

Attachment 3

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE CITY OF BEVERLY HILLS

AND

MUNICIPAL EMPLOYEES ASSOCIATION OF BEVERLY

HILLS

PART-TIME UNIT

July 1, 2015 - September 30, 2019

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EXHIBIT "A": SALARY SCHEDULES

EXHIBIT "B": DEFINITIONS OF "NEW MEMBER" AND "CLASSIC MEMBER" PER THE
PUBLIC EMPLOYEES' PENSION REFORM ACT OF 2013 (PEPRA)

PART-TIME UNIT
(MUNICIPAL EMPLOYEES' ASSOCIATION)

MEMORANDUM OF UNDERSTANDING

Municipal Employees Association of Beverly Hills, (herein after referred to as "MEA") a formally recognized employee organization, representing all its members within the Part-Time Unit, and duly authorized representatives of the management of the City of Beverly Hills (hereinafter referred to as "the City"), have met and conferred, freely exchanging information, opinions and proposals, and have reached the following agreement on matters within the scope of representation.

INTRODUCTION

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 between the parties hereto.

It is recognized that there exist now certain past practices or procedures which 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 force and effect during the term of this agreement, unless they are inconsistent with provisions of this Memorandum of Understanding (hereinafter referred to as "MOU"), or unless subsequently changed by the meet & confer process.

2. Term. Unless otherwise specified herein, this MOU shall be effective July 1, 201~~5~~², and shall expire on ~~September~~^{June} 30, 201~~9~~⁵.
3. Agreement to Meet Regarding Administration of MOU: The City and MEA agree that they will meet informally during the term of this MOU to address any problems ~~or~~ issues that arise related to the administration of this MOU. This includes, but is not limited to, changes in state or federal law ~~which~~ that impact this agreement.

1. SALARIES

The City and MEA agree that those part-time employees who share the same classification as a full time employee shall receive the same hourly rate as the full time employee. Thus, any

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modifications to their compensation will only occur if such modifications are made to the full time employees' (represented by the Technical Services Unit) compensation.

~~Effective January 1, 2013, the hourly rate of all employees in the bargaining unit who do not share the same classification as full time employees represented by the Technical Services Unit will increase by one percent (1%).~~

~~Effective January 1, 2014, the hourly rate of all employees in the bargaining unit who do not share the same classification as full time employees represented by the Technical Services Unit will increase by one and one quarter percent (1.25%).~~

The following increases shall apply only to employees in the bargaining unit who do not share the same classification as a full-time position:

Effective the pay period including July 1, 2015, the hourly rates of employees will increase by two percent (2%).

Effective the pay period including October 1, 2016, the hourly rates of employees will increase by two percent (2%).

Effective the pay period including October 1, 2017, the hourly rates of employees will increase by three percent (3%).

Effective the pay period including October 1, 2018, the hourly rates of employees will increase by three percent (3%).

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

If the City requests that the Association meet and confer with the City on the subject of furloughs, the Association agrees it will do so promptly.

2. DEFINITIONS

The parties agree that part-time employment includes three different types of employees. These types of employees are defined as follows:

- 1) Regular part-time:— an employee exempt from the civil service system who has been appointed to work 25 hours or more a week.
- 2) Hourly: an employee exempt from the civil service system who has been appointed to work less than 1000 hours in a fiscal year

3) Seasonal part-time:— an employee exempt from the civil service system who has been appointed to work for 120 days at a rate of 40 hours or less a week.

~~Hourly—an employee exempt from the civil service system who has been appointed to work less than 1000 hours in a fiscal year.~~

3. APPOINTMENT AND ADVANCEMENT

A. Salary Placement Movement Through Range

Part-time appointments to a position in any authorized classification ~~are~~^{would} normally ~~be~~ made at the first step of the appropriate salary schedule. At the discretion of the appointing authority and approval of the Assistant Director of Administrative Services/Human Resources, appointments may be made at a higher step. All appointments require the approval of the respective appointing authority and the Assistant Director of Administrative Services/Human Resources.

There are certain classifications within the bargaining unit (such as Recreation Specialist) which are assigned to a salary range that does not have associated steps. These employees are placed within the range at an hourly rate designated and approved in accordance with approval process referenced in the prior paragraph.

The parties agree that either side ~~side~~ may reopen labor negotiations for the purpose of establishing salary steps for those classifications which have salary ranges, but not salary steps. The request of either party to reopen negotiations must be communicated to the other party by October 1, 2016.

B. Advancement Through Range

1) Hourly and Seasonal employee advancement:

~~H~~^{An} hourly employees, ~~upon the completion of 500 hours,~~ will be eligible to receive a merit increase upon the completion of 500 hours, provided ~~that he/shesaid employee~~ has received a performance evaluation with an overall rating of satisfactory or better. ~~Annually~~ thereafter, hourly employees will be eligible for salary step increases each year on their ~~respective~~ anniversary of the date he/she reached 500 hours, until ~~he/shethey~~ ^{has}ve achieved the top step of the salary range. ~~Such step increases will only be granted upon the employee earning a satisfactory or better performance evaluation.~~

2) Salary advancement for employees in classifications without steps:

~~For purposes of this section, Employees who are in a classification with an associated range that does not have designated salary steps will be eligible for a salary increase of \$0.50 per hour upon completion of 500 hours, provided the employee has if the Recreation Specialist receives a satisfactory or better performance evaluation, and completes 500 hours of service. Annually thereafter, these employees will be eligible for merit step increases for Recreation Specialist will of be \$0.50 per hour. Upon recommendation from the supervisor and approval by the department head, an increase of more than \$0.50 may be granted.~~

3) Salary Advancement for Regular Part-Time Employees

Regular part-time employees, upon the employee's anniversary date, will be eligible to receive a merit increase provided said employee has received a performance evaluation with an overall rating of satisfactory or better. Thereafter, regular part-time employees will be eligible for salary step increases each year on their respective anniversary dates until they have achieved the top step of the salary range. Such step increases will only be granted upon the employee earning a satisfactory or better performance evaluation.

CB. Performance Evaluations and Effective Date of Merit Increase

All performance evaluations shall be issued and advancements shall be effective on the anniversary date and properly noted on the appropriate personnel forms. In the event the employee does not receive a performance evaluation within 60 days, the employee will receive the applicable salary adjustment retroactive to its due date.

DC. Change in Classification or Status

If an employee is moved to a new, higher classification, he/she shall be placed at a salary step in the new classification which will be at least 5% higher than the employee's salary in his/her prior classification.

If an employee moves from an hourly part-time to regular part-time position within the same classification prior to reaching his/her first salary advancement, he/she will still receive a step increase upon completion of 500 hours (rather than waiting a year until after he/she is in the regular part-time position for a year). In this case, the employee will be eligible for annual step increases from the date he/she reaches 500 hours.

4. ASSIGNMENT PAY

All compensation adjustments require formal action to be effective. As such, no compensation adjustments authorized by this article shall become effective until an

official transaction form authorizing the adjustment is approved by the Assistant Director of Administrative Services/Human Resources.

A. Lead Parking Attendant Assignment

Employees in the classification of Parking Attendant who are assigned as a shift lead will receive assignment pay of 14% while so assigned.

B. Rexford Attendant Assignment

Employees in the classification of Parking Attendant who are assigned to the Rexford Parking Structure Booth will receive assignment pay of 5% while so assigned.

C. Uniform Ordering Assignment

Employees in the classification of Parking Attendant who are assigned the responsibility of ordering uniforms will receive assignment pay of 5% while so assigned.

54. HEALTH INSURANCE

A. Medical Insurance

Regular part-time employees will be offered ~~receive~~ health insurance benefits at the time of hire ~~after completion of 1,000 hours in a fiscal year~~. The City shall provide a health insurance plan s through the Public Employees' Retirement System (CalPERS).

~~B. Throughout the term of this MOU, t~~The City shall contribute an amount equal to the ~~published~~ single party premium rate of Kaiser HMO for the Los Angeles Region (as set forth by CalPERS) for the purchase of medical insurance. Since the City is only paying for single party coverage, a regular part-time employee may purchase dependent insurance, either two party or family coverage over the City's contribution at the employee's expense. An employee may select coverage of any CalPERS medical plan for him or herself and any eligible dependents. This includes plans other than Kaiser HMO available through CalPERS.

If at any time during the term of the MOU, the City is subject to penalties under the Affordable Care Act ("ACA"), the parties agree to reopen negotiations on that provision of the cafeteria plan subjecting the City to such penalties for the limited purpose of making changes to ensure that such penalties are avoided.

B. ~~Opt-Out of Medical Insurance~~

~~Regular part time employees may elect to discontinue in (opt out of) the CalPERS Health Plan. Employees electing to cancel City coverage for themselves and for eligible family members (at the employee's cost) must provide proof of health insurance from another source (e.g. through a spouse's coverage) and must waive liability for their decision to cease coverage under the City's CalPERS Health Plan.~~

A regular part-time employee may opt out of medical insurance if the employee provides proof of group medical insurance coverage (e.g., coverage under a spouse's employer's plan) that is compliant with the Affordable Care Act ("ACA"). Employees electing to "opt out" (i.e., not receive any insurance benefits) will receive \$100 per month added to their paycheck. If, for any reason in the future, CalPERS determines or the law is changed that an employee may not "opt out", ~~of this provision~~ program will become null and void and employees will not be able to receive the additional \$100 per month. After electing this provision, an employee who later requests to re-enroll shall do so pursuant to CalPERS rules and procedures. ~~In any event, the City will comply with the rules as prescribed by the CalPERS Health Plan.~~

C. Dental Insurance~~DENTAL PLAN~~

The City shall ~~make available to regular part time employees~~ provide a dental benefit plan for regular part-time employees. ~~as administered by Guardian.~~ The City shall contribute the single party rate for this plan. ~~Since the City is only paying for single party coverage, a~~ regular part-time employee may ~~select~~ purchase dependent coverage at the employee's cost over the City's contribution at the employee's expense. ~~While Guardian is currently the carrier for dental insurance,~~ the benefits, terms, conditions and provider for such plan shall be as determined solely by the City, ~~(provided that such plan is no less favorable than a plan available to any other group of City employees).~~

6. LEAVE BENEFITS

A. Regular Part Time Employee Leave Accrual Eligibility

1. Regular part-time employees will accrue universal leave. ~~receive leave benefits.~~ Leave accruals are called universal leave and may be used for illness and injury (as traditional sick leave is used) or scheduled in advance for rest and relaxation (the way traditional vacation is used). Service credit will begin to accrue on an employee's date of hire.

Regular part-time employees shall accrue leave as set forth in the following chart. The number identified below for years of service for leave accrual will be multiplied by the number of hours worked in a pay period for eligible employees. Thus, for example, if an employee with 9 years of service works 50

hours in a pay period, his/her leave accrual will be $50 \times .06 = 3$ leave hours accrued in the pay period.

First 7 years of service as a regular part-time employee	7 - 14 years of service as a regular part-time employee	After 14 years of service as a regular part-time employee
.04	.06	.08

Said leave may be used for any authorized absence.

2. Leave accruals shall be cashed out upon separation from City employment at the employee's final hourly rate of pay.
3. Regular part time employees may accrue up to 240 hours of universal leave as provided herein. Once an employee accrues 240 hours of such leave, he/she will not accrue additional leave until he/she reduced his/her accruals. Supervisors will not unreasonably deny a request to use universal leave requested in advance so that employees at the 240 hour cap may reduce their accruals.
4. The unused leave balance of regular part-time employees appointed to full-time probationary or exempt positions will be converted to vacation time credit, effective on the date of appointment, since full time employees earn vacation, not universal leave. Such vacation time shall be subject to all of the rules, regulations or procedures that apply to vacation time and its use in the applicable unit, group or department, including, without limitation, rules applying to the use of vacation during probation.

B. Application Leave Request

An employee using universal leave as traditional vacation shall make written ~~request~~application for such leave. Ordinarily, seven days advanced notice shall be required to use ~~such~~ leave as traditional vacation. However, an employee wishing to use universal leave as traditional vacation with less than seven days notice may ~~so~~make a request. Such request will be considered within the discretion of the employee's supervisor. Every department head shall, if necessary, establish a leave schedule for each calendar year. The ~~d~~Department ~~h~~Head will base leave time requests on seniority and will grant leave time if the employee can be spared. Once leave time is requested, the department head shall notify the employee as soon as possible whether his/her ~~request~~application is approved, and if not, when ~~alternatethe~~ leave time may be granted. An employee using universal leave for unscheduled absences (e.g., sick leave) shall follow department protocols.

C. Leave Without Pay

A part-time employee may be granted leave time without pay. The ~~D~~department ~~h~~Head will base leave time requests on seniority and will grant leave time if the employee can be spared. Once leave time is requested, the department head shall notify the employee as soon as possible whether his/her request is approved, and if not, when leave time may be granted. The City will endeavor to grant requests for leave without pay whenever possible. However, given the operational needs of the City, there is no guarantee that the employee's job will remain open once the leave expires. In addition, even if the employee's job is still available, changes in work schedule or job location may occur if necessary for operational reasons.

D. Jury Duty Leave

A regular part time employee who is required to serve as a juror during the employee's normal work schedule shall be allowed to serve without loss of pay. ~~All fees to which the employee is entitled by law for such service shall be paid by the employee (less transportation allowance and jury fees for jury service falling on non work days, if any) to the City, except to the extent such fees exceed the City payment of jury leave. A~~n eligible employee is required to provide reasonable advance notice of the need for jury leave. If a supervisor or manager determines that jury service will interfere with normal operations, an employee may be required to request that jury service be rescheduled, to the extent permitted. Employees on jury leave who are temporarily released or who complete their jury service at a time that will allow for the completion of some or all of their regularly scheduled work are required to report for work, unless otherwise directed by the appropriate supervisor. Hourly and seasonal part-time employees shall be allowed to serve on jury duty without loss of pay for scheduled hours subject to the following terms and conditions: There will be no pay for required jury service on days or at times when the employee is not regularly scheduled to work. ~~Employees do not reimburse the City for jury fees for jury service falling on a non-work day.~~

E. Paid Sick Leave Law Compliance

The City will comply with Labor Code 245-249 by providing paid sick leave for part-time hourly employees at the rate of one hour for every 30 hours worked. Additionally, universal leave accrued by regular part-time employees may be used as sick leave for the reasons specified by law. An hourly employee may use half of his/her annual accrual of sick leave for family illness reasons specified by law.

F. Leave for School Activities

All requests for leave for the purposes provided by California Labor Code section 230.8 (leave to participate in school related activities of the children of association members) will comply with the law.

F.G. Family Care Leave

The City shall comply with California Labor Code section 233 and the state and federal Family and Medical Care Leave Acts. The City's policies regarding these laws are available in the Human Resources office.

G.H. Military Leave

The City shall comply with the federal (Uniformed Services Employment and Reemployment Rights Act) and state (Military and Veterans Code) law when an employee's absence is due to military leave.

7. HOLIDAYS ~~OVERTIME~~

A. Definitions:

The following are holidays subject to this article.

- New Years Day (January 1st)
- Martin Luther King Jr. Day (3rd Monday in January)
- Presidents' Day (3rd Monday in February)
- Memorial Day (Last Monday in May)
- Independence Day (4th of July)
- Labor Day (1st Monday in September)
- Veterans Day (November 11th)
- Thanksgiving Day (4th Thursday in November)
- The day after Thanksgiving Day
- Christmas Day (December 25th)

These are generally recognized as City holidays on which City facilities may be closed and/or service levels impacted:

Premium holiday pay is defined as 1 ½ times the employee's regular rate of pay for time worked on a holiday.

B. City Determination of Employee's Holiday Work Schedule

7. —The City shall determine ~~the~~ regular part-time employee's holiday work schedule no less than 14 days prior to the actual workday. Generally, an employee's normal work schedule within the workweek shall not be changed to avoid payment of holiday pay.

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~~8. — Normal work schedule is defined as the specific hours to be worked as well as the physical location of that work. The physical location may be any or all locations as determined by the applicable ~~D~~department ~~h~~Head and/or his or her designee. ~~Generally, an employee's normal work schedule within the workweek shall not be changed to avoid payment of holiday pay.~~~~

~~The City agrees to pay premium pay to regular part time employees for work performed on a holiday under certain circumstances as follows:~~

~~1. — This provision shall not apply to hourly or seasonal part time employees.~~

~~**C. Premium Pay for Hours Worked on Holidays**~~

~~Regular part-time employees who are authorized to work any of the holidays designated in this article will be paid premium holiday pay for all hours worked.~~

~~Hourly employees assigned to work on Independence Day (July 4th), Veterans Day (November 11th), Thanksgiving Day (4th Thursday in November), Christmas Day (December 25th) or New Year's Day (January 1st) shall be paid the premium holiday rate.~~

~~2. Premium pay is defined as 1½ times the employee's regular rate of pay for time worked on a holiday, which is not a part of the employee's regular work schedule.~~

~~3. — When a holiday is contained in the regular part time employee's normal work schedule he or she is not eligible for premium pay for working on the holiday.~~

~~4. When a holiday is contained in the regular part time employee's normal work schedule, but the employee is asked to work additional hours on the holiday, which are not a part of the employees normal work schedule, he or she shall be paid premium pay for the additional hours he or she was required to work on the holiday.~~

~~5. — When a regular part time employee is required to work on a holiday, which is not part of the employee's normal work schedule, he or she will receive premium pay for all work performed on the holiday.~~

~~6. In no case, even if the employee works in excess of 40 hours per week, will the employee receive more than 1½ times for any hours worked.~~

~~7. — The City shall determine the regular part time employee's holiday work schedule no less than 14 days prior to the actual workday.~~

~~8. — Normal work schedule is defined as the specific hours to be worked as well as the physical location of that work. The physical location may be any or all locations as determined~~

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~~by the applicable Department Head and/or his or her designee. Generally, an employee's normal work schedule within the workweek shall not be changed to avoid payment of holiday pay.~~

~~9. The holidays which are subject to this provision are as follows:~~

- ~~— New Year's Day (January 1st)~~
- ~~— Martin Luther King Jr. Day (3rd Monday in January)~~
- ~~— President's Day (3rd Monday in February)~~
- ~~— Memorial Day (Last Monday in May)~~
- ~~— Independence Day (4th of July)~~
- ~~— Labor Day (1st Monday in September)~~
- ~~— Veteran's Day (November 11th)~~
- ~~— Thanksgiving Day (4th Thursday in November)~~
- ~~— The day after Thanksgiving Day~~
- ~~— Christmas Day (December 25th)~~

~~10. Notwithstanding the above, Regular part time and hourly employees assigned to work on July 4th and Veteran's Day (November 11th), Thanksgiving Day (4th Thursday in November), Christmas Day (December 25th) and New Year's Day (January 1st) shall be paid the premium rate.~~

~~**D. Employees Not Scheduled to Work on Holidays:**~~

~~Employees (including regular part-time, hourly or seasonal) who are not required to work on a holiday shall not receive holiday pay. However, an employee may choose to use his/her accrued universal leave on holidays he/she is not required to work but would otherwise be scheduled.~~

~~If one of the following holidays (New Year's Day, 4th of July, Veteran's Day or Christmas) falls on a weekend and the City closes City facility(ies) on the preceding Friday or subsequent Monday, Regular Part-Time employees who are not required to work on the Friday or Monday as a result will be entitled to work the hours they would have otherwise been scheduled (on the closed Friday or Monday which is not an official holiday) within the same pay period.~~

8. UNIFORMS

Uniformed personnel shall receive uniforms at the City's expense. Said uniforms shall be the property of the City. The City shall replace damaged or worn out uniform parts, as necessary. The specific uniform requirements shall be contained in the A.R. 3B.14.

9. HOURS

The hours of work for part-time employees, by their nature, vary. Generally, part-time employees will work a regular schedule. Part-time employees shall receive their respective hourly rate for work up to 40 hours per week. Hours worked over 40 hours per week will be compensated at 1½ times the employee's regular rate of pay.

The scheduling of hours for part-time employees shall be based on seniority, herein defined as length of service with the City. The more senior employees possessing the necessary skills to perform the work within the job classification will be assigned the greater number of hours. Scheduling of hours within each job classification shall be made in the following order: Regular Part-time, Hourly Part-time and Seasonal Part-time.

The scheduling of the shift starting times for part time employees shall be based upon seniority, herein defined as length of service. The more senior employees possessing the necessary skills to perform the work within the job classification will be given preference in the selection of shift start times. Shift starting time within each job classification shall be made in the following order: Regular Part time, Hourly Part-time and Seasonal Part-time.

Notwithstanding the above, management has the right to schedule employees based upon the need and the qualifications necessary to perform the specific work needed to be completed. Management retains the right to establish work schedules and hours, including making schedule changes where necessary.

When the pre-school is on a break and/or students are not in attendance, the Pre-School teachers will still be assigned to work a minimum of 25 hours per week. However, all such work must be performed at the City (with the exception of purchasing supplies or equipment) and must be accounted for on the teachers' time sheets. The teachers, at their option, may request to use accrued leave time (i.e., universal leave) to cover all or part of the 25 hours. Approval of such leave time will be in accordance with the leave approval practices and provisions of this Agreement.

10. REST PERIODS AND MEAL TIMES

At the discretion of the City, rest periods will be provided to employees whenever possible. Such rest periods will be provided at the rate of ten consecutive minutes for each four (or major portion thereof) hours worked, and will occur as near as possible to the middle of the work period. Rest periods are paid as time worked and will be scheduled by the City. The City may require employees to remain on the premises during the ten minute break(s).

Ten minute rest periods will be provided as follows for the hours involved.

Total Hours of Work	Rest Periods Authorized Per Shift
0- 3.5	0

3.5- 6.0	1
6.0-10.0	2
10.0-14.0	3
14.0-18.0	4

A one-half hour meal period will be provided for every five-hour work period, unless six hours of work will complete the day's work and the employee voluntarily elects to forego the meal period. As the City and the Association agree that customer service is important, those employees whose work stations necessarily come into contact with the public will not be allowed to consume food at their work stations. Such employees will, if eligible for a meal period as outlined above, be required to take their meal periods away from their respective work station. Meal periods will be uncompensated by the City unless agreed to by the City in advance of the individual meal period.

11. NON-DISCRIMINATION

The parties mutually reaffirm their respective policies of non discrimination in the treatment of any employee because of race, religious creed, color, sex, age, disability, national origin, sexual orientation, ancestry, gender, marital status or any other protected status defined under anti-discrimination laws.

12. MANAGEMENT RIGHTS

Except as limited by the specific and express terms of the 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 the 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 hire, promote, demote, transfer, assign, schedule and retain employees in positions within the City; suspend or discharge employees; 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 classification organizational structure and personnel by which the operations are carried out; and to establish qualifications and quality standards.

13. PERSONNEL FILES

The City shall maintain only one official personnel file for each employee covered herein. The official personnel file shall be housed in the City's Human Resources Department. Employees herein shall be entitled to review the contents of their official personnel file at reasonable intervals provided that the employee schedules an appointment, at least twenty four (24) hours in advance, during the regular hours of the Human Resources Department. Employees often receive commendations or other positive comments about their work from citizens or other employees. Employees have the right to request that any such positive written comments be placed in their personnel file and said comments will be placed in the personnel file. Comments adverse to an employee's interests shall be provided to the employee prior to such comments being placed in the employee's personnel file. An employee shall have 30 calendar days in which to attach a response to an adverse comment. Any such response shall accompany the adverse comment in the employee's personnel file.

14. ASSOCIATION RELATED BUSINESS

A. Stewards Program

MEA may select a total of six (6) stewards for this Unit. MEA shall give to the City's representative a written list of employees who have been selected as stewards. This list shall be kept current by MEA and submitted to the Assistant Director of Administrative Services/ Human Resources every six (6) months. The role of the steward is to provide timely MEA representation to employees seeking such assistance in the resolution of employment disputes or potential employment disputes.

Stewards, when leaving their work locations to fulfill their responsibilities as steward, shall first obtain permission from their immediate supervisor and inform them of the general nature of the business. Permission to leave shall be granted promptly unless such absence would cause undue interruption of work. If such permission cannot be granted promptly, the steward shall be, if possible, informed when time may be made available.

MEA stewards shall complete a time use slip to document MEA activity time used as part of the allocation set forth herein. This slip shall be initialed by the steward using the time and by the supervisor authorizing it. The authorization slip shall be submitted to the Human Resources Department. Steward business which is subject to release time according to this Article may be conducted only at City work locations.

Upon entering a work location, the steward shall inform the appropriate supervisor of the nature of the business. Permission to leave the job shall be granted promptly to the employee involved unless such absence would cause an undue interruption of work. If the employee cannot be made available, the steward shall be immediately informed, if possible, when the employee may be made available.

MEA agrees that a steward shall not log compensatory time or overtime pay for the time spent performing any function of a steward. To the extent possible, due to the nature of part-time employment, the City expects some of the stewards to conduct association related business on his/her own time.

B. Agency Shop and Dues Deduction

All employees subject to this agreement must either join the Association, pay a service fee (i.e., an agency shop fee) to the Association or execute a declaration claiming a religious objection to payment of the service fee. Existing employees have been previously required to (and all new employees will be required to) sign an agency shop authorization form in which the employee authorizes a per pay period deduction from their paycheck by the City for one of the following: 1) membership dues; 2) a service fee payable to the MEA; or 3) as a conscientious objector to the fee and authorization that the per pay period fee be paid to the United Way, City of Hope or American Cancer Society. For Association members and conscientious objectors the per pay period fee shall be \$6.50 per pay period. For service fee payers, the per pay period fee shall be \$6.25. If there is an increase in the dues during the term of this MOU, the MEA will inform the City who will then ensure that the appropriate amount is deducted from members, service fee payers and conscientious objectors. The City shall remit the deductions on a bi-weekly basis, when feasible. Deduction authorizations shall remain in full force and effect until, and so long as, MEA remains the formally recognized employee representative for this Unit.

As some part-time employees work a limited number of hours, the MEA does not wish for dues to constitute a financial hardship. If 2% of the employee's (Association members and conscientious objectors) gross pay per pay period is less than \$6.50 then the payroll deduction shall be 2% of the employee's gross pay.

If 2% of the employee's (service fee payers) gross pay per pay period is less than \$6.25 then the payroll deduction shall be 2% of the employee's gross pay.

C. Bulletin Boards

MEA may post no more than two (2) MEA documents at any one time on City bulletin boards, provided that such documents are not of a political or discriminatory nature. ~~This provision will become operative only when the City is notified in writing which MEA representatives will have the responsibility for monitoring these postings. The President of the MEA, or his/her designee, shall be the only party authorized to approve notices for placement on City bulletin boards.~~

D. Use of City Facilities

Representatives of MEA may use City facilities for general membership meetings with City approval and prior clearance from the individuals(s) responsible for scheduling rooms in the department. The Union may hold their Board of Stewards meetings during the lunch period or after work in the Library or other facilities, subject to City approval.

E. Association Business and Training

The City will grant up to one hundred (100) hours per contract year to MEA for the purpose of training and the conduct of Union business in this bargaining unit. Said time shall be allocated by MEA as it believes appropriate. The Human Resources Department shall be notified of the use of this time and maintain records of its use as necessary. —MEA representatives utilizing this time shall notify their supervisors and shall endeavor to provide as much advance notice as possible.

F. Payroll Deduction

If, during the term of this MOU, the Association, on its own, provides its employees with an employee-paid disability insurance program and/or vision plan, the City agrees to make payroll deductions to ensure that the benefit is indeed being paid for by each employee who takes this benefit.

G. Translation Duties

Neither Supervisors nor employees designated as Leads or Lead Workers shall direct employees to perform translation duties as part of their job.

15. MOU DISPUTES, MEDIATION AND HUMAN RESOURCES REVIEW

The City and MEA agree that the cause of quality public services for the citizens of Beverly Hills can be materially assisted through the timely resolution of MOU disputes in the least formalistic way possible and through the maintenance of high employee morale. To that end, the City and MEA agree to establish the following procedures for the indicated groups.

A. Regular Part-Time Employees

1. A.—MOU disputes may be submitted to an employee's immediate supervisor for review. If within ten (10) days in which the Human Resources Department of the City is open for business, the MOU dispute still exists, the employee may present the dispute to the department head. The MOU dispute, if unresolved within the same ten (10) day period noted, may then be submitted to the Assistant Director of Administrative Services/Human Resources for review.

——Notwithstanding the aforementioned, MOU disputes may initially be submitted to the Assistant Director of Administrative Services/Human Resources for review. This review does not extend due process and/or other rights or privileges to regular part-time employees relative to any and all disciplinary matters. MEA and the City agree that all regular part-time employees are at-will and serve at the pleasure of the City. If any discipline is imposed, the employee shall receive notice of discipline with no due process rights or rights of appeal. MOU disputes which can not be resolved under the auspices of the Assistant Director of Administrative Services/ Human Resources may be submitted to the mediation/arbitration process described below.

2B. Procedure

The City and MEA shall jointly select a mediator/arbitrator. Said mediator will first attempt to mediate a settlement of the dispute, but if the mediation fails, he/she will prepare a written report of his/her findings and propose a resolution of the dispute for submission to the City Manager. The City Manager may or may not adopt the report based on his/her review of the report and evidence. The decision of the City Manager in these matters shall be final. Costs associated with the mediation/arbitration shall be shared equally by MEA and the City.

3C. Non-MOU employee concerns may be submitted to the Assistant Director of Administrative Services/Human Resources for review. The review is offered as an opportunity for part-time employees to present concerns related to working conditions, complaints and concerns. The Assistant Director of Administrative Services/Human Resources' decision in these matters shall be final. This review does not extend due process and/or other rights or privileges to regular part-time employees. MEA and the City agree that all part-time employees are at-will and serve at the pleasure of the City.

B. **Hourly Part-Time Employees**

Employee complaints and concerns over working conditions may be submitted to the Assistant Director of Administrative Services/Human Resources for review. This review does not extend due process and/or any other rights or privileges to hourly employees. Rather, the Assistant Director of Administrative Services/Human Resources will evaluate the matter and determine whether the complaint is or is not valid. It is an opportunity to bring forth a complaint, not a right to a hearing or any other process. If the Assistant Director of Administrative Services/Human Resources determines that the complaint is valid, he/she will determine whether action is necessary to address the issues raised in the complaint. MEA and the City agree that all hourly part-time employees are at-will and serve at the pleasure of the City. Hourly employees are not entitled to submit MOU disputes and/or disciplinary cases to the Assistant Director of Administrative

Services/Human Resources for review and are not entitled to participate in mediation/arbitration on these or any other matters.

C. Seasonal Part-Time Employees

MEA and the City agree that all seasonal part-time employees are at-will and serve at the pleasure of the City. Seasonal part-time employees shall have no right to review of MOU disputes, disciplinary matters and/or complaints of concerns over working conditions by the Assistant Director of Administrative Services/Human Resources. They shall also have no right to participate in mediation/arbitration of these or any other matters.

16. JOB DESCRIPTIONS AND RECRUITMENT OPPORTUNITIES

- ~~A.~~ The City shall provide MEA with a copy of any proposed change to any existing and/or new job description and MEA shall provide comments, if any, to the City within two weeks upon receipt of the job description(s).
- ~~B.~~ The City values the need and desire for all employees to be aware of new job openings and to have the ability to apply for those positions. The City agrees to notify MEA when openings occur and ensure that positions are open for at least two weeks to give existing employees the opportunity to apply for the opening.

17. SERVICE CREDIT POINTS

Service Credit Points – Service credit points shall be applicable to part-time City of Beverly Hills employees who pass the qualifying examination for a full-time position in the City. Those part-time employees who work a continuous 1000 hours per calendar year shall be entitled to service credit points. Service credit points shall be added to the examination score subject to the following conditions:

- a) Part-time employee has worked for the City a continuous 1000 hours per calendar year.
- b) Part-time employee who has worked for the City one to three continuous years shall be entitled two (2) service credit points.
- c) Part-time employee who has worked for the City four to seven continuous years shall be entitled to three (3) service credit points.
- d) Part-time employee who has worked for the City eight to ten continuous years shall be entitled to four (4) service credit points.
- e) Part-time employee who has worked for the City more than ten continuous years shall be entitled to five (5) service credit points.

18. RETIREMENT

A. Social Security Alternative Retirement Plan

The City has adopted an Alternate Retirement Plan (ARP) through the Public Agency Retirement Services (PARS) for those unit employees who are not members of the California Public Employees' Retirement System (CalPERS) and who are otherwise subject to mandatory Social Security coverage requirements. All eligible unit employees (i.e., all unit employees who are not included in CalPERS) will be covered by the PARS 457 Alternative Plan. Employees will continue to participate in and will make contributions toward Medicare, as required by law. If an employee is enrolled in the ARP plan at the time of hire and subsequently ~~Once a unit employee~~ works 1,000 hours in any fiscal year, he/she will automatically be enrolled ~~included in the Public Employees' Retirement System~~ CalPERS and shall be removed from the ARP provided through PARS.

The PARS 457 Alternative Plan provides that each pay period, 6.2% will be deducted from all eligible employees' salaries and deposited into their PARS 457 FICA Plan Account. In addition, each pay period, the City will contribute 1.3% of each eligible employee's salary to their PARS 457 FICA Plan Account.

The form of the ARP, including subsequent up-dates, changes or amendment, shall be as determined solely by the City, provided it meets the minimum benefit requirements for an alternate retirement system under the Internal Revenue Code. Any change in the substance of the plan must be made by agreement of the parties.

Employees with 30 or more qualifying quarters in Social Security who wish to remain in Social Security for the purpose of obtaining the 40 qualifying quarters required to vest in Social Security may petition the Assistant Director of Administrative Services/Human Resources.

B. ~~Employees In~~ CalPERS Retirement Benefits

Regular Part-Time employees will be ~~For those employees~~ enrolled in CalPERS at the time of hire and will ~~(i.e., unit members who have completed more than 1,000 hours in a fiscal year), they~~ receive the same retirement formula as other, similarly situated, miscellaneous City employees who are enrolled in CalPERS. Should an hourly employee at any point work in excess of 1,000 hours in any given fiscal year, he/she will be enrolled in CalPERS.

~~The parties agree that if the provisions of AB 340 (The California Pension Reform Act of 2013) go into effect during the term this MOU and that any provisions of that law which~~

~~Part Time Unit — MOU July 1, 2012 — June 30, 2015~~

~~automatically become effective on January 1, 2013, shall do so. In addition, if there is any other clean up or other retirement legislation which goes into effect during this MOU and if there are provisions of that legislation which automatically goes into effect, it shall do so without impairing the parties' MOU. Either party may request to negotiate over the impact of such subsequent legislation.~~

~~1. Retirement Formula~~

~~For those unit members enrolled in CalPERS who were hired prior to December 31, 2012, they will receive the 2.5% @ 55 retirement formula set forth at California Government Code section 21354.4. Pursuant to the Pension Reform Act, any "new members" as defined by the law hired on or after January 1, 2013 will be hired pursuant to the 2% @ 62 formula.~~

~~2. Single Highest Year/ Average of the Last Three Years.~~

~~For those unit members enrolled in CalPERS who were hired prior December 31, 2012, they will receive the "Single Highest Year" retirement benefit pursuant to California Government Code section 20042. Such employees' retirement will be calculated based on this formula.~~

~~Pursuant to the Pension Reform Act, any "new members" as defined by the law hired on or after January 1, 2013, will receive 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. Such employees' retirement will be calculated based on this formula.~~

~~3. Employee Contribution To CalPERS~~

~~Employees in the bargaining unit shall pay for their CalPERS employee contribution of eight percent (8%) to pay for the 2.5% @ 55 benefit. Employees hired after January 1, 2013 who are defined as "new members" under the Pension Reform Act shall also pay eight percent (8%) as their pension contribution so that all employees pay the same contribution for their retirement benefit.~~

The City contracts with CalPERS for retirement benefits. The definitions of "new member" and "classic member" are set forth in Exhibit "B" Appendix A to this MOU.

1. For "Classic Member" Employees As Defined By The Public Employees' Pension Reform Act of 2013 (PEPRA)

- a) Retirement Formula: The City contracts with CalPERS to provide the 2.5% at 55 retirement formula set forth in California Government Code Section 21354.4.

- b) Single Highest Year: The City's contract with CalPERS provides for the "Single Highest Year" retirement benefit for miscellaneous employees of which "classic member" employees in the unit are included per Government Code section 20042. The retirement benefit is based on the highest annual compensation for the one year during the employee's membership in CalPERS.
- c) Payment of Employee/Member Contribution: Classic Members pay their 8% Member Contribution. The City has adopted the CalPERS resolution in accordance with IRS Code section 414(h)(2) to ensure that the employee contribution is made on a pre-tax basis.

2. For "New Members" As Defined By the Public Employees' Pension Reform Act of 2013 (PEPRA)

- a) Retirement Formula: Unit members who are defined as "new members" under the PEPRA, are covered by the 2% @ 62 formula provided for by the Public Employees' Retirement Law at Government Code section 7522.20(a).
- b) Retirement Benefit Calculation Period: For unit members defined as "new members" under the PEPRA such employees' final compensation will be based on the highest annual average compensation earnable during the three consecutive years of employment immediately preceding the effective date of his or her retirement or any other three consecutive year period chosen by the employee as set forth in Government Code section 7522.32(a).
- c) Payment of Employee/Member Contribution: New member employees are responsible for paying the employee contribution of one-half of the total normal cost of the plan, as defined by CalPERS, through a payroll deduction. This amount will be determined by CalPERS in the future. The City has adopted the CalPERS resolution in accordance with IRS Code section 414(h)(2) to ensure that the employee contribution is made on a pre-tax basis.

In addition, new members will pay an additional amount for their retirement contribution as cost sharing in accordance with Government Code section 20516(f). That amount will be the difference between the half of the normal cost amount and eight percent, so that their total retirement contribution will be eight percent (8%).

3. Additional Optional Benefits For All Employees

- a) 1959 Survivor's Benefit: The City's contract with CalPERS provides Level 4 coverage under the 1959 Survivor's Benefit per Government Code section 21574.
- b) Pre-Retirement Option 2 Benefit: The City's contract with CalPERS provides for Pre-Retirement Optional Settlement 2 Benefit as set forth in Government Code Section 21548 for all employees in the unit.
- c) Military Service Credit: The City's contract with CalPERS provides the Military Service Credit option set forth in Government Code section 21024.
- d) Pre-Retirement Death Benefits: The City's contract with CalPERS provides the benefit known as the pre-retirement death benefits to continue after remarriage of survivor as set forth in Government Code section 21551.
- e) Cost of Living Allowance: The City's contract with CalPERS provides the benefit known as the 2% Cost of Living Allowance Increase as set forth in Government Code section 21329.
- f) Retired Death Benefit: The City's contract with CalPERS provides the \$500 Retired Death benefit as set forth in Government Code section 21620.
- g) Prior Service: The City's contract with CalPERS provides the prior service benefit as set forth in Government Code section 20055.

19. SAVINGS CLAUSE

If any benefit or provision of the MOU is deemed by a court of competent jurisdiction to be illegal or otherwise unenforceable, the remaining benefits or provisions of the MOU shall remain in full force and effect. In the event of such invalidation, the parties shall replace any illegal or unenforceable benefit with another benefit or provision of equal or similar value. The City and Association shall meet and confer in good faith concerning the provision of a replacement benefit or provision of equal or similar value, including whether a replacement benefit or provision is necessary and appropriate. This section shall not require a replacement benefit or provision that will result in financial or administrative burden to the City, including the amount and timing, greater than the benefit or provision it is replacing. If the parties are unable to reach agreement, they agree to submit the matter to the procedure set forth in Article 15, Paragraph B.

This Memorandum is signed on this _____ day of _____, 201652.

FOR THE MUNICIPAL EMPLOYEES ASSOCIATION OF BEVERLY HILLS:

Greg Gomez, President _____ Date

Bargaining Team:

Terry Carney _____ Date

Michal Burk _____ Date

Michal Hoard _____ Date

Isoke Muhsin _____ Date

Robert Wexler _____ Date

FOR THE CITY OF BEVERLY HILLS

Shelley Ovrom _____ Date

Lisa Jenkins _____ Date

Peter Brown _____ Date

City of Beverly Hills _____ Municipal Employees
Representatives _____ Association of Beverly
_____ Hills _____ (MEA

EXHIBIT "B" A

**DEFINITIONS OF "NEW MEMBER" AND "CLASSIC MEMBER" PER THE PUBLIC EMPLOYEES'
PENSION REFORM ACT OF 2013 – PEPRA.**

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

New Member

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

(f) "New member" means any of the following:

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

Classic Member

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