



### **AGREEMENT BETWEEN**

# BERKLEY PUBLIC SAFETY OFFICERS ASSOCIATION AND THE CITY OF BERKLEY

7/1/2015 - 6/30/2018

Codifled on January 19, 2017

### **TABLE OF CONTENTS**

AGREEMEN	Т	7
ARTICLE I: F	PURPOSE	7
ARTICLE II: 1	RECOGNITION ASSOCIATION RECOGNITION	7 7
202	MANAGEMENT RIGHTS	7
203	NON-INTERFERENCE	7
204	ASSOCIATION MEMBERSHIP	7
205	CHECK-OFF OF DUES AND FEES	8
206	AGENCY SHOP	8
ARTICLE III:	CONTRACT NEGOTIATIONS REPRESENTATION AT NEGOTIATIONS	8
302	CONTRACT RATIFICATION	9
303	EXTENSION OF CONTRACT DURING NEGOTIATIONS	9
304	MODIFICATION OF CONTRACT BY MUTUAL CONSENT	9
ARTICLE IV: 401	ASSOCIATION ACTIVITIES GRIEVANCE COMMITTEE	9
402	ASSOCIATION MEETINGS	9
403	JOINT RESPONSIBILITIES UNDER ACTS 336 AND 312	9
404	STRIKE PROHIBITION	9
ARTICLE V: 501	WORKING CONDITIONS DISCIPLINE FOR TARDINESS	10 10
502	COMMAND OFFICER RESPONSIBILITIES	10
503	REIMBURSEMENT FOR USE OF PERSONAL VEHICLE	10
ARTICLE VI: 601	EDUCATION TUITION REIMBURSEMENT	10 10
602	EDUCATIONAL INCENTIVE PAYMENTS	11
ARTICLE VII: 701	GRIEVANCE PROCEDURES GRIEVANCE DEFINED	12 12
702	INFORMAL DISPOSITION OF GRIEVANCE	12
703	WRITTEN GRIEVANCE	12
704	ASSOCIATION GRIEVANCE REVIEW	12

705	SUBMISSION OF WRITTEN GRIEVANCE	12
706	DISPOSITION OF WRITTEN GRIEVANCES	13
707	MEETING TO RESOLVE GRIEVANCE	13
708	APPLICATION OF TIME LIMITS	13
709	GRIEVANCES RELATED TO DISCIPLINE OR DISCHARGE	14
710	DISPOSITION OF GRIEVANCES FINAL AND BINDING	14
711	ARBITRATION OF CERTAIN GRIEVANCES	14
712	WITHDRAWAL-CONSOLIDATION OF GRIEVANCES	16
	/III: HOURS OF EMPLOYMENT	16
801	APPLICATION OF STATE LAWS	16
802	TRADING OF LEAVE DAYS - RESCHEDULED LEAVE DAYS	16
803	LUNCH PERIOD	16
804	JURY DUTY	16
805	SHIFT ASSIGNMENTS	17
806	OVERTIME, PAID TIME OFF NOT PRECLUDED	18
	X: HOLIDAYS	18
901	HOLIDAYS	18
902 903	HOLIDAY BUY-BACK	18
903 904	PERSONAL DAY SCHEDULED USE OF HOLIDAYS AND PERSONAL DAYS	18 19
904	SCHEDULED USE OF HOLIDAYS AIND PERSONAL DAYS	19
	C: OVERTIME PAY	19
1001	TIME AND ONE-HALF	19
1002 1003	FIFTEEN MINUTE GRACE PERIOD  ADDITIONAL SHIFT MANPOWER	19
1003	COURT TIME	19 20
1004	COMPENSATORY TIME OFF	20
1005	REQUIRED SCHOOL ATTENDANCE	20
1007	ROTATION OF OVERTIME	20
1007	REQUIRED OVERTIME ON DAY OFF	21
ARTICLE X	(I; SICK LEAVE COMPLETION OF PROBATION REQUIRED	21 21
1102	MONTHLY SICK LEAVE EARNED	21
1102	EVIDENCE OF ILLNESS-TRADING	21
1100	EVIDENCE OF TELINOOPTICADING	21

1104	NOTIFICATION OF SHIFT COMMANDER	21
1105	SICK LEAVE ACCUMULATION AND BUY-BACK	21
1106	BEREAVEMENT LEAVE	22
1107	FAMILY ILLNESS/INJURY LEAVE	22
1108	USE OF SICK LEAVE	22
1109	RECORDS PROVIDED BY CITY	23
	: ANNUAL LEAVE	23
1201	ANNUAL LEAVE CREDITS EARNED	23
1202	SUMMER/WINTER LEAVE DATES	23
1203	SELECTION OF LEAVE DATES - LIMITATIONS	24
1204	BUY-BACK AT SEPARATION OF DEATH	24
1205	MAXIMUM ACCUMULATION AND BUY-BACK	24
1206	HOURS EARNED CREDITED AT END OF MONTH	24
	PROMOTIONS	25
1301	APPLICATIONS, TESTS, POSTING	25
1302	WRITTEN EXAMINATION	25
1304	ELIGIBILITY	25
1305	PRIOR ELIGIBLE LIST	25
1306	WEIGHTS GIVEN EXAMINATIONS	25
1307	TEMPORARY APPOINTMENT	26
1308	PROBATIONARY PERIOD	26
1309	TIME LIMITS FOR PROMOTION PROCEDURES	26
	/: SENIORITY	26
1401	SENIORITY DATEPROBATIONARY PERIOD	26
1402	RECORDS PROVIDED BY CITY	26
1403	SENIORITY RIGHTS	27
1404	TERMINATION OF SENIORITY	27
1405	LAYOFF AND RECALL	27
	: INSURANCE	27
1501	HOSPITALIZATION INSURANCE	27
1502	LIFE INSURANCE	28
1503	DENTAL INSURANCE	28
1504	OPTICAL INSURANCE	29

1505	PHYSICAL EXAMS	29
1506	CONSOLIDATION OF MARRIED EMPLOYEES COVERAGES	29
ARTICLE XV	i: UNIFORMS	30
1601	CERTAIN UNIFORMS PROVIDED BY THE CITY	30
1602	REPLACEMENT OF DAMAGED PROPERTY	30
	II: PENSION-RETIREMENT	31
1701	ACT 345 PENSIONS	31
ANNUITY	WITHDRAWAL	33
1702	INSURANCE FOR RETIREES	35
1703	FUNDING OF CERTAIN RETIREMENT EXPENSES	39
1704	PENSION BOARD	39
1704.21	QUALIFIED STATUS OF THE RETIREMENT PLAN	39
1704.26	RETIREMENT PLAN PROVISIONS NECESSARY FOR IRC/IRS QUALIFICATION	40
ARTICLE XV	III: WORKER'S COMPENSATION AND INJURY LEAVE	40
1801	PAYMENTS BY CITY-INSURANCE CARRIER	40
1802	ELIGIBILITY FOR PAYMENT	40
1803	DISABILITY RETIREMENT NOT PRECLUDED	41
1804	EMPLOYEE SAFETY COMMITTEE	41
ARTICLE XIX	: PUBLIC SAFETY	4]
1901	STATEMENT OF POLICY	41
1902	PUBLIC SAFETY OFFICER	41
1903	PUBLIC SAFETY DEPARTMENT	41
	PAY AND WAGES	41
2001	RATES OF PAY	41
2002	PAY ADVANCES	42
2003	PAYROLL DEDUCTIONS	42
2004	PAYDAY ON HOLIDAY	42
2008	EMPLOYEES HIRED AFTER JULY 1, 1994	42
2009	PUBLIC SAFETY SERVICES WAGES	42
2010	ACTING SHIFT COMMANDER	43
2011	WAGE REOPENER	43
ARTICLE XX	: SEPARABILITY AND SAVINGS	43

ARTICLE XXII: EFFECTIVE DATE	43
SCHEDULE 'A'	45
APPENDIX Health Care Benefits at a Glance	46 47
ADDENDUM: Historical Documents and Resolutions	58

### **AGREEMENT**

This agreement entered into this July 1, 2015 by and between the City of Berkley, hereinafter referred to as the "City", a municipal corporation, and the Berkley Public Safety Officer's Association, hereinafter referred to as the "Association", representing certain employees in the City, hereinafter referred to as the "employees" or "employees".

### ARTICLE I: PURPOSE

The purpose of this agreement is to set forth the wages, hours, and conditions of employment of those employees of the City of Berkley who are members of the collective bargaining unit as subsequently defined in this agreement.

### ARTICLE II: RECOGNITION

#### 201 ASSOCIATION RECOGNITION

201.1 The City of Berkley recognizes the Berkley Public Safety Officer's Association, represented by the Police Officers Labor Council, as the sole and exclusive bargaining agent to the extent permitted and required by Public Act 379 of 1965, for such employees as it represents. The City will negotiate with the Association on items relating to rates of pay, wages, hours and conditions of employment.

#### 202 MANAGEMENT RIGHTS

202.1 The Association recognizes the City as the sole authority to control it's properties and the maintenance of order and efficiency and the right of the City to establish and maintain rules and regulations governing the operation of the Department and the employees therein and the right to suspend or discharge for just cause. The foregoing is subject only to any seniority rules, grievance procedures, and other express provisions of this agreement as may be hereinafter set forth, providing however, that the recognition herein granted shall in no case supersede or take precedence over the City Charter or the rules and regulations of the City.

#### 203 NON-INTERFERENCE

203.1 The City will not interfere with, discourage, restrain, or coerce employees because of their membership in the Association or any lawful activities therein.

#### 204 ASSOCIATION MEMBERSHIP

- 204.1 The collective bargaining unit covered by this agreement shall consist of all Public Safety Officers and Detectives employed by the Berkley Public Safety Department, excluding all sergeants, lieutenants, captains, police chief, and all other employees of the City of Berkley.
- 204.2 This agreement shall not abridge the right of any employee to belong to any other organization whose aims and purposes are not in conflict with the provisions of this agreement.
- 204.3 For purposes of interpreting the terms of this agreement, the term, "Public Safety Officer" shall be considered as the same as the term, "Police Officer," "Firefighter".

Page 7 of 68 codified 1/19/17 2015-2018

#### 205 CHECK-OFF OF DUES AND FEES

205.1 The employer agrees to deduct the Association membership dues and/or collective bargaining service fees from the pay of those employees who individually request in writing that such deductions be made.

#### 206 AGENCY SHOP

- 206.1 The parties recognize that all employees covered by this Agreement should pay their fair share of the cost of negotiating and administering the Agreement.
- 206.2 It shall be a continuing condition of employment that all employees covered by this Agreement shall either maintain membership in the Association by paying the Association's uniform dues, fees, and assessments, or shall pay a collective bargaining service fee as determined by the Association for costs of negotiating and administering this and succeeding Agreements.
- 206.30 Any employee who has failed to either maintain membership or pay the requisite fee shall not be retained in the bargaining unit covered by this Agreement; provided, however, no employee shall be terminated under this Article unless:
- 206.31 The Association has notified him/her by certified letter addressed to her/his address last known to the Association spelling out that he/she is delinquent in payment of dues or fees, specifying the current amount of delinquency, and warning the employee that unless such amount is tendered within ten (10) calendar days, he/she will be reported to the City for termination from employment as provided for herein, and,
- 206.32 The Association has furnished the City with written proof that the foregoing procedure has been followed.
- 206.33 The Association will provide to the City, in affidavit form signed by the Association Treasurer, a certification that the amount of delinquency does not exceed the collective bargaining service fee including, but not limited to, the cost of administering and negotiating this and succeeding agreements.
- 206.4 Upon the demand of the City, the Association agrees that it will defend the City in any legal proceeding brought by a person contesting the administration of this section or the amount of the collective bargaining service fee and to reimburse the City upon its payment of any judgment of damages, costs, or any other court mandated expense.

### **ARTICLE III: CONTRACT NEGOTIATIONS**

#### 301 REPRESENTATION AT NEGOTIATIONS

- 301.1 The Berkley Public Safety Officer's Association shall be represented in all negotiations by a committee of the Association. The City shall negotiate with those representatives as herein provided.
- 301.2 The City and the Association shall each name a bargaining committee of not more than four (4) persons. Any changes in bargaining committee shall result in a written notification to the other party within ten (10) days.

Page 8 of 68 codified 1/19/17 2015-2018

#### 302 CONTRACT RATIFICATION

- 302.1 A contract shall be considered to be ratified by the Association when the president of the Association delivers to the City written notice that the Association has acted favorably upon the question of ratification. Thereafter, City Council shall act on the question of ratification in the manner provided in the City Charter for the approval of contracts.
- Ratification of a new contract shall be completed only when it has been ratified by both the membership of the Association and by the Berkley City Council.

### 303 EXTENSION OF CONTRACT DURING NEGOTIATIONS

303.1 In the event that negotiations extend beyond the said expiration date of this agreement, the terms and provisions of this agreement shall remain in full force and effect pending agreement upon a new contract.

#### 304 MODIFICATION OF CONTRACT BY MUTUAL CONSENT

304.3 In the event that modification of the agreement is desired by either the City or the Association, it may be performed by mutual agreement without altering the remainder of the contract.

### ARTICLE IV: ASSOCIATION ACTIVITIES

### 401 GRIEVANCE COMMITTEE

401.1 A grievance committee of not more than three (3) members of the Association shall be afforded reasonable time during working hours without loss of pay for the purpose of negotiating with the City, processing grievances and administering or enforcing provisions of this agreement.

#### 402 ASSOCIATION MEETINGS

402.1 The Association may schedule meetings on City property insofar as such meetings are not disruptive of the duties of the employees or the efficient operation of the Department. All such meetings on City property shall take place after the regular hours of the City Hall and only upon prior notification of the Director. Reasonable effort will be made to relieve personnel working for said meetings.

#### 403 JOINT RESPONSIBILITIES UNDER ACTS 336 AND 312

403.1 The parties recognize their responsibilities under Act 336 of the Public Act of 1947 as amended, Act 312 of the Public Act of 1969 as amended, and agree to bide by the provisions thereof.

#### 404 STRIKE PROHIBITION

404.1 The members, the Officers, and any representative of the Association shall not call, institute, authorize, participate in, sanction, countenance, recommend, or ratify any strike.

Page 9 of 68 codified 1/19/17 2015-2018

404.2 "Strike" means the concerted failure to report for duty, the willful absence from one's position, the stoppage of work, or the abstinence in whole or in part from the full, faithful and proper performance of the duties of employment for the purpose of inducing, influencing, or coercing a change in the conditions, or compensation, or the rights, privileges, or obligations of employment. This definition shall not be construed to limit, impair, or affect the right of a public employee to the expression or communication of a view, grievance, complaint, or opinion on any matter related to the conditions or compensation of public employment or their betterment so long as the same is not designed to and does not interfere with the full, faithful, and proper performance of the duties of employment.

### ARTICLE V: WORKING CONDITIONS

#### 501 DISCIPLINE FOR TARDINESS

501.1 Members reporting for duty after the designated starting time without prior arrangements having been made with the consent of her/his Shift Commander shall be considered tardy and may be subject to disciplinary action up to and including discharge.

#### 502 COMMAND OFFICER RESPONSIBILITIES

502.1 Command officers shall be responsible for the supervision and work of an assigned shift, including care and maintenance of quarters and equipment, control of fires, discipline and personnel training, records and reports, inspection work and other similar supervisory activities, all under the direction of the Director of Public Safety. The Director shall establish minimum manpower requirements.

#### 503 REIMBURSEMENT FOR USE OF PERSONAL VEHICLE

- 503.1 When an employee uses their personal vehicle for approved transportation on City business such travel shall be reimbursed at the rate of \$0.23 per mile. Mileage shall not be reimbursed for travel to and from work.
- Reimbursements for meals purchased while away on approved City business travel, shall be limited to the actual costs thereof.

### ARTICLE VI: EDUCATION

#### 601 TUITION REIMBURSEMENT

601.1 Full-time permanent members of the Association may receive full or partial payment for the purpose of taking courses directly related to her/his work as determined by the Public Safety Director, including the cost of books required by the university or college in accordance with the following tuition reimbursement schedule:

0% Reimbursement for Grade less than C.

70% Reimbursement for Grade C

85% Reimbursement for Grade B

100 % Reimbursement for Grade A.

Page 10 of 68 codified 1/19/17 2015-2018

601.2 Payments made under the terms of this section shall be reduced by the amount of any other tuition and expense support received by the employee from other sources such as, but not limited to, scholarships, fellowships, veterans' benefits, Federal, State, and Local grants, or any other form of educational support. Employees receiving such support shall report the amount and the source at the time that a claim for reimbursement is submitted.

#### 602 EDUCATIONAL INCENTIVE PAYMENTS

- 602.10 The City will make an annual educational incentive payment in July to those officers who have accumulated certain course credits earned at institutions of higher education. Credits will be accepted for use in determining the amount of the educational incentive payment only if they shall meet all of the following specifications:
- 602.11 The credits are based on an accredited college semester system, or an equivalent recognized in advance by the City.
- 602.12 The credits are documented in the form of certified official college transcripts which it shall be the employee's responsibility to obtain and supply to the City.
- 602.13 The credits are earned in a course in which the employee obtained a final grade of 'C' or better.
- 602.14 The credits are earned in courses acceptable to an institution of higher education as meeting it's requirements for successfully completing an educational program leading to an Associates, Baccalaureate, or Master's Degree in the field of police administration and the employee is officially enrolled in one such degree program at the time the credits are earned or transfer credit accepted by the institution.
- 602.15 The credits are earned within ten (10) years prior to the date of payment unless such credits have formed the basis for an Associates, Baccalaureate, or Master's Degree, and the employee has earned at least four (4) credits during the year prior to the submission deadline specified in Section 602.3
- 602.2 No payment under the educational incentive program shall be made unless an employee has completed the probationary employment period with the City as a police officer.
- 602.3 Payments under the educational incentive program will be made in July based upon acceptable credits submitted on or before June 30. At it's option, the City may waive the July payment until September for the sole purposes of permitting an officer to complete a course on which a grade of 'I' (Incomplete) has been received, or to allow time to obtain information necessary to demonstrate conformance with the specifications listed in Section 602.

Page 11 of 68 codified 1/19/17 2015-2018

602.4 Payments under the educational incentive program shall be in amounts as provided in the following schedule:

Approved Credit Hours	
or Degrees	Amount
30	\$150.00
62	\$300.00
Bachelor's Degree	\$450.00

### ARTICLE VII: GRIEVANCE PROCEDURES

#### 701 GRIEVANCE DEFINED

- 701.1 A grievance under this agreement is a written dispute, claim, or complaint arising under and during the term of this Agreement filed with management by either an authorized representative of, or an employee in, the bargaining unit.
- 701.2 Grievances shall be limited to matters of interpretation or application of express provisions of this Agreement.

#### 702 INFORMAL DISPOSITION OF GRIEVANCE

702.1 An employee having a complaint or dispute may take up the matter with the Director of Public Safety to be resolved on an informal basis.

### 703 WRITTEN GRIEVANCE

- 703.10 A grievance which is not settled by means of the informal process described in Section 702 shall be set down in writing prior to further consideration by the City. The written grievance shall contain the following information.
- 703.11 The name(s) and employee number(s) of the aggrieved employees;
- 703.12 The date(s) of the events with which the grievance is concerned.
- 703.13 The citation of the specific provision(s) of this agreement allegedly misinterpreted by the City;
- 703.14 A description of the events which brought about the grievance.
- 703.15 The corrective action requested to be taken by the City.

### 704 ASSOCIATION GRIEVANCE REVIEW

704.1 Prior to submission of a written grievance to the City, it shall be reviewed by the officers of the Association or a committee of the Association established for that purpose,

#### 705 SUBMISSION OF WRITTEN GRIEVANCE

705.1 A written grievance must be filed within five (5) working days, of the occurrence or event giving rise to the grievance or, after the aggrieved employee may reasonably be presumed to have knowledge of the matter, otherwise no grievance shall be deemed to exist.

Page 12 of 68 codified 1/19/17 2015-2018

705.2 The procedure for informal disposition of grievances as described in Section 702 shall not, when used, delay or otherwise postpone the time for submission of the written grievance unless such is agreed to in writing by the City.

#### 706 DISPOSITION OF WRITTEN GRIEVANCES

- 706.10 Step 1: The written grievance shall first be submitted to the Director of Public Safety who shall respond in writing within five (5) working days.
- 706.20 Step 2: If the response of the Director does not satisfactorily resolve the grievance, it may be submitted to the City Manager within five (5) working days following receipt of the response from the Director of Public Safety. The City Manager shall respond to the grievance in writing within five (5) working days.
- 706.30 Step 3: If the response of the City Manager does not satisfactorily resolve the grievance, it may be submitted to the City Council within (5) working days of receipt of the Manager's response. The City Council shall respond to the grievance in writing through the City Manager within twenty-five (25) working days.
- 706.31 The City or the Association may walve review of the grievance by the City Council upon giving written notice thereof to the other party. Notice by the Association shall be given with five (5) working days of receipt of the response of the City Manager. Notice by the City shall be given with five (5) working days of submission of the grievance to City Council.
- 706.32 When review of a grievance by the City Council has been waived by either the City or the Association, it shall be assumed that, for purposes of further processing and disposition of the grievance, the response of the City Council is the same as the prior response of the City Manager.

#### 707 MEETING TO RESOLVE GRIEVANCE

707.1 The Association may request a meeting with representatives of the City for the purpose of resolving the written grievance. Such meeting may be attended by the employee(s) submitting the grievance, not more than two (2) officers of the Association and a staff representative of the Association. City employees while attending such meetings shall be paid their regular straight time rate of pay.

#### 708 APPLICATION OF TIME LIMITS

- 708.1 Grievances shall be processed from one step to the next within the time limit prescribed in each of the steps. Any grievance upon which a disposition is not made by the City within the time limits prescribed, may be referred to the next step in the grievance procedure, the time limit to run from the date when time for disposition expired. Any grievance not carried to the next step by the Association within the prescribed time limits, shall be automatically closed upon the basis of the last disposition.
- 708.2 The City and the Association may mutually agree to extend any time limit specified in this article.

Page 13 of 68 codified 1/19/17 2015-2018

708.3 For purposes of interpretation of this Article, a working day shall be any day except Saturday, Sunday or Holiday on which City Hall is closed.

#### 709 GRIEVANCES RELATED TO DISCIPLINE OR DISCHARGE

- 709.1 When an employee is given a disciplinary discharge or layoff or a written reprimand and/or warning which is affixed to her/his personnel record, the Association will be promptly notified in writing of the action taken. Such disciplinary action shall be deemed final and automatically closed unless a written grievance is filed within five (5) working days from the time of presentation of the notice to the Association.
- 709.2 Grievances regarding discharge may, with the consent of the parties, be commenced at any stage of the grievance procedure or may, with the consent of the parties, be advanced and processed out of order.
- 709.3 All claims for back wages shall exclude the following sources of income, to the degree they are, have been, or will be received, or increased, as a result of a matter which is the subject of a grievance:
  - a. Unemployment compensation.
  - b. Workers compensation.
  - Compensation from outside employment which exceeded pre-separation pattern.
- 709.4 An employee who is reinstated after discharge and/or disciplinary layoff shall be returned to the same work if available, work of a similar class at the same rate of pay, or as may be agreed to by the parties, as the case may be.

#### 710 DISPOSITION OF GRIEVANCES FINAL AND BINDING

- 710.1 Any and all grievances resolved at any step of the grievance procedure as contained in this Agreement shall be final and binding on the City, the Association and any and all unit employees involved in the particular grievance.
- 710.2 The grievance procedure may not be used for purposes of modifying the terms and conditions of this agreement which are the proper subjects of collective bargaining.
- 710.3 The City shall not be required to pay back wages for periods prior to the time a written grievance is filed; provided that in the case of a pay shortage, of which the employee had not been aware before receiving her/his pay, any adjustments made shall be retroactive to the beginning of that pay period providing the employee files her/his grievance within five (5) working days after receipt of such pay.

#### 711 ARBITRATION OF CERTAIN GRIEVANCES

711.1 If the response of the City Council does not satisfactorily resolve a grievance final and binding arbitration of the grievance may be initiated within fifteen (15) working days of receipt of Council's response.

Page 14 of 68 codified 1/19/17 2015-2018

- 711.20 Initiation of arbitration shall be in the form of written notice to the City Manager of the determination of the Association to have the grievance settled by means of arbitration. Within a ten (10) working day period of receipt of notice that arbitration has been initiated, the City and the Union shall attempt to mutually agree upon and select a person to serve as arbitrator.
- 711.21 If the City and the Association cannot, or do not, mutually agree upon the selection of an arbitrator, within the ten (10) day period provided, the matter shall be forwarded to the Michigan Employment Relations Commission for the appointment of an arbitrator as provided by the procedures and rules of that agency.
- 711.30 It shall be the function of the arbitrator, and he/she shall be empowered, except as her/his powers are limited below, after due investigation, to make a written decision regarding the grievance based upon the facts and arguments presented.
- 711.31 He/she shall have no power to add to, subtract from, disregard, alter, or modify any of the terms of this agreement.
- 711.32 He/she shall have no power to establish wage rates or change any wage.
- 711.33 He/she shall have no power to change any practice, policy, or rule of the City nor to substitute her/his judgment for that of the City as to the reasonableness of any such practice, policy, rule, or any action taken by the City. Her/his powers shall be limited to deciding whether the City has violated the express articles or sections of this agreement; and he/she shall not imply obligations and conditions binding upon the City from this agreement, it being understood that any matter not specifically set forth herein remains within the reserved rights of the City.
- 711.34 He/she shall have no power to decide any question which, under this agreement, is within the responsibility of management to decide. In rendering decisions, an arbitrator shall give due regard to the responsibility of management and shall so construe the agreement that there will be no interference with such responsibilities, except as they may be specifically conditioned by this agreement.
- 711.35 If either party disputes the arbitrability of any grievance under the terms of this agreement, the arbitrator shall first determine the question of arbitrability. In the event that a case is appealed to an arbitrator on which he/she has no power to rule, it shall be referred back to the parties without decision or recommendation on its merits.
- 711.4 There shall be no appeal from an arbitrator's decision if within the scope of his/her authority as set forth above. It shall be final and blinding on the Association, its members, the employee or employees involved, and the City.
- 711.5 The fees and expenses of the arbitrator shall be shared equally by the City and the Association. All other expenses shall be borne by the party incurring them, and neither party shall be responsible for the expense of witnesses called by the other.
- 711.6 No decision in any one case shall require a retroactive wage adjustment in any other case.

Page 15 of 68 codified 1/19/17 2015-2018

#### 712 WITHDRAWAL--CONSOLIDATION OF GRIEVANCES

712.1 The grievance may be withdrawn without prejudice. The grievance may be reinstated up to one (1) week of the withdrawal or lose all status of the grievance. When one or more grievances are involved with similar issues, those grievances may be withdrawn upon agreement between the City and the Union pending the disposition of the representative case. Such mutual agreement must be in writing and will in no way affect the financial liability of those grievances withdrawn.

### ARTICLE VIII: HOURS OF EMPLOYMENT

#### 801 APPLICATION OF STATE LAWS

- 801.1 The work schedule of Public Safety Department employees shall be governed by those provisions of the State law or laws that may pertain to this matter.
- 801.2 In each twenty-eight (28) day period, all employees who are subject to fire/police services and the hazards thereof shall work twenty (20) workday shifts of eight (8) hours each day as scheduled, and shall receive eight (8) days off. The employee's annual regular work year shall consist normally of 2,080 hours.
- 801.3 The practice of firefighters and those subject to the hazards thereof working a schedule providing for a twenty-four (24) shift on duty with a minimum twenty-four (24) rest period between scheduled work shifts and an additional day-off after each two shifts worked is hereby specifically abolished.

#### 802 TRADING OF LEAVE DAYS - RESCHEDULED LEAVE DAYS

- 802.1 An employee shall be permitted to trade work or leave days or hours upon the approval of her/his Shift Commander, which approval shall be in writing and signed by all affected parties. Responsibility for accounting for such trades will not be that of the City; provided, however, the employee agreeing to serving in the place of the regularly scheduled employee shall accept full responsibility for the performance of her/his duties in the same manner as a regularly scheduled employee.
- 802.20 An employee shall be permitted to reschedule or shift a maximum of two assigned work or leave days per 28 day leave schedule, provided the change does not create a necessity for overtime.
- 802.21 An employee shall submit to the shift commander written notice of intent to reschedule a leave day not more than 30 days in advance of any work or leave day effected by the schedule change. The shift commander shall grant or deny the intended change in schedule not later than the end of the employee's next following regularly scheduled shift actually worked.

#### 803 LUNCH PERIOD

803.1 All employees shall be entitled to one-half hour lunch period during her/his eight (8) hour tour of duty.

#### 804 JURY DUTY

804.10 Members of the bargaining unit who are called for service on a jury shall receive their base salary for the period of their absence as follows:

Page 16 of 68 codified 1/19/17 2015-2018

- 804.11 Employees scheduled on the midnight shift shall be excused from, and receive pay for the entire shift.
- 804.12 Employees scheduled on shifts other than the midnight shift shall be excused from, and receive pay for the actual reasonable amount of scheduled work time needed to be in attendance at Court.
- 804.13 Employees receiving pay from the City for time spent on jury duty shall turn over to the City all amounts they receive from the Court as payment for their jury service appearances.

#### 805 SHIFT ASSIGNMENTS

- 805.1 Except in cases of emergency declared by the Director or an authorized acting director, the department will ordinarily operate from day to day using three consecutive work shifts of eight (8) hours each.
- 805.2 Each employee shall submit to the Director a request for assignment to one of the three daily work shifts described in Section 805.1 of this Article. Requests shall be submitted not later than January 31st of each year for the period starting on the first Saturday in April, and July 31st of each year for the period starting on the first Saturday in October. The employee may submit a first choice and a second choice of desired shifts. The Director shall grant requested shift assignments based upon the seniority of the employee submitting the request except in cases when the efficient, effective, and orderly operation of the department would be adversely effected thereby.
- 805.3 The Director may reassign an employee to a specific shift at any time when the efficient, effective, and orderly operation of the department would be better served thereby. If the purpose for such a reassignment can be accomplished on a voluntary basis, selection shall be based upon seniority. Otherwise reassignments shall be based upon the reverse seniority of the affected employees. When the Director must refuse a requested shift assignment or make a shift reassignment, the employee shall be provided a written explanation of the necessity for the denial or change within two (2) days.
- 805.4 Unless time is of the essence, the Director shall advise the Association on a timely basis, or the Association may advise the Director, of foreseeable conditions which later may necessitate the denial of a requested shift assignment, or the reassignment among shifts of one or more employees. If the affected employees object to the proposed reassignment or denial of the requested shift assignment, the City through its representatives and the Association shall endeavor in good faith to satisfactorily resolve the matter in some other manner.
- 805.50 The following operating conditions shall be considered generally sufficient to warrant the denial of a requested shift assignment, or making a shift reassignment, but shall not supersede the obligations established in Sections 805.3 and 805.4.
- 805.51 Shift assignment of probationary employees at the sole discretion of the Director.
- 805.60 There must be a minimum of one (1) range officer available per shift including uniformed command officers without causing or increasing the necessity of overtime.

Page 17 of 68 codified 1/19/17 2015-2018

### 806 OVERTIME, PAID TIME OFF NOT PRECLUDED

806.1 The provisions of this article shall not preclude the City from assigning work for a shift longer than eight (8) hours, or to reduce the number of days off, subject to the provisions of the article in this agreement concerning the compensation of overtime work. Further, the provisions of this article shall not be construed as preventing the employee from taking paid time off for annual leave, sick leave, holidays, etc., consistent with the terms of the appropriate articles found in this agreement.

### ARTICLE IX: HOLIDAYS

#### 901 HOLIDAYS

901.1 Paid Holidays shall be as follows:

One day before New Year's Day

New Year's Day

Washington's Birthday - Eliminated 7/1/2011

Martin Luther King Birthday - Effective 7/1/2011

One-half day on Good Friday

Easter

Memorial Day

Independence Day

Labor Day

Veteran's Day

Thanksgiving Day

Day after Thanksgiving Day

One day before Christmas

Christmas Day

#### 902 HOLIDAY BUY-BACK

- 902.1 Holidays shall be taken as scheduled pursuant to Section 904 of this Article, or be paid in a lump sum at the prevailing hourly rate the last pay period of May each year.
- 902.2 The annual pay-back shall at minimum be sufficient to reduce an employee's unused, unpaid, accumulated balance to a maximum of eighty (80) hours.

#### 903 PERSONAL DAY

- 903.1 Personal Days shall be taken as scheduled pursuant to Section 904 of this Article. Personnel working an eight (8) hour shift shall earn thirty-two (32) hours of personal time per year. Personnel working a twelve (12) hour shift shall earn thirty-six (36) hours of personal time per year.
- 903.2 Personal Days must be used in the year in which earned, and may not be carried from one year to the next, or be bought back.

Page 18 of 68 codified 1/19/17 2015-2018

#### 904 SCHEDULED USE OF HOLIDAYS AND PERSONAL DAYS

904.1 Holidays and Personal Days described in this Article may be taken off upon approval of the Shift Commander. The Shift Commander shall grant or deny the requested time off not later than the end of the employee's next following regularly scheduled shift actually worked, subject to the following conditions:

- a) Granting the time off does not create or increase the necessity for making up a shift shortage.
- b) The request for the time off is made not more than forty (40) days in advance of the date requested.

### ARTICLE X: OVERTIME PAY

#### 1001 TIME AND ONE-HALF

1001.1 Employees who are required to work over the normal eight hour day or more than 20 days in a 28 day standard cycle of shifts shall be compensated for such time at one and one-half times their normal salary rate, subject to the fifteen minute grace period provided in Section 1002.

#### 1002 FIFTEEN MINUTE GRACE PERIOD

1002.10 The City shall not be required to pay an officer for time worked over her/his eight hour day if such period does not exceed fifteen minutes. Overtime shall be paid in increments of quarter hours according to the following scale:

- a) 0-15 minutes overtime no pay.
- b) 16-30 minutes overtime pay for one-half hour, at the rate of time and one-half.
- c) 31-45 minutes overtime pay at the rate of time and one-half for three quarters of an hour.
- d) 46-60 minutes overtime pay at the rate of time and one-half for one hour.

#### 1003 ADDITIONAL SHIFT MANPOWER

1003.1 An employee working overtime for the purpose of adding additional manpower to a shift shall be paid for the time worked at the rate of one and one-half times her/his prevailing hourly rate, with a minimum of three (3) hours.

1003.2 The minimum hours of overtime pay described in Section 1003.1 shall not be paid when overtime work overlaps the start, or end, of an employee's scheduled work shift.

Page 19 of 68 codified 1/19/17 2015-2018

#### 1004 COURT TIME

1004.1 Court time outside of regular work hours to be paid at time and one-half, with a minimum of two (2) hours for Berkley's primary District Court. All other Courts including Circuit Court shall be paid at time and one-half with a minimum of three (3) hours. A minimum of three (3) hours will also be paid for appearances, when so directed by the City, before the Probate Court, Driver's License Appeal Board, Michigan Liquor Control Commission, and State or Federal Parole Hearings.

#### 1005 COMPENSATORY TIME OFF

1005.10 An employee may accumulate up to 150 hours of overtime work as compensatory time. Such compensatory time may be taken off upon approval of the Shift Commander at those times when it would not necessitate making up shift shortage. Overtime work at time and one-half rates may be accumulated as compensatory time at time and one-half. Anything in excess of 150 hours shall be paid at time and one-half.

1005.11 Accumulated compensatory time may not be bought back at any time other than when an employee retires..

#### 1006 REQUIRED SCHOOL ATTENDANCE

- 1006.1 An employee required to attend school outside of in-service training will not be required to work her/his regular shift during the school day.
- 1006.2 All in-service schools required within the department, if attended on overtime, will be paid at the rate of one and one-half times employee's prevailing hourly rate,\_or the employee may elect compensatory time as described in Section 1005 of this Article at the rate of 1.5 hours of compensatory hours for each hour in attendance at the in-service school.

#### 1007 ROTATION OF OVERTIME

- 1007.1 Overtime for purposes of filling a shift shortage, created by the absence of an officer from work who is either a member of this bargaining unit or the command officers' bargaining unit, which has been approved pursuant to the authority of the Public Safety Director to make, or delegate, such determinations, shall be assigned based upon the following selection order:
  - a) Rotating list voluntary assignment of an officer from the short shift.
  - b) Rotating list voluntary assignment of an officer from the shift that precedes the short shift.
  - c) Rotating list voluntary assignment of an officer from the shift that follows the short shift.
- Directed, non-voluntary, assignment of the officer with the least seniority based upon date of hire. The low seniority employee will be excused if on leave for illness or disability, on emergency or bereavement leave, or on annual leave.

Page 20 of 68 codified 1/19/17 2015-2018

- 1007.3 If the low seniority employee is excused, or is not excused, but is otherwise unavailable, the next lowest seniority employee shall then be considered the low seniority employee for purposes of assignment of the overtime work and being excused. This procedure shall be followed, working in reverse seniority, until an employee is assigned and works the overtime.
- 1007.4 The selection and assignment system described in Section 1007.10 shall not apply in any other situation where overtime may be necessitated, including, but not limited to:
- 1007.5 Call-backs, early report for duty, working beyond shift change, and similar conditions.
- 1007.6 Non-patrol sections of the department.

#### 1008 REQUIRED OVERTIME ON DAY OFF

1008.1 Any employee required to work on her/his regularly scheduled day off shall be paid at the rate of one and one-half times her/his prevailing hourly rate.

### ARTICLE XI: SICK LEAVE

### 1101 COMPLETION OF PROBATION REQUIRED

1101.1 Upon completion of the probationary period, each employee will be credited with ninety six (96) sick leave hours.

#### 1102 MONTHLY SICK LEAVE EARNED

1102.1 Sick leave shall be earned at the rate of eight (8) working hours per month.

#### 1103 EVIDENCE OF ILLNESS-TRADING

1103.1 Granting of sick leave for more than three (3) working days without the necessity of evidence shall be prohibited. Evidence shall consist of a doctor or hospital statement showing illness. No trading of sick leave hours shall be allowed for any reason unless approved by the Public Safety Director and the City Manager in cases where the illness is non-duty and extreme in nature, no overtime is created.

#### 1104 NOTIFICATION OF SHIFT COMMANDER

1104.1 To be eligible for sick leave, the employee must notify the Commander of the preceding shift prior to normal reporting time.

### 1105 SICK LEAVE ACCUMULATION AND BUY-BACK

- 1105.1 The maximum accumulation of sick leave hours shall be 960 hours.
- 1105.2 On the first pay period after July 1, each year, an employee whose accumulation of unused sick leave hours exceeds the maximum established under the provisions of this Article, shall receive payment, and have the excess hours reduced back to the maximum. The amount of the payment shall be determined by multiplying their current base hourly pay rate times the number of hours that their accumulated unused sick leave exceeds the maximum hours allowed.

Page 21 of 68 codified 1/19/17 2015-2018

1105.3 Upon retirement, an employee shall be paid wages for all accumulated sick leave up to and including 40 days (320 hours) at one-fourth (1/4) her/his wage rate computed on an average of her/his base pay over the last five (5) years; for all accumulated sick leave between 40 days (320 hours) and 75 days (600 hours), he/she shall be paid at one-half (1/2) her/his wage rate computed on an average of her/his base pay over the last five (5) years; for all accumulated sick leave between 75 days (600 hours) and 120 days (960 hours), he/she shall be paid at three-quarters (3/4) her/his wage rate computed on an average of her/his normal salary rate, with the understanding that pension Average Final Compensation is not effected.

1105.4 Wage rates for purposes of the retirement buy-back shall be based upon a work year of 2,080 hours.

#### 1106 BEREAVEMENT LEAVE

1106.1 Three (3) days, non-chargeable emergency leave will be granted for death in the immediate family. The immediate family in this case shall include spouse, children, father, mother, father-in-law, mother-in-law, brothers, sisters, brothers-in-law, sisters-in-law, grandparents and grandchildren. In addition an employee may use three (3) days sick leave for death in the immediate family.

#### 1107 FAMILY ILLNESS/INJURY LEAVE

- 1107.1 Sick leave may be used for absence due to serious illness or injury in the immediate family. Such absence shall not exceed three (3) days a year. The immediate family, for the purpose of interpreting this section 1107.1 only, shall consist of spouse, father, mother, brothers, sisters, grandchildren and children.
- 1107.20 The City and the Association recognize their respective rights and obligations pursuant to the terms of the Family and Medical Leave Act of 1993 PL 103-3 (FMLA) and implementing regulations.
- 1107.21 For purposes of interpretation, an employee's accrued compensatory time off hours and accrued holiday time off hours shall be considered as personal leave for purposes of substitution for unpaid leave under the FMLA taken pursuant to subparagraph (A), (B), (C) or (D) of subsection (a)(1) of the FMLA Act. Unpaid FMLA leave will be granted for the remaining balance of time off to which the employee is entitled under the FMLA Act after all paid time off which an employee has accrued is exhausted.
- 1107.22 When paid leave is substituted for unpaid leave as provided under FMLA and section 1707.21 of this agreement, available accumulated time to the employee's credit shall be used and exhausted in the following order; compensatory time, personal days, annual leave, sick leave and holiday time. When time off is for the employee's own serious health condition, available sick leave shall be used and exhausted first then followed by compensatory time, personal days, annual leave and holiday time

#### 1108 USE OF SICK LEAVE

1108.10 An employee may draw upon her/his sick leave credit for the following:

Page 22 of 68 codified 1/19/17 2015-2018

- 1108.11 Bona fide personal illness or injury. If the employee claims illness, the City shall have the right, subject to the grievance procedure, to withhold payment unless a doctor's note is presented to the Public Safety Director.
- 1108.12 A maximum of three (3) days a year when attendance is necessary in emergencies involving members of the immediate family as outlined in Section 1107 above.

#### 1109 RECORDS PROVIDED BY CITY

1109.1 At the close of each calendar year, the City shall provide a list to the Association indicating the number of sick days accumulated during the past year, and the total number of days accumulated since the date of each employee's employment.

### ARTICLE XII: ANNUAL LEAVE

### 1201 ANNUAL LEAVE CREDITS EARNED

1201.1 Annual leave credits must be earned before taken. An employee shall earn annual leave credits on the following basis:

Consecutive	Leave Hours	Leave Hours
Months of Service	Per Month	One Time Only
0 - 60	8.00	
At 60 Add		40 Winter
61 - 120	10.50	
At 120 Add		40 Winter
121 - 180	14.00	
At 180 Add		40 Winter
181 - 240	16.00	
At 240 Add		40 Winter
241 - +	18.00	

The addition of one (1) hour per month to the first tier of vacation earned (from 7 hrs. to 8 hrs.) is retroactive to 7-01-03.

1201.2 New employees shall not be eligible to use accrued annual leave credits until they shall have completed six (6) months probationary service.

#### 1202 SUMMER/WINTER LEAVE DATES

1202.1 Summer leave shall be taken between April 1 and September 30. Winter leave shall be taken between October 1 and March 31. The date of summer leave may be waived upon approval of the Director, but shall not conflict with previously scheduled winter leave.

Page 23 of 68 codified 1/19/17 2015-2018

#### 1203 SELECTION OF LEAVE DATES - LIMITATIONS

1203.1 Priority of selection of annual leave periods shall be determined within each individual shift on the basis of rank first, and then seniority within rank. Dates requested for annual leave shall be submitted prior to the following scheduled dates or choice privileges shall be lost. Choices shall be final with employees losing choice priority by taking their pick after all other employees have been scheduled.

Rank	Summer Vacation	Winter Vacation
Lieutenant	March 1	September 1
Sergeant	March 7	September 7
Patrolmen	March 15	September 15

1203.21 Annual leave of two consecutive work days or less shall not be granted if the absence of the employee requesting the leave would create or increase the necessity for making up a shift shortage.

1203.22 Scheduled annual leave of two consecutive days or less may not be canceled in order to avoid filling a shift shortage caused by another employee calling in sick on the scheduled day(s), or by a change of a command officer's scheduled leave days.

#### 1204 BUY-BACK AT SEPARATION OF DEATH

1204.1 Upon separation from service, an employee shall be paid for her/his earned annual leave at her/his prevailing hourly rate. In the event of death, the employee's beneficiary, if designated, or her/his estate shall be paid the accumulated annual leave pay.

#### 1205 MAXIMUM ACCUMULATION AND BUY-BACK

1205.1 Annual leave may be accumulated to a total number of hours equal to the product of the employee's current rate of hours credited per month times twelve (12), plus one hundred (100) hours.

1205.2 The City, during the month of March, shall buy back an employee's annual leave hours accumulated in excess of the total hours specified in the previous sentence at the employee's then current hourly rate, provided; the accumulation of hours in excess of the maximum occurred as a result of the employee being unable to use scheduled annual leave for reasons solely attributable to the City.

#### 1206 HOURS EARNED CREDITED AT END OF MONTH

1206.1 Annual leave hours shall be credited as of the last day of each full month of employment. For purposes of interpreting this Section only, a full month shall be considered to have been worked when a new employee's first day of duty falls on or before the fifteenth of the month, and when an employee's separation occurs on or after the sixteenth of the month.

Page 24 of 68 codified 1/19/17 2015-2018

### **ARTICLE XIII PROMOTIONS**

### 1301 APPLICATIONS, TESTS, POSTING

- 1301.1 When there is a permanent vacancy in rank, excepting in cases of combination of administrative offices and reductions of personnel for reasons of economy or efficiency, the position shall be posted within ten (10) days following the occurrence of the vacancy, along with a list of those employees eligible for appointment who shall be given five (5) working days time to apply for such vacancy.
- 1301.2 The City Manager shall select an employee to fill a promotional vacancy from among those four applicants who on their written examination receive the highest combined score as calculated according to the terms of Section 1306 of this Article.
- 1301.3 It is specifically understood that the City Manager shall have complete discretion to select from among the four highest scoring applicants the employee, irrespective of her/his examination score, whom the Manager believes to be best suited for the position to be filled. Grievances, if any, shall be limited to issues concerning the proper execution of the terms of the agreement in the selection of the four final applicants for consideration by the Manager.

#### 1302 WRITTEN EXAMINATION

1302.1 The Association shall be provided the opportunity to have a monitor at the giving of written examination. A description of the subject matter to be covered shall be made available at least thirty (30) days prior to the examination.

#### 1304 ELIGIBILITY

1304.1 Eligibility shall include all employees within the collective bargaining unit who have completed three (3) years service in the Department.

### 1305 PRIOR ELIGIBLE LIST

1305.1 Whenever examinations are conducted to fill a position by promotion, the City may, but shall not be required to, consider the names on the eligible list remaining after awarding the promotion for a period of one year from the date of the examination.

#### 1306 WEIGHTS GIVEN EXAMINATIONS

1306.1 Weights applied to the written and oral examinations:

Written

100%

Mental Stability

Pass

1306.2 Applicants to pass the written examination with a minimum of 70% before becoming eligible for promotion. In case of equal scores, service and experience in the Department shall govern. The City will inform an applicant of her/his own examination scores if the applicants so requests in writing.

Page 25 of 68 codified 1/19/17 2015-2018

#### 1307 TEMPORARY APPOINTMENT

- 1307.10 A promotional vacancy may be filled by the City on a temporary basis for up to 180 days. The temporary promotion may be made at any time. It shall expire whenever any of the following events first occurs:
- 1307.11 The regular promotional appointment is made.
- 1307.12 The time limit for making promotions, (specified elsewhere in this article), expires.

#### 1308 PROBATIONARY PERIOD

1308.1 An employee who receives a promotional appointment, and as a result of the promotion leaves the bargaining unit, may return to the unit if he/she has failed to satisfy probationary requirements of the higher position. Bargaining unit seniority shall not be earned, however, for the period of time that the employee serves in the higher position.

#### 1309 TIME LIMITS FOR PROMOTION PROCEDURES

1309.1 The City shall not unreasonably delay the procedures described in this Article for filling promotional vacancies. Excepting delays caused by factors outside the control of the City, promotions shall be completed within 180 days following the occurrence of the vacancy.

### **ARTICLE XIV: SENIORITY**

#### 1401 SENIORITY DATE--PROBATIONARY PERIOD

- 1401.1 Seniority of a new employee, an employee transferred from another City department, or a rehired employee who lost seniority upon termination, shall commence after the employee has completed her/his probation period and shall be retroactive to date of employment in the public safety department.
- 1401.20 The probationary period shall begin at the time that an applicant accepts an offer of employment from the City and continues thereafter until the employee completes one full year of employment as a Public Safety Officer, after having first previously met the certification requirements of the Michigan Commission On Law Enforcement Standards to perform such duties and responsibilities. Provided, that if at any time during, or following, the probationary period an employee does not successfully complete state training and certification requirements for service as a firefighter, it may be acted upon by the City as a failure to successfully complete the probationary period.
- 1401.21 Probationary employees' service may be terminated at any time by the City in it's sole discretion and neither the employee so terminated nor the Association shall have recourse to the grievance procedure over such termination.
- 1401.22 During the probationary period an employee shall not be eligible for employee benefits unless expressly provided otherwise in this Agreement.

#### 1402 RECORDS PROVIDED BY CITY

1402.1 A seniority list of all employees shall be furnished the Association by the City once a year.

Page 26 of 68 codified 1/19/17 2015-2018

#### 1403 SENIORITY RIGHTS

1403.1 An employee's seniority shall entitle him/her only to such rights as are expressly provided for in this Agreement.

#### 1404 TERMINATION OF SENIORITY

- 1404.10 An employee's seniority and employment shall terminate if:
- 1404.11 The employee quits, or
- 1404.12 The employee is discharged, and the discharge is not reversed through the grievance procedures provided in this contract, or
- 1404.13 The employee is retired, or
- 1404.14 The employee is laid off for a continuous period of four (4) years or her/his length of seniority, whichever is less, or
- 1404.15 The employee falsified pertinent information on her/his application for employment.

#### 1405 LAYOFF AND RECALL

- 1405.1 Layoff of employees within the bargaining unit shall be made in order from lowest seniority to highest.
- 1405.2 When the working force is increased after a layoff, notice of recall shall be sent to the employee by registered or certified mail at her/his last known address as supplied by the Association. If an employee fails to report to work within ten (10) days from the date of mailing of the notice of recall, he/she shall be considered to have voluntarily left the employment of the City.

### ARTICLE XV: INSURANCE

#### 1501 HOSPITALIZATION INSURANCE

- 1501.01 Hospitalization plan outlined for the employee and family, which shall include probationary officers.
- 1501.11 Effective March 1, 2011 or soon thereafter, the City shall assume the cost of Blue Preferred prescription drug coverage benefit for employee and family, as dispensed by a network pharmacy, less co-pay amount of \$5 for generic drugs, \$40 for brand name formulary drugs and \$80 for brand name non-formulary drugs (as defined by the coverage provider for all drugs) triple tiered co-pay program with prior authorization if required. This coverage also includes mail order drug program MOPD 2x drug rider. This coverage is replacing coverage outlined in Article XV Section 1501.11.
- 1501.20 For the period before the implementation of the plan outlined in 1501.21, the City shall assume only the cost of BC-BS Community Blue Preferred Provider Organization (PPO) Customized Plan Number Three (3) service delivery coverage in place of the benefits described in Section 1501.1 and 1501.20 of this article.

Page 27 of 68 codified 1/19/17 2015-2018

1501.21 Effective January 1, 2016 or soon thereafter, the City shall assume only the cost of BC-BS Community Blue Preferred Provider Organization (PPO) Customized Plan Number Four (4). The benefits are outlined in the attached Benefits at a Glance. The City shall opt-out of Employee Premium sharing as defined in State of Michigan PA 152 and as outlined in Section 2011 of this agreement.

- 1501.3 The City may purchase medical and hospitalization insurance coverage from an insurance carrier other than Blue Cross-Blue Shield provided the coverage remains equivalent or better than the current coverage with Blue Cross. If an alternative insurance carrier is selected, said carrier shall not be a Health Maintenance Organization and shall be a major insurance carrier which markets its health insurance programs on an international basis.
- 1501.4 Effective 7/1/2007, the Union and City agree to institute with the current insurance carrier an aggressive pursue and then pay method of paying health care claims as defined by the City's insurance carrier. All employees and beneficiaries must abide by all requests of the insurance carrier to verify coverage requests.
- 1501.5 The City will provide sponsored dependent health care coverage with 100% of the monthly cost to be borne by the employee and paid by the employee monthly via payroll deduction or as required by the City.
- 1501.6 The City will comply with all provisions of the Patient Protection and Affordable Care Act {Public Law 111-148 of the 111th Congress, 42 U.S.C. 18001}. As such, Health Insurance Plans may be subject to change in order to remain in compliance wit same and avoid penalties. The City may only reopen the Collective Bargaining Agreement to address new mandates associated with the Patient Protection and Affordable Care Act Issues.

#### 1502 LIFE INSURANCE

1502.1 The City shall provide Fifty Thousand Dollars (\$50,000) in double indemnity life insurance payable to designated beneficiary upon death of an employee while on or off duty.

#### 1503 DENTAL INSURANCE

- 1503.1 The City shall provide dental care insurance for each employee and the employee's spouse and dependent children as herein further provided.
- 1503.2 The dental care insurance policy purchased by the City shall provide the following typical services:

Service	Percent of Dentists Fee Paid By:		
Benefit Class	insurance	Employee	
Class I	100%	0%	
Class II	80%	20%	
Ciass III	60%	40%	
Orthodontia	50%*	50%	
*** *** *** ***	1 1000		

\* Up to lifetime maximum of \$600.

Page 28 of 68 codified 1/19/17 2015-2018

- 1503.3 The City shall not be responsible for processing claims for payment or other administrative activities other than for those responsibilities assigned normally to employers by the insurance carrier.
- 1503.4 The cost of the dental insurance shall be assumed by the City.
- 1503.5 Applicable reimbursements to bargaining unit members or payments made by bargaining unit members shall be based upon the reasonable and customary cost as determined by the third party administrator for said service. Should a dispute arise regarding said amount, the City will advise the plan administrator to re-evaluate what is reasonable and customary.

#### 1504 OPTICAL INSURANCE

- 1504.1 The City shall provide an optical care program for each employee and the employee's spouse and dependent children as herein further provided.
- 1504.20 The optical care program shall consist of a reimbursement by the City up to a maximum amount up to \$350 in a twenty-four (24) month period for each covered individual described in Section 1504.1. 1504.3 The maximum reimbursement amount shall be based upon the schedule in effect on the date of the first reimbursable service for a covered employee or dependent in each twenty-four (24) month period
- 1504.40 Reimbursements described in Section 1504.20 through 1504.22 shall be for the following described services:
- 1504.41 Eye examinations by a person licensed by the State of Michigan to perform same.
- 1504.42 Prescription lenses and frames.
- 1504.43 Prescription contact lenses.
- 1504.44 LASIK, LASEK, and Photorefractive Keratectomy (PRK) only.
- 1504.5 Reimbursement shall be based upon paid receipts submitted to the City for services or products described in Sections 1504.40 through 1504.43.

#### 1505 PHYSICAL EXAMS

1505.1 The City will inform an employee, who so requests in writing, of her/his own results from any health examination required to be taken by the City. This section shall not be construed as to be binding upon the City with respect to health examinations ordered by the Board of the Public Safety Pension System.

#### 1506 CONSOLIDATION OF MARRIED EMPLOYEES COVERAGES

- 1506.1 The City shall make an annual shared expense savings payment to employees covered under this agreement who choose not to be enrolled under the health and prescription benefit programs described in this article because they are covered under a similar program with their spouse.
- 1506.2 The payment amount shall be equal to 40% of the annual actual cash savings to the City in reduced premium expense.

Page 29 of 68 codified 1/19/17 2015-2018

If the employee wishes to opt back into the City health care program after opting out; the employee must wait until the City's open enrollment period to opt back into the City health care program. The employee will not have to wait for the open enrollment period to obtain City health insurance if there is a HIPPA qualifying event. A federal COBRA notice or documentation that the employer providing health insurance coverage is out of business or other documentation as determined by the City shall be required to prove that the prior health insurance has been eliminated or other qualifying event has occurred in order to place the employee and if applicable, dependents, back on the City's health insurance.

In order to be eligible for health care opt-out, the employee requesting the opt-out must have health care coverage and be covered by an entity other than the City of Berkley. Further, no payout will be made if both spouses are employed by the City of Berkley or if one of them received healthcare as a City of Berkley retiree.

1506.3 Payments shall be computed and paid once per year in July, for the prior year ending June 30<sup>th</sup>. The payment shall be adjusted/prorated if an employee's coverage status changes during the year, including the start or termination of employment.

### **ARTICLE XVI: UNIFORMS**

#### 1601 CERTAIN UNIFORMS PROVIDED BY THE CITY

1601.1 The City shall select and provide all uniforms and Fire Fighting turnout gear required to be worn by employees. The City shall provide each Public Safety Officer with 2 pair of uniform shoes/boots per year.

1601.2 In order to defray the expenses of cleaning and laundering the employee's uniform or clothing, and related equipment, the City will pay each employee a yearly allowance as shown on the following schedule. The allowance shall be paid in two equal installments during the first five (5) workdays of July and January.

2015-2016 \$600.00 2016 -2017 \$600.00

#### 1602 REPLACEMENT OF DAMAGED PROPERTY

1602.1 The City will repair or replace any items broken or damaged, not through the negligence of the employee in the line of duty (such as watches, glasses, etc.).

Page 30 of 68 codified 1/19/17 2015-2018

**1603.2** Effective 7/1/2015, the City will no longer make a uniform allowance payment to non-uniformed personnel.

### ARTICLE XVII: PENSION-RETIREMENT

#### 1701 ACT 345 PENSIONS

- 1701.1 An employee covered by this agreement shall be sustained in a pension fund as a member of the Berkley Public Safety Pension System as set forth in Public Act 345 of 1937 as amended to date, and as modified in this agreement.
- 1701.11 Members of the bargaining unit are excused from contribution a portion of their salary to the retirement system as would otherwise be required by Section 9 (1) of Act 345.
- 1701.2 Pursuant to Section 6 (1)(f), of P.A. 345 "Average Final Compensation," shall mean the average of the 3 years of highest annual compensation received by a member during her/his 10 years of service immediately preceding her/his retirement or leaving service. A lump sum payment at retirement of the balance of compensatory overtime hours accumulated pursuant to Section 905 shall be excluded from the computation of Average Final compensation.
- 1701.25 Average Final Compensation is defined as: The total amount of hours included in the average base wage calculation is 2080 hours per year multiplied by the applicable wage rate. (Maximum hours for three consecutive years 6,240) Holiday buyback actually paid within the three highest consecutive years of earnings. Sick leave buyback actually paid within the three highest consecutive years of earnings. Longevity actually paid within the three consecutive highest years of earnings. Officer-in-Charge pay actually paid within the three highest consecutive years of earnings. Also included shall be: Holiday buyback paid at retirement as severance. Sick leave paid over 960 hours that is paid at severance. Up to 288 hours of sick leave paid at severance. All vacation leave paid at retirement as severance. Pro-rated longevity paid at retirement as severance. Incentive pay to retire when paid to the employee.

Balance of personal leave available at retirement must be used. However, special circumstances that prevent the use of personal leave and to be included in AFC will be decided by the City Manager. Retro-active wages paid to an employee shall be included as compensation in the actual year paid.

All values are added together in one calculation and then divided by three (3) (years) to determine Average Final Compensation.

1701.30 Pursuant to Section 6 (1)(g), of P.A. 345, a member may elect to obtain employment length of service credit for active military service to the United States Government consistent with the terms and conditions as set forth in the Act.

Page 31 of 68 codified 1/19/17 2015-2018

- 1701.31 A member may elect to obtain length of service credit for full time prior service as a firefighter, or as a sworn police officer or employee of a law enforcement agency (only as dispatcher, aide, cadet, animal control or code enforcement) in the United States (excluding military service). In order to receive credit, the member shall pay to the retirement system an amount computed in the same manner as provided in Section 6(1)(g) of P.A. 345 for military service credit.
- 1701.32 For purposes of Section 1701.30 and 1701.31, a member may obtain service credit for only such service as is not and will not be recognized for the purpose of obtaining or increasing a benefit under another retirement system. A member may qualify prior service by making an irrevocable forfeiture of all rights in and to the actual or potential benefit from the other retirement system.
- 1701.33 Qualifying military service credit must be obtained by the member before qualifying employment service. Not more than a combined total of six years of qualifying military or employment service credit may be obtained by a member.
- 1701.34 The retirement Board shall credit a member with not more than 4 years of generic credited service, subject to the following conditions:
- 1701.35 The member shall pay to the retirement system an actuarially determined amount in consideration for the additional credited service. The required payment shall be the difference between the actuarial present value of potential benefits, after crediting the specified amount of credited service, less the actuarial present value of potential benefits, prior to crediting the specified amount of credited service. The actuarial present value of potential benefits shall be calculated using the earliest retirement date assumption and experience assumptions used for the annual actuarial valuation. The payment shall be credited to the member's individual account in the reserve for employee contributions.
- 1701.36 Service purchased under this section shall not be: (1) Credited until the member attains the vesting requirement in effect for the participating municipality or court; or (b) Used to satisfy the minimum years of credited service required to be a vested former member in the event of termination of membership.
- 1701.41 Pursuant to Section 6 (1) e, of P.A. 345, the percentage of average final compensation used to compute a retirement pension shall be 2.8% for the first 25 years of credited service and 1.0% for any years or fractions of years for credited service in excess of 25 years. For all PSO new hires hired on or after 7/1/2015, the pension multiplier pursuant to Section 6(1)(e), of PA 345, the percentage of average final compensation used to compute a retirement pension shall be 2.5% for the first 25 years of credited service and 1.0% for any years or fractions of years for credited service in excess of 25 years.

However, for the first full time PSO new hire hired on or after 7/1/2015, the pension multiplier pursuant to Section 6(1)(e), of PA 345, shall not be subject to the 2.5% multiplier for the first 25 years of credited service and a 1.0% multiplier for any years of fractions of years for credited service in excess of 25 years but that new hire only shall be entitled to a 2.8% multiplier for the first 25 years of service and a 1.0% multiplier for any years or fractions of years of credited service in excess of 25 years.

Page 32 of 68 codified 1/19/17 2015-2018

- 1701.42 A regular retirement pension computed pursuant to Section 1701.41 of this Article shall be reduced, if necessary, in sufficient amount so that it shall not exceed 85% of the highest average base wage for any 12 consecutive months during the 36 consecutive months immediately preceding the final day of any employment with the City which increases the employee's credited service for pension purposes.
- 1701.43 Sections 1701.41, and 1701.42 above, shall only apply to those employees who retire on or after July 1, 1988 and shall not be cause for adjustment of: (1) retirement pensions currently being paid, or (2) vested deferred pensions arising from employment terminations occurring prior to July 1, 1988.
- 1701.51 Pursuant to Section 6d, of P.A. 345, the City may from time to time consider and adopt benefit programs providing for post retirement adjustments increasing retirement benefits.
- 1701.52 The full amount of a monthly pension payment that would otherwise be payable, shall be paid for the month in which a retirant, or surviving spouse, dies and shall not be proportioned to the date of death.
- 1701.53 The benefit payable to any surviving spouse of a retirant, who selected an Option II (50%) survivor benefit before July 1, 1975, shall be computed, or re-computed, as a regular 60% survivor benefit as provided in Section 6h of P.A. 345. No retroactive or partial month adjustments shall be made in payments presently being made to a retirant or surviving spouse as a result of the adoption of this Section. Any payments which heretofore may have been paid in error at 60% to a surviving spouse are hereby ratified and no collection of excess benefits shall be required.
- 1701.6 An employee who terminates City employment and elects a vested retirement benefit pursuant to Section 6 (1) (d) of Public Act 345, and the spouse or surviving spouse of such an employee shall be eligible only for the retirement pension specifically provided pursuant to Sections 6 (1) (d) and 6 (1) (e) of Public Act 345, and is not eligible at any time for any other benefit or program provided under the terms of this agreement.
- 1701.7 Effective July 1, 1992 Pursuant to Section 6/(1)(a) of P.A. 345 a member under age 50 who has 25 or more years of credited service may leave the service and receive the full retirement benefits payable as provided in Section 6/(1)(e).
- 1701.8 Except in cases of disability retirement an employee who gives at least 90 days written notice of voluntary retirement or other separation from employment shall receive a one-time payment equal to one-half percent (0.5%) of her/his annual wage (Schedule A) at the time that the retirement or separation occurs. The payment amount shall increase proportionately to a maximum of one percent (1.0%) for notice given between 90 days and 180 days.

#### **ANNUITY WITHDRAWAL**

1701.90 Effective 9/17/2008, At retirement, a member of this bargaining unit may select an additional optional benefit known as the "annuity withdrawal option," which shall be the actuarial equivalent of the benefits normally payable under the plan and further subject to the following terms and conditions:

Page 33 of 68 codified 1/19/17 2015-2018

1701.91 The annuity withdrawal option is an option that allows an eligible member to elect to receive his or her accumulated contributions in a single lump sum payment upon regular retirement under § 6(1)(a) of Act 345 and thereby forfeit the portion of his or her retirement benefits financed thereby, including that portion of any automatic surviving spouse coverage, or option I, or option II, or other optional form.

1701.92 The actuarial present value of the remaining periodic lifetime retirement benefit after the payment of the annuity withdrawal (actuarially equivalent benefit) shall be computed using the investment, income and mortality assumptions employed by the retirement system for the purposes of its actuarial valuations at the time this option is effective for the member.

1701.93 The annuity withdrawal option itself, or in combination with any other optional form of retirement benefit available under the retirement system, may be elected by the member only if the actuary appointed by the Retirement Board certifies that the benefit, or combination of benefits, in its opinion, will not likely result in an unavoidable increase in the cost of the retirement system to the City.

1701.94 A formal request for the annuity withdrawal option shall be made on a form provided and approved by the Retirement Board which must be executed by both the eligible member and his or her spouse, if any, and must be witnessed. In addition to such other information as the Retirement Board may require, the form shall include an estimate prepared by the actuary of the amount of the annuity withdrawai lump sum payment and also the amount of the member's regular retirement benefit payable after taking into consideration the effect of the annuity withdrawal payment and the certification required pursuant to section 1701.93. The Retirement Board may establish, and from time to time amend, uniform rules requiring the member to pay all, or part, of any fee charged by the actuary to prepare the estimate.

1701.95 After the annuity withdrawal request form has been executed and accepted by the Retirement Board it may not be modified or rescinded without the written consent of the Retirement Board, which consent shall not be given if it would be detrimental to the retirement system.

1701.96 Any and all consequences to the member and his or her spouse resulting from the election of the annuity withdrawal option, including, but not limited to income tax consequences, are the sole responsibility of the member. Any and all advice regarding the advisability of electing the annuity withdrawal option, use of the proceeds, or the consequences thereof provided by: members of the Retirement Board individually or collectively, advisors engaged by the Retirement Board, or by any City employee or City official shall be construed as informal and not based on any level of professional expertise. A member and his or her spouse who acts on such advice does so solely and completely at his or her own risk.

1701.97 The retirement board may establish forms and procedures not inconsistent with the provisions herein for the efficient administration of the annuity withdrawal option and to protect the interests of the pension system.

Page 34 of 68 codified 1/19/17 2015-2018

#### 1702 INSURANCE FOR RETIREES

- 1702.1 For members hired by the City prior to July 1, 2008, Retired members of the Public Safety Department who are receiving regular retirement or disability pension payments pursuant to the provisions of the City of Berkley Policemen and Firemen Retirement System shall be eligible to receive hospitalization and life insurance coverages while said retirement payments continue to be paid to the employee or the employee's surviving spouse.
- 1702.11 A retired former employee who has used generic credited service, as described in Section 1601.340, 35. seq., to establish the minimum credited service necessary to retire, shall reimburse the City by means of deduction from his or her monthly pension for any health, dental or optical care premiums or expenses which are attributable to, or provide coverage for, the first period of months of retirement equal to the number of months of generic credited service that was used to establish retirement eligibility.
- 1702.2 Life insurance shall be in the amount of \$10,000 from the date of retirement until the date the retiree becomes 65 years old. Thereafter, the insurance shall be in the amount of \$5,000. The City shall assume the full expense thereof.
- 1702.30 Health insurance shall be the same as that provided for currently employed members pursuant to Article XV, Section 1501.1, to the extent that these coverage's are available from the insurance company.
- 1702.31 The City shall assume the full expense of the hospitalization insurance of the retiree, and the retiree's spouse. The retiree shall be responsible for any remaining portion of the expense not paid by the City. Retiree expenses shall be paid to the City by means of deduction from regular pension payments.
- 1702.4 The City will continue to make available any riders offered by the carrier to cover dependents which the retiree or the retiree's spouse could pay for themselves.
- 1702.50 Dental insurance shall be the same as that provided for currently employed members pursuant to Article XV, Section 1503, to the extent that these coverage's are available from the insurance company.
- 1702.51 The City shall assume the full expense of the dental insurance of the retiree, and the retiree's spouse. The retiree shall be responsible for any remaining portion of the expense not paid by the City. Retiree expenses shall be paid to the City by means of deduction from regular pension payments.
- 1702.60 Optical insurance shall be the same as that provided for currently employed members pursuant to Article XV, Section 1504, to the extent that these coverage's are available from the insurance company.
- 1702.61 The City shall assume the full expense of the optical insurance of the retiree and the retiree's spouse.
- 1702.7 Dental and optical insurance benefits will be limited to persons who have retired on or after July 1, 1984 and were hired prior to July 1, 2008.
- 1702.80 As to any employee who retires on or after November 4, 1991, the following Section 1702.81 shall apply which shall supersede and replace any conflicting language in this agreement.

Page 35 of 68 codified 1/19/17 2015 2018

1702.81 Where available, the City may replace traditional coverage with the PPO form of coverage as described in Article XV, Section 1501.20. The provisions of Article XV, Section 1501.21 shall apply if a retired employee does not wish to participate in the PPO form of coverage and desires coverage under the traditional form of BC-BS coverage.

1702.90 Benefits paid by the City under Sections 1702.1 through 1702.9 of this Article XVII, for coverage's afforded a "spouse" or "surviving spouse" are limited only to those persons who are, or were, married to an employee covered under this agreement as of the employee's last day of employment with the City prior to terminating employment and immediately commencing receipt of the retirement benefits of the pension system described in Section 1701.1 of this Article.

1702.91 A person who marries a retired former employee, or the surviving spouse of a retired former employee shall be eligible, if accepted by the provider, to receive the same coverage as a spouse. However, the cost of such coverage shall be paid by the former employee or surviving spouse by means of deduction from regular pension payments.

1702.92 **MEDICARE COMPLIMENTARY COVERAGE** - When eligible Public Safety Officer retiree (hired prior to 7/1/2008) or their beneficiary, turns age 65, the City of Berkley will place the Public Safety Officer retiree or beneficiary on the City's complimentary health care coverage. The Public Safety Officer retiree and beneficiary at age 65 must also apply for and receive Medicare Part B health care coverage from the Federal Government. The retiree and beneficiary must submit a copy of their Medicare card highlighting said coverage to the City for verification. If the Public Safety Officer retiree and beneficiary prove they are not Medicare Part B eligible, the City will maintain their health care coverage at the same level of benefit prior to turning age of 65.

1702.93 **SPONSORED DEPENDENT** - Effective 7/1/2007, the City will provide sponsored dependent health care coverage with 100% of the monthly premium cost to be borne by the retiree or beneficiary and paid monthly via payroll deduction as required by the City as long as the retiree or beneficiary is still receiving a monthly pension benefit.

1702.100 **DEFINED CONTRIBUTION HEALTH CARE PROGRAM** - All new Berkley Public Safety Officer employees hired beginning July 1, 2008 will be eligible to receive the following defined contribution health insurance program in lieu of a defined benefit health care benefit program including dental, vision and prescription coverage as noted in 1702.1 through 1702.91. The Plan is as follows:

1702.101 Health Care Savings Accounts Plan Summary: The health savings program is not a health savings account as prescribed by the Internal Revenue Service. This is an Internal Revenue Service Section 115 Trust Program. The post-employment Health Savings Program (HSP) is an employer-sponsored savings account designed for the employee and employees spouse and/or legal dependents to set aside money to cover the cost of post-employment health care. Under the program, pre or post tax contributions are made while the employee is an active employee and then once the employee leaves employment with the City, regardless of the reason you leave or the age you leave, you may be reimbursed from your health care savings account for healthcare related expenses (i.e. insurance premiums, doctor co-pays, COBRA, drug co-pays, many overthe-counter medications, etc.). In the event of your death, your spouse and/or legal dependent(s) may continue to use the account for tax-free medical expenses.

Page 36 of 68 codified 1/19/17 2015-2018

1702.102 Health Care Savings Accounts – Eligibility - Those employees classified as active Public Safety Employees by the City of Berkley and hired on or after 7/1/08 and are not currently receiving a retiree health care package from the City of Berkley will be able to establish and maintain a health savings account as outlined in sections 1702.103 through 1702.114 through a third party vendor chosen and approved by the City of Berkley in lieu of health, dental, vision and drug card benefits at their retirement.

1702.103 Mandatory Eligible Employee Contribution Pre-Tax: The minimum mandatory pre-tax employee contribution is \$10.00 per month. There is no maximum amount of employee pre-tax contribution. Once a pre-tax contribution is selected, the employee may never decrease the original pre-tax contribution only increase said contribution.

Effective September 11, 2015 all newly hired members of the Bargaining Unit shall participate in the City's Retirement Health Care Savings Plan with the following mandatory contribution rates:

Employee Contribution: \$50.00 per month Employer Contribution: \$100.00 per month

1702.304 Non-Mandatory Contribution Post Tax: The participating employee can elect to also contribute on a post tax basis any amount the employee wishes to contribute to their account. This contribution can go up or go down on a periodic basis without penalty at the discretion of the employee.

1702.105 Change of Benefit Periods: The City will provide at least two time periods within a fiscal year to allow for adjustment of pre and post tax contributions.

1702.106 Employer Contributions on Pre and Post Tax Contributions: The City will match \$2.00 for everyone \$1.00 dollar of contribution made by the employee up to a maximum of \$100 employer contribution per month. This will be done in lieu of a health care insurance, vision, dental and drug plan at retirement.

The employee can contribute as much as they wish within Internal Revenue Service guidelines. However, the maximum City contribution placed into the employees account per month will be \$100.00. The employee may not at this time deposit lump sum distributions paid by the City into this account.

1702.107 Failure to Respond to Withhold: If an employee fails to respond to the notice for withholding, the City will automatically withhold \$10.00/pay pre tax contribution from the employee's bi-weekly payroll paycheck and match said amount as referenced above.

1702.108 Interest Earned/Vesting: The employee contribution and earned interest on the employee contribution will vest with the employee from the first deposit. The employer contribution along with earned interest on the employer contribution will be credited to the employee monthly, however, the employer amount contributed and corresponding interest earned will not vest with the employee until the employee has completed their sixth (6) year or (72 Months) of employment service with the City of Berkley only. Termination of employment for any reason by the employee will result in the benefits paid to be portable, however the employee cannot have the employer contribution and related interest unless said employee has completed six (6) years of service or (72 Months) with the City of Berkley only. If the employee leaves City service for any reason prior to vesting, the employer

Page 37 of 68 codified 1/19/17 2015-2018

contribution along with earned interest on the employer contribution will be transferred from the employee's account on the date the employee terminates service back to the City of Berkley retiree health funding account at MERS.

1702.109 Credited Service: Purchase of Generic Time, Military Time, other Prior Service Time with a different governmental unit or Public Act 88 of 1961 reciprocal retirement time cannot be utilized in vesting for the employer contribution only actual service time earned at the City of Berkley can be utilized to accrue the City of Berkley employer contribution.

1702.110 Third Party Program Administrator: The Health Savings Program Account will be maintained and serviced by the Municipal Employees Retirement System (MERS) as selected by the City of Berkley and approved by the Mayor and City Council. Fees to be paid to MERS shall be reflected in the interest earnings rates earned by MERS and all accounts shall be credited interest net of MERS fees. MERS will be required to report to the City of Berkley and the employee at least quarterly, amounts contributed by the employee, employer and interest earned on the account by employee and employer.

1702.111 Withdrawal: Withdrawals from the account can only be made when the employee and beneficiary receive a monthly pension benefit from the PSO Pension System or the employee terminates City service prior to vesting in a City of Berkley pension benefit. The employee's Health Savings Plan account may require a beneficiary designation and if the employee should expire, the account will immediately belong to the designated beneficiary. Failure to designate a beneficiary would result in all dollars in the account to lapse to the City of Berkley. Withdrawal for benefits from the account can only be made by the employee or his beneficiary at the time of retirement or leaving of City service. Withdrawals must meet Internal Revenue Service guidelines for health savings accounts in order to be a tax free distribution. Withdrawals from the account for non-medical benefit as determined by the Internal Revenue Service will be a taxable distribution to the employee. In all cases of withdrawal, MERS/Internal Revenue Service rules will be followed in determining pre or post tax withdrawals.

1702.112 Plan Amendment: This plan can be amended at any time to meet Internal Revenue Service, Municipal Employees Retirement System, City Council or any other rule changes that may occur.

1702.113 Retroactivity - Contributions: For those Public Safety employees hired on or after 7/1/08 and still employed with the City on 11/1/08, the City will make a one-time employer contribution of \$150.00 into each eligible individuals account for each month and prorated month the employee has worked for the City for the time period of 7/1/08 through the employees first payroll contribution for this program. This contribution will be subject to all vesting requirements highlighted above.

1702.114 Retroactivity – Vesting: For those Public Safety System employees hired on or after 7/1/08 and still employed with the City on 11/1/08 and not receiving a retiree health care benefit while on active duty, the City will allow the actual time earned between 7/1/08 and the first employee contribution for this program by an eligible employee to count towards vesting in this plan. Any employee hired on or after 7/1/08 and not on the payroll at 11/1/08 will not have any retro activity credited service rights.

Page 38 of 68 codified 1/19/17 2015-2018

### 1703 FUNDING OF CERTAIN RETIREMENT EXPENSES

- 1703.1 Accumulated sick leave which is paid off at retirement pursuant to Article XI, Section 1105.1 shall be considered an adjunct retirement benefit for state and local law including funding (and mileage) purposes but will not be a formal part of the retirement system trust fund provisions. The retirement system will be merely a funding pass-through relative to this adjunct retirement type benefit.
- 1703.2 The administration of, and obligations under, Article XI, Section 1105.1 are that of the City and not the retirement system, and will continue to be governed by collective bargaining and applicable state law including the Public Employees Relations Act.
- 1703.3 This section 1703.1 through 1703.3 is expressly limited by and will be null and void as to the involvement of the retirement system, but not the City, in the event of any determination by any competent forum with appropriate jurisdiction that this provision, notwithstanding the intent of the City and the Association as described above, adversely affects the qualified status of the retirement system plan.

### 1704 PENSION BOARD

1704.10 One member of the retirement board established pursuant to Section 1 of Act 345 of 1937 as amended shall be elected by a majority vote of the employees covered under this agreement. The selected retirement board member shall serve until a replacement is duly elected.

1704.11 If the position on the board elected by members of the Association is vacant for more than forty-five (45) calendar days, the President of the association representing Berkiey command officers may designate one of its members to fill the vacancy temporarily, until a member is duly elected pursuant to Section 1704.10.

1704.20 The management and operation of the retirement system established under Act 345 of 1937 as amended shall be subject to the provisions of the Act and the rules, procedures, and decisions of the retirement board established pursuant to the Act and are not in any manner subject to the grievance procedure provided in this agreement.

### 1704.21 QUALIFIED STATUS OF THE RETIREMENT PLAN

1704.22 In order to maintain a designation of the retirement plan described in this agreement as a qualified plan pursuant to the requirements of the United States Internal Revenue Code and the administration thereof by the Internal Revenue Service, the Retirement Board may from time to time cause this Section of this agreement to be amended subject to the following conditions:

1704.23 The attorney appointed by the Retirement Board shall certify in writing to the Board that the change is necessary, and limited only to those matters that are necessary, to maintain the qualified status of the retirement plan.

1704.24 The Retirement Board provides written notice of the proposed amendment to the agreement to the City, the Berkley Public Safety Command Offices Association and the Berkley Public Safety Officers Association. The Retirement Board shall state in the notice the deadline date for filing written objections which shall not be less than sixty (60) days from the date of the notice unless a legal requirement exists for a shorter time period.

Page 39 of 68 codified 1/19/17 2015-2018

1704.25 That neither the City, the Berkley Public Safety Command Officers Association or the Berkley Public Safety Officers Association files a written objection to the proposed amendment with the Retirement Board prior to the deadline. If any of the three parties does file a written objection, to this agreement, it is not amended and it remains for the parties to negotiate and resolve any issues themselves.

1704.26 RETIREMENT PLAN PROVISIONS NECESSARY FOR IRC/IRS QUALIFICATION 1704.27 ect. (as provided by retirement board attorney)

### ARTICLE XVIII: WORKER'S COMPENSATION AND INJURY LEAVE

### 1801 PAYMENTS BY CITY-INSURANCE CARRIER

- 1801.1 Each regular full time employee or probationary employee occupying a position of a permanent nature who is unable to work as the result of an injury incurred in the performance of her/his job shall receive pay during such disability as follows:
- 1801.2 During the first seven (7) days, the City shall pay the employee her/his basic weekly wage.
- 1801.3 After the first seven (7) days, an employee who is eligible for Workmen's Compensation Insurance benefits will be paid such benefits by the City's insurance carrier. The City will pay an employee eligible for Workmen's Compensation benefits the difference between her/his insurance benefit and her/his weekly wage while he/she receive Workmen's Compensation benefits; provided, such dual payments shall not continue beyond twelve (12) months and shall not, at any time, exceed 100% of the employee's base weekly wage subject to IRS deductions.
- 1801.4 If, upon expiration of the twelve (12) months period covered by Sections 1801.2 and 1801.3 above, the employee is unable to return to work, he/she may elect to use her/his accumulated sick leave, annual leave, holiday leave, and compensatory time off to supplement the difference between her/his regular weekly wage and her/his Workmen's Compensation benefits.
- 1801.5 The City will continue to provide to employees who are, pursuant to the provisions of this Article, receiving City payments supplementing their Workers Compensation benefit payments, the fringe benefits described in this agreement.

### 1802 ELIGIBILITY FOR PAYMENT

- 1802.1 To become eligible for injury leave with pay, an employee must report her/his injury to her/his Shift Commander or her/his immediate Supervisor immediately and make himself/herself available for first aid treatment.
- 1802.2 No employee shall be entitled to her/his regular compensation for absence from duty on account of injuries, if said injuries were not received while acting in the line of duty. Such absence from duty will be considered as sick leave and will be governed by the rules pertaining to sick leave.

Page 40 of 68 codified 1/19/17 2015 2018

### 1803 DISABILITY RETIREMENT NOT PRECLUDED

1803.1 The terms and provisions of this Article shall not be construed as preventing the City from initiating proceedings for the duty disability retirement of an employee at any time that the City determines that the employee may so qualify under the terms of the retirement plan cited in this agreement.

### 1804 EMPLOYEE SAFETY COMMITTEE

1804.1 Representatives of the City and the Association shall establish and participate in a joint employee safety committee. The regular membership of the committee shall consist of the representatives of the City, the Union, and shall also include the other organizations and associations, engaged in the provision of law enforcement, fire fighting, and emergency medical services if they wish to participate.

### ARTICLE XIX: PUBLIC SAFETY

### 1901 STATEMENT OF POLICY

1901.1 The City and the Association agree that the provision of Police and Firefighting services by means of one integrated uniform public safety service would serve the interests of the residents and taxpayers of the City of Berkley in receiving such City services in the most cost effective manner under current conditions of available technology and financial resources.

### 1902 PUBLIC SAFETY OFFICER

1902.1 A Public Safety Officer is an employee who, after receiving the appropriate training in the requisite skills, actively serves the City of Berkley in the combined capacity of a professional Police Officer, or Firefighter, as required.

### 1903 PUBLIC SAFETY DEPARTMENT

1903.1 The City shall develop, implement, effectuate, and operate a Public Safety Department for the provision of Police and Firefighting Services.

1903.2 The City encourages all members of the bargaining unit to participate in cross training and to serve as Public Safety Officers.

### ARTICLE XX: PAY AND WAGES

### 2001 RATES OF PAY

2001.1 The rates set forth in Schedule "A" shall be effective on July 1, 2015. The amount of any payment to an employee made pursuant to the provisions of this agreement which the City must report to either the federal or state government for tax purposes will be included and paid on the next following regular city payroll following the scheduled payment date as provided in the relevant section(s) elsewhere in this agreement regarding that payment.

Page 41 of 68 codified 1/19/17 2015-2018

### 2002 PAY ADVANCES

2002.1 Pay advances prior to vacation leave or emergency leave must be authorized by the Manager's office.

### 2003 PAYROLL DEDUCTIONS

- 2003.1 No deductions other than those currently being used or specified in this contract shall be mandatory upon the City.
- 2003.20 The City may make deductions from the pay of an employee:
- 2003.21 As required by a judicial and/or statutory mandate;
- 2003,22 To correct an administrative error which has resulted in an employee being overpaid.

### 2004 PAYDAY ON HOLIDAY

2004.1 A pay day falling on a Holiday shall be paid during the preceding regular working day.

### 2008 EMPLOYEES HIRED AFTER JULY 1, 1994

- 2008.1 A separate wage scale shall be developed and be incorporated in schedule 'A' which shall be applicable to all persons hired on or after July 1, 1994, for the purpose of providing sworn Public Safety services and who would become subject to the provisions of this agreement.
- 2008.2 The separate wage scale shall contain the same rate for the employee with sixty (60) months experience as is provided on the standard wage scale in Schedule 'A' for those hired prior to July 1, 1991. However, the entry rate will remain the same as was in effect on June 30, 1994, and maximum pay will be achieved in five years. The step increases shall be adjusted proportionately.
- 2008.3 In cases it deems just, the City may pay a new employee at the starting rate, or a greater rate, as shown on schedule 'A'.

### 2009 PUBLIC SAFETY SERVICES WAGES

- 2009.10 For purposes of identifying the levels of compensation on schedule 'A' associated with the various levels of Public Safety training and services, the following Public Safety status definitions will be used:
- 2009.12 PS-II Employees who are trained and serve in a law enforcement and fire fighting capacity.
- 2009.13 PS-I Employees who are trained and serve in law enforcement, fire fighting and emergency medical technician capacity.
- 2009.2 A employee who is classified in PS-I status shall receive a base salary which is 1.852% more than the base rate of a employee classified in PS-II status. A Detective who is classified in PS-I status shall receive a base salary increment over the Detective with PS-II status equal to the actual difference in base salaries between employees with Public Safety status PS-I and PS-II.

Page 42 of 68 codified 1/19/17 2015-2018

PS-I pay is eliminated effective 7/1/2015. However, if an employee is receiving PS-I pay prior to 7/1/2015, then that employee shall receive PS-I pay until that individual reaches the 60 month wage schedule and on the start of his/her shift on the first day of achieving the 60 month wage PS-I percentage of 1.852% will not be paid any longer to that employee(s).

### 2010 ACTING SHIFT COMMANDER

2010.1 When an employee serves as the acting commander of a shift, the employee shall receive the current rate of pay of a Sergeant for that period of time.

### 2011 WAGE REOPENER

2011.1 The Parties agree that either party may reopen the collective bargaining agreement for wages and healthcare only for the contract year beginning on July 1, 2017 by providing the other party with written notice prior to December 1, 2016.

Should either party reopen the collective bargaining agreement on either issue, both issues will be opened for the contract year. Should the collective bargaining agreement be reopened on either issue in the third year, the city is no longer obligated to opt out of PA 152.

### ARTICLE XXI: SEPARABILITY AND SAVINGS

- 2101.1 If any provisions of this agreement should be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any provision should be restrained by such tribunal pending a final determination as to its validity, the remainder of this agreement, or the application of such provisions to persons or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.
- 2101.2 In the event that any provision is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the parties affected thereby, shall enter into immediate collective bargaining negotiations, upon the request of the Association and/or the City for the purpose of arriving at a mutually satisfactory replacement for such provision during the period of invalidity or restraint.

### ARTICLE XXII: EFFECTIVE DATE

- 2201.1 Except as may be more specifically provided in other sections of this agreement, this agreement shall take effect July 1, 2015 at 12:01 AM, and shall continue in effect until midnight of June 30, 2018.
- 2201.2 The provisions of Michigan State Public Act 54 of 2011 apply to the Implementation of this Agreement.

Page 43 of 68 codified 1/19/17 2015-2018

In witness whereof, the parties hereto have, by their duly authorized representatives, signed and sealed this Agreement on July 29, 2015.

FOR THE ASSOCIATION:	FOR THE CITY:
BERKLEY PUBLIC SAFETY OFFICERS	CITY OF BERKLEY,
ASSOCIATION	MICHIGAN
	- 1
	The od wyer
Dennis Geary, President	Phil O'Dwyer , MAYOR
Je Rado	Mens
Robert Beatty, Vice President	Matthew & Baumgarten , City Manager
hely	M/hh
Kent Herriman, Treasurer	Richard Eshman, Public Safety Director
Dogine Smith, Field Representative	Aftes: Afinette Boucher, City Clerk
Police Officers Labor Council	0
	Approved as to Form:
	delta
	John staran, City Attorney

Page 44 of 68 codified 1/19/17 2015 2018

## SCHEDULE 'A' CITY OF BERKLEY PSO CONTRACT

7/1/2015 - 6/30/2018

				'/  //	///zuis-o/su/zuio	20/2010						
	P.S.		Stort Months	12 Months	18 Months	24 Months	30	36 Monthe	36 42	48 Moothe	Months	Months
PSO WAGES	en de			g D					2			
		004		7	400	000		C L	110	000 010	7 7 7 7 7	000
c102/c1/11 - c102/11//		557,458	\$41,744	544, 137	\$40,482	\$46,620	331,103	\$33,513	\$50°,800	\$26,24U	\$00,040	302,670
11/16/2016 - 6/30/2014		\$40,611	\$43,048	\$45,461	\$47,876	\$50,291	\$52,704	\$55,118	\$57,531	\$59,946	\$62,361	\$64,777
7/1/2016 - 6/30/2017	PS-#	\$41,829	\$44,339	\$46,825	\$49,313	\$51,800	\$54,285	\$56,772	\$59,257	\$61,744	\$64,232	\$66,720
7/1/2017 - 6/30/2018		\$42,666	\$45,226	\$47,761	\$50,299	\$52,835	\$55,371	\$57,907	\$60,442	\$62,979	\$65,517	\$68,054

Page 45 of 68

2015-2018

### **APPENDIX**

Health Care Benefits at a Glance



A nonprofit corporation and independent licensee of the Blue Cross and Blue Shield Association

### CITY OF BERKLEY A0MSG4 63003662 0070060300002 Community Blue PPO<sup>SM</sup> LG Effective Date: On or after February 2016 Benefits-at-a-glance

This is intended as an easy-to-read summary and provides only a general overview of your benefits. It is not a contract. Additional limitations and exclusions may apply. Payment amounts are based on BCBSM's approved amount, less any applicable deductible and/or copay/coinsurance. For a complete description of benefits please see the applicable BCBSM certificates and riders, if your group is underwritten or any other plan documents your group uses, if your group is self-funded. If there is a discrepancy between this Benefits-at-a-Glance and any applicable plan document, the plan document will control.

Preauthorization for Select Services - Services listed in this BAAG are covered when provided in accordance with Certificate requirements and, when required, are preauthorized or approved by BCBSM except in an emergency.

Note: A list of services that require approval before they are provided is available online at bcbsm.com/importantinfo. Select Approving covered services.

Pricing information for various procedures by in-network providers can be obtained by calling the customer service number listed on the back of your BCBSM ID card and providing the procedure code. Your provider can also provide this information upon request.

Preauthorization for Specialty Pharmaceuticals - BCBSM will pay for FDA-approved specialty pharmaceuticals that meet BCBSM's medical policy criteria for treatment of the condition. The prescribing physician must contact BCBSM to request preauthorization of the drugs. If preauthorization is not sought, BCBSM will deny the claim and all charges will be the member's responsibility.

Specialty pharmaceuticals are biotech drugs including high cost infused, injectable, oral and other drugs related to specialty disease categories or other categories. BCBSM determines which specific drugs are payable. This may include medications to treat asthma, rheumatoid arthritis, multiple sclerosis, and many other diseases as well as chemotherapy drugs used in the treatment of cancer, but excludes injectable insulin.

Member's responsibility (deductibles, copay	s, coinsurance and dollar	maximums)
Benefits	In-network	Out-of-network
Deductibles	\$500 for one member, \$1,000 for the family (when two or more members are covered under your contract) each calendar year	\$1,000 for one member, \$2,000 for the family (when two or more members are covered under your contract) each calendar year
	Note: Deductible may be waived for covered services performed in an innetwork physician's office and for covered mental health and substance abuse services that are equivalent to an office visit and performed in an innetwork physician's office.	Note: Out-of-network deductible amounts also count toward the in- network deductible
Flat-dollar copays	<ul> <li>\$30 copay for office visits and office consultations</li> <li>\$30 copay for chiropractic and osteopathic manipulative therapy</li> <li>\$250 copay for emergency room visits</li> <li>\$30 copay for urgent care visits</li> </ul>	<ul> <li>\$250 copay for emergency room visits</li> </ul>
Coinsurance amounts (percent copays)  Note: Coinsurance amounts apply once the deductible has been met.	<ul> <li>50% of approved amount for private duty nursing care</li> <li>20% of approved amount for mental health care and substance abuse treatment</li> <li>20% of approved amount for most other covered services (coinsurance waived for covered services performed in an in-network physician's office)</li> </ul>	<ul> <li>50% of approved amount for private duty nursing care</li> <li>40% of approved amount for mental health care and substance abuse treatment</li> <li>40% of approved amount for mos other covered services</li> </ul>
Annual coinsurance maximums - applies to coinsurance amounts for all covered services - but does not apply to deductibles, flat-dollar copays, private duty nursing care coinsurance amounts and prescription drug cost-sharing amounts	\$1,500 for one member, \$3,000 for the family (when two or more members are covered under your contract) each calendar year	\$3,000 for one member, \$6,000 for the family (when two or more members are covered under your contract) each calendar year
		Note: Out-of-network cost-sharing amounts also count toward the in- network out-of-pocket maximum.
Annual out-of-pocket maximums - applies to deductibles, flat-dollar copays and coinsurance amounts for all covered services - including cost-sharing amounts for prescription drugs, if applicable	\$6,350 for one member, \$12,700 for the family (when two or more members are covered under your contract) each calendar year	\$12,700 for one member, \$25,400 for the family (when two or more members are covered under your contract) each calendar year
		Note: Out-of-network cost-sharing amounts also count toward the in- network out-of-pocket maximum.
Lifetime dollar maximum	None	

Benefits	In-network	Out-of-network
Health maintenance exam - includes chest x-ray, EKG, cholesterol screening and other select lab procedures	100% (no deductible or copay/coinsurance), one per member per calendar year	Not covered
	Note: Additional well-women visits may be allowed based on medical necessity.	
Gynecological exam	100% (no deductible or copay/coinsurance), one per member per calendar year	Not covered
	Note: Additional well-women visits may be allowed based on medical necessity.	
Pap smear screening - laboratory and pathology services	100% (no deductible or copay/coinsurance), one per member per calendar year	Not covered
Voluntary sterilizations for females	100% (no deductible or copay/coinsurance)	60% after out-of-network deductible
Prescription contraceptive devices - includes insertion and removal of an intrauterine device by a licensed physician	100% (no deductible or copay/coinsurance)	100% after out-of-network deductible
Contraceptive injections	100% (no deductible or copay/coinsurance)	60% after out-of-network deductible
Well-baby and child care visits	<ul> <li>100% (no deductible or copay/coinsurance)</li> <li>8 visits, birth through 12 months</li> <li>6 visits, 13 months through 23 months</li> <li>6 visits, 24 months through 35 months</li> <li>2 visits, 36 months through 47 months</li> <li>Visits beyond 47 months are limited to one per member per calendar year under the health maintenance exam benefit</li> </ul>	Not covered
Adult and childhood preventive services and immunizations as recommended by the USPSTF, ACIP, HRSA or other sources as recognized by BCBSM that are in compliance with the provisions of the Patient Protection and Affordable Care Act	100% (no deductible or copay/coinsurance)	Not covered
Fecal occult blood screening	100% (no deductible or copay/coinsurance), one per member per calendar year	Not covered
Flexible sigmoidoscopy exam	100% (no deductible or copay/coinsurance), one per member per calendar year	Not covered
Prostate specific antigen (PSA) screening	100% (no deductible or copay/coinsurance), one per member per calendar year	Not covered
Routine mammogram and related reading	100% (no deductible or copay/coinsurance)	60% after out-of-network deductible
	Note: Subsequent medically necessary mammograms performed during the same calendar year are subject to your deductible and coinsurance	Note: Out-of-network readings and interpretations are payable only when the screening mammogram itself is performed by an in-network provider.

Blue Cross Blue Shield of Michigan is a nonprofit corporation and independent licensee of the Blue Cross and Blue Shield Association.

Services from a provider for which there is no Michigan PPO network and services from an out-of-network provider in a geographic area of Michigan deemed a "low access area" by BCBSM for that particular provider specialty are covered at the in-network benefit level. Cost-sharing may differ when you obtain covered services outside of Michigan. If you receive care from a nonparticipating provider, even when referred, you may be billed for the difference between our approved amount and the provider's charge.

Page 3 of 11

Benefits	In-network	Out-of-network
Colonoscopy - routine or medically necessary	100% (no deductible or copay/coinsurance), for the first billed colonoscopy  Note: Subsequent colonoscopies performed during the same calendar year are subject to your deductible and coinsurance.	60% after out-of-network deductible
	One per member	per calendar year

Physician office services		
Benefits	In-network	Out-of-network
Office visits - must be medically necessary	\$30 copay per office visit	60% after out-of-network deductible
Outpatient and home medical care visits - must be medically necessary	80% after in-network deductible	60% after out-of-network deductible
Office consultations - must be medically necessary	\$30 copay per office consultation	60% after out-of-network deductible
Urgent care visits - must be medically necessary	\$30 copay per urgent care visit	60% after out-of-network deductible

Emergency medical care		
Benefits	In-network	Out-of-network
Hospital emergency room	\$250 copay per visit (copay waived if admitted or for an accidental injury)	\$250 copay per visit (copay waived if admitted or for an accidental injury)
Ambulance services - must be medically necessary	80% after in-network deductible	80% after in-network deductible

Diagnostic services		
Benefits	In-network	Out-of-network
Laboratory and pathology services	80% after in-network deductible	60% after out-of-network deductible
Diagnostic tests and x-rays	80% after in-network deductible	60% after out-of-network deductible
Therapeutic radiotogy	80% after in-network deductible	60% after out-of-network deductible

Maternity services provided by a physician or certified nurse midwife		
Benefits	In-network	Out-of-network
Prenatal care visits	100% (no deductible or copay/coinsurance)	60% after out-of-network deductible
Postnatal care visits	100% (no deductible or copay/coinsurance)	60% after out-of-network deductible
Delivery and nursery care	80% after in-network deductible	60% after out-of-network deductible

Hospital care		
Benefits	In-network	Out-of-network
Semiprivate room, inpatient physician care, general nursing care,	80% after in-network deductible	60% after out-of-network deductible
hospital services and supplies	Unii	mited days
Note: Nonemergency services must be rendered in a participating hospital.		
inpalient consultations	80% after in-network deductible	60% after out-of-network deductible

Blue Cross Blue Shield of Michigan is a nonprofit corporation and independent licensee of the Blue Cross and Blue Shield Association.

Services from a provider for which there is no Michigan PPO network and services from an out-of-network provider in a geographic area of Michigan deemed a "low access area" by BCBSM for that particular provider specialty are covered at the in-network benefit level. Cost-sharing may differ when you obtain covered services outside of Michigan. If you receive care from a nonparticipating provider, even when referred, you may be billed for the difference between our approved amount and the provider's 000001457417

charge. Page 4 of 11

Benefits	in-network	Out-of-network
Chemotherapy	80% after in-network deductible	60% after out-of-network deductible

Benefits	In-network	Out-of-network
Skilled nursing care - must be in a participating skilled nursing facility	80% after in-network deductible	80% after in-network deductible
	Limited to a maximum of 120	days per member per calendar year
Hospice care	100% (no deductible or copay/coinsurance)	100% (no deductible or copay/coinsurance)
	elected, four 90-day periods - pr program only; limited to doller r periodically (after reaching dollar m	sits before electing hospice services; wher ovided through a participating hospice naximum that is reviewed and adjusted aximum, member transitions into Individua management)
Home health care:  must be medically necessary  must be provided by a participating home health care agency	80% after in-network deductible	80% after in-network deductible
Infusion therapy:  must be medically necessary  must be given by a participating Home Infusion Therapy (HiT) provider or in a participating freestanding Ambulatory Infusion Center (AIC)  may use drugs that require preauthorization - consult with your doctor	80% after in-network deductible	80% after in-network deductible

Surgical services		
Benefits	In-network	Out-of-network
Surgery - includes related surgical services and medically necessary facility services by a participating ambulatory surgery facility	80% after in-network deductible	60% after out-of-network deductible
Presurgical consultations	100% (no deductible or copay/coinsurance)	60% after out-of-network deductible
Voluntary sterilization for males	80% after in-network deductible	60% after out-of-network deductible
Note: For voluntary sterilizations for females, see "Preventive care services."		
Elective Abortions	80% after in-network deductible	60% after out-of-network deductible

Human organ transplants			
Benefits	In-network	Out-of-network	
Specified human organ transplants - must be in a designated facility and coordinated through the BCBSM Human Organ Transplant Program (1-800-242-3504)	100% (no deductible or copay/coinsurance)	100% (no deductible or copay/coinsurance) - in designated facilities only	
Bone marrow transplants - must be coordinated through the BCBSM Human Organ Transplant Program (1-800-242-3504)	80% after in-network deductible	60% after out-of-network deductible	
Specified encotogy clinical triats	80% after in-network deductible	60% after out-of-network deductible	
Note: BCBSM covers clinical trials in compliance with PPACA.			
Kidney, comea and skin transplants	80% after in-network deductible	60% after out-of-network deductible	

Blue Cross Blue Shield of Michigan is a nonprofit corporation and independent licensee of the Blue Cross and Blue Shield Association.

Services from a provider for which there is no Michigan PPO network and services from an out-of-network provider in a geographic area of Michigan deemed a "low access area" by BCBSM for that particular provider specialty are covered at the in-network benefit level. Cost-sharing may differ when you obtain covered services outside of Michigan. If you receive care from a nonparticipating provider, even when referred, you may be billed for the difference between our approved amount and the provider's charge.

charge.
Page 5 of 11 000001457417

### Mental health care and substance abuse treatment

Note: Some mental health and substance abuse services are considered by BCBSM to be comparable to an office visit. When a mental health or substance abuse service is considered by BCBSM to be comparable to an office visit, we will process the claim under your office visit benefit.

Benefits	In-network	Out-of-network
Inpatient mental health care and inpatient substance abuse	80% after in-network deductible	60% after out-of-network deductible
treatment	Unli	imited days
Residential psychiatric treatment facility:  covered mental health services must be performed in a residential psychiatric treatment facility  treatment must be preauthorized  subject to medical criteria	80% after in-network deductible	60% after out-of-network deductible
Outpatient mental health care: Facility and clinic	80% after in-network deductible	80% after in-network deductible in participating facilities only
Physician's office	80% after in-network deductible	60% after out-of-network deductible
Outpatient substance abuse treatment - in approved facilities only	80% after in-network deductible	60% after out-of-network deductible (in-network cost-sharing will apply if there is no PPO network)

Autism spectrum disorders, diagnoses and treatment				
Benefits	In-network	Out-of-network		
Applied behavioral analysis (ABA) treatment - when rendered by an approved board-certified behavioral analyst - is covered through age 18, subject to preauthorization	80% after in-network deductible	80% after in-network deductible		
Note: Diagnosis of an autism spectrum disorder and a treatment recommendation for ABA services must be obtained by a BCBSM approved autism evaluation center (AAEC) prior to seeking ABA treatment.				
Outpatient physical therapy, speech therapy, occupational therapy.	80% after in-network deductible	60% after out-of-network deductible		
nutritional counseling for autism spectrum disorder	2	al therapy with an autism diagnosis is inlimited		
Other covered services, including mental health services, for autism spectrum disorder	80% after in-network deductible	60% after out-of-network deductible		

Other covered services		
Benefits	In-network	Out-of-network
Outpatient Diabetes Management Program (ODMP)  Note: Screening services required under the provisions of PPACA are covered at 100% of approved amount with no in-network cost-sharing when rendered by an in-network provider.  Note: When you purchase your diabetic supplies via mail order you will lower your out-of-pocket costs.	<ul> <li>80% after in-network deductible for diabetes medical supplies;</li> <li>100% (no deductible or copay/coinsurance) for diabetes self- management training</li> </ul>	60% after out-of-network deductible
Allergy testing and therapy	100% (no deductible or copay/coinsurance)	60% after out-of-network deductible
Chiropractic spinal manipulation and osteopathic manipulative therapy	\$30 copay per visit	60% after out-of-network deductible
	Limited to a combined 24-visit maxi-	mum per member per calendar year

Blue Cross Blue Shield of Michigan is a nonprofit corporation and independent licensee of the Blue Cross and Blue Shield Association. Services from a provider for which there is no Michigan PPO network and services from an out-of-network provider in a geographic area of Michigan deemed a "low access area" by BCBSM for that particular provider specialty are covered at the in-network benefit level. Cost-sharing may differ when you obtain covered services outside of Michigan. If you receive care from a nonparticipating provider, even when referred, you may be billed for the difference between our approved amount and the provider's charge. Page 6 of 11

000001457417

Benefits	In-network	Out-of-network
Outpatient physical, speech and occupational therapy - when provided for rehabilitation	80% after in-network deductible	60% after out-of-network deductible Note: Services at nonparticipating outpatient physical therapy facilities are not covered.
	Limited to a combined 60-visit n	naximum per member per calendar year
Durable medical equipment	80% after in-network deductible	80% after in-network deductible
Note: DME items required under the provisions of PPACA are covered at 100% of approved amount with no in-network cost-sharing when rendered by an in-network provider. For a list of covered DME items required under PPACA, call BCBSM.		
Prosthetic and orthotic appliances	80% after in-network deductible	80% after in-network deductible
Private duty nursing care	50% after in-network deductible	50% after in-network deductible



A nonprofit corporation and independent licensee of the Blue Cross and Blue Shield Association

CITY OF BERKLEY

A0MSG4
63003662
0070060300002

BCBSM Preferred RX Program

Effective Date: On or after February 2016
Benefits-at-a-glance

This is intended as an easy-to-read summary and provides only a general overview of your benefits. It is not a contract. Additional limitations and exclusions may apply. Payment amounts are based on BCBSM's approved amount, less any applicable deductible and/or copay/coinsurance. For a complete description of benefits please see the applicable BCBSM certificates and riders, if your group is underwritten or any other plan documents your group uses, if your group is self-funded. If there is a discrepancy between this Benefits-at-a-Glance and any applicable plan document, the plan document will control.

Specialty Pharmaceutical Drugs - The mail order pharmacy for specialty drugs is Walgreens Specialty Pharmacy, LLC, an independent company. Specialty prescription drugs (such as Enbrel® and Humira®) are used to treat complex conditions such as rheumatoid arthritis, multiple sclerosis and cancer. These drugs require special handling, administration or monitoring. Walgreens Specialty Pharmacy will handle mail order prescriptions only for specialty drugs white many in-network retail pharmacies will continue to dispense specialty drugs (check with your local pharmacy for availability). Other mail order prescription medications can continue to be sent to Express Scripts. (Express Scripts is an independent company providing pharmacy benefit services for Blues members.) A list of specialty drugs is available on our Web site at bcbsm.com/pharmacy. If you have any questions, please call Walgreens Specialty Pharmacy customer service at 1-866-515-1355

We will not pay for more than a 30-day supply of a covered prescription drug that BCBSM defines as a "specialty pharmaceutical" whether or not the drug is obtained from a 90-Day Retail Network provider or mail-order provider. We may make exceptions if a member requires more than a 30-day supply, BCBSM reserves the right to limit the quantity of select specialty drugs to no more than a 15-day supply for each fill. Your copay/coinsurance will be reduced by one-half for each fill once applicable deductibles have been met.

Select Controlled Substance Drugs - BCBSM will limit the initial fill of select controlled substances to a 15-day supply. The member will be responsible for only one-half of their cost-sharing requirement typically imposed on a 30-day fill. Subsequent fills of the same medication will be eligible to be filled as prescribed, subject to the applicable cost-sharing requirement. Select controlled substances affected by this prescription drug requirement are available online at bothsm.com/pharmacy.

### Member's responsibility (copays and coinsurance amounts)

Note: Your prescription drug copays and coinsurance amounts, including mail order copay and coinsurance amounts, are subject to the same annual out-of-pocket maximum required under your medical coverage. The following prescription drug expenses will not apply to your annual out-of-pocket maximum.

- · any difference between the Maximum Allowable Cost and BCBSM's approved amount for a covered brand name drug
- the 25% member liability for covered drugs obtained from an out-of-network pharmacy

Benefits		90-day retail network pharmacy	* In-network mail order provider	In-network pharmacy (not part of the 90-day retail network)	Out-of-network pharmacy
Tier 1 - Generic or select prescribed over-the- counter drugs	1 to 30-day period	You pay \$10 copay	You pay \$10 copay	You pay \$10 copay	You pay \$10 copay plus an additional 25% of BCBSM approved amount for the drug
	31 to 83-day period	No coverage	You pay \$20 copay	No coverage	No coverage

Blue Cross Blue Shield of Michigan is a nonprofit corporation and independent licensee of the Blue Cross and Blue Shield Association.

Page 8 of 11 000001457417

Benefits		90-day retail network pharmacy	* In-network mail order provider	In-network pharmacy (not part of the 90-day retail network)	Out-of-network pharmacy
	84 to 90-day period	You pay \$20 copay	You pay \$20 copay	No coverage	No coverage
Tier 2 - Preferred brand-name drugs	1 to 30-day period	You рау \$40 сорау	You рау \$40 сорау	You pay \$40 copay	You pay \$40 copay plus an additional 25% of BCBSM approved amount for the drug
-	31 to 83-day period	No coverage	You pay \$80 copay	No coverage	No coverage
	84 to 90-day period	You pay \$80 copay	You pay \$80 copay	No coverage	No coverage
Tier 3 - Nonpreferred brand-name drugs	1 to 30-day period	You pay \$80 copay	You pay \$80 copay	You pay \$80 copay	You pay \$80 copay plus an additional 25% of BCBSM approved amount for the drug
	31 to 83-day period	No coverage	You pay \$160 copay	No coverage	No coverage
	84 to 90-day period	You pay \$160 copay	You pay \$160 copay	No coverage	No coverage

Note: Over-the-counter (OTC) drugs are drugs that do not require a prescription under federal law. They are identified by BCBSM as select prescription drugs. A prescription for the select OTC drug is required from the member's physician. In some cases, over-the-counter drugs may need to be tried before BCBSM will approve use of other drugs \* BCBSM will not pay for drugs obtained from out-of-network mall order providers, including Internet providers.

Benefits	90-day retail network	* In-network mail order	In-network pharmacy	Out-of-network
	pharmacy	provider	(not part of the 90-day retail network)	pharmacy
FDA-approved drugs	100% of approved amount less plan copay/coinsurance	100% of approved amount less plan copay/coinsurance	100% of approved amount less plan copay/coinsurance	75% of approved amount less plan copay/coinsurance
Prescribed over-the- counter drugs - when covered by BCBSM	100% of approved amount less plan copay/coinsurance	100% of approved amount less plan copay/coinsurance	100% of approved amount tess plan copay/coinsurance	75% of approved amount less plan copay/coinsurance
State-controlled drugs	100% of approved amount less plan copay/coinsurance	100% of approved amount less plan copay/coinsurance	100% of approved amount tess plan copay/coinsurance	75% of approved amount less plan copay/coinsurance
FDA-approved generic and select brand-name prescription preventive drugs, supplements and vitamins as required by PPACA (non-self-administered drugs are not covered)	100% of approved amount	100% of approved amount	100% of approved amount	75% of approved amount
Other FDA-approved brand-name prescription preventive drugs, supplements and vitamins as required by PPACA (non-self-administered drugs are not covered)	100% of approved amount less plan copay/coinsurance	100% of approved amount less plan copay/coinsurance	100% of approved amount less plan copay/coinsurance	75% of approved amount less plan copay/coinsurance

Benefits	90-day retail network pharmacy	* In-network mail order provider	In-network pharmacy (not part of the 90-day retail network)	Out-of-network pharmacy
FDA-approved generic and select brand name prescription contraceptive medication (non-self- administered drugs are not covered)	100% of approved amount	100% of approved amount	100% of approved amount	75% of approved amount
Other FDA-approved brand name prescription contraceptive medication (non-self-administered drugs are not covered)	100% of approved amount less plan copay/ coinsurance	100% of approved amount less plan copay/ coinsurance	100% of approved amount less plan copay/ coinsurance	75% of approved amount less plan copay/ coninsurance
Disposable needles and syringes - when dispensed with insulin or other covered injectable legend drugs	100% of approved amount less plan copay/coinsurance for the insulin or other covered injectable legend drug	100% of approved amount less plan copay/coinsurance for the insulin or other covered injectable legend drug	100% of approved amount less plan copay/coinsurance for the insulin or other covered injectable legend drug	75% of approved amount less plan copay/coinsurance for the insulin or other covered injectable legend drug
Note: Needles and syringes have no copay/ coinsurance.				
Elective drugs  Note: Elective lifestyle drugs are lifestyle drugs that treat sexual impotency or infertility, or help in weight loss. They are not designed to treat acute or chronic illnesses. These medications are prescribed for medical conditions that have no demonstrable physical harm if not treated. (Smoking cessation drugs are not considered an elective lifestyle drug and are a payable benefit.) BCBSM determines when a drug is an elective drug.	50% of approved amount	50% of approved amount	50% of approved amount	50% of approved amount

<sup>\*</sup> BCBSM will not pay for drugs obtained from out-of-network mail order providers, including Internet providers.

### Features of your prescription drug plan

Custom Drug List

A continually updated list of FDA-approved medications that represent each therapeutic class. The drugs on the list are chosen by the BCBSM Pharmacy and Therapeutics Committee for their effectiveness, safety, uniqueness and cost efficiency. The goal of the drug list is to provide members with the greatest therapeutic value at the lowest possible cost.

- Tier 1 (generic) Tier 1 includes generic drugs made with the same active ingredients, available in the same strengths and dosage forms, and administered in the same way as equivalent brand-name drugs. They also require the lowest copay/coinsurance, making them the most cost-effective option for the treatment.
- Tier 2 (preferred brand) Tier 2 includes brand-name drugs from the Custom Drug List. Preferred brand name drugs are also safe and effective, but require a higher copay/coinsurance.
- Tier 3 (nonpreferred brand) Tier 3 contains brand-name drugs not included in Tier 2. These drugs may not
  have a proven record for safety or as high of a clinical value as Tier 1 or Tier 2 drugs. Members pay the highest
  copay/coinsurance for these drugs.

Prior authorization/step therapy

A process that requires a physician to obtain approval from BCBSM before select prescription drugs (drugs identified by BCBSM as requiring preauthorization) will be covered. Step Therapy, an initial step in the "Prior Authorization" process, applies criteria to select drugs to determine if a less costly prescription drug may be used for the same drug therapy. Some over-the-counter medications may be covered under step therapy guidelines. This also applies to mail order drugs. Claims that do not meet Step Therapy criteria require preauthorization. Details about which drugs require preauthorization or step therapy are available online site at bebsm.com/pharmacy.

Drug interchange and generic copay/ coinsurance waiver	BCBSM's drug interchange and generic copay/ coinsurance walver programs encourage physicians to prescribe a less-costly generic equivalent.
	If your physician rewrites your prescription for the recommended generic or OTC atternate drug, you will only have to pay a generic copay/ coinsurance. In select cases BCBSM may waive the initial copay/ coinsurance after your prescription has been rewritten. BCBSM will notify you if you are eligible for a waiver.
Mandatory maximum allowable cost drugs	If your prescription is filled by an in-network pharmacy, and the pharmacist fills it with a brand-name drug for which a generic equivalent is available, you MUST pay the difference in cost between the BCBSM approved amount for the brand-name drug dispensed and the maximum allowable cost for the generic drug plus your applicable copay/coinsurance regardless of whether you or your physician requests the brand-name drug. Exception: If your physician requests and receives authorization for a nonpreferred brand-name drug with a generic equivalent from BCBSM and writes "Dispense as Written" or "DAW" on the prescription order, you pay only your applicable copay/coinsurance.
	Note: This MAC difference will not be applied toward your annual in-network deductible, your annual coinsurance, or your annual out-of-pocket maximum, if applicable.
Quantity limits	To stay consistent with FDA approved labeling for drugs, some medications may have quantity limits.

Page 11 of 11 000001457417

ADDENDUM: Historical Documents and Resolutions

The City of Berkley Public Safety Retirement System established pursuant to Act No. 345 of the Public Acts of the State of Michigan for the year of 1937, consisting of a collectively bargained governmental defined benefit plan, is hereby amended to include the following provisions:

### 1. Qualified plan under Internal Revenue Code Sec. 401(a)

The City of Berkley Public Safety Retirement System is intended to qualify as a pension plan and trust meeting the requirements of Sections 401(a) and 501(a) of the Internal Revenue Code, as now in effect or hereafter amended, and shall be administered so as to fulfill this intent.

### 2. Exclusive benefit under Internal Revenue Code Sec. 401(a)(2)

No part of the corpus or income of the Retirement System shall be used for, or diverted to, purposes other than for the exclusive benefit of the employees or their beneficiaries prior to the satisfaction of all liabilities with respect to employees and their beneficiaries under the Retirement System.

### 3. Vesting under Internal Revenue Code Sec. 401(a)(7)

Upon termination of the Retirement System or upon complete discontinuance of contributions under the Retirement System, the rights of all members to benefits accrued to the date of such termination or discontinuance, to the extent then funded, shall be nonforfeitable.

### 4. Forfeitures under Internal Revenue Code Sec. 401(a)(8)

Forfeitures shall not be applied to increase the benefits which any employee or participant would otherwise receive under the Retirement System.

- 5. Required minimum distributions under Internal Revenue Code Sec. 401(a)(9)
- (a) In accordance with Section 401(a)(9) of the Internal Revenue Code and the regulations thereunder, which are incorporated herein by reference, a member's retirement benefit shall be distributed to him or her not later than April I of the calendar year following the later of:
- (1) The calendar year in which the member attains age seventy and one-half (70 1/2) years, or
- (2) The calendar year in which the member retires.
- (b) With respect to distributions under the Retirement System made for calendar years beginning on or after January 1, 2001, the minimum distribution requirements of Section 401(a)(9) of the Internal Revenue Code will be applied in accordance with the regulations under Section 401(a)(9) that were proposed on January 17,

2001, notwithstanding any provision of the Retirement System to the contrary. This amendment shall continue in effect until the end of the last calendar year beginning before the effective date of final regulations under Section 401(a)(9) or such other date as may be specified in guidance published by the Internal Revenue Service.

### 6. Compensation limits under Internal Revenue Code Sec. 401(a)(17)

The annual compensation of each member taken into account in determining benefit accruals in any Retirement System year beginning after December 31, 2001, shall not exceed \$200,000. Annual compensation means compensation during the Retirement System year or such other consecutive 12-month period over which compensation is otherwise determined under the Retirement System (the determination period). In determining benefit accruals in years beginning after December 31, 2001, the annual compensation limit for determination periods beginning before January 1, 2002 shall be \$150,000

in a direct rollover.

### (1) Definitions.

(i) Eligible rollover distribution: An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Internal Revenue Code; and the portion of any distribution that is not includible in gross income (determined without regard to the for any determination period beginning in 1996 or earlier; \$160,000 for any determination period beginning in 1997, 1998, or 1999; and \$170,000 for any determination period beginning in 2000 or 2001. The \$200,000 limit on annual compensation shall be adjusted for cost-of-living increases in accordance with Section 401(a)(17)(B) of the Internal Revenue Code. The cost-of-living adjustment in effect for a calendar year applies to annual compensation for the determination period that begins with or within such calendar year.

### 7. Eligible rollover distributions under Internal Revenue Code Sec. 401(a)(31)

(a) This subsection applies to distributions made on or after January 1, 1993. Notwithstanding any provision of the Retirement System to the contrary that would otherwise limit a distributee's election under this section, a distributee may elect, at the time and in the manner prescribed by the Retirement Board, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee exclusion for net unrealized appreciation with respect to employer securities).

- (ii) Eligible Retirement Plan: An eligible retirement plan is an individual retirement account described in Section 408(a) of the Internal Revenue Code, an individual retirement annuity described in Section 408(b) of the Internal Revenue Code, an annuity plan described in Section 403(a) of the Internal Revenue Code, or a qualified trust described in Section 401(a) of the Internal Revenue Code, that accepts the distributee's eligible rollover distribution. However, in the case of an eligible rollover distribution to the surviving spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity.
- (iii) Distributee: A distributee includes an employee or former employee, In addition, the employee's or former employee's surviving spouse and the employee's or former employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Internal Revenue Code, or an eligible domestic relations order under the eligible domestic relations order act, are distributees with regard to the interest of the spouse or former spouse.
- (iv) Direct rollover: A direct rollover is a payment by the Retirement System to the eligible retirement plan specified by the distributee.
- (2) If a distribution is one to which Sections 401(a)(11) and 417 of the Internal Revenue Code do not apply, such distribution may commence less than 30 days after the notice required under Section 1.411(a)-11(c) of the Income Tax Regulations is given, provided that:
  - (i) The Retirement Board clearly informs the member that the member has a right to a period of at least 30 days after receiving the notice to consider the decision of whether or not to elect a distribution (and, if applicable, a particular distribution option), and
  - (ii) The member, after receiving the notice, affirmatively elects a distribution.
- (b) This subsection shall apply to distributions made after December 31, 2001.
  - (1) For purposes of the direct rollover provisions in this section, an eligible retirement plan shall also mean an annuity contract described in Section 403(b) of the Internal Revenue Code and an eligible plan under Section 457(b) of the Internal Revenue Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to account separately for amounts transferred into such plan from the Retirement System. The definition of eligible retirement plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relations order, as

defined in Section 414(p) of the Internal Revenue Code, or an eligible domestic relations order under the eligible domestic relations order act.

(2) For purposes of the direct rollover provisions in this section, a portion of a distribution shall not fail to be an eligible rollover distribution merely because the portion consists of after-tax employee contributions which are not includible in gross income. However, such portion may be paid only to an individual retirement account or annuity described in Section 408(a) or (b) of the Internal Revenue Code, or to a qualified defined contribution plan described in Section 401(a) or 403(a) of the Internal Revenue Code that agrees to account separately for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible.

### 8. Military service under Internal Revenue Code Sec. 414(u)

Notwithstanding any provision of the Retirement System to the contrary, contributions, benefits and service credited with respect to qualified military service will be provided in accordance with Section 414(u) of the internal Revenue Code.

### Benefits and contributions limits under Internal Revenue Code Sec. 415

Notwithstanding any provision of the Retirement System to the contrary, benefits and contributions shall be limited in accordance with Section 415 of the Internal Revenue Code, which is hereby incorporated by reference.

- (a) For purposes of Section 415 of the Internal Revenue Code, compensation shall mean compensation actually paid during the limitation year and the limitation year shall be the Retirement System year or such other consecutive 12-month period over which compensation is otherwise determined under the Retirement System.
- (b) For purposes of adjusting any benefit or limitation under Section 415 of the Internal Revenue Code, the mortality table used shall be the table prescribed by the United States Secretary of the Treasury in accordance with Section 415(b)(2)(E)(V) of the Internal Revenue Code.
- (c) For limitation years beginning on and after January 1, 2001, for purposes of applying the limitations described herein, compensation paid or made available during such limitation years shall include elective amounts that are not includible in the gross income of the member by reason of Section 132(f)(4) of the Internal Revenue Code.

R-39-12

### A RESOLUTION

Of the Council of the City of Berkley, Michigan

Approving an amendment to the 2010 to 2015 collective bargaining agreements

With the Berkley Public Safety Command Officers Association and the

Berkley Public Safety Officers Association

By adding standardized language necessary to maintain the

qualified status of the Berkley Public Safety Pension System
Under the provisions of the United States Internal Revenue Service Code

- Whereas, The Berkley Public Safety Command Officers Association and the Berkley Public Safety Officers Association, the "Associations" have each entered separate collective bargaining agreements with the City of Berkley as to wages, hours, and conditions of employment for the period of July 1, 2010 through June 30, 2015; and
- Whereas, Each agreement provides that it may be amended prior to expiration by mutual agreement of the parties; and
- Whereas, Representatives of the City and the Association have met with legal counsel for the Berkley Public Safety who advised that certain standardized language must be incorporated into each collective bargaining agreement prior to October 12, 2012 in order to preserve the qualified status of the pension system under the Internal Revenue Service code; and
- Whereas, The language to be added makes no changes to the pension benefits of the terms of the eligibility for pension benefits of current or former employees/participants; and
- **Whereas,** The union membership of both Associations have ratified the negotiated amendment and the City Council also agrees to the amendment.

NOW THEREFORE, THE BERKLEY CITY COUNCIL RESOLVES:

**SECTION 1:** The Council hereby ratifies the amendment to the respective collective bargaining agreements between the City and the Berkley Public Safety Command Officers Association and the Berkley Public Safety Officers Association regarding required additional Internal Revenue Service language in the area of compensation as applied within Section 415 of the Internal Revenue Code by the IRS.

**SECTION 2:** The City Council hereby directs the City Manager to execute the applicable Memorandum of Understanding with each union to maintain the tax exempt qualified status of the Berkley Public Safety Pension System under the provisions of the United States Internal Revenue Code.

Introduced and passed at a regular City Council Meeting on Monday September 17, 2012.

	Ph# O'Dwyer, Mayor
Attest:	
Cheryl E. Printz, City Clerk	

### 415 Compensation

The City and the Association agree that the City of Berkley Public Safety Retirement System established pursuant to Act No. 345 of the Public Acts of the State of Michigan for the year 1937, consisting of a collectively bargained governmental defied benefit plan. Is hereby amended to include the following provision

Compensation for the purposes of IRC Section 415(c)(3) shall also include, (1) regular pay after severance from employment; (2) leave cash outs and deferred compensation including cash out of accrued sick, vacation or other leave time if the employee would have been able to use the leave if employment had continued or the payment of nonqualified deferred compensation that would have been paid to the employee at the same time if the employee had remained employed and only to the extent that the payment is includable in the employee's gross income. The compensation items listed in this paragraph must be paid by the later of two and one half months of severance from employment or the end of the limitation year that includes the date of severance with the city.

R-46-12

### A RESOLUTION

Of the Council of the City of Berkley, Michigan

Approving an amendment to the 2010 to 2015 collective bargaining agreements

With the Berkley Public Safety Command Officers Association and the

Berkley Public Safety Officers Association

By adding standardized language necessary to maintain the gualified status of the Berkley Public Safety Pension System

Under the provisions of the United States Internal Revenue Service Code

- Whereas, The Berkley Public Safety Command Officers Association and the Berkley Public Safety Officers Association, the "Associations" have each entered separate collective bargaining agreements with the City of Berkley as to wages, hours, and conditions of employment for the period of July 1, 2010 through June 30, 2015; and
- Whereas, Each agreement provides that it may be amended prior to expiration by mutual agreement of the parties; and
- Whereas, Representatives of the City and the Association have met with legal counsel for the Berkley Public Safety who advised that certain standardized language must be incorporated into each collective bargaining agreement prior to June 30, 2012, in order to preserve the qualified status of the pension system under the Internal Revenue Service code; and
- Whereas, The language to be added makes no changes to the pension benefits of the terms of the eligibility for pension benefits of current or former employees/participants; and
- Whereas, The union membership of both Associations have ratified the negotiated amendment and the City Council also agrees to the amendment.

NOW THEREFORE, THE BERKLEY CITY COUNCIL RESOLVES:

**SECTION 1:** The Council hereby ratifies the amendment to the respective collective bargaining agreements between the City and the Berkley Public Safety Command Officers Association and the Berkley Public Safety Officers Association regarding required additional Internal Revenue Service language in the area of the 2009 waiver of required minimum distribution rules and the definition of distributee.

**SECTION 2:** The City Council hereby directs the City Manager to execute the applicable Memorandum of Understanding with each union to maintain the tax exempt qualified status of the Berkley Public Safety Pension System under the provisions of the United States Internal Revenue Code and adjust the necessary labor contracts to reflect the changes.

Introduced and passed at a regular City Council Meeting on Monday November 19, 2012.

	Phil O'Dwyer, Mayor
Attest:	
Cheryl E. Printz, City Clerk	

The City and the Association agree that the City of Berkley Public Safety Retirement System established pursuant to Act No. 345 of the Public Acts of the State of Michigan for the year 1937, consisting of a collectively bargained governmental defied benefit plan. Is hereby amended to include the following provision:

### 1. 2009 Waiver of Required Minimum Distribution Rules

- (a) Notwithstanding anything in the Retirement System to the contrary a participant or beneficiary who would have been required to receive required minimum distributions for 2009 but for the enactment of Section 401 (a)(9)(H) of the Code ("2009 RMDs") and who would have satisfied that requirement by receiving distributions that are: (1) equal to the 2009 RMD's or (2) one or more payments in a series of substantially equal distributions (that include the 2009 RMDs) made at least annually and expected to last for the life (or life expectancy) of the participant, the joint lives (or joint life expectancy) of the participant and the participant's designated beneficiary, or for a period of a least ten years, will receive those distributions for 2009 unless a participant or beneficiary chooses not to receive such distributions. Such Distributions may be treated as an Eligible Rollover Distribution if it otherwise satisfies the requirement as specified in the Retirement System documents.
- (b) The definition of a "Distributee" for purposes of eligible rollover distributions under Internal Revenue Code 401 (a) (31) is hereby amended and restated in its entirety as follows:
- (c) Distributee: A 'distributee" includes an employee or former employee. In addition, the employee's or former employee's surviving spouse and the employee's or former employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Internal Revenue, or an eligible domestic relations order under the Eligible Domestic Relations Order Act, are distributees with regard to the interest of the spouse or former spouse. A distributee also includes an eligible designated non-spouse beneficiary.

R-23-13

### A RESOLUTION

Of the Council of the City of Berkley, Michigan

Approving an amendment to t4he 2010 to 2015 collective bargaining and future

Bargaining agreements with the Berkley Public Safety Command Officers Association and

The Berkley Public Safety Officers Association

By adding standardized language necessary to maintain the qualified status of the Berkley Public Safety Pension System Under the provisions of the United States Internal Revenue Service Code

- Whereas, The Berkley Public Safety Command Officers Association and the Berkley Public Safety Officers Association, the "Associations" have each entered separate collective bargaining agreements with the City of Berkley as to wages, hours, and conditions of employment for the period of July 1, 2010 through June 30, 2015; and
- Whereas, Each agreement provides that it may be amended prior to expiration by mutual agreement of the parties; and
- Whereas, Representatives of the City and the Association have met with legal counsel for the Berkley Public Safety who advised that certain standardized language must be incorporated into each collective bargaining agreement prior to June 30, 2012, in order to preserve the qualified status of the pension system under the Internal Revenue Service code; and
- Whereas, The language to be added makes no changes to the pension benefits of the terms of the eligibility for pension benefits of current or former employees/participants; and
- Whereas, The union membership of both Associations have ratified the negotiated amendment and the City Council also agrees to the amendment.

NOW THEREFORE, THE BERKLEY CITY COUNCIL RESOLVES:

**SECTION 1:** The Council hereby ratifies the amendment to the respective collective bargaining agreements between the City and the Berkley Public Safety Command Officers Association and the Berkley Public Safety Officers Association regarding required additional Internal Revenue Service language in the area of the 2008 Heroes Earnings Assistance and Relief Tax Act of 2008.

**SECTION 2:** The City Council hereby directs the City Manager to execute the applicable Memorandum of Understanding with each union to maintain the tax exempt qualified status of the Berkley Public Safety Pension System under the provisions of the United States Internal Revenue Code and adjust the necessary labor contracts to reflect the changes.

Introduced and passed at a regular City Council Meeting on Monday June 17, 2015.

	·
	Phil O'Dwyer, Mayor
Attest:	
Cheryl E. Printz, City Clerk	
Page 67 of 68	

The City and the Association agree that the City of Berkley Public Safety Retirement System established pursuant to Act No. 345 of the Public Acts of the State of Michigan for the year 1937, consisting of a collectively bargained governmental defied benefit plan. Is hereby amended to include the following provision:

Effective January 1, 2007, the beneficiary of a Member on a leave of absence to perform military service with reemployment rights described in Code Section 414(u) where the Member cannot return to employment on account of his or her death, shall be entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) that would be provided under the Plan had the Member died as an active employee, in accordance with Code Section 401(a) 37.