



AGENDA REPORT

Meeting Date: July 3, 2012
Item Number: G-7
To: Honorable Mayor & City Council
From: Scott G. Miller, Director of Administrative Services/CFO
Sandra Olivencia, Asst. Director of Administrative Services/Human Resources
Subject: MEMORANDUM OF UNDERSTANDING BETWEEN THE FIREMEN'S ASSOCIATION AND THE CITY OF BEVERLY HILLS AND IMPLEMENTATION OF THE COMPENSATION PLAN FOR FIRE EMPLOYEES
Attachments: 1. Redline Agreement
2. 2011-2015 Memorandum of Understanding (MOU)

RECOMMENDATION

Staff recommends approval of the attached memorandum of understanding between the City of Beverly Hills and the Beverly Hills Firemen's Association.

INTRODUCTION

The Beverly Hills Firemen's Association represents the Firefighters, Fire Engineers, Fire Captains and Fire Battalion Chiefs. The last Memorandum of Understanding (MOU) expired October 5, 2011. Representatives of the Association and the City, having met and conferred in good faith since September 2011 have agreed to the terms found in the attached Memorandum of Understanding. The new agreement has a term of four years from October 6, 2011 to October 5, 2015. The term of this agreement has been set to coincide with the City's payroll cycle.

DISCUSSION

The significant changes to the MOU from the previous MOU are listed below:

1. Term of Agreement
 - October 6, 2011 to October 5, 2015

2. Salary

- Effective 7-1-13, Fire Personnel shall receive a 1% base salary increase
- Effective 7-1-14, Fire Personnel shall receive a 2% base salary increase
- Effective 7-1-15, Fire Personnel shall receive a 2% base salary increase

3. Retirement Employee Contribution

- Effective 7-1-13, employees shall pay 1% of the employee contribution to CalPERS
- Effective 7-1-14, employees shall pay an additional 1% of the employee contribution to CalPERS for a total of 2% retirement contribution.
- Effective 7-1-15, employees shall pay 1% of the employee contribution to CalPERS for a total of 3% retirement contribution

This agreement will also reduce the reportable employer paid member contribution as compensation earnable by 3%. As such, employees will only report 6% of their EPMC to CalPERS as compensation earnable for retirement, not 9%.

4. Two Tier Retirement

- 3% @ 55 for employees hired after July 1, 2012 or as soon as the City amends its contract with CalPERS.

5. Two Tier Retirement Calculations

- Three year average final compensation per Government Code 20037 for employees hired after July 1, 2012 or as soon as the City amends its contract with CalPERS.

6. Retiree Medical

- Employees hired after March 1, 2012, will receive the following for retiree medical benefit: \$275 per month placed into a retiree health savings account plus the City will contribute the PERS statutory minimum (currently at \$112.00 – increasing to \$115 in 2013) per month plus future increases to the statutory minimum on behalf of the retirees.

7. Cafeteria Plan for Medical Benefits

- Effective 1-1-12, the City will contribute to the cafeteria plan an amount (which includes the CalPERS statutory minimum) equal to the total of the premiums for the employee plus family category of the Peace Officer Research Association of California (PORAC) medical insurance plan available through PERS.
- Each calendar year during the term of the MOU, the City will increase its monthly contribution by an amount equal to 80% of the total net increase of the cafeteria medical benefit and fire personnel have agreed to pay 20% of the increase in the cost of the cafeteria plan contribution amounts.
- Employees may purchase benefits through the cafeteria plan which are more expensive, at their own cost. An employee who chooses benefits per the cafeteria plan which are less than the value of the cash benefits provided by the City shall be eligible to receive cash in an amount not to exceed \$475 per month.

8. Bonuses

- Effective July 1, 2013 the bonuses will be modified as follows:
 - Emergency Medical Technician (EMT) bonus will be added to base salary
 - Educational and Assignment bonuses will be calculated as a percentage of base salary at each rank
 - Bonuses shall not be compounded on the salary schedule. As such, the ranges on the salary schedule will no longer be compounded as they go down.
 - Each bonus will be calculated by its 2.75% value
 - Paramedic bonus will be reduced to 13.75% since EMT bonus will be added to base salary.

9. Compensatory Time

- Effective May 1, 2012 or as soon as the MOU is approved by the City Council, employees who work an overtime shift, can only accrue up to twelve hours of compensatory time off. The effect of this change is that employees will earn less compensatory time off and thus, there will be less comp time off shifts taken which need to be backfilled on an overtime basis. This reduced the compounding effect of providing compensatory time off.

10. Civilian Deputy Fire Marshal

- Effective January 1, 2012, the Deputy fire Marshal shall be permitted to work special detail events as discretionary overtime. Special detail overtime (worked on a discretionary basis) shall be limited to a total of 520 hours per calendar year.

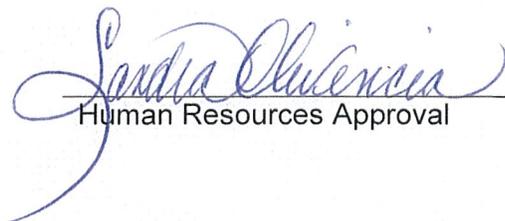
In addition to the listed changes, the MOU was modified to reflect current laws, correct titles, and improve the document's clarity.

FISCAL IMPACT

Over the next four years, this Memorandum of Understanding will result in an increase in compensation related costs to the City of approximately \$ 461,400. However in our estimates, we will be saving \$2,340,000 due to retirement, benefits, bonuses and compensatory time modifications.

Sandra Olivencia
Human Resources

Scott G. Miller
Director of Administrative Services/CFO


Human Resources Approval


Approved By

Attachment 1

MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF BEVERLY HILLS AND
THE BEVERLY HILLS FIREMEN'S ASSOCIATION

WHEREAS, the Beverly Hills Firemen's Association, (hereinafter "Association") a formally recognized employee organization, representing all nonexecutive sworn safety fire personnel (hereinafter "Fire Personnel"), and duly authorized representatives of the management of the City of Beverly Hills, 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. A list of all classifications represented by the Association is attached to this Memorandum of Understanding as Exhibit A.

Now, therefore, the parties agree and mutually recommend to the City Council of the City of Beverly Hills 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.

It is recognized that there exists now certain past practices, policies or procedures that are in force and effect which affect wages, hours and working conditions. To that extent, it is agreed that such practices, policies and procedures shall remain in full force and effect during the entire term of this agreement, unless they are inconsistent with the provisions of this MOU, or unless they are changed by agreement of the parties.

This MOU 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 Fire 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 ~~64, 2011~~⁰⁸ and shall expire on October 5, 201~~5~~¹.

1. SALARIES

The ranks of Firefighter, Fire Engineer, Fire Captain and Fire Battalion Chief shall each be separated from the top step of one classification to the top step of the higher classification by 17.7% respectively (equal to six 2.75% increments compounded). The Compensation Matrix, a copy of which is attached hereto as Exhibit "B", outlines the base salary steps for each classification. Each salary step differential shall be the equivalent of two 2.75% increments compounded.

Any increase in base pay for all classifications will be achieved by applying the same percentage of pay increase to the bottom step of each classification.

Effective July 1, 2013, All Fire personnel shall receive a one percent (1%) base salary increase, and the ranks of Firefighter, Fire Engineer, Fire Captain and Fire Battalion Chief will receive an additional 5.576% (2.75% plus an additional 2.75%) increase to base salary

Effective July 1, 2014, Fire personnel shall receive a two percent (2%) base salary increase.

Effective July 1, 2015, Fire personnel shall receive a two percent (2%) base salary increase.

~~First Year—October 1, 2008—September 25, 2009: Fire personnel will not receive a base salary increase.~~

~~Second Year—September 26, 2009—September 24, 2010: Effective September 26, 2009, fire personnel may receive a base salary increase which would be a percentage of their existing base salaries which will result in the total compensation, as later defined, of employees at top step in the classification of Firefighter being exactly one percent (1%) above the total compensation paid to employees in the classification of Firefighter in the survey agency, as defined below, which pays the highest total compensation. For purposes of calculating this formula, the base salary of the top step Firefighter will first be increased by 1.5%. No other element of total compensation shall be increased by 1.5% or any other amount for purposes of calculating this formula.~~

~~Third Year—September 25, 2010—October 5, 2011: Effective September 25, 2010, fire personnel may receive a base salary increase which would be a percentage of their existing base salaries which will result in the total compensation, as later defined, of employees at top step in the classification of Firefighter being exactly one percent (1%) above the total compensation paid to the classification of Firefighter in the survey agency, as defined below, which pays the highest total compensation. For purposes of calculating this formula, the base salary of the top step Firefighter will first be increased by 1.5%. No other element of total compensation shall be increased by 1.5%.~~

~~After the above calculations are made, a determination will be made as to whether the fire personnel will receive a base salary increase.~~

~~In each year, a base salary increase will be provided to fire personnel unless the total compensation at the rank of Firefighter is one percent or higher than that provided to the rank of Firefighter in the highest survey agency (based upon the agreed upon formula of total compensation described below). In that event, the base salaries of fire personnel shall be reduced by 1.5%.~~

The following examples show how the formula will be calculated:

- ~~1. Salary Increase: Assume that the highest survey agency's total compensation is \$12,120.00 and the City of Beverly Hills' total compensation is \$11,900.00. 1%~~

percent of \$12,120.00 = \$121.20. Thus, one percent above the highest survey agency is \$12,241.20. In this example, assume that the top step base salary for a Firefighter is \$7,287.47. The City would add \$109.31 (1.5% of that base salary) to \$11,900.00 for a total of \$12,009.31. The top step base salary would be increased by an appropriate percentage that would cause the total compensation to equal \$12,241.20. All other fire personnel would receive a like percentage salary increase.

2. ~~1.5% Salary Reduction:~~ Assume that the highest survey agency's total compensation is \$12,120.00 and the City of Beverly Hills' total compensation is \$12,400.00. 1% percent of \$12,120.00 = \$121.20. Thus, one percent above the highest survey agency is \$12,241.20. In this example, assume that the top step base salary for a Firefighter is \$7,287.47. Since the City of Beverly Hills' total compensation is more than 1% above the highest survey agency, there will be 1.5% base salary reduction equal to \$109.31. In this example, the net result in total compensation will be \$12,400.00 - \$109.31 = \$12,290.69. Even though this is more than 1% above the highest survey agency, base salaries will not be additionally reduced.
3. ~~Example where City and highest survey agency have the same total compensation:~~ Assume that the highest survey agency's total compensation is \$12,120.00 and the City of Beverly Hills' total compensation is \$12,120.00. 1% percent of \$12,120.00 = \$121.20. Thus, one percent above the highest survey agency is \$12,241.20. In this example, assume that the top step base salary for a Firefighter is \$7,287.47. The City would add \$109.31 (1.5% of the base salary) to \$12,120.00 for a total of \$12,229.31. Since this amount is \$11.89 below 1% higher than the highest survey agency, in total compensation, the top step Firefighter base salary will be increased by an amount necessary to cause the total compensation of the Firefighter to be increased by \$11.89. All other fire personnel shall receive the same percentage salary increase.

Total Compensation Formula: The total compensation formula agreed to between the City and the Association is very important because the parties agree that it will determine the base salaries of fire personnel effective September 26, 2009 and September 25, 2010 and anticipate that it will be the benchmark for future agreements. As such, agreeing on a formula to measure total compensation is relevant not only within the term of this but will be useful for the parties in measuring total compensation of fire personnel in future MOUs where one percent (1%) above total compensation is the benchmark which the City will strive to achieve.

In calculating the elements of total compensation set forth below, the parties agree that the possible survey agencies will be fire agencies (which may include municipal fire agencies such as City and County departments, fire districts or fire authorities) within Los Angeles and Orange Counties. Private companies, airport or similar fire agencies shall not be included as possible survey agencies. In addition, fire agencies with less than 15 total sworn firefighting employees shall not be included as possible survey agencies.

~~By October 1, 2009 (for the second year survey) and by October 1, 2010 (for the third year survey), the Association may provide the City with the names of up to four fire survey agencies (as described in the previous paragraph) for which it wants the City to ascertain the total compensation paid to employees at the rank of Firefighter at top step. After the survey agencies are chosen by the Association, the total compensation survey will be conducted by all parties during the period between October 1, 2009 and December 31, 2009 (for the second year survey) and between October 1, 2010 and December 31, 2010 (for the third year survey) to determine the highest total compensation paid to comparable classifications among the surveyed agencies as of September 26, 2009 (for the second year) and September 25, 2010 (for the third year). Although both the Association and the City may conduct their own surveys, the parties agree that the goal of the surveys is to agree on the total compensation information. If any of the chosen survey agencies is still engaged in collective bargaining negotiations as of December 31, 2009 or 2010, its total compensation elements will be valued as of September 26, 2009 or September 25, 2010. If any of the chosen survey agencies has concluded negotiations between September 26, and December 31, 2009 or September 25, 2010 and December 31, 2010 with a collective bargaining agreement that has been approved by the governing body on or before December 31, 2009 or 2010 that provides for compensation increases retroactive to September 26, 2009 or September 25, 2010 or an earlier date, its total compensation elements will be valued as of September 26, 2009 or September 25, 2010. Any resulting salary increase (if applicable) will be retroactive to September 26, 2009 or September 25, 2010.~~

~~The parties agree that total compensation for fire personnel will include the following elements:~~

- ~~1. Monthly Base Salary — Top Step or top of the salary range (without bonuses) for Firefighter~~
- ~~2. The value of employer paid retirement contributions. This component will be ascertained by multiplying all pensionable income, including the value of the employer paid member contributions, by the employer's retirement contribution rate. (For Beverly Hills the employer's retirement contribution rate is 23.169% of pensionable income effective September 30, 2008, subject to change each year based upon an actuarial study). The "PERS on PERS" benefit provided for in the Retirement Article below will be factored in the City's retirement contribution rate as part of the formula.~~
- ~~3. The value of employer paid member contributions. This component will be ascertained by multiplying all pensionable income, including the value of the employer paid member contributions, by the employee's retirement contribution rate paid by the employer. (For Beverly Hills, it is 9% of pensionable income).~~
- ~~4. Cafeteria Plan Contribution and/or City Paid Health Insurance: For employers with cafeteria plans which cover health, dental and/or optical/vision, the amount used for the survey is the maximum amount provided to employees at the rank of Firefighter. In calculating this amount for agencies that have separate medical,~~

~~dent and/or vision benefits (or cafeteria plans that do not include all of these benefits) the amount will be the dollar amount of the maximum plans provided to employees at the rank of Firefighter for each of those separate benefits.~~

- ~~5. Uniform Allowance: This will be determined by taking the total maximum monthly amount the employer pays for uniform allowance.~~
- ~~6. Life Insurance: Maximum Employer contribution to Life Insurance valued at 21 cents per \$1,000 of coverage.~~
- ~~7. Deferred Compensation: This will be determined by taking the monthly maximum amount the employer pays for deferred compensation for employees at the rank of Firefighter, including matching contributions.~~
- ~~8. Vacation: This will be determined by taking the maximum monthly vacation accrual for a ten year and one day employee at the rank of Firefighter and multiplying that number by the hourly base salary amount for a top step Firefighter.~~
- ~~9. Holiday Pay: This will be determined by taking the maximum hours paid per month in holiday pay for an employee at the rank of Firefighter and multiplying that number by the hourly base salary amount for a top step Firefighter.~~
- ~~10. Extra Pay Per Month Available to Firefighters: This will be determined by adding the following extra pays to the formula:
 - ~~a. E.M.T. Bonus;~~
 - ~~b. USAR Bonus;~~
 - ~~c. Haz Mat Bonus;~~
 - ~~d. Education Bonus;~~
 - ~~e. Longevity Pay up to a maximum of what is provided to a 10 year and one day Firefighter;~~
 - ~~f. Bilingual and Foreign Language Bonus or Pay; and~~
 - ~~g. Other Performance or Achievement bonuses.~~~~

2. APPOINTMENT AND ADVANCEMENT

A. Movement Through Range

The City Manager may make appointments to or advancements within the prescribed ranges of specific positions upon evaluation of employee qualifications and performance. Normally, employees shall be appointed at the first step and shall be eligible to be advanced through the five (5) basic steps in their allocated schedules as follows:

1. Probationary Employment

Unless otherwise provided, every probationary employee shall receive a salary step increase to Step II upon satisfactory completion of the first six months of service. Thereafter, the employee's anniversary date for salary increases (to move to the next step) shall be adjusted such that increases shall be provided after the employee satisfactorily completes one year of service after his/her previous step increase.

2. Appointment and Advancement

The probationary period for new and promoted fire employees shall be one year from the date upon which they start the mandatory vestibule training or from the date of promotion. This probationary period applies to newly hired and laterally transferred recruit Firefighters. This one year probationary period is in addition to any time spent by recruit Firefighters attending an off-site recruit academy.

3. Any probationary period may be extended at the direction of the Fire Chief.

4. Permanent Employee Advancement

Unless otherwise provided, every permanent employee (i.e., employees who have successfully completed their probationary period) shall receive step advancements in the following manner:

- a. Each year on his or her anniversary date in the position, an employee shall be eligible for salary step increases for Steps III-V, provided said employee has received an evaluation with an overall rating of at least satisfactory. The salary step increase will be effective on the first day of the pay period that begins after his or her anniversary date.
- b. Such an increase is recommended by the employee's supervisor and the Fire Chief or designee and is approved by the Assistant Director of Administrative Services/Human Resources.

B. Employment At Other Than The First Step

Every appointment shall be at the first step of the schedule prescribed for the classification unless, upon the recommendation of the Assistant Director of Administrative Services/Human Resources, the City Manager authorizes hiring at a higher step. Such authorization shall be kept to a minimum and based upon proven inability to recruit at the first step, or upon ascertained special talent and ability of the prospective employee.

In the event an individual is appointed to a step above the first, he/she shall be eligible for a salary step increase upon the completion of one year of service, (on the first date of the pay

period that begins after one year of service has been completed) and receipt of an evaluation with an overall rating of at least satisfactory.

C. Filling Position out of Classification

Filling Position out of Classification (F.P.O.C.) is defined as a temporary assignment of any duration to a superior classification for which an employee is qualified, but has yet to achieve a permanent promotion.

F.P.O.C. compensation shall be paid at the first step of the salary schedule attendant to the superior classification. In the event the first step of that salary range is less than 5.5% above the current level of pay for the affected employee, he or she shall be compensated at a higher step of that salary range which is at least 5.5% above the current level of pay.

D. Effective Date Of Increase

Approved salary step increases shall be effective on the first day of the pay period that begins after the qualifying date described above in subsection A of this Article.

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 Fire Chief or 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 if not otherwise specified by the City Manager. A special merit advancement shall cause the anniversary date of an employee to change to the effective date of the special merit advancement.

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 on a permanent basis.

In such a relationship, the superior shall be paid a monthly salary rate above his or her subordinates. When a subordinate's monthly salary rate is equal to or exceeds that which is being paid to his or her superior, the superior shall receive a special adjustment in an amount which is at least 2.75% above that received by his or her highest paid subordinate. At any time the superior's base salary (excluding this salary adjustment) exceeds the base salary of his or 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.

3. BONUSES

No special salary adjustments authorized by this Article shall become effective until an official personnel transaction form authorizing the adjustment is approved by the Assistant Director of Administrative Services/Human Resources. Educational bonuses will be treated as part of base pay for overtime, termination payoffs or any other purposes, except as required by FLSA or by this agreement. Assignment bonuses will be considered part of base pay for calculation of overtime and termination payoffs. Educational bonuses and Assignment bonuses shall be reported to CalPERS as compensation earnable (i.e., pensionable income) if permitted by the Public Employees' Retirement Law. Effective July 1, 2013, to maintain any bonuses provided herein, Fire personnel must remain in the assignment or maintain any applicable certification. As such, if Fire personnel do not remain in the assignment or maintain applicable certification, they will, at that time, become ineligible for the bonus.

Educational and assignment bonuses are 2.75% increments that are calculated by compounding (compounding shall apply only until June 30, 2013) each additional 2.75% increment onto the salary created by any prior consecutive 2.75% increase(s). All new and existing bonuses shall be calculated using this established compounding method until June 30, 2013. This compounding method is used for the formulation of The Compensation Matrix. Effective July 1, 2013, educational and assignment bonuses are calculated as a percentage of base salary at each rank. In calculating the bonuses, if an employee has more than one bonus, they shall not be compounded by adding another bonus into base salary. Rather, each bonus will be calculated by its 2.75% value. Bonuses will no longer be compounded effective July 1, 2013.

A. Education Bonuses

1. Fire Service Training Program

Any Firefighter or Fire Engineer certified by the State Fire Marshal's Office as a Firefighter II, shall receive a 2.75% bonus. Said bonus shall become effective on the first day of the payroll period following the date of certification.

Any Firefighter or Fire Engineer certified by the State Fire Marshal's Office as a Fire Officer, shall receive a 2.75% bonus. Said bonus shall become effective on the first day of the payroll period following the date of certification.

Any Fire Captain or Fire Battalion Chief certified by the State Fire Marshal's Office as a Fire Officer, shall receive a 2.75% bonus. Said bonus shall become effective on the first day of the payroll period following the date of certification.

Any Fire Captain or Fire Battalion Chief who completes the State Fire Marshal's Office course as a Chief Officer and at least 36 hours each fiscal year of educational training in Fire Administration, Public Administration, Fire Management or related field shall receive a 2.75% bonus on the first day of the payroll period following the date of completion of the course. The educational

training can include job related courses such as seminars and will have to be maintained to qualify the individual for the bonus each fiscal year.

Prior approval for this educational training shall be granted by the Fire Chief.

No employee shall receive more than 5.5% in bonuses for Fire Service training.

The parties agree that these pays are educational premiums per Title 2 California Code of Regulations Section 571

2. E.M.T.I. Certification

Fire personnel, other than Paramedics, certified as an E.M.T.I., shall receive a bonus of 5.5%. The parties agree that this pay is an educational premium per Title 2 California Code of Regulations Section 571. Effective July 1, 2013, this bonus will be included in base salary and will no longer be provided as a bonus. eliminated for all ranks. Effective on July 1, 2013, 5.5% will be added to base salary for Fire personnel.

3. Urban Search and Rescue (USAR)

Fire personnel who complete the prescribed department-training shall receive a USAR bonus of 2.75%. The parties agree that this pay is an educational premium per Title 2 California Code of Regulations Section 571.

B. Assignment Bonuses

1. Tillerman

Any Firefighter assigned as Tillerman shall receive a \$20.00 per month bonus. The parties agree that this pay is a special assignment pay per Title 2 California Code of Regulations Section 571

2. Fire Mechanic

Any Firefighter assigned as a Fire Mechanic shall receive a bonus of 5.5%. The parties agree that this pay is a special assignment pay per Title 2 California Code of Regulations Section 571

3. Paramedic Bonus

Fire personnel shall receive a bonus of 19.25~~13.75~~% while regularly assigned as a paramedic, not to exceed 21 such personnel. Effective July 1, 2013, this bonus will be reduced to 13.75%. Additional certified fire paramedical crew members shall receive said bonus for days when actually assigned to paramedical duty,

though not regularly so assigned. Paramedics shall be EMT instructors for fire personnel in the Beverly Hills Fire Department. The parties agree that this pay is an educational premium per Title 2 California Code of Regulations Section 571

4. Administrative Assignment

Fire personnel, when removed from fire suppression duties and assigned to an administrative assignment by the Fire Chief, ~~including but not limited to the Fire Prevention Inspector, Training Officer, Fire Administrative Battalion Chief and Fire Marshal,~~ shall receive a bonus of 16.5%. The parties agree that this pay is a special assignment pay per Title 2 California Code of Regulations Section 571 In addition, the leave accounts of fire personnel assigned to an administrative assignment shall be divided by 1.4 at the time of the assignment and valued at the hourly salary rate of the administrative assignment. Any such employee who has been allocated a City-owned take home vehicle by the Fire Chief shall only receive a bonus of 11%.

With respect to any references to the parties agreement that pays included herein are qualify as special compensation per Title 2 California Code of Regulations section 571, the parties agree and acknowledge that it is ultimately CalPERS who makes those determinations notwithstanding the parties' agreement.

4. RECLASSIFICATION, PROMOTION & Y-RATING

A. Reclassification

When a position in this bargaining unit is reclassified upward, the employee in the position may be appointed to the reclassified position, providing that:

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

If the employee does not meet both of the above criteria, the reclassified position shall be filled through a recruitment process.

B. 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 base salary paid to that employee.

C. Compensation After Promotion or Upward Reclassification

An employee who is promoted or who is in a position which is reclassified upward shall be appointed to the first step of the salary schedule of the new classification unless the salary attendant to that step is not at least 5.5% higher than his or her salary prior to the promotion, as defined below, in which case the employee shall be promoted to the next highest salary step that produces at least a 5.5% increase in salary, as hereafter defined. Assignment bonuses shall be calculated as part of base salary for the purpose of establishing the initial salary step of a newly promoted employee. Benefits and leave rights shall be available to employees on probation as a result of accepting a promotion.

5. MEDICAL INSURANCE

A. Retiree Medical Insurance

B. _____

1. The City contracts with the Public Employees' Retirement System for retiree medical insurance. ~~Insurance coverage is effective the first day of the month following the 30 day waiting period.~~
2. ~~The payment of premiums toward this medical insurance program will be through the administration of a flexible benefit package.~~ The City shall pay the PERS statutory minimum ~~(\$108 for 2011, \$112.00 for 2012, and yet still undetermined for 2013 through 2015) (\$97.00 for 2008, \$101.00 for 2009 and yet still undetermined for 2010 and 2011)~~ on behalf of each participant in this program. A participant is defined as ~~1) any current employee and dependents, 2) an enrolled retiree and dependents, and 3) a surviving annuitant.~~

~~In addition to the PERS statutory minimum, the City shall make contributions to a flexible benefits plan as follows:~~

- ~~1. For current employees, the City shall contribute the difference between the PERS Statutory minimum and the actual premium selected by the employee up to the premium for the employee plus family category of the PORAC medical insurance plan. Employees selecting coverage which would cost more than the employee plus family PORAC medical insurance shall bear the full cost of the difference.~~
- ~~2. For Fire Battalion Chiefs who retire (service retirement only) after July 1, 1980, but before the effective date of this agreement, and who have over 15 years of active service with the City, the City shall contribute 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 Care Plan under PERS medical, through age 65.~~
- ~~3. For Firefighters, Fire Engineers and Fire Captains who retire (service retirement only) after July 1, 1980, but before the effective date of this agreement, the City shall contribute 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 Care Plan under PERS medical, up to age 65.~~

3. ~~14.~~ For Fire Battalion Chiefs hired prior to July 1, 2012 who retire (service retirement only) after the effective date of this MOU and who have over 15 years of active service in the City, the City shall contribute the difference between the PERS statutory minimum and the actual cost of the medical insurance premium up to the two party rate of the PORAC Plan under the PERS medical, through age 65.

4. ~~25.~~ For Firefighters, Fire Engineers and Fire Captains hired prior to July 1, 2012 who retire after the effective date of this MOU, the City shall contribute the difference between the PERS statutory minimum and the actual cost of the medical insurance premium up to the two party rate of the PORAC Plan under PERS medical, ~~up to~~ through age 65.

~~53.~~ Fire Personnel 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 Fire Personnel hired into the unit as new employees 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 health account, to be designated by The Association, on behalf of such employees. For Fire Personnel who promote into the unit after July 1, 2012 who were City employees as of June 30, 2012, they will receive retiree medical benefits based on their years of service with the City in accordance with the benefits of this MOU as though they were a member of the bargaining unit prior to July 1, 2012.

~~64.~~ Retired fire personnel who receive(d) a disability retirement on or after July 1, 1981, will be eligible for the PERS health plan (subject to the eligibility requirements of the plan) if said employee would have received a service retirement equaling 50 percent or greater.

~~Under such plans the City shall pay its contribution for fire personnel and dependents, if any, for hospital and medical benefits during the continuous period of an employee's absence up to a maximum accumulated time of one year, when such absence is caused by an injury on duty.~~

C.B. Health and Welfare Benefits Effective January 1, 2010

The City ~~shall continue to~~ contracts with the Public Employees' Retirement System 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, 2010, the City will continue to contribute the PERS statutory minimum (\$108 for 2011, \$112.00 for 2012, and yet still undetermined for 2013 through 2015) 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, the City will provide current employees with flexible benefits through a cafeteria plan as provided below.

For employees who are absent as a result of being injured on duty, the City shall pay its contribution for fire personnel and dependents, if any, for health and welfare benefits during the continuous period of an employee's absence up to a maximum accumulated time of one year.

Any language contained in this MOU which is also contained in the cafeteria plan documents is done so for the convenience of the parties. However, the parties agree that all of the provisions of the cafeteria plan documents (whether included in this MOU or not) are applicable and binding on the parties to this MOU.

1. Cafeteria Plan: The provisions of the Cafeteria Plan are described below.

a. Benefits provided through Cafeteria Plan:

~~Effective January 1, 2010, the following insurance benefits provided for in this Article are will be provided through the provision of a cafeteria plan adopted in accordance with the provisions of Internal Revenue Code § 125: medical insurance, dental insurance, and optical insurance. As such, Article 6 (optical insurance) of this MOU will be superseded by the provisions of the cafeteria plan on January 1, 2010. The provision of medical insurance to employees (as contained in paragraph A above) will also be superseded by the provisions of the cafeteria plan on that date.~~

Effective January 1, 2012~~0~~, each month the City will contribute to the cafeteria plan an amount which will equal the total of the monthly premiums for the employee plus family category of the PORAC medical insurance plan, the employee plus family category of the Guardian dental plan and employee plus family category of the optical VSP (for 2012, this amount is \$1,551.00 for these benefits) to purchase the optional benefits of medical, dental and optical insurance. (For employees who participate in medical insurance through CalPERS, the amount described above will include the PERS statutory minimum paid by the City.) ~~Each year on January 1, the amount shall be adjusted by the amount of the increase in the premiums in any or all of the above plans.~~

Each calendar year during the term of this MOU, starting on January 1, 2013, 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 cost, as of January 1 of each year of the three specific benefits mentioned in the paragraph above.

Whatever amount employees pay (if any) will be carried over to the following year. Once the 80% amount is determined each year, that will determine the maximum amount the City will pay for the cafeteria plan for that year. Thus, for example, the cafeteria plan benefits for 2012 add up to \$1,551.00. If, for 2013, the cost of the three benefits is 1,665.00, there would be a \$114 dollar increase in the cost of the benefits, and the City would increase its contribution by an amount equal to 80% of that increase (\$91.20). Thus, the 2013 cafeteria contribution would be \$1,551.00 + \$91.20 = \$1,642.20. The same formula to determine increases in the contribution would apply on a year-to-year basis throughout the term of the MOU, i.e., comparing 2014 costs to 2013 costs. In this example, the amount paid by the employees in 2013, will also be paid by the employees in future years as well as any additional employee costs determined by future insurance cost increases.

In the event there is a future reduction in the combined total amount of the monthly premiums for the PORAC Family medical insurance program, the employee plus family category of the Guardian dental plan and employee plus family category of the optical VSP, or there is a reduction in monthly premium costs due to a provider change facilitated by the City after employees have begun to contribute 20% of any rate increase(s); the reduction in employee contributions and the City's contributions shall be subject to the same 80% / 20% formula and both contributions will be lowered proportionally to the point where the city will continue to contribute no less than \$1551.00 toward the cafeteria plan.

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

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

(1) Medical Insurance

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

HMO Plans

- 1) Kaiser;
- 2) Blue Shield Access +; or
- 3) Blue Shield Net Value

PPO Plans

- 1) PERS Care;
- 2) PERS Choice; or
- 3) PERS Select
- 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.

(2) 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.

(3) 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.

c. 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.

d. The Receipt of Cash Through the Cafeteria Plan

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:

(1) 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

(2) 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 premiums selected by the employees, not to exceed \$475, as cash wages as long as he/she has not reached the cafeteria plan maximum amount with his/her purchases.

The parties agree that the maximum cash provided by B(1)(d)(1) and B(1)(d)(2) shall be increased to an amount equal to the maximum cash back provided for any of the City's other

bargaining units for these purposes except those bargaining units represented by the Management and Professional Association and the Police Management Association. This exception also applies to Executive Management employees who are not in a bargaining unit but who may receive such a cash option as well.

As an example, (under B(1)(d)(1) above) assume that the City's monthly cafeteria plan contribution is \$1,298.00. If an employee opts out of dental insurance and purchases medical and optical insurance with premiums which add up to \$1,005.00, he/she would receive \$100.00 for opting out of dental insurance. However, if the premiums added up to \$1,287.00 (and the maximum amount was \$1,298.00) the employee would only receive \$11 for opting out of dental insurance, not the \$100.00 because the \$11 would cause the employee to reach the cafeteria plan contribution maximum.

As another example, (under B(1)(d)(2) above) if an employee purchases \$1,155.00 worth of optional benefits per month including medical insurance, (and the maximum amount was \$1,298.00) he/she will receive \$143.00 per month in cash. However, if that employee only purchased \$700.00 per month in medical, dental and optical insurance, he/she will receive \$475.00 per month in cash.

e. 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.

2. 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.
3. 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.

6. OPTICAL INSURANCE

~~Until January 1, 2010, and subject to the provisions of Article 5 B, the City shall provide an optical insurance plan to fire personnel. The City shall select the plan and will pay 100% of the applicable premium.~~

67. LIFE INSURANCE

Fire personnel shall be entitled to a \$100,000 City paid term life insurance policy. Each such employee shall have the option to purchase additional life insurance at the City's unit cost, if available. The premium for such policy shall be paid for by the City under the life insurance program of its choosing.

78. DEFERRED COMPENSATION

A. City Contribution

The City shall provide a contribution to deferred compensation in the amount of \$30.00 per month per employee.

B. Conversion of Sick Leave to Deferred Compensation

Employees may choose to contribute accumulated sick leave to deferred compensation. The contributed sick leave may only be used to fund "catch up" contributions to deferred compensation. The following restrictions apply to this program:

- 1) The employee must have a minimum of 15 years of service with the City of Beverly Hills.
- 2) The employee's sick leave balance cannot be reduced below 500 hours by the contribution.

- 3) The contribution is limited to no more than three consecutive years (although an employee may contribute more than three years over his or her career), and the contribution can be used only for funding the deferred compensation “catch-up”.
- 4) A contribution shall not exceed the amount which will bring the annual deferral to the maximum allowed by law.
- 5) The contribution will be calculated at the then existing sick leave payoff percentage.

89. HOLIDAYS

A. Holidays

All fire personnel shall be entitled to the following paid holidays if the employee worked the regularly assigned work period the day before and the day after the holiday, or was absent on authorized paid leave during said period:

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	Day after Fourth Thursday in November
Christmas Day	December 25

Fire suppression personnel working a 24 hour shift shall be allowed 1/2 shift off for each holiday for a total of 120 hours a year. Shift personnel shall receive payment, each July for those holiday hours not used during the preceding fiscal year.

B. Personal Holiday

Fire suppression employees shall be entitled to one (12 hour) paid personal holiday each fiscal year. Fire employees assigned to a 9/80 or 4/10 work schedule shall be entitled to one paid personal holiday (equaling the number of hours of their regularly scheduled work day) each fiscal year. Said personal holiday may be taken at the employee's discretion subject to his or her supervisor's and Fire Chief or designee's approval. The employee shall request the holiday in writing. This holiday shall be administered in the same manner as all other holidays. Personal holidays cannot be carried over to another fiscal year.

910. VACATION

A. Authorization For Taking Vacation

Upon completion of probation and approval of the Fire Chief or designee, employees may take accumulated vacation leave. However, if a bargaining unit member is promoted to another position within the unit, he/she may take vacation without having to wait until the end of the probationary period in the promoted into position.

An employee entitled to vacation shall make written application therefor in the manner and within the time directed by the Fire Chief or designee. The Fire Chief or designee shall establish a vacation schedule for each calendar year based as much as possible upon employee requests and seniority of the employees concerned and subject to the Fire Chief's right to plan work under his control. Once vacation is approved it cannot be rescinded because an employee with more seniority requests vacation during the same time period. The Fire Chief or designee shall notify employees within a reasonable time whether their application is approved.

B. Vacation Accumulation

Vacation credit shall accrue biweekly to employees at the following rates:

<u>FIRST 4 YEARS</u>	<u>AFTER 4 YEARS</u> <u>THROUGH 14 YEARS</u>	<u>AFTER 14 YEARS</u>
<u>OF SERVICE</u>	<u>OF SERVICE</u>	<u>OF SERVICE</u>
5.52 Hours Biweekly	8.28 Hours Biweekly	11.03 Hours Biweekly
6 shifts/yr 144 hrs/yr	9 shifts/yr 216 hrs/yr	12 shifts/yr 288 hrs/yr

The above number of hours for vacation accumulation are divided by 1.4 for fire personnel assigned to an administrative assignment.

Fire Personnel with more than four but not more than fourteen years of service who are assigned to a 56 hour work schedule may not accumulate more than 432 hours (308.57 hours for employees assigned to a 40 hour work schedule) of vacation. Employees with 432 hours (308.57 hours for employees assigned to a 40 hour work schedule) of vacation on the books will not continue to accrue vacation until their balance falls below 432 hours (308.57 hours for employees assigned to a 40 hour work schedule).

Fire Personnel with more than fourteen years of service whose vacation accumulation at the beginning of a calendar year is less than 432 hours (308.57 hours for employees assigned to a 40

hour work schedule) may accumulate annual vacation which will result in their balance being above 432 hours (308.57 hours for employees assigned to a 40 hour work schedule). However, if at the end of any calendar year the vacation accumulation is above 432 hours (308.57 hours for employees assigned to a 40 hour work schedule), they will not continue to accrue vacation until the balance falls below 432 hours (308.57 hours for employees assigned to a 40 hour work schedule), whereupon they will then continue to accrue vacation during that calendar year.

C. Conversion

In the event an employee is transferred between a suppression assignment (56 hour work week) and a non-suppression assignment (40 hour work week), accumulated vacation hours as well as prospective accumulation shall be converted, using a factor of 1.4 to maintain equivalent monetary value of said leave time. As such, the employee's vacation hours will be divided by 1.4 if he or she is transferred to a non-suppression assignment from a suppression assignment and will be multiplied by 1.4 if he or she is transferred to a suppression assignment from a non-suppression assignment.

D. Vacation Use And Payoff

Upon an employee's request he may receive cash payment for up to six shifts vacation accumulated but not taken (60 hours for fire personnel assigned to an administrative assignment and 144 hours if assigned to a suppression assignment) during the calendar year.

Employees shall make every effort to take at least six shifts of accrued vacation each year and shall be allowed to take earned vacation leave singularly or collectively subject to manpower availability consistent with the provisions noted above. Fire employees shall receive the vacation payoff in January of each year.

101. SICK LEAVE

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

- A. Accrual. Fire personnel assigned to an average of a 56 hour week (suppression personnel) shall accrue sick leave at the rate of 5.52 hours for each complete biweekly period of employment. Fire personnel assigned to an administrative assignment shall accrue sick leave at the rate of 3.94 hours for each complete biweekly period of employment. Payroll division records are the final authority for settling disputes regarding accrued sick leave and vacation.
- B. New Employees. With the exception of employees who change positions within the unit by promotion or for some other reason, sick leave may not be used by any new employee until he/she has completed six (6) months of employment with the City.

- C. Illness of Employee. Accumulated sick leave may be used by an employee during any period of illness of the employee. In addition, an employee may use one half of one year's annual accrued sick leave for the sickness of a child, parent, spouse or domestic partner.

- D. Conversion. In the event an employee is transferred between a suppression assignment (56 hour work week) to a non-suppression assignment (40 hour work week), accumulated sick hours as well as prospective accumulation shall be converted, using a factor of 1.4, to maintain equivalent monetary value of said leave time. As such, the employee's sick leave hours will be divided by 1.4 if he or she is transferred to a non-suppression assignment from a suppression assignment and will be multiplied by 1.4 if he or she is transferred to a suppression assignment from a non-suppression assignment.

112. ADMINISTRATIVE LEAVE

Fire Battalion Chiefs shall be granted Administrative Leave. Administrative Leave will be granted at the discretion of the Appointing Authority, and in recognition of overtime worked, merit, needs of the employee and noting the needs of the Department and the necessity of having management personnel available for the effective functioning of the Department.

Fire Battalion Chiefs working a 24 hour shift shall receive Administrative Leave of 192 hours per fiscal year. Fire Battalion Chiefs working an administrative assignment shall receive Administrative Leave of 137.14 hours per fiscal year. Administrative Leave in excess of 192 hours (or 137.14 hours for personnel assigned to an administrative assignment) may be granted with the recommendation of the Fire Chief or designee and the approval of the City Manager.

Administrative Leave is not cumulative from one fiscal year to the next. However, at the end of each fiscal year, upon employee request, the employee will receive cash payment for up to 96 hours of Administrative Leave earned but not taken as time off during the fiscal year. If, after cashing out up to 96 hours of Administrative Leave an employee still has Administrative Leave on the books, for the following calendar year, he/she will only accrue (during each pay period) that amount of Administrative Leave which (when added to the carried over Administrative Leave from the prior calendar year) will result in the employee having 192 hours of leave available in the calendar year. For example, if an employee has 120 hours of Administrative Leave at the end of the year and cashes out 96 of those hours, in the following calendar year, he/she will accrue 168 hours of Administrative Leave. This is so, notwithstanding that he/she may use his or her annual allotment of such leave at any time during the year.

In the event an employee is transferred between a suppression assignment (56 hour work week) to a non-suppression assignment (40 hour work week), accumulated Administrative Leave hours shall be converted, using a factor of 1.4, to maintain equivalent monetary value of said leave time. As such an employee's administrative leave hours will be divided by 1.4 if he or she is transferred to a non-suppression assignment from a suppression assignment and will be

multiplied by 1.4 if he or she is transferred to a suppression assignment from a non-suppression assignment.

123. BEREAVEMENT LEAVE

Bereavement leave is an absence occasioned by the death of a member of the immediate or proximate family of the employee.

Forty eight (48) hours of bereavement leave for fire personnel assigned to a 56 hour work week, and thirty two (32) hours for fire personnel assigned to a 40 hour work week may be used in the event of the death of a family member, herein defined as a spouse, parent, brother, sister, child, grandparent, grandchild, in-law or registered domestic partner of the employee. Fire Personnel may not use bereavement leave more than twice per calendar year.

Requests for bereavement leave shall be made in writing, when feasible and shall be approved by the Fire Chief and the Assistant Director of Administrative Services/Human Resources. In the event the emergency required the presence of the employee, he/she could not prospectively make a request, subsequent approval must still be obtained in writing.

134. WITNESS LEAVE/JURY DUTY

A. Witness Leave

Fire personnel 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. In addition, per California Labor Code § 230(b) and (c) 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.

B. Leave For Jury Duty

The current practice of not requiring fire personnel to return to work during their term of jury duty shall be maintained, and said persons shall not be subject to callbacks except in the case of a declared emergency.

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.

Fire personnel who receive a jury summons shall be on paid leave for the day of the summons. In the event the employee's county of residence requires the individual to call the courthouse to verify a reporting time each evening, he or she shall receive paid leave for each day preceding the possible day he or she is required to report. The exception to this rule shall be that when an

individual calls on Friday and is informed he or she is not being required to report on Monday, he or she will not receive paid leave on that Sunday and will be required to report to work if scheduled.

In the event an employee is required to report on the first day of a scheduled segment and subsequently released, it is the responsibility of the employee to notify the hiring Captain, or dispatch if unable to reach the hiring Captain, that he or she has been released from jury duty and will report to work on his or her next scheduled regular shift. The employee that is scheduled to work in place of the employee that was required to serve jury duty will be notified as early as reasonably possible that he or she is no longer required to report to work on that day.

145. FIRE BATTALION CHIEF PROFESSIONAL DEVELOPMENT PROGRAM

A City-paid professional development leave of absence (sabbatical leave) program (available to Fire Battalion Chiefs) shall be established with the following privileges and restrictions.

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

A. 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.
 - a. Sabbatical leaves may allow up to Five Hundred Dollars (\$500.00) for expenses.

Sabbatical leaves shall be restricted to one (1) leave, up to ninety calendar days, for each Fire Battalion Chief each five (5) years, with not more than one Battalion Chief participating in any one (1) year.

- b. 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.

- c. Typical Sabbatical Leave Programs might include internships, on-loan executive programs, educational programs, travel study programs, or authorship sabbaticals.

156. LEAVE WITHOUT PAY

Requests for leaves of absence without pay must be submitted to each employee's supervisor and approved by the Fire Chief or designee and shall be used only if all appropriate accrued leaves (e.g., sick leave may not be exhausted if the leave is not for a medical purpose) have been exhausted. 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. Employees will receive a COBRA notice to pay for health insurance if they wish while on such leave.

167. UNIFORM ALLOWANCE

Suppression eEmployees shall receive an annual clothing repair and replacement allowance of \$8600 per calendar year after two years of service. Effective on October 5, 2015, the allowance will be reduced to \$600 per year unless the parties subsequently agree to maintain the allowance at \$800 per year or some other amount. The parties agree that this pay is a statutory item per Title 2 California Code of Regulations Section 571.

Fire Battalion Chiefs in an administrative assignment shall continue to receive an annual uniform allowance of \$600.00.

178. HOURS OF WORK/WORK PERIOD AND OVERTIME

Fire suppression personnel shall work approximately 122 shifts per year. Sworn fire personnel assigned to a 40 hour work week, except the Fire Administrative Battalion Chief, shall be assigned to a 4/10 work schedule; said schedule shall be flexible to accommodate the needs of the department relative to training. The City has adopted the 24-day FLSA work period in accordance with Section 7(k) of the FLSA. Each of the three platoon shifts will be scheduled to work eight 24-hour shifts during the 24 day work period. Although employees in the unit are scheduled either a 24 hour suppression shift or a 10 hour administrative shift, all employees in the unit are subject to the 24 day FLSA work period in accordance with Section 207(k) of the FLSA.

Fire personnel shall be paid overtime in the following manner and as specified in the Fire Department Personnel Manual:

Employees assigned to a 24 hour suppression shift shall be entitled to premium overtime compensation at the rate of one and one-half times their regular rate of pay for all time worked or regarded as having been worked, as defined below, in excess of the duration of their daily work shift and/or in excess of 182 hours in a 24 day work period, except that they shall earn overtime for the hours between 182 and 192 at the rate of one-half times their regular rate of pay. In that

regard, during each pay period, pay for an additional 2.93 hours at the straight time regular rate of pay shall be provided to each such employee.

Employees assigned to a forty hour workweek shall be entitled to premium overtime compensation at the rate of one and one-half times their regular rate of pay for all time worked or regarded as having been worked, as defined below, in excess of the duration of their regularly scheduled daily work shift or in excess of forty hours in a seven calendar day period.

Employees will have the choice of receiving the overtime compensation in pay or compensatory time off subject to the limitations set forth below.

1. Hours devoted to departmental training, industrial injury, Association leave, jury leave, holiday leave, vacation leave, sick leave, bereavement leave, subpoena/witness leave for issues involving personal matters and compensatory time or subpoena/witness leave for non-personal matters, etc. will be regarded as hours worked for purposes of determining eligibility for overtime compensation.

Light Duty is not considered leave but a re-assignment, therefore, is considered hours worked for purposes of computing overtime.

At the end of each pay period occurring during a 24 day work period, a determination will be made as to how many hours should be paid at the time and one half rate. As described above, during each pay period, pay for an additional 2.93 hours at the straight time regular rate of pay shall be provided to each fire suppression employee.

2. Emergency Recall. Off duty Fire personnel who are recalled to duty on an emergency basis shall be entitled to receive compensation for a minimum of four (4) hours at time and one half overtime.
3. Off duty Fire personnel who volunteer for special details outlined in City Ordinance No. 2-4.230 shall be entitled to receive compensation for a minimum of four (4) hours at time and one half overtime.
4. Overtime for employees assigned to an administrative assignment (e.g. administrative Fire Captains and Fire Battalion Chiefs) shall be paid at their 40 hour hourly rate. However, if such employees perform suppression duties, they shall be paid overtime at the 56 hour rate
5. Special details, including parties, film assignments, special events, and any event requiring Fire personnel which is permitted through the City and paid for by a third party, shall be compensated at a rate equal to one and one-half times the 40 hour hourly regular rate of pay for the applicable classification.

a. The parties agree that special details may be offered to the Deputy Fire Marshal as follows: If tThe Deputy Fire Marshal is in possession of a current EMT-1 license with the State of California and Los Angeles County, he/she shall be permitted to work special events as discretionary overtime (i.e., he/she shall be permitted to accept or deny such overtime assignments). The Deputy Fire Marshal shall be limited to a total of 520 hours per fiscal year (starting July 1, 2012) of special detail overtime paid at 1.5 times his hourly rate of pay. The Deputy Fire Marshal shall not be permitted to accept any special detail overtime assignment in a pay period if he/she has already worked 20 hours (the 20 hours does not include hours worked where the Deputy Fire Marshal is force hired for a detail, only discretionary overtime) of such special detail overtime in that pay period. In addition, the Deputy Fire Marshal shall not be permitted to work more than 260 hours of special detail overtime by December 31 of each fiscal year. Finally, if all employees who are offered a special detail overtime shift decline to work the special detail, the Deputy Fire Marshal can be subject to force hire as other Fire Personnel. The parties agree that those who are subject to force hiring for such assignments include the Fire Marshal, the Training Officer and the Deputy Fire Marshal. If these employees are already working on training leave or on other approved leaves of absence, they would not be subject to force hire for such assignment and other employees on the force hire list in the department would be subject to force hire for such an assignment. This provision of the MOU will sunset on October 5, 2015 unless the parties subsequently agree to continue it.

b. Fire Personnel on light duty shall be permitted to work special detail overtime if the work restrictions provided by the physician who has issued them are not inconsistent with the duties of the special detail.

6. Compensatory Time

When an employee works overtime, he/she shall have the choice as to whether to receive cash at time and one half or to accumulate compensatory time at the rate of 1.5 hours for each hour of overtime worked. Effective May 1, 2012, or as soon as this MOU is approved by the City Council, when an employee works overtime and wishes to earn and accrue compensatory time, the maximum number of hours the employee will be permitted to accrue, for another employee who is off on compensatory time is 12 hours. The additional 24 hours of compensation (assuming the employee chooses to receive 12 hours of compensatory time) will be paid as cash.

An employee requesting to use accumulated compensatory time off may do so by providing reasonable notice. Such request will not be denied unless it would be unduly disruptive to the Department to grant it.

An employee may accumulate up to 480 hours of compensatory time. Employees may cash out accumulated compensatory time at their current regular rate of pay (excluding any temporary bonuses they are receiving at the time they cash out) after the first pay period of July, but before July 31st, of each fiscal year. A maximum of 144 hours of compensatory time may be carried over into the next fiscal year at the employee's option. This option must be exercised prior to a date during June of the existing fiscal year to be chosen by the Fire Chief or his designee.

189. FLEXIBLE BENEFITS – FIRE BATTALION CHIEFS

~~Through the end of calendar year 2009, Fire Personnel shall be eligible for a flexible benefit program. The City shall provide for \$1,500 per fiscal year for non management and \$2,500 for fiscal year for management employees, for the purpose of compensating employees for unreimbursed medical related expenses. The funds are available for use to compensate employees for an annual physical and unreimbursed medical, dental or optical costs.~~

~~Effective January 1, 2010, t~~The City shall provide up to \$1,000.00 per fiscal year for Fire Battalion Chiefs to compensate them for unreimbursed medical related expenses. Such expenses include unreimbursed costs for an annual physical as well as unreimbursed medical, dental or optical costs. To receive the benefits of this Article, Fire Battalion Chiefs must provide a receipt demonstrating that they have incurred a unreimbursed medical expense.

All requests for reimbursement shall be submitted to the Human Resources Office on a quarterly basis. At the end of each fiscal year, any funds (of the dollar amounts described above) which a Fire Battalion Chief has not used will be paid to the Battalion Chief as wages on a separate check.

1920. RETIREMENT

A. Retirement (PERS%)

The City is in CalPERS and contracts with CalPERS to provide retirement benefits. Until June 30, 2013, tThe City shall pay an amount equal to nine percent (9%) of the employee's pensionable income (the required employee's contribution) to CalPERS on behalf of each employee.

Effective July 1, 2013, employees shall pay one percent (1%) of their gross salary towards the member contribution to CalPERS. Thus, effective July 1, 2013, the City shall pay an amount equal to eight percent (8%) of the individual gross salaries of Fire personnel to CalPERS on behalf of such personnel members in lieu of their individual retirement contribution obligation.

Effective July 1, 2014, employees shall pay ann additional one percent (1%) for a total of two percent (2%) of their gross salary towards the member contribution to CalPERS. Thus, effective

July 1, 2014, the City shall pay an amount equal to seven percent (7%) of the individual gross salaries of Fire personnel to CalPERS on behalf of such personnel members in lieu of their individual retirement contribution obligation.

Effective July 1, 2015, employees shall pay an additional one percent (1%) for a total of three percent (3%) of their gross salary towards the member contribution to CalPERS. Thus, effective July 1, 2015 the City shall pay an amount equal to six percent (6%) of the individual gross salaries of Fire personnel to CalPERS on behalf of such personnel members in lieu of their individual retirement contribution obligation.

B. Survivor's Continuance

The City's contract with the Public Employees Retirement System provides for the Survivor's Continuance for fire personnel.

C. 3% at 50 Formula

The City's contract with CalPERS provides for the 3% @ 50 formula set forth in California Government Code section 21362.2 for all fire personnel hired prior to March 1, 2012 or as soon thereafter as the City is able to amend its contract with CalPERS.

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

The City will amend its contract with CalPERS to provide for the 3% @ 55 retirement formula set forth in California Government Code section 21363.1 for employees hired on or after July 1, 2012 or as soon thereafter as possible when the City is able to amend its contract with CalPERS.

E. Single Highest Year.

The City's contract with the CalPERS provides the "Single Highest Year" compensation period retirement benefit for fire personnel hired prior to July 1, 2012 (or the soonest date following the City's amendment of its contract with CalPERS) pursuant to Government Code section 20042 Retirement benefit is based on the highest annual compensation for the one year during the employee's membership in CalPERS.

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

The City will amend its contract with CalPERS 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 employee in accordance with Government Code Section 20037 for employees hired on or after July 1, 2012 or as soon thereafter as possible when the City is able to amend its contract with CalPERS.

G. Military Buy-Back

The City's contract with the CalPERS provides for the military buy back option to a maximum of four (4) years buy back time. The entire cost of this buy back program, including any cost burden on the City, shall be borne by those fire personnel taking advantage of this buy back option.

H. 1959 Survivor's Benefit

The City's contract with CalPERS provides level 4 coverage under the 1959 Survivor's benefit per Government Code 21574.

I. PERS Benefit Provided by Government Code Section 20636(c)(4)

Effective September 26, 2009, pursuant to Government Code section 20636(c)(4), the City shall report to CalPERS as compensation earnable the monetary value of contributions paid by the City on behalf of each employee (as described in subparagraph A+ 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". Effective July 1, 2013, that amount will be eight percent (8%). Effective July 1, 2014, that amount will be seven percent (7%). Effective July 1, 2015, that amount will be six percent (6%).

J. Reopener

If, at any time during the term of the MOU, there is legislation, a regulation issued in the California Code of Regulations or case law (published opinions of the California Court of Appeal, California Supreme Court, Ninth Circuit Court of Appeals or United States Supreme Court), that requires employees to pay (during the term of the MOU) additional contributions to their CalPERS 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 on the contribution by both the City and employees to the employee and/or employer contribution to CalPERS. This reopener will not be triggered if the aforementioned changes in the law provides 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.

201. CONSTANT STAFFING

There shall be at least 25 Fire Personnel on duty per shift of which six (6) shall be Paramedics. The Association and the City agree that the Constant Staffing program of a 25 persons per shift maximum and minimum staffing level shall be maintained except that the City, in anticipation of vacancies, may hire 3 additional fire personnel to fill anticipated vacancies for a period not to

exceed four months prior to such vacancy actually occurring unless such time limit is specifically waived by the Association.

Personnel called back will be selected from a rotation assignment list for each classification maintained by the Chief, names on said rotation lists may be substituted. Every member whose name stands at the top of any rotation or force hire list shall be responsible for reporting for duty on call or securing a substitute in the same manner as for regular platoon duty.

212. PARAMEDIC TRAINING

Paramedic personnel shall meet all qualifications for certification as set forth by the State of California and/or Los Angeles County Health Services. These include, but are not limited to, continuing education and successful passing of re-certification exams.

Paramedic personnel shall make every effort to obtain required continuing education training during on-duty hours. Attendance at continuing education sessions not obtainable during on-duty hours, as well as medical consultations, depositions, or briefings, which may occur during off-duty hours and result from a duty assignment, shall be compensated at time and one half at the appropriate rate of pay.

All transportation expenses incurred off duty to attend said programs shall be compensated by the City at the current mileage rate as stated in the Administrative Regulations for actual miles traveled.

223. ASSOCIATION TIME

Association Board members or designees, subject to the approval of the Fire Chief or his/her designee, shall be allowed 692 hours per calendar year for the purpose of conducting Association business, which would include conferences, training, events etc. This will be known as Association Leave (A/L). Association Leave must be submitted to the Hiring Captain by the President of the Association or his or her designee. Such time must be reasonably related to each Board member or designee's participation in the Association. The Association board members, or designees, are required to track their time used for association business and submit it to the Fire Chief upon request.

The allowable hours shall be in addition to time used to address or attend to any Association/Department related business, including, but not limited to, contract negotiations, policy changes, constant staffing issues, representing employees in disciplinary matters, member representation, general meetings, and Department related issues or events, all of which time shall be provided without any loss of compensation.

234. CAR POLICY

The City shall make available two vehicles for use by fire personnel when transportation to a training site requiring an overnight stay is needed.

Individuals will pick up the vehicles at Headquarters Fire Station. Drivers of the vehicle will have to sign a statement acknowledging that the use of the City vehicle will be for commuting purposes and reasonable travel associated with the training and that the use of alcoholic beverages is prohibited while using the vehicle.

Employees driving into the City to pick up the vehicle will not be paid mileage.

245. TRANSFER RIGHTS

Employees shall be permitted to request, in writing, a lateral transfer to fill a position(s) within the Fire Department. In evaluating this transfer request, Fire Management shall consider the experience and overall tenure of the applicable employee(s) along with all other relevant considerations. Employees who do not receive the requested transfer shall receive a written response from the Fire Chief or his or her designee within 30 days. The Association agrees that Fire Management has complete discretion in making staffing decisions and that this section confers no additional rights to the Association and that such decisions are not subject to the grievance procedure.

256. MANAGEMENT RIGHTS

Except as limited by the specific and express terms of this MOU, the City hereby retains and reserves unto itself all rights, powers, authority, duty and responsibilities confirmed on and vested in it by the law and the Constitution of the State of California and/or United States of America.

The management and the direction of the work force of the City is vested exclusively in the City, and nothing in this MOU is intended to circumscribe or modify the existing rights of the City including but not limited to the direction of the work of its employees; the right to layoff, hire, promote, demote, transfer, assign, schedule; suspend or discharge employees for just and proper cause; to maintain and improve the efficiency of governmental operations; to relieve employees from duties because of lack of work or funds; to take action as may be necessary to carry out the City's mission and services in emergencies; to determine the methods, means and appropriate job classifications, organizational structure and personnel by which the operations are to be carried out; and to establish reasonable performance standards for personnel, including but not limited to qualifications and quantity standards.

267. EMPLOYEE RIGHTS

Except as limited by the specific and express terms of this MOU, the fire personnel represented by the Association hereby retain and reserve unto themselves all rights, powers, authority, duty and responsibilities confirmed on and vested in them by the laws and the constitution of the State of California and/or the United States of America. Nothing in this MOU is intended to circumscribe or modify the existing rights of the fire personnel represented by the Association,

except as limited by the specific and express terms of this MOU, that exist by virtue of the laws and the constitution of the State of California and/or the United States of America.

The City shall maintain the payroll for sworn Fire personnel on a bi-weekly basis and said payroll records are available for review by any employee.

278. SEPARATION FROM CITY SERVICE

A. Sick Leave Pay-Off

1. Firefighters, Fire Engineers and Fire Captains

a. All accumulated 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.

(1) Employees separating with 10 or more years of City Service:

Employees who have ten (10) or more continuous years of service shall be eligible for sick leave pay-off upon separation from employment with the City at the rate of three percent (3%) of accumulated, sick leave per full year of service. Sick leave shall be calculated at the rate of pay, including all bonuses, received by the employee at the time of his or her separation.

(2) Employees separating with 20 or more years of City service:

Employees who have 20 or more years of continuous years of service shall be eligible for sick leave pay-off upon separation from employment with the City at the rate of four percent (4%) of accumulated sick leave per full year of service. Sick leave shall be calculated at the rate of pay, including all bonuses, received by the employee at the time of his or her separation.

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

During the term of this MOU, employees who cash out sick leave in accordance with this article (i.e., only at the time of separation from City service) may defer any sick leave for which they can cash out into a tax deferred account such as a IRS Code section 457 or 401(k) account up to the maximum employee deferral (i.e., the maximum amount an employee may defer) permitted by law. Employees who have either a 457 or 401(k) account or who wish to open the type of account which they do not

currently have (e.g., if an employee has a 457 and wishes to open a 401(k) and vice versa) to take advantage of the tax deferred savings provided for in this provision may do so. The deferral must be in accordance with the City's Finance Department's policies and procedures.

2. Fire Battalion Chiefs

- a. Sick Leave Pay Off – Sick leave pay off for Fire Battalion Chiefs shall be calculated in the same manner and subject to the same limitations as for Firefighters, Fire Engineers and Fire Captains except as follows:

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

The rate of sick leave pay off shall be calculated as follows: For the first 7 full years of service 21% of accumulated sick leave. For each year thereafter five percent (5%) of accumulated sick leave per full year of service on or after July 1, 1990 to a maximum of 79%. The maximum rate of sick leave payoff is 100% of accumulated sick leave.

B. Vacation Pay-Off

An employee who separates from City service shall receive an amount equal to accumulated vacation at the time of separation. The rate of pay-off shall be calculated at the rate of pay, including all bonuses, received by the employee at the time of his or her separation.

289. ADMINISTRATIVE APPEAL PROCESS

A. Firefighters Procedural Bill of Rights Act

The administrative appeal process provided for in this Article is established pursuant to Government Code § 3254.5 of the Firefighters Procedural Bill of Rights Act. This administrative appeal process shall apply to all fire personnel in the unit.

1. Definitions

- a. The term “fire personnel” means an employee who is considered a firefighter under Government Code § 3251(a) as well as any fire personnel who are peace officers pursuant to Penal Code § 830.37.
- b. The term “punitive action” means any action defined by Government Code § 3251(c), i.e., “any action that may lead to dismissal, demotion, suspension, reduction in salary, written reprimand, or transfer for purposes

of punishment.” A layoff is not punitive action subject to a disciplinary appeal.

2. Notice of Appeal

In accordance with California Government Code Section 11506(a), within fifteen (15) calendar days following receipt of notification of punitive action, the employee shall notify the Assistant Director of Administrative Services/Human Resources in writing of the employee’s intent to appeal the punitive action.

B. Appeal Procedures – For Suspension, Demotion and Termination

Fire personnel who are suspended, demoted, reduced in pay or terminated shall be entitled to an appeal hearing before an administrative law judge which shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the California Government Code.

1. Notice of Discipline as Accusation: The final notice of discipline which may be issued at the conclusion of any pre-disciplinary procedures shall serve as the Accusation as described in Government Code §§ 11500, *et seq.*
 - a. Pursuant to Government Code section 3254(f), the discipline shall not be effective sooner than 48 hours following issuance of the final notice of discipline and the notice shall be given in writing within 30 days of the decision to impose discipline.
 - b. The notice shall be prepared and served in conformity with the requirements of Government Code §§11500, *et seq.* A copy of Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the California Government Code shall be provided to the employee concurrently with the notice of discipline.
1. Time and Place of Hearing- Pursuant to Government Code § 11508, unless otherwise decided by the administrative law judge, the hearing shall be conducted at City Hall at a time to be determined by the administrative law judge.
2. Notice of the Hearing- Notice of the hearing shall be provided to the parties pursuant to Government Code § 11509.
3. The employee shall be entitled to all discovery rights set forth in California Government Code Section 11507.6.
4. The burden of proof and production of evidence shall be borne by the City. The standard of proof shall be by a preponderance of the evidence.

5. The proposed decision of the administrative law judge shall be in writing. Copies of the proposed decision shall be delivered to the parties personally or sent to them by registered mail and accompanied by a proof of service.
6. Following receipt of the proposed decision, the City Council, or any designee (e.g., the City Manager) to the extent authorized by law, may take any of the actions set forth in Government Code Section 11517(c)(2) A through E.

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

| This Memorandum is signed on this _____ day of _____, 2012~~09~~.

City of Beverly Hills
Representatives

Beverly Hills Firemen's
Association

EXHIBIT A – LIST OF CLASSIFICATIONS REPRESENTED BY THE ASSOCIATION

Firefighter
Fire Engineer
Fire Captain
Fire Battalion Chief

**BEVERLY HILLS FIREMEN'S ASSOCIATION
MEMORANDUM OF UNDERSTANDING
Will be changed after the MOU is finalized**

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Attachment 2

MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF BEVERLY HILLS AND
THE BEVERLY HILLS FIREMEN'S ASSOCIATION

WHEREAS, the Beverly Hills Firemen's Association, (hereinafter "Association") a formally recognized employee organization, representing all nonexecutive sworn safety fire personnel (hereinafter "Fire Personnel"), and duly authorized representatives of the management of the City of Beverly Hills, 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. A list of all classifications represented by the Association is attached to this Memorandum of Understanding as Exhibit A.

Now, therefore, the parties agree and mutually recommend to the City Council of the City of Beverly Hills 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.

It is recognized that there exists now certain past practices, policies or procedures that are in force and effect which affect wages, hours and working conditions. To that extent, it is agreed that such practices, policies and procedures shall remain in full force and effect during the entire term of this agreement, unless they are inconsistent with the provisions of this MOU, or unless they are changed by agreement of the parties.

This MOU 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 Fire 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 6, 2011 and shall expire on October 5, 2015.

1. SALARIES

The ranks of Firefighter, Fire Engineer, Fire Captain and Fire Battalion Chief shall each be separated from the top step of one classification to the top step of the higher classification by 17.7% respectively (equal to six 2.75% increments compounded). The Compensation Matrix, a copy of which is attached hereto as Exhibit "B", outlines the base salary steps for each classification. Each salary step differential shall be the equivalent of two 2.75% increments compounded.

Any increase in base pay for all classifications will be achieved by applying the same percentage of pay increase to the bottom step of each classification.

Effective July 1, 2013, all Fire personnel shall receive a one percent (1%) base salary increase.

Effective July 1, 2014, Fire personnel shall receive a two percent (2%) base salary increase.

Effective July 1, 2015, Fire personnel shall receive a two percent (2%) base salary increase.

2. APPOINTMENT AND ADVANCEMENT

A. Movement Through Range

The City Manager may make appointments to or advancements within the prescribed ranges of specific positions upon evaluation of employee qualifications and performance. Normally, employees shall be appointed at the first step and shall be eligible to be advanced through the five (5) basic steps in their allocated schedules as follows:

1. Probationary Employment

Unless otherwise provided, every probationary employee shall receive a salary step increase to Step II upon satisfactory completion of the first six months of service. Thereafter, the employee's anniversary date for salary increases (to move to the next step) shall be adjusted such that increases shall be provided after the employee satisfactorily completes one year of service after his/her previous step increase.

2. Appointment and Advancement

The probationary period for new and promoted fire employees shall be one year from the date upon which they start the mandatory vestibule training or from the date of promotion. This probationary period applies to newly hired and laterally transferred recruit Firefighters. This one year probationary period is in addition to any time spent by recruit Firefighters attending an off-site recruit academy.

3. Any probationary period may be extended at the direction of the Fire Chief.

4. Permanent Employee Advancement

Unless otherwise provided, every permanent employee (i.e., employees who have successfully completed their probationary period) shall receive step advancements in the following manner:

a. Each year on his or her anniversary date in the position, an employee shall be eligible for salary step increases for Steps III-V, provided said

employee has received an evaluation with an overall rating of at least satisfactory. The salary step increase will be effective on the first day of the pay period that begins after his or her anniversary date.

- b. Such an increase is recommended by the employee's supervisor and the Fire Chief or designee and is approved by the Assistant Director of Administrative Services/Human Resources.

B. Employment At Other Than The First Step

Every appointment shall be at the first step of the schedule prescribed for the classification unless, upon the recommendation of the Assistant Director of Administrative Services/Human Resources, the City Manager authorizes hiring at a higher step. Such authorization shall be kept to a minimum and based upon proven inability to recruit at the first step, or upon ascertained special talent and ability of the prospective employee.

In the event an individual is appointed to a step above the first, he/she shall be eligible for a salary step increase upon the completion of one year of service, (on the first date of the pay period that begins after one year of service has been completed) and receipt of an evaluation with an overall rating of at least satisfactory.

C. Filling Position out of Classification

Filling Position out of Classification (F.P.O.C.) is defined as a temporary assignment of any duration to a superior classification for which an employee is qualified, but has yet to achieve a permanent promotion.

F.P.O.C. compensation shall be paid at the first step of the salary schedule attendant to the superior classification. In the event the first step of that salary range is less than 5.5% above the current level of pay for the affected employee, he or she shall be compensated at a higher step of that salary range which is at least 5.5% above the current level of pay.

D. Effective Date Of Increase

Approved salary step increases shall be effective on the first day of the pay period that begins after the qualifying date described above in subsection A of this Article.

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 Fire Chief or 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 if not otherwise specified by the City Manager. A special merit advancement shall cause the anniversary date of an employee to change to the effective date of the special merit advancement.

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 on a permanent basis.

In such a relationship, the superior shall be paid a monthly salary rate above his or her subordinates. When a subordinate's monthly salary rate is equal to or exceeds that which is being paid to his or her superior, the superior shall receive a special adjustment in an amount which is at least 2.75% above that received by his or her highest paid subordinate. At any time the superior's base salary (excluding this salary adjustment) exceeds the base salary of his or 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.

3. BONUSES

No special salary adjustments authorized by this Article shall become effective until an official personnel transaction form authorizing the adjustment is approved by the Assistant Director of Administrative Services/Human Resources. Educational bonuses will be treated as part of base pay for overtime, termination payoffs or any other purposes, except as required by FLSA or by this agreement. Assignment bonuses will be considered part of base pay for calculation of overtime and termination payoffs. Educational bonuses and Assignment bonuses shall be reported to CalPERS as compensation earnable (i.e., pensionable income) if permitted by the Public Employees' Retirement Law. Effective July 1, 2013, to maintain any bonuses provided herein, Fire personnel must remain in the assignment or maintain any applicable certification. As such, if Fire personnel do not remain in the assignment or maintain applicable certification, they will, at that time, become ineligible for the bonus.

Educational and assignment bonuses are 2.75% increments that are calculated by compounding (compounding shall apply only until June 30, 2013) each additional 2.75% increment onto the salary created by any prior consecutive 2.75% increase(s). All new and existing bonuses shall be calculated using this established compounding method until June 30, 2013. This compounding method is used for the formulation of The Compensation Matrix. Effective July 1, 2013, educational and assignment bonuses are calculated as a percentage of base salary at each rank. In calculating the bonuses, if an employee has more than one bonus, they shall not be compounded by adding another bonus into base salary. Rather, each bonus will be calculated by its 2.75% value. Bonuses will no longer be compounded effective July 1, 2013.

A. Education Bonuses

1. Fire Service Training Program

Any Firefighter or Fire Engineer certified by the State Fire Marshal's Office as a Firefighter II, shall receive a 2.75% bonus. Said bonus shall become effective on the first day of the payroll period following the date of certification.

Any Firefighter or Fire Engineer certified by the State Fire Marshal's Office as a Fire Officer, shall receive a 2.75% bonus. Said bonus shall become effective on the first day of the payroll period following the date of certification.

Any Fire Captain or Fire Battalion Chief certified by the State Fire Marshal's Office as a Fire Officer, shall receive a 2.75% bonus. Said bonus shall become effective on the first day of the payroll period following the date of certification.

Any Fire Captain or Fire Battalion Chief who completes the State Fire Marshal's Office course as a Chief Officer and at least 36 hours each fiscal year of educational training in Fire Administration, Public Administration, Fire Management or related field shall receive a 2.75% bonus on the first day of the payroll period following the date of completion of the course. The educational training can include job related courses such as seminars and will have to be maintained to qualify the individual for the bonus each fiscal year.

Prior approval for this educational training shall be granted by the Fire Chief.

No employee shall receive more than 5.5% in bonuses for Fire Service training.

The parties agree that these pays are educational premiums per Title 2 California Code of Regulations Section 571

2. E.M.T.I. Certification

Fire personnel, other than Paramedics, certified as an E.M.T.I., shall receive a bonus of 5.5%. The parties agree that this pay is an educational premium per Title 2 California Code of Regulations Section 571. Effective July 1, 2013, this bonus will be eliminated for all ranks. Effective on July 1, 2013, 5.5% will be added to base salary for Fire personnel.

3. Urban Search and Rescue (USAR)

Fire personnel who complete the prescribed department-training shall receive a USAR bonus of 2.75%. The parties agree that this pay is an educational premium per Title 2 California Code of Regulations Section 571.

B. Assignment Bonuses

1. Tillerman

Any Firefighter assigned as Tillerman shall receive a \$20.00 per month bonus. The parties agree that this pay is a special assignment pay per Title 2 California Code of Regulations Section 571.

2. Fire Mechanic

Any Firefighter assigned as a Fire Mechanic shall receive a bonus of 5.5%. The parties agree that this pay is a special assignment pay per Title 2 California Code of Regulations Section 571.

3. Paramedic Bonus

Fire personnel shall receive a bonus of 19.25% while regularly assigned as a paramedic, not to exceed 24 such personnel. Effective July 1, 2013, this bonus will be reduced to 13.75%. Additional certified fire paramedical crew members shall receive said bonus for days when actually assigned to paramedical duty, though not regularly so assigned. Paramedics shall be EMT instructors for fire personnel in the Beverly Hills Fire Department. The parties agree that this pay is an educational premium per Title 2 California Code of Regulations Section 571.

4. Administrative Assignment

Fire personnel, when removed from fire suppression duties and assigned to an administrative assignment by the Fire Chief, shall receive a bonus of 16.5%. The parties agree that this pay is a special assignment pay per Title 2 California Code of Regulations Section 571. In addition, the leave accounts of fire personnel assigned to an administrative assignment shall be divided by 1.4 at the time of the assignment and valued at the hourly salary rate of the administrative assignment. Any such employee who has been allocated a City-owned take home vehicle by the Fire Chief shall only receive a bonus of 11%.

With respect to any references to the parties agreement that pays included herein are qualify as special compensation per Title 2 California Code of Regulations section 571, the parties agree and acknowledge that it is ultimately CalPERS who makes those determinations notwithstanding the parties' agreement.

4. RECLASSIFICATION, PROMOTION & Y-RATING

A. Reclassification

When a position in this bargaining unit is reclassified upward, the employee in the position may be appointed to the reclassified position, providing that:

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

If the employee does not meet both of the above criteria, the reclassified position shall be filled through a recruitment process.

B. 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 base salary paid to that employee.

C. Compensation After Promotion or Upward Reclassification

An employee who is promoted or who is in a position which is reclassified upward shall be appointed to the first step of the salary schedule of the new classification unless the salary attendant to that step is not at least 5.5% higher than his or her salary prior to the promotion, as defined below, in which case the employee shall be promoted to the next highest salary step that produces at least a 5.5% increase in salary, as hereafter defined. Assignment bonuses shall be calculated as part of base salary for the purpose of establishing the initial salary step of a newly promoted employee. Benefits and leave rights shall be available to employees on probation as a result of accepting a promotion.

5. MEDICAL INSURANCE

A. Retiree Medical Insurance

1. The City contracts with the Public Employees' Retirement System for retiree medical insurance.
2. The City shall pay the PERS statutory minimum (\$108 for 2011, \$112.00 for 2012, and yet still undetermined for 2013 through 2015) on behalf of each participant in this program. A participant is defined as 1) an enrolled retiree and dependents, and 2) a surviving annuitant.

3. For Fire Battalion Chiefs hired prior to July 1, 2012 who retire (service retirement only) after the effective date of this MOU and who have over 15 years of active service in the City, the City shall contribute the difference between the PERS statutory minimum and the actual cost of the medical insurance premium up to the two party rate of the PORAC Plan under the PERS medical, through age 65.
4. For Firefighters, Fire Engineers and Fire Captains hired prior to July 1, 2012 who retire after the effective date of this MOU, the City shall contribute the difference between the PERS statutory minimum and the actual cost of the medical insurance premium up to the two party rate of the PORAC Plan under PERS medical, through age 65.
5. Fire Personnel 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 Fire Personnel hired into the unit as new employees 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 health account, on behalf of such employees. For Fire Personnel who promote into the unit after July 1, 2012 who were City employees as of June 30, 2012, they will receive retiree medical benefits based on their years of service with the City in accordance with the benefits of this MOU as though they were a member of the bargaining unit prior to July 1, 2012.
6. Retired fire personnel who receive(d) a disability retirement on or after July 1, 1981, will be eligible for the PERS health plan (subject to the eligibility requirements of the plan) if said employee would have received a service retirement equaling 50 percent or greater.

B. Health and Welfare Benefits

The City contracts with the Public Employees' Retirement System 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.

The City will contribute the PERS statutory minimum (\$108 for 2011, \$112.00 for 2012, and yet still undetermined for 2013 through 2015) 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, the City will provide current employees with flexible benefits through a cafeteria plan as provided below.

For employees who are absent as a result of being injured on duty, the City shall pay its contribution for fire personnel and dependents, if any, for health and welfare benefits during the continuous period of an employee's absence up to a maximum accumulated time of one year.

Any language contained in this MOU which is also contained in the cafeteria plan documents is done so for the convenience of the parties. However, the parties agree that all of the provisions of the cafeteria plan documents (whether included in this MOU or not) are applicable and binding on the parties to this MOU.

1. Cafeteria Plan: The provisions of the Cafeteria Plan are described below.

a. Benefits provided through Cafeteria Plan:

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

Effective January 1, 2012, each month the City will contribute to the cafeteria plan an amount which will equal the total of the monthly premiums for the employee plus family category of the PORAC medical insurance plan, the employee plus family category of the Guardian dental plan and employee plus family category of the optical VSP (for 2012, this amount is \$1,551.00 for these benefits) to purchase the optional benefits of medical, dental and optical insurance. (For employees who participate in medical insurance through CalPERS, the amount described above will include the PERS statutory minimum paid by the City.)

Each calendar year during the term of this MOU, starting on January 1, 2013, 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 cost, as of January 1 of each year of the three specific benefits mentioned in the paragraph above.

Whatever amount employees pay (if any) will be carried over to the following year. Once the 80% amount is determined each year, that will determine the maximum amount the City will pay for the cafeteria plan for that year. Thus, for example, the cafeteria plan benefits for 2012 add up to \$1,551.00. If, for 2013, the cost of the three benefits is 1,665.00, there would be a \$114 dollar increase in the cost of the benefits, and the City would increase its contribution by an amount equal to 80% of that increase (\$91.20). Thus, the 2013 cafeteria contribution would be $\$1,551.00 + \$91.20 = \$1,642.20$. The same formula to determine increases in the contribution would apply on a year-to-year basis throughout the term of the MOU, i.e., comparing 2014 costs to 2013 costs. In this example, the amount paid by the employees in 2013, will also be paid by the employees in future years as well as any additional employee costs determined by future insurance cost increases.

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

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

(1) Medical Insurance

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

HMO Plans

- 1) Kaiser;
- 2) Blue Shield Access +; or
- 3) Blue Shield Net Value

PPO Plans

- 1) PERS Care;
- 2) PERS Choice; or
- 3) PERS Select
- 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.

(2) 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.

(3) **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.

c. 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.

d. The Receipt of Cash Through the Cafeteria Plan

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:

(1) 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

(2) 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 premiums selected by the employees, not to exceed \$475, as cash wages as long as he/she has not reached the cafeteria plan maximum amount with his/her purchases.

The parties agree that the maximum cash provided by B(1)(d)(1) and B(1)(d)(2) shall be increased to an amount equal to the maximum cash back provided for any of the City's other bargaining units for these purposes except those bargaining units represented by the Management and Professional Association and the Police Management Association. This exception also applies to Executive Management employees who are not in a bargaining unit but who may receive such a cash option as well.

As an example, (under B(1)(d)(1) above) assume that the City's monthly cafeteria plan contribution is \$1,298.00. If an employee opts out of dental insurance and purchases medical and optical insurance with premiums which add up to \$1,005.00, he/she would receive \$100.00 for opting out of dental insurance. However, if the premiums added up to \$1,287.00 (and the maximum amount was \$1,298.00) the employee would only receive \$11 for opting out of dental insurance, not the \$100.00 because the \$11 would cause the employee to reach the cafeteria plan contribution maximum.

As another example, (under B(1)(d)(2) above) if an employee purchases \$1,155.00 worth of optional benefits per month including medical insurance, (and the maximum amount was \$1,298.00) he/she will receive \$143.00 per month in cash. However, if that employee only purchased \$700.00 per month in medical, dental and optical insurance, he/she will receive \$475.00 per month in cash.

e. 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.

2. 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.
3. 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.

6. LIFE INSURANCE

Fire personnel shall be entitled to a \$100,000 City paid term life insurance policy. Each such employee shall have the option to purchase additional life insurance at the City's unit cost, if available. The premium for such policy shall be paid for by the City under the life insurance program of its choosing.

7. DEFERRED COMPENSATION

A. City Contribution

The City shall provide a contribution to deferred compensation in the amount of \$30.00 per month per employee.

B. Conversion of Sick Leave to Deferred Compensation

Employees may choose to contribute accumulated sick leave to deferred compensation. The contributed sick leave may only be used to fund “catch up” contributions to deferred compensation. The following restrictions apply to this program:

- 1) The employee must have a minimum of 15 years of service with the City of Beverly Hills.
- 2) The employee’s sick leave balance cannot be reduced below 500 hours by the contribution.
- 3) The contribution is limited to no more than three consecutive years (although an employee may contribute more than three years over his or her career), and the contribution can be used only for funding the deferred compensation “catch-up”.
- 4) A contribution shall not exceed the amount which will bring the annual deferral to the maximum allowed by law.
- 5) The contribution will be calculated at the then existing sick leave payoff percentage.

8. HOLIDAYS

A. Holidays

All fire personnel shall be entitled to the following paid holidays if the employee worked the regularly assigned work period the day before and the day after the holiday, or was absent on authorized paid leave during said period:

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
Christmas Day

Day after Fourth Thursday in November
December 25

Fire suppression personnel working a 24 hour shift shall be allowed 1/2 shift off for each holiday for a total of 120 hours a year. Shift personnel shall receive payment, each July for those holiday hours not used during the preceding fiscal year.

B. Personal Holiday

Fire suppression employees shall be entitled to one (12 hour) paid personal holiday each fiscal year. Fire employees assigned to a 9/80 or 4/10 work schedule shall be entitled to one paid personal holiday (equaling the number of hours of their regularly scheduled work day) each fiscal year. Said personal holiday may be taken at the employee's discretion subject to his or her supervisor's and Fire Chief or designee's approval. The employee shall request the holiday in writing. This holiday shall be administered in the same manner as all other holidays. Personal holidays cannot be carried over to another fiscal year.

9. VACATION

A. Authorization For Taking Vacation

Upon completion of probation and approval of the Fire Chief or designee, employees may take accumulated vacation leave. However, if a bargaining unit member is promoted to another position within the unit, he/she may take vacation without having to wait until the end of the probationary period in the promoted into position.

An employee entitled to vacation shall make written application therefor in the manner and within the time directed by the Fire Chief or designee. The Fire Chief or designee shall establish a vacation schedule for each calendar year based as much as possible upon employee requests and seniority of the employees concerned and subject to the Fire Chief's right to plan work under his control. Once vacation is approved it cannot be rescinded because an employee with more seniority requests vacation during the same time period. The Fire Chief or designee shall notify employees within a reasonable time whether their application is approved.

B. Vacation Accumulation

Vacation credit shall accrue biweekly to employees at the following rates:

<u>FIRST 4 YEARS</u> <u>OF SERVICE</u>	<u>AFTER 4 YEARS</u> <u>THROUGH 14 YEARS</u> <u>OF SERVICE</u>	<u>AFTER 14 YEARS</u> <u>OF SERVICE</u>
5.52 Hours Biweekly	8.28 Hours Biweekly	11.03 Hours Biweekly
6 shifts/yr 144 hrs/yr	9 shifts/yr 216 hrs/yr	12 shifts/yr 288 hrs/yr

The above number of hours for vacation accumulation are divided by 1.4 for fire personnel assigned to an administrative assignment.

Fire Personnel with more than four but not more than fourteen years of service who are assigned to a 56 hour work schedule may not accumulate more than 432 hours (308.57 hours for employees assigned to a 40 hour work schedule) of vacation. Employees with 432 hours (308.57 hours for employees assigned to a 40 hour work schedule) of vacation on the books will not continue to accrue vacation until their balance falls below 432 hours (308.57 hours for employees assigned to a 40 hour work schedule).

Fire Personnel with more than fourteen years of service whose vacation accumulation at the beginning of a calendar year is less than 432 hours (308.57 hours for employees assigned to a 40 hour work schedule) may accumulate annual vacation which will result in their balance being above 432 hours (308.57 hours for employees assigned to a 40 hour work schedule). However, if at the end of any calendar year the vacation accumulation is above 432 hours (308.57 hours for employees assigned to a 40 hour work schedule), they will not continue to accrue vacation until the balance falls below 432 hours (308.57 hours for employees assigned to a 40 hour work schedule), whereupon they will then continue to accrue vacation during that calendar year.

C. Conversion

In the event an employee is transferred between a suppression assignment (56 hour work week) and a non-suppression assignment (40 hour work week), accumulated vacation hours as well as prospective accumulation shall be converted, using a factor of 1.4 to maintain equivalent monetary value of said leave time. As such, the employee's vacation hours will be divided by 1.4 if he or she is transferred to a non-suppression assignment from a suppression assignment and will be multiplied by 1.4 if he or she is transferred to a suppression assignment from a non-suppression assignment.

D. Vacation Use And Payoff

Upon an employee's request he may receive cash payment for up to six shifts vacation accumulated but not taken (60 hours for fire personnel assigned to an administrative assignment and 144 hours if assigned to a suppression assignment) during the calendar year.

Employees shall make every effort to take at least six shifts of accrued vacation each year and shall be allowed to take earned vacation leave singularly or collectively subject to manpower availability consistent with the provisions noted above. Fire employees shall receive the vacation payoff in January of each year.

10. SICK LEAVE

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

- A. Accrual. Fire personnel assigned to an average of a 56 hour week (suppression personnel) shall accrue sick leave at the rate of 5.52 hours for each complete biweekly period of employment. Fire personnel assigned to an administrative assignment shall accrue sick leave at the rate of 3.94 hours for each complete biweekly period of employment. Payroll division records are the final authority for settling disputes regarding accrued sick leave and vacation.
- B. New Employees. With the exception of employees who change positions within the unit by promotion or for some other reason, sick leave may not be used by any new employee until he/she has completed six (6) months of employment with the City.
- C. Illness of Employee. Accumulated sick leave may be used by an employee during any period of illness of the employee. In addition, an employee may use one half of one year's annual accrued sick leave for the sickness of a child, parent, spouse or domestic partner.
- D. Conversion. In the event an employee is transferred between a suppression assignment (56 hour work week) to a non-suppression assignment (40 hour work week), accumulated sick hours as well as prospective accumulation shall be converted, using a factor of 1.4, to maintain equivalent monetary value of said leave time. As such, the employee's sick leave hours will be divided by 1.4 if he or she is transferred to a non-suppression assignment from a suppression assignment and will be multiplied by 1.4 if he or she is transferred to a suppression assignment from a non-suppression assignment.

11. ADMINISTRATIVE LEAVE

Fire Battalion Chiefs shall be granted Administrative Leave. Administrative Leave will be granted at the discretion of the Appointing Authority, and in recognition of overtime worked, merit, needs of the employee and noting the needs of the Department and the necessity of having management personnel available for the effective functioning of the Department.

Fire Battalion Chiefs working a 24 hour shift shall receive Administrative Leave of 192 hours per fiscal year. Fire Battalion Chiefs working an administrative assignment shall receive Administrative Leave of 137.14 hours per fiscal year. Administrative Leave in excess of 192 hours (or 137.14 hours for personnel assigned to an administrative assignment) may be granted with the recommendation of the Fire Chief or designee and the approval of the City Manager.

Administrative Leave is not cumulative from one fiscal year to the next. However, at the end of each fiscal year, upon employee request, the employee will receive cash payment for up to 96 hours of Administrative Leave earned but not taken as time off during the fiscal year. If, after cashing out up to 96 hours of Administrative Leave an employee still has Administrative Leave on the books, for the following calendar year, he/she will only accrue (during each pay period) that amount of Administrative Leave which (when added to the carried over Administrative Leave from the prior calendar year) will result in the employee having 192 hours of leave available in the calendar year. For example, if an employee has 120 hours of Administrative Leave at the end of the year and cashes out 96 of those hours, in the following calendar year, he/she will accrue 168 hours of Administrative Leave. This is so, notwithstanding that he/she may use his or her annual allotment of such leave at any time during the year.

In the event an employee is transferred between a suppression assignment (56 hour work week) to a non-suppression assignment (40 hour work week), accumulated Administrative Leave hours shall be converted, using a factor of 1.4, to maintain equivalent monetary value of said leave time. As such an employee's administrative leave hours will be divided by 1.4 if he or she is transferred to a non-suppression assignment from a suppression assignment and will be multiplied by 1.4 if he or she is transferred to a suppression assignment from a non-suppression assignment.

12. BEREAVEMENT LEAVE

Bereavement leave is an absence occasioned by the death of a member of the immediate or proximate family of the employee.

Forty eight (48) hours of bereavement leave for fire personnel assigned to a 56 hour work week, and thirty two (32) hours for fire personnel assigned to a 40 hour work week may be used in the event of the death of a family member, herein defined as a spouse, parent, brother, sister, child, grandparent, grandchild, in-law or registered domestic partner of the employee. Fire Personnel may not use bereavement leave more than twice per calendar year.

Requests for bereavement leave shall be made in writing, when feasible and shall be approved by the Fire Chief and the Assistant Director of Administrative Services/Human Resources. In the event the emergency required the presence of the employee, he/she could not prospectively make a request, subsequent approval must still be obtained in writing.

13. WITNESS LEAVE/JURY DUTY

A. Witness Leave

Fire personnel 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. In addition, per California Labor Code § 230(b) and (c) 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.

B. Leave For Jury Duty

The current practice of not requiring fire personnel to return to work during their term of jury duty shall be maintained, and said persons shall not be subject to callbacks except in the case of a declared emergency.

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.

Fire personnel who receive a jury summons shall be on paid leave for the day of the summons. In the event the employee's county of residence requires the individual to call the courthouse to verify a reporting time each evening, he or she shall receive paid leave for each day preceding the possible day he or she is required to report. The exception to this rule shall be that when an individual calls on Friday and is informed he or she is not being required to report on Monday, he or she will not receive paid leave on that Sunday and will be required to report to work if scheduled.

In the event an employee is required to report on the first day of a scheduled segment and subsequently released, it is the responsibility of the employee to notify the hiring Captain, or dispatch if unable to reach the hiring Captain, that he or she has been released from jury duty and will report to work on his or her next scheduled regular shift. The employee that is scheduled to work in place of the employee that was required to serve jury duty will be notified as early as reasonably possible that he or she is no longer required to report to work on that day.

14. FIRE BATTALION CHIEF PROFESSIONAL DEVELOPMENT PROGRAM

A City-paid professional development leave of absence (sabbatical leave) program (available to Fire Battalion Chiefs) shall be established with the following privileges and restrictions.

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

A. 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.

- a. Sabbatical leaves may allow up to Five Hundred Dollars (\$500.00) for expenses.

Sabbatical leaves shall be restricted to one (1) leave, up to ninety calendar days, for each Fire Battalion Chief each five (5) years, with not more than one Battalion Chief participating in any one (1) year.

- b. 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.
- c. Typical Sabbatical Leave Programs might include internships, on-loan executive programs, educational programs, travel study programs, or authorship sabbaticals.

15. LEAVE WITHOUT PAY

Requests for leaves of absence without pay must be submitted to each employee's supervisor and approved by the Fire Chief or designee and shall be used only if all appropriate accrued leaves (e.g., sick leave may not be exhausted if the leave is not for a medical purpose) have been exhausted. 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. Employees will receive a COBRA notice to pay for health insurance if they wish while on such leave.

16. UNIFORM ALLOWANCE

Suppression employees shall receive an annual clothing repair and replacement allowance of \$800 per calendar year after two years of service. Effective on October 5, 2015, the allowance will be reduced to \$600 per year unless the parties subsequently agree to maintain the allowance at \$800 per year or some other amount. The parties agree that this pay is a statutory item per Title 2 California Code of Regulations Section 571.

Fire Battalion Chiefs in an administrative assignment shall continue to receive an annual uniform allowance of \$600.00.

17. HOURS OF WORK/WORK PERIOD AND OVERTIME

Fire suppression personnel shall work approximately 122 shifts per year. Sworn fire personnel assigned to a 40 hour work week, except the Fire Administrative Battalion Chief, shall be assigned to a 4/10 work schedule; said schedule shall be flexible to accommodate the needs of the department relative to training. The City has adopted the 24-day FLSA work period in accordance with Section 7(k) of the FLSA. Each of the three platoon shifts will be scheduled to work eight 24-hour shifts during the 24 day work period. Although employees in the unit are scheduled either a 24 hour suppression shift or a 10 hour administrative shift, all employees in the unit are subject to the 24 day FLSA work period in accordance with Section 207(k) of the FLSA.

Fire personnel shall be paid overtime in the following manner and as specified in the Fire Department Personnel Manual:

Employees assigned to a 24 hour suppression shift shall be entitled to premium overtime compensation at the rate of one and one-half times their regular rate of pay for all time worked or regarded as having been worked, as defined below, in excess of the duration of their daily work shift and/or in excess of 182 hours in a 24 day work period, except that they shall earn overtime for the hours between 182 and 192 at the rate of one-half times their regular rate of pay. In that regard, during each pay period, pay for an additional 2.93 hours at the straight time regular rate of pay shall be provided to each such employee.

Employees assigned to a forty hour workweek shall be entitled to premium overtime compensation at the rate of one and one-half times their regular rate of pay for all time worked or regarded as having been worked, as defined below, in excess of the duration of their regularly scheduled daily work shift or in excess of forty hours in a seven calendar day period.

Employees will have the choice of receiving the overtime compensation in pay or compensatory time off subject to the limitations set forth below.

1. Hours devoted to departmental training, industrial injury, Association leave, jury leave, holiday leave, vacation leave, sick leave, bereavement leave, subpoena/witness leave for issues involving personal matters and compensatory

time or subpoena/witness leave for non-personal matters, etc. will be regarded as hours worked for purposes of determining eligibility for overtime compensation.

Light Duty is not considered leave but a re-assignment, therefore, is considered hours worked for purposes of computing overtime.

At the end of each pay period occurring during a 24 day work period, a determination will be made as to how many hours should be paid at the time and one half rate. As described above, during each pay period, pay for an additional 2.93 hours at the straight time regular rate of pay shall be provided to each fire suppression employee.

2. Emergency Recall. Off duty Fire personnel who are recalled to duty on an emergency basis shall be entitled to receive compensation for a minimum of four (4) hours at time and one half overtime.
3. Off duty Fire personnel who volunteer for special details outlined in City Ordinance No. 2-4.230 shall be entitled to receive compensation for a minimum of four (4) hours at time and one half overtime.
4. Overtime for employees assigned to an administrative assignment (e.g. administrative Fire Captains and Fire Battalion Chiefs) shall be paid at their 40 hour hourly rate. However, if such employees perform suppression duties, they shall be paid overtime at the 56 hour rate
5. Special details, including parties, film assignments, special events, and any event requiring Fire personnel which is permitted through the City and paid for by a third party, shall be compensated at a rate equal to one and one-half times the 40 hour hourly regular rate of pay for the applicable classification.
 - a. The parties agree that special details may be offered to the Deputy Fire Marshal as follows: If the Deputy Fire Marshal is in possession of a current EMT-1 license with the State of California and Los Angeles County, he/she shall be permitted to work special events as discretionary overtime (i.e., he/she shall be permitted to accept or deny such overtime assignments). The Deputy Fire Marshal shall be limited to a total of 520 hours per fiscal year (starting July 1, 2012) of special detail overtime paid at 1.5 times his hourly rate of pay. The Deputy Fire Marshal shall not be permitted to accept any special detail overtime assignment in a pay period if he/she has already worked 20 hours (the 20 hours does not include hours worked where the Deputy Fire Marshal is force hired for a detail, only discretionary overtime) of such special detail overtime in that pay period. In addition, the Deputy Fire Marshal shall not be permitted to work more than 260 hours of special detail overtime by December 31 of each fiscal year. Finally, if all employees who are offered a special detail overtime

shift decline to work the special detail, the Deputy Fire Marshal can be subject to force hire as other Fire Personnel. The parties agree that those who are subject to force hiring for such assignments include the Fire Marshal, the Training Officer and the Deputy Fire Marshal. If these employees are already working on training leave or on other approved leaves of absence, they would not be subject to force hire for such assignment and other employees on the force hire list in the department would be subject to force hire for such an assignment. This provision of the MOU will sunset on October 5, 2015 unless the parties subsequently agree to continue it.

- b. Fire Personnel on light duty shall be permitted to work special detail overtime if the work restrictions provided by the physician who has issued them are not inconsistent with the duties of the special detail.

6. Compensatory Time

When an employee works overtime, he/she shall have the choice as to whether to receive cash at time and one half or to accumulate compensatory time at the rate of 1.5 hours for each hour of overtime worked. Effective May 1, 2012, or as soon as this MOU is approved by the City Council, when an employee works overtime and wishes to earn and accrue compensatory time, the maximum number of hours the employee will be permitted to accrue, for another employee who is off on compensatory time is 12 hours. The additional 24 hours of compensation (assuming the employee chooses to receive 12 hours of compensatory time) will be paid as cash.

An employee requesting to use accumulated compensatory time off may do so by providing reasonable notice. Such request will not be denied unless it would be unduly disruptive to the Department to grant it.

An employee may accumulate up to 480 hours of compensatory time. Employees may cash out accumulated compensatory time at their current regular rate of pay (excluding any temporary bonuses they are receiving at the time they cash out) after the first pay period of July, but before July 31st, of each fiscal year. A maximum of 144 hours of compensatory time may be carried over into the next fiscal year at the employee's option. This option must be exercised prior to a date during June of the existing fiscal year to be chosen by the Fire Chief or his designee.

18. FLEXIBLE BENEFITS – FIRE BATTALION CHIEFS

The City shall provide up to \$1,000.00 per fiscal year for Fire Battalion Chiefs to compensate them for unreimbursed medical related expenses. Such expenses include unreimbursed costs for an annual physical as well as unreimbursed medical, dental or optical costs. To receive the

benefits of this Article, Fire Battalion Chiefs must provide a receipt demonstrating that they have incurred a unreimbursed medical expense.

All requests for reimbursement shall be submitted to the Human Resources Office on a quarterly basis. At the end of each fiscal year, any funds (of the dollar amounts described above) which a Fire Battalion Chief has not used will be paid to the Battalion Chief as wages on a separate check.

19. RETIREMENT

A. Retirement (PERS%)

The City is in CalPERS and contracts with CalPERS to provide retirement benefits. Until June 30, 2013, the City shall pay an amount equal to nine percent (9%) of the employee's pensionable income (the required employee's contribution) to CalPERS on behalf of each employee.

Effective July 1, 2013, employees shall pay one percent (1%) of their gross salary towards the member contribution to CalPERS. Thus, effective July 1, 2013, the City shall pay an amount equal to eight percent (8%) of the individual gross salaries of Fire personnel to CalPERS on behalf of such personnel members in lieu of their individual retirement contribution obligation.

Effective July 1, 2014, employees shall pay an additional one percent (1%) for a total of two percent (2%) of their gross salary towards the member contribution to CalPERS. Thus, effective July 1, 2014, the City shall pay an amount equal to seven percent (7%) of the individual gross salaries of Fire personnel to CalPERS on behalf of such personnel members in lieu of their individual retirement contribution obligation.

Effective July 1, 2015, employees shall pay an additional one percent (1%) for a total of three percent (3%) of their gross salary towards the member contribution to CalPERS. Thus, effective July 1, 2015 the City shall pay an amount equal to six percent (6%) of the individual gross salaries of Fire personnel to CalPERS on behalf of such personnel members in lieu of their individual retirement contribution obligation.

B. Survivor's Continuance

The City's contract with the Public Employees Retirement System provides for the Survivor's Continuance for fire personnel.

C. 3% at 50 Formula

The City's contract with CalPERS provides for the 3% @ 50 formula set forth in California Government Code section 21362.2 for all fire personnel hired prior to March 1, 2012 or as soon thereafter as the City is able to amend its contract with CalPERS.

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

The City will amend its contract with CalPERS to provide for the 3% @ 55 retirement formula set forth in California Government Code section 21363.1 for employees hired on or after July 1, 2012 or as soon thereafter as possible when the City is able to amend its contract with CalPERS.

E. Single Highest Year.

The City's contract with the CalPERS provides the "Single Highest Year" compensation period retirement benefit for fire personnel hired prior to July 1, 2012 (or the soonest date following the City's amendment of its contract with CalPERS) pursuant to Government Code section 20042 Retirement benefit is based on the highest annual compensation for the one year during the employee's membership in CalPERS.

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

The City will amend its contract with CalPERS 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 employee in accordance with Government Code Section 20037 for employees hired on or after July 1, 2012 or as soon thereafter as possible when the City is able to amend its contract with CalPERS.

G. Military Buy-Back

The City's contract with the CalPERS provides for the military buy back option to a maximum of four (4) years buy back time. The entire cost of this buy back program, including any cost burden on the City, shall be borne by those fire personnel taking advantage of this buy back option.

H. 1959 Survivor's Benefit

The City's contract with CalPERS provides level 4 coverage under the 1959 Survivor's benefit per Government Code 21574.

I. PERS Benefit Provided by Government Code Section 20636(c)(4)

Effective September 26, 2009, pursuant to Government Code section 20636(c)(4), the City shall report to CalPERS as compensation earnable the monetary value of contributions paid by the City on behalf of each employee (as described in subparagraph A 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". Effective July 1, 2013, that amount will be eight percent (8%). Effective July 1, 2014, that amount will be seven percent (7%). Effective July 1, 2015, that amount will be six percent (6%).

J. Reopener

If, at any time during the term of the MOU, there is legislation, a regulation issued in the California Code of Regulations or case law (published opinions of the California Court of Appeal, California Supreme Court, Ninth Circuit Court of Appeals or United States Supreme Court), that requires employees to pay (during the term of the MOU) additional contributions to their CalPERS 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 on the contribution by both the City and employees to the employee and/or employer contribution to CalPERS. This reopener will not be triggered if the aforementioned changes in the law provides 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.

20. CONSTANT STAFFING

There shall be at least 25 Fire Personnel on duty per shift of which six (6) shall be Paramedics. The Association and the City agree that the Constant Staffing program of a 25 persons per shift maximum and minimum staffing level shall be maintained except that the City, in anticipation of vacancies, may hire 3 additional fire personnel to fill anticipated vacancies for a period not to exceed four months prior to such vacancy actually occurring unless such time limit is specifically waived by the Association.

Personnel called back will be selected from a rotation assignment list for each classification maintained by the Chief, names on said rotation lists may be substituted. Every member whose name stands at the top of any rotation or force hire list shall be responsible for reporting for duty on call or securing a substitute in the same manner as for regular platoon duty.

21. PARAMEDIC TRAINING

Paramedic personnel shall meet all qualifications for certification as set forth by the State of California and/or Los Angeles County Health Services. These include, but are not limited to, continuing education and successful passing of re-certification exams.

Paramedic personnel shall make every effort to obtain required continuing education training during on-duty hours. Attendance at continuing education sessions not obtainable during on-duty hours, as well as medical consultations, depositions, or briefings, which may occur during off-duty hours and result from a duty assignment, shall be compensated at time and one half at the appropriate rate of pay.

All transportation expenses incurred off duty to attend said programs shall be compensated by the City at the current mileage rate as stated in the Administrative Regulations for actual miles traveled.

22. ASSOCIATION TIME

Association Board members or designees, subject to the approval of the Fire Chief or his/her designee, shall be allowed 692 hours per calendar year for the purpose of conducting Association business, which would include conferences, training, events etc. This will be known as Association Leave (A/L). Association Leave must be submitted to the Hiring Captain by the President of the Association or his or her designee. Such time must be reasonably related to each Board member or designee's participation in the Association. The Association board members, or designees, are required to track their time used for association business and submit it to the Fire Chief upon request.

The allowable hours shall be in addition to time used to address or attend to any Association/Department related business, including, but not limited to, contract negotiations, policy changes, constant staffing issues, representing employees in disciplinary matters, member representation, general meetings, and Department related issues or events, all of which time shall be provided without any loss of compensation.

23. CAR POLICY

The City shall make available two vehicles for use by fire personnel when transportation to a training site requiring an overnight stay is needed.

Individuals will pick up the vehicles at Headquarters Fire Station. Drivers of the vehicle will have to sign a statement acknowledging that the use of the City vehicle will be for commuting purposes and reasonable travel associated with the training and that the use of alcoholic beverages is prohibited while using the vehicle.

Employees driving into the City to pick up the vehicle will not be paid mileage.

24. TRANSFER RIGHTS

Employees shall be permitted to request, in writing, a lateral transfer to fill a position(s) within the Fire Department. In evaluating this transfer request, Fire Management shall consider the experience and overall tenure of the applicable employee(s) along with all other relevant considerations. Employees who do not receive the requested transfer shall receive a written response from the Fire Chief or his or her designee within 30 days. The Association agrees that Fire Management has complete discretion in making staffing decisions and that this section confers no additional rights to the Association and that such decisions are not subject to the grievance procedure.

25. MANAGEMENT RIGHTS

Except as limited by the specific and express terms of this MOU, the City hereby retains and reserves unto itself all rights, powers, authority, duty and responsibilities confirmed on and

vested in it by the law and the Constitution of the State of California and/or United States of America.

The management and the direction of the work force of the City is vested exclusively in the City, and nothing in this MOU is intended to circumscribe or modify the existing rights of the City including but not limited to the direction of the work of its employees; the right to layoff, hire, promote, demote, transfer, assign, schedule; suspend or discharge employees for just and proper cause; to maintain and improve the efficiency of governmental operations; to relieve employees from duties because of lack of work or funds; to take action as may be necessary to carry out the City's mission and services in emergencies; to determine the methods, means and appropriate job classifications, organizational structure and personnel by which the operations are to be carried out; and to establish reasonable performance standards for personnel, including but not limited to qualifications and quantity standards.

26. EMPLOYEE RIGHTS

Except as limited by the specific and express terms of this MOU, the fire personnel represented by the Association hereby retain and reserve onto themselves all rights, powers, authority, duty and responsibilities confirmed on and vested in them by the laws and the constitution of the State of California and/or the United States of America. Nothing in this MOU is intended to circumscribe or modify the existing rights of the fire personnel represented by the Association, except as limited by the specific and express terms of this MOU, that exist by virtue of the laws and the constitution of the State of California and/or the United States of America.

The City shall maintain the payroll for sworn Fire personnel on a bi-weekly basis and said payroll records are available for review by any employee.

27. SEPARATION FROM CITY SERVICE

A. Sick Leave Pay-Off

1. Firefighters, Fire Engineers and Fire Captains

a. All accumulated 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.

(1) Employees separating with 10 or more years of City Service:

Employees who have ten (10) or more continuous years of service shall be eligible for sick leave pay-off upon separation from employment with the City at the rate of three percent (3%) of accumulated, sick leave per full year of service. Sick leave shall be calculated at the rate of pay, including all bonuses, received by the employee at the time of his or her separation.

(2) Employees separating with 20 or more years of City service:

Employees who have 20 or more years of continuous years of service shall be eligible for sick leave pay-off upon separation from employment with the City at the rate of four percent (4%) of accumulated sick leave per full year of service. Sick leave shall be calculated at the rate of pay, including all bonuses, received by the employee at the time of his or her separation.

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

During the term of this MOU, employees who cash out sick leave in accordance with this article (i.e., only at the time of separation from City service) may defer any sick leave for which they can cash out into a tax deferred account such as a IRS Code section 457 or 401(k) account up to the maximum employee deferral (i.e., the maximum amount an employee may defer) permitted by law. Employees who have either a 457 or 401(k) account or who wish to open the type of account which they do not currently have (e.g., if an employee has a 457 and wishes to open a 401(k) and vice versa) to take advantage of the tax deferred savings provided for in this provision may do so. The deferral must be in accordance with the City's Finance Department's policies and procedures.

2. Fire Battalion Chiefs

- a. Sick Leave Pay Off – Sick leave pay off for Fire Battalion Chiefs shall be calculated in the same manner and subject to the same limitations as for Firefighters, Fire Engineers and Fire Captains except as follows:

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

The rate of sick leave pay off shall be calculated as follows: For the first 7 full years of service 21% of accumulated sick leave. For each year thereafter five percent (5%) of accumulated sick leave per full year of service on or after July 1, 1990 to a maximum of 79%. The maximum rate of sick leave payoff is 100% of accumulated sick leave.

B. Vacation Pay-Off

An employee who separates from City service shall receive an amount equal to accumulated vacation at the time of separation. The rate of pay-off shall be calculated at the rate of pay, including all bonuses, received by the employee at the time of his or her separation.

28. ADMINISTRATIVE APPEAL PROCESS

A. Firefighters Procedural Bill of Rights Act

The administrative appeal process provided for in this Article is established pursuant to Government Code § 3254.5 of the Firefighters Procedural Bill of Rights Act. This administrative appeal process shall apply to all fire personnel in the unit.

1. Definitions

- a. The term “fire personnel” means an employee who is considered a firefighter under Government Code § 3251(a) as well as any fire personnel who are peace officers pursuant to Penal Code § 830.37.
- b. The term “punitive action” means any action defined by Government Code § 3251(c), i.e., “any action that may lead to dismissal, demotion, suspension, reduction in salary, written reprimand, or transfer for purposes of punishment.” A layoff is not punitive action subject to a disciplinary appeal.

2. Notice of Appeal

In accordance with California Government Code Section 11506(a), within fifteen (15) calendar days following receipt of notification of punitive action, the employee shall notify the Assistant Director of Administrative Services/Human Resources in writing of the employee’s intent to appeal the punitive action.

B. Appeal Procedures – For Suspension, Demotion and Termination

Fire personnel who are suspended, demoted, reduced in pay or terminated shall be entitled to an appeal hearing before an administrative law judge which shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the California Government Code.

- 1. Notice of Discipline as Accusation: The final notice of discipline which may be issued at the conclusion of any pre-disciplinary procedures shall serve as the Accusation as described in Government Code §§ 11500, *et seq.*

- a. Pursuant to Government Code section 3254(f), the discipline shall not be effective sooner than 48 hours following issuance of the final notice of discipline and the notice shall be given in writing within 30 days of the decision to impose discipline.
 - b. The notice shall be prepared and served in conformity with the requirements of Government Code §§11500, *et seq.* A copy of Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the California Government Code shall be provided to the employee concurrently with the notice of discipline.
2. Time and Place of Hearing- Pursuant to Government Code § 11508, unless otherwise decided by the administrative law judge, the hearing shall be conducted at City Hall at a time to be determined by the administrative law judge.
 3. Notice of the Hearing- Notice of the hearing shall be provided to the parties pursuant to Government Code § 11509.
 4. The employee shall be entitled to all discovery rights set forth in California Government Code Section 11507.6.
 5. The burden of proof and production of evidence shall be borne by the City. The standard of proof shall be by a preponderance of the evidence.
 6. The proposed decision of the administrative law judge shall be in writing. Copies of the proposed decision shall be delivered to the parties personally or sent to them by registered mail and accompanied by a proof of service.
 7. Following receipt of the proposed decision, the City Council, or any designee (e.g., the City Manager) to the extent authorized by law, may take any of the actions set forth in Government Code Section 11517(c)(2) A through E.

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

This Memorandum is signed on this _____ day of _____, 2012.

City of Beverly Hills
Representatives

Beverly Hills Firemen's
Association

EXHIBIT A – LIST OF CLASSIFICATIONS REPRESENTED BY THE ASSOCIATION

Firefighter

Fire Engineer

Fire Captain

Fire Battalion Chief

BEVERLY HILLS FIREMEN'S ASSOCIATION
MEMORANDUM OF UNDERSTANDING
Will be changed after the MOU is finalized

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