWEEKLY	MONTHLY SALARY	ANNUAL SALARY
\$ 39.23	3,138.02	\$ 6,799.05	\$ 81,588.62

Effective 9/29/2018

POLICE OFFICER SALARY RATES

GRADE	STEP	HOURLY RATE	BIWEEKLY	MONTHLY SALARY	ANNUAL SALARY
P-39	1	\$ 42.57	\$ 3,405.64	\$ 7,378.88	\$ 88,546.53
P-39	2	\$ 44.94	\$ 3,595.53	\$ 7,790.32	\$ 93,483.89
P-39	3	\$ 47.45	\$ 3,796.02	\$ 8,224.71	\$ 98,696.55
P-39	4	\$ 50.10	\$ 4,007.69	\$ 8,683.32	\$ 104,199.88
P-39	5	\$ 52.89	\$ 4,231.16	\$ 9,167.51	\$ 110,010.06

POLICE SERGEANT SALARY RATES

GRADE	STEP	HOURLY RATE	BIWEEKLY	MONTHLY SALARY	ANNUAL SALARY
P-46	1	\$ 51.47	\$ 4,117.85	\$ 8,922.02	\$ 107,064.21
P-46	2	\$ 54.34	\$ 4,347.47	\$ 9,419.51	\$ 113,034.10
P-46	3	\$ 57.37	\$ 4,589.88	\$ 9,944.74	\$ 119,336.92
P-46	4	\$ 60.57	\$ 4,845.81	\$ 10,499.26	\$ 125,991.14
P-46	5	\$ 63.95	\$ 5,116.02	\$ 11,084.70	\$ 133,016.40
P-46	6	\$ 67.52	\$ 5,401.28	\$ 11,702.78	\$ 140,433.39

PRE-SERVICE ENTRY LEVEL RATES

HOURLY RATE	BIWEEKLY	MONTHLY SALARY	ANNUAL SALARY
\$ 40.11	\$ 3,208.63	\$ 6,952.03	\$ 83,424.36

EXHIBIT B

Special Assignment Terms and Rotational Positions

Assignment	Assignment Term	Agreed Rotation of Special Assignment Positions
1. Special Tactics Unit (STU)	3 year assignment; maximum of 5 years	<ul style="list-style-type: none">• 2 positions rotational; 2 positions non-rotational.• Sergeant will be rotational.• All positions added after January 1, 2017 will be rotational.
2. Detectives	3 year assignment; maximum of 7 years	<ul style="list-style-type: none">• Four Officer positions and one Sergeant position will be rotational; remaining positions will be non-rotational.• All positions added after January 1, 2017 will be rotational.
3. Field Training Officer	3 year assignment; maximum of 5 years	<ul style="list-style-type: none">• 6 Officer positions are non-rotational; 3 are rotational.• All positions added after January 1, 2017 will be rotational.
4. Motor Pay	5 year assignment; maximum of 7 years	<ul style="list-style-type: none">• 3 of the current officer positions rotational; remaining 7 positions non-rotational.• 2 Sergeant positions are non-rotational• All positions added after January 1, 2017 will be rotational
5. Personnel & Training	3 year assignment; maximum of 5 years	<ul style="list-style-type: none">• All positions are rotational.
6. a. Office of the Chief – PSU	3 year assignment; maximum of 5 years	<ul style="list-style-type: none">• All positions are rotational.
b. Office of the Chief – Intelligence Unit	3 year assignment; maximum of 7 years	<ul style="list-style-type: none">• All positions are rotational.
7. Traffic/Accident Investigation	3 year assignment; maximum of 5 years	<ul style="list-style-type: none">• One position rotational; one is non-rotational• All positions added in the future will be rotational.

8. Canine	5 year assignment; maximum of 7 years (or life of dog)	<ul style="list-style-type: none"> • All positions are rotational.
9. Desk Officer	3 year assignment; maximum of 5 years	<ul style="list-style-type: none"> • All positions are rotational.
10. Crime Suppression Unit	3 year assignment; maximum of 5 years	<ul style="list-style-type: none"> • All positions are rotational.
11. Special Projects Detail	3 year assignment; maximum of 5 years	<ul style="list-style-type: none"> • All positions are rotational.
12. Crime Prevention Bureau	3 year assignment; maximum of 5 years	<ul style="list-style-type: none"> • All positions are rotational.
13. Red Light photo enforcement	3 year assignment; maximum of 5 years	<ul style="list-style-type: none"> • All positions are rotational.

EXHIBIT C

DEFINITIONS OF “NEW MEMBER” AND “CLASSIC MEMBER” PER THE PUBLIC EMPLOYEES’ PENSION REFORM ACT OF 2013 – PEPRA.

The parties acknowledge that the PEPRA controls over definitions such as “new member” and “classic member” and put their understanding of the definitions in their MOU for informational purposes so that employees understand their retirement benefits.

New Member

Government Code section 7522.04(f) defines “new member” as follows:

- (f) "New member" means any of the following:
- (1) An individual who becomes a member of any public retirement system for the first time on or after January 1, 2013, and who was not a member of any other public retirement system prior to that date.
 - (2) An individual who becomes a member of a public retirement system for the first time on or after January 1, 2013, and who was a member of another public retirement system prior to that date, but who was not subject to reciprocity under subdivision (c) of Section 7522.02.
 - (3) An individual who was an active member in a retirement system and who, after a break in service of more than six months, returned to active membership in that system with a new employer.

Classic Member

CalPERS refers to all members who do not fit the definition of new member as a classic member.