

6/30/98

4409

AGREEMENT

BETWEEN

THE CITY OF BIRMINGHAM

AND

THE BIRMINGHAM COMMAND OFFICERS ASSOCIATION

AFFILIATED WITH

THE COMMAND OFFICERS ASSOCIATION OF MICHIGAN

1995 - 1998

Birmingham, City of

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COLLECTIVE BARGAINING AGREEMENT

THIS AGREEMENT is entered into on this _____ day of _____, 1996, by and between the CITY OF BIRMINGHAM, Oakland County, Michigan, a Michigan Public Corporation, (hereinafter referred to as the "City") and the BIRMINGHAM COMMAND OFFICERS ASSOCIATION (hereinafter referred to as the "ASSOCIATION").

ARTICLE I
DEFINITIONS

1.1: For purposes of this Agreement, the following terms shall be defined as follows:

- A. "City" shall mean the City of Birmingham, Oakland County, Michigan.
- B. "Association" shall mean the Birmingham Command Officers Association.
- C. "Bargaining Unit" and "Unit" shall mean those employees in the Sergeant and Commander classifications.
- D. "Department" shall mean the Birmingham Police Department.
- E. "Employee" shall mean a person classified as either a Sergeant or Commander.
- F. "Seniority" shall mean length of service while employed by the City in the Police Department.

ARTICLE II
RECOGNITION

2.1: The City of Birmingham hereby recognizes the Birmingham Command Officers Association as the exclusive bargaining representative for all supervisor police officers employed by the City of Birmingham Police Department, including Commanders and Sergeants, but excluding the Chief of Police and Captain, Corporals, Detectives, Police Officers, and all other employees pursuant to MERC Case No. R79-H387.

ARTICLE III
NON-DISCRIMINATION FOR UNION ACTIVITIES

3.1: The City agrees that it will not discriminate against any employee in any way because of his membership in or activities on behalf of the Association.

3.2: The City and the Association shall not discriminate against employees because of age, sex, race, national origin, marital status, religion, or any other protected classification under federal or state law. Whenever the male pronoun is used in this agreement, each term shall refer to both males and females.

ARTICLE IV
AGENCY SHOP

4.1: Effective the first calendar month after the signing of this Agreement, all employees, as a condition of employment, shall be required to pay to the Association an amount equivalent to the Association's regular dues and initiation fees, commencing with the first pay period ending in the calendar month following completion of thirty days of employment within a classification covered by this contract.

ARTICLE V
DUES CHECK OFF

5.1: The City hereby agrees to deduct from the pay of each employee covered by this Agreement current Association membership dues, provided that, at the time of such deduction, there is in the possession of the City a written assignment executed by the employee authorizing such deductions by the City.

5.2: Written dues assignments executed by the employees shall not be revocable during the life of this Agreement, except that such employees shall have the right to withdraw their dues deduction authorization not more than thirty (30) days prior to the termination of this Agreement to become effective only on such date.

5.3: The City will deduct current membership dues from the pay of such employees from the first pay period ending in the calendar month following completion of the thirty day period referred to in Section 4.1. The initial deduction from the pay of such employee signing a new authorization shall be from the first pay period of the month following the date of his authorization.

5.4: All sums deducted shall be remitted to the financial secretary of the Association not later than the first day of the calendar month following the month in which such deductions are made. The same to be by the Association allotted and distributed in accordance with the Constitution, Bylaws and regulations of the Association. On the request of the City, the financial secretary of the Association shall furnish the City a receipt for all dues received.

5.5: The Association agrees to defend, indemnify and save harmless the City from any liability by reason of the enforcement of this Article.

ARTICLE VI
RULES AND REGULATIONS

6.1: The Rules and Regulations for the Police Department will be provided to the Association. If any provision of this Agreement is in direct conflict with the Rules and Regulations and/or the Personnel Manual, the contract provision shall be followed. The City and the Association negotiated changes in the promotion procedure for positions within the bargaining unit covered by this Agreement and those changes are contained in General Order 87-1.

ARTICLE VII
GRIEVANCE PROCEDURE

7.1: Should a difference arise between the City and the Association or any of the employees covered by this Agreement as to the meaning, application or enforcement of this Agreement and/or the Rules, Regulations and Personnel Manual Procedures for the Department, it shall be settled in accordance with the grievance procedure set forth below:

7.2: Step 1. Any employee who has a grievance concerning his terms and conditions of employment shall first take up the matter with the Captain of the Department and Association representative, if the employee desires to have the Association representative present in such meeting. If not settled within the shift, the grievance shall be reduced to writing and signed by the grievant. Any grievance not submitted within ten (10) calendar days of its occurrence shall be considered automatically closed.

7.3: Step 2. In the event the grievance is not settled in Step 1, a meeting shall be held between the

representative and the Police Chief within ten (10) calendar days after submission of the grievance in writing at Step 1. The decision of the Police Chief shall be given in writing within ten (10) calendar days of the end of the meeting.

- 7.4: Step 3(a). If the Association is not satisfied with the decision at Step 2, the Association, through its representative, shall within ten (10) calendar days after the date of the Police Chief's answer at Step 2, submit the grievance in writing to the City Manager. The Association shall submit its statement of position and all relevant information with such notice. If the grievance is not submitted within ten (10) calendar days, it will be considered closed on the basis of the last disposition.
- 7.5: Step 3(b). The City Manager shall meet with the Association Committee and the grievant within ten (10) calendar days of the submission of the grievance in writing to the City Manager. Each may have outside representatives at such meeting or at the Step 2 meeting, with advance notice of not less than twenty-four (24) hours to the other.
- 7.6: Step 3(c). The City Manager shall submit within fifteen (15) calendar days of any such hearing his decision in writing to the Association.
- 7.7: Step 4. In the event the grievance is not satisfactorily settled in Step 3, the Association may submit the grievance for consideration to the City Commission. Notice of request for consideration must be filed within five (5) calendar days after the City Manager's decision. If the grievance is not submitted within the five (5) calendar day period, it will be considered closed on the basis of the last disposition. The City Commission may render a decision on the said grievance with or without a hearing or may elect to waive rendering a decision. The City Manager will submit the Commission's decision to the Association, provided the City Commission may not increase the penalty for a disciplinary action taken by the City.
- 7.8: Step 5. Should the City Commission elect to waive Step 4 or in the event the City Commission renders a decision which does not satisfactorily settle the grievance, the Association may submit the matter to final and binding arbitration by notifying the City and the Federal Mediation and Conciliation Service (FMCS) within fifteen (15) calendar days of receipt of

the Commission's decision or its decision to waive. Arbitration shall be conducted in accordance with the rules of the FMCS. The filing fee and costs of the arbitrator shall be borne by the party which loses the merits of the dispute; provided, that if the arbitrator decides not to rule on the merits because of procedural grounds, the party which loses on such procedural grounds shall pay such costs. In the event neither party fully wins or loses on the merits of the dispute, the arbitrator may apportion such fees and costs. In the event the FMCS refuses to provide arbitrator's lists to the parties, the American Arbitration Association shall be substituted for the FMCS.

7.9: Any grievance not appealed from a decision in one of the steps of the above procedure to the next step as prescribed shall be considered dropped. Saturdays, Sundays and all legal holidays shall not be counted toward the time limits at any step of the grievance procedure. The City shall not be authorized by this procedure to file grievances against the Association.

7.10: This Agreement shall not deny legal rights provided by law to any employee or to the Association.

7.11: Any notice of grievance involving discharge or disciplinary action including demotion, must be filed within two (2) consecutive calendar days with the Chief of Police or his designee after the action is taken (excluding Saturday, Sunday and holidays). The complete grievance, in writing, must be filed within five (5) calendar days (excluding Saturday, Sunday and holidays) with the Chief of Police at Step 2 of the grievance procedure. Thereafter, the grievance shall proceed as provided in Steps 3, 4 and 5.

7.12: Any employee who is reinstated after discharge and/or disciplinary layoff or demotion shall be returned to the same rate of pay, or as may be agreed to by the parties as the case may be.

7.13: No claim for back wages shall exceed the amount of the wages the employee would otherwise have earned at this regular rate, less any new or additional compensation that he earned from any source of employment during the periods he would have been regularly scheduled to work.

7.14: Time limits at any step in this procedure may be extended upon mutual written agreement by the parties.

ARTICLE VIII
UNION REPRESENTATION

8.1: The authorized representation of the Association, not to exceed two employees, shall be paid for time actually lost during working hours in attending grievance meetings with the City representatives. The representatives will be permitted to leave their job, upon request, and after receiving approval of the Captain, or in his absence, the Chief of Police, for the purpose of investigating a grievance. Such representatives shall report to the Captain, or in his absence, the Chief of Police, upon completion of his investigation. This right to receive pay for time lost shall not be abused. The department may furnish cards or forms to maintain a record of the time spent hereunder. The names of the Association's authorized representatives shall be furnished to the City.

8.2: Authorized representatives of the Association shall be granted permission, upon reasonable advance request, to enter non-restricted work areas for the purpose of adjusting grievances with designated supervisors during normal business hours only.

ARTICLE IX
NO STRIKE CLAUSE

9.1: All services performed by employees included in this Agreement are performed under state and local law for and in the public interest and are essential to the public welfare. The Association, its officers and members, separately and/or collectively, shall neither cause nor counsel its members, or any of them either directly or indirectly to strike, or participate in any interruption to the work, or in any work slowdown or other interference with any of the services of the City of Birmingham; the above prohibition also applies to any sympathy strike or interruption of work. This provision is accumulative with any other prohibition on strikes or work stoppages provided by law.

ARTICLE X
INSURANCE

10.1: The City will offer a comprehensive insurance program to supplement other benefits and provide security for employees for major and serious losses resulting from accident and/or illness.

10.2: Health, Optical and Dental Insurance Coverage.

Subject to the provisions contained in this Article, Exhibits B and C and H, and the applicable insurance and agency contracts, the City shall pay premiums for providing the following insurance coverage options for Commanders and Sergeants and their dependents.

--During the month of December of each year each employee shall submit, on a form provided by the City, information which can be utilized for coordination of benefits between the City's plan and other plans providing coverage for the employee or his/her dependents. In the event that an employee's spouse has coverage through his/her employer, the City's plan shall be the secondary plan. In the event that the employee's dependents are covered under a spouse's plan, the co-ordination of benefits provision customarily utilized by insurance carriers shall apply.

--Effective January 1, 1994, the City and the Union agree that the current definition of dependent shall apply without regard to any previous practice. The current definition of dependents is: "Wife or husband and unmarried children until the end of the year in which they reach 19--or they remain covered to any age if they are "totally and permanently" disabled by either a physical or mental condition prior to age 19. Children may be by birth, legal adoption or legal guardianship (while they are in your custody and dependent on you), and your spouse's children while they are residing as members of your household.

In addition, an employee will annually be offered the option to elect a cash payment equivalent to 33-1/3% of the City's premium cost for providing health insurance (excluding dental and optical) under Option I provided: (1) the employee furnishes the City with proof of other health care coverage; (2) the employee's election is irrevocable for one (1) year except (subject to the health insurance carrier's approval), the employee may re-enroll in the health care plan in the event of marriage, divorce, death of an employee's spouse or dependent, birth or adoption of a child, commencement or termination of the employee's spouse's employment switching from part-time to full-time status by the employee or his/her spouse, an unpaid leave of absence by the employee or employee's spouse, or if there is a significant change in coverage of the employee's spouse which affects the employee and/or employee's spouse.

Payment under this option shall be made in January of the year following the calendar year for which the employee elected the option.

A new employee covered by this Agreement shall make his election upon completion of six (6) months of continuous service.

Except for the dental insurance and optical insurance, the City shall commence paying the premiums for the above health insurance coverage commencing with the City's billing date for such coverage immediately following the completion of six (6) months of continuous service for employees covered by this Agreement.

Dental insurance and optical insurance shall become effective for an employee commencing with the City's billing date for such insurance immediately following the completion of thirty (30) days of continuous services. Until an employee becomes eligible for health insurance, he shall receive the dental insurance and optical insurance under Option II.

10.3: Disability and Life Insurance. Subject to the provisions contained in this Article, Exhibits D and E, the applicable insurance and agency contracts, the City shall pay premiums for providing the following insurance coverage for employees commencing with the City's billing date for such insurance immediately following the completion of thirty (30) days of continuous service.

10.4: Short and Long Term Disability: For injuries or illnesses commencing after the execution of this contract, disability benefits shall be as follows (disability benefits for prior injuries or illnesses are covered in the parties' agreement in effect at the time of injury):

- (1) Short-Term Disability (Self-Insured):
Maximum weekly sickness and accident benefits for non-duty connected disability will be sixty (60%) percent of average weekly earnings, not to exceed \$500.00 per week, beginning on the 31st calendar day of disability and continuing for a maximum period of one year from the date of the sickness or accident, if the employee is otherwise qualified. Maximum weekly sickness and accident benefits for service-connected disability shall not exceed an aggregate figure of seventy (70%)

percent of an employee's base wage, not to exceed \$600.00 per week, including any Worker's Compensation benefits, beginning on the 31st calendar day of disability and continuing for a maximum period of one year from the date of sickness or accident, if the employee is otherwise qualified.

- (2) Long-Term Disability: Monthly long-term disability benefit provides for an aggregate income of seventy (70%) percent of monthly base pay including any Worker's Compensation benefits up to a maximum of \$4,000.00 per month, beginning one year after the date of sickness or accident. If the employee is otherwise qualified, benefits will continue to age 65 for disabilities which occur at age 60 or less; for disabilities which occur after age 60, benefits shall cease five years after commencement of the disability or age 70, whichever occurs first.

10.5: Life Insurance.

- A. Life insurance shall be provided in the amount of \$40,000.00.
- B. The above face value of the life insurance shall be extended to accidental death and dismemberment in a like amount.
- C. Each employee shall annually purchase term life insurance in an amount which the insurance carrier determines can be purchased on an actuarial basis for such employee based on a contribution of \$2.50 per pay period. Annually, the City shall furnish the Union a schedule of the amounts of insurance which will be purchased by an employee's contribution for the applicable year. Employee contributions for such insurance shall be deducted from the employee's pay.

10.6: Insurance at Employee's Expense. An employee may, at his own expense, elect the Family Continuation (FC) and Sponsored Dependents (SD) riders. Effective January 1, 1996 the cost of family continuation rider shall be \$60.00 per month. To the extent permitted by the IRS Code, the flexible benefit plan shall be modified to provide that employees can make tax deferred contributions into the plan for the costs of family continuation and sponsored dependent riders that they elect.

10.7: Terms and Conditions. All terms and conditions of insurance coverage shall be governed by the provisions of the insurance agreement between the City and the insurance carrier, a copy of which shall be provided to the Union.

10.8: Termination of Insurance on Voluntary or Involuntary Termination, Termination Layoff, or Personal Leave. In the event of a voluntary or involuntary termination or in the event of a layoff or personal leave of absence, the City's obligation to pay premiums for the insurance specified in 10.2 shall terminate as of the date sufficient to provide such insurance coverage through the last day of the billing month in which such termination, layoff or personal leave of absence occurs.

10.9: In the event of a voluntary or involuntary termination, or in the event of a layoff or personal leave of absence, the City's obligation to pay premiums for life insurance (10.3), dental insurance (10.2), and disability insurance (10.5 and 10.5) shall terminate as of the date sufficient to provide such insurance coverage through the last day for which such employee is paid his regular salary.

10.10(a): Termination of Insurance on Sick-Disability Leave. In the event of a sickness or disability leave of absence, the City shall continue to pay the premiums for the health insurance (10.2), optical insurance (10.2), life insurance (10.5), dental insurance (10.2) and disability insurance (10.4) for any month for which an employee receives actual compensation from the City.

10.10(b): If an employee has at least 480 hours of sick leave when he commences a continuous period of sick or disability leave, and exhausts such sick leave during such continuous period of sick or disability leave, the City, only once during an employee's employment with the City, shall during such leave, continue to pay the premium for health insurance for up to six (6) billing months following the month in which such employee's insurance would otherwise have terminated under Section 10.10(a).

10.11: Elect to Continue Benefits. In the event of a layoff, sickness or disability leave, an employee may elect to continue health insurance (10.2), optical insurance (10.2), life insurance (10.5) and disability insurance (10.4) as provided in the applicable insurance policy, provided such employee makes the required contribution in advance of the billing date for such insurance, and provided that such continuation may not exceed six (6) billing months following the last billing month for which the City paid premiums, unless extended by the applicable insurance carrier.

10.12: Re-instatement of Insurance Coverage. An employee shall be re-instated for insurance coverage commencing with the month following the month in which the employee returns to full-time duty; an employee who reports for court, or a conference, or for training, or for maintaining certification, or for similar irregular assignment shall not be deemed to have returned to full-time duty for purposes of this section.

10.13: Change of Dependents. The employee is responsible for notifying the Personnel Office within thirty (30) days of any change in the number of his dependents.

10.14: The City reserves the right to provide any insurance under this agreement through any carrier it elects or to self-insure any insurance, provided (a) that the benefits provided are equal to or better than the benefits being provided at the time of ratification of this agreement by the City and Union, and (b) the Union is notified at least 30 days in advance of such change, and (c) if there is a disagreement between the City and Union as to whether the benefits to be provided by a different carrier are equal to or better than the benefits provided at the time of this agreement between the City and the Union, the parties shall submit the matter to arbitration under Section 7.8, and the insurance through a new carrier or self-insurance shall not be implemented until a decision is rendered by the arbitrator. It is agreed that a change to Blue Cross & Blue Shield coverage shall be considered equivalent to the current coverage, provided that benefits are equivalent, without regard to a change in Network Providers.

ARTICLE XI
RETIREMENT

11.1: Except as otherwise provided herein, all matters pertaining to retirement shall be as stated in the Employee Retirement System for the City of Birmingham, an ordinance of the City of Birmingham, Michigan, adopted as amended.

11.2: Deferred Retirement. Any employee covered under this contract who has ~~ten~~ (10) years or more of credited service at the time he or she leaves the employ of the City shall be eligible for a Deferred Retirement benefit payable at age 55.

11.3(a): Health Insurance For Retirees. Employees who have fifteen years of service and receive a Normal or Disability Retirement, shall be eligible to elect the health insurance coverage contained in Article X, Section 10.2, and Exhibit H, subject to Section 10.14, (no dental or optical coverage provided) for the retired employee and his/her spouse commencing with the first month for which he or she actually receives a retirement benefit until age 65. An eligible retired employee who elects such coverage shall contribute \$15.00 per month for each individual under age 65 for which coverage is provided.

When such eligible retired employee and/or spouse reaches the age of 65, eligibility shall be for Medicare Complementary coverage as shown in Exhibit H. Such coverage assumes coverage under both parts A and B under Medicare. An eligible retired employee who elects such coverage shall contribute \$8.00 per month for each individual age 65 or older for which coverage is provided.

Coverage will be available for the retired employee and his/her spouse only. Dependent coverage and family continuation and sponsored dependent riders will be available at the retired employee's expense only for those individuals for which these coverages and riders were being elected immediately prior to retirement. The coordination of benefits provisions for active employees shall be applicable for coverage for retired employee's spouse and dependents under the City's plan.

Employees who receive a Deferred Retirement Benefit having been employed by the City for twenty (20) years or more shall be eligible to elect the health insurance benefits specified in this Section commencing with the first month for which he/she actually receives a retirement benefit, provided that such retired employee contributes 50% of the cost for such coverage.

11.3(b): Health Insurance for Sergeants and Commanders Not Subject to Social Security/Medicare. If an employee, who retires after July 1, 1990, or his spouse, is not eligible for medicare coverage from any source after age 65, the City shall pay the premium for providing benefit items 1, 2, and 3 on Exhibit H-1 coverage for such retired employee, or his spouse, provided he/she is not otherwise eligible for any type of medical care coverage. The City and Union shall meet and prepare a tentative list of such employees and their spouses who may be eligible for coverage under this provision. To be eligible for such coverage, an employee and/or his spouse must sign a certificate that he/she is ineligible for any other insurance coverage and provide consent for the City to obtain any records from the federal government related to such coverage. Any misrepresentation will require the retiree or spouse to reimburse the City for any premiums paid.

If an employee or spouse becomes eligible for medicare coverage, then the City shall pay the premium for providing the Medicare complimentary coverage as provided in Section 11.3(a).

11.3(c): For all employees hired after the effective date of this Agreement who qualify for retirement health insurance benefits, the City shall provide the health insurance specified in this section upon normal or disability retirement provided that the retired employee contributes 50% of the cost for such coverage.

11.3(d): Health care coverage as provided herein terminates at the end of the month in which the last benefit is paid under the Retirement System.

11.4: Final Average Compensation. The definition as set forth in Chapter XIX, Section 2(14) of "Final Average Compensation" shall be changed to provide as follows for employees retiring after October 1, 1981:

Final Average Compensation means the highest average annual compensation received by a member during a period of three (3) consecutive years of service contained within his last ten (10) years of service immediately preceding his retirement. If he has less than Three (3) years of credited service, his final average compensation shall be the average of his annual compensations received during his total years of credited service."

Effective July 1, 1995, for all employees who retire after that date in accordance with this Section, except with a deferred retirement as shown below, such employee's pension benefit shall be calculated on the basis of 2.85% times the first 30 years of service and 1% thereafter. Employees retiring prior to July 1, 1995 shall be governed by the provisions of the pension system on the date of their retirement.

Effective July 1, 1997, an employee covered by this agreement may elect to retire, without actuarial reduction, at age 53 provided that such employee has at least 25 years of service as a sworn police officer.

If an employee with at least 10 years of service retires prior to age 55, unless such retirement is for disability as provided in the Retirement Ordinance City Charter, such employee shall receive a deferred retirement payable commencing at age 55 on the basis of a pension benefit of 2.25% times the first thirty (30) years of service and 1% times each year thereafter.

11.5: Effective July 1, 1985, an employee who is eligible to receive pension benefits may withdraw his contribution to the pension system including interest attributable to such contributions, provided that in such event, the amount of his pension benefit shall be based only on the City contributions, and therefore, the benefit provided for such employee shall be proportionately reduced to reflect withdrawal of the employee's contribution and interest, and be actuarially reduced. The amount of the reduction will be determined based upon the mortality assumption adopted by the Retirement Board and the interest assumption published by the Pension Benefit Guaranty Corporation and effective for PBGC purposes for the month of retirement.

Effective July 1, 1995, all employees covered by this agreement shall contribute 4.00% of annual compensation to fund retirement benefits.

11.6: In accordance with the City Retirement Ordinance, members of the bargaining unit who elect benefit options upon retirement after July 1, 1993 shall have the ability to elect a "pop-up" option as a part of any joint and survivor benefit election.

Members of the bargaining unit shall be included in the reciprocal retirement amendment to the Ordinance governing the City Retirement Plan.

ARTICLE XII
FUNERAL LEAVE AND EMERGENCY LEAVE

12.1: For purposes of attending the funeral of a member of an employee's immediate family, a seniority employee shall receive a leave of absence of three (3) work days during the period commencing on the day of death and ending on the day after the funeral.

A seniority employee shall be granted one (1) additional day with pay if the place of the funeral is 200 miles or more from the Birmingham City Hall.

For purposes of this section, immediate family means current wife, current husband, child, stepchild, brother, sister, mother, father, mother-in-law, father-in-law, grandparent, grandparent-in-law, and grandchild.

For a funeral of one other than a member of the immediate family which because of extenuating circumstances the seniority employee's Department Head believes is appropriate for the employee to attend, the Department Head may make a request of the City Manager for approval to grant up to one (1) day off with pay to attend such person's funeral.

12.2: Emergency Leave. An employee may use up to four (4) sick leave days per calendar year due to the illness or disability of members of the employee's immediate family which requires the presence of the employee. Such days shall be used in one-hour increments and shall be charged to the employee's accrued sick leave. The maximum number of sick leave days permitted under this section per calendar year is four (4) sick leave days.

It is the intent of the City and Union that whenever possible, and employee using sick leave under this section, shall make arrangements for the family member as soon as possible and return to work.

For purposes of this section, immediate family means current wife, current husband, mother, father, child or stepchild and any relative living within the household of the employee.

12.3: Employee-Retiree. Regular City employees may be granted time off with pay to attend the funeral of a City of Birmingham employee or retiree provided.

a. Those employees who may be spared from the work assignments and have a bona fide reason, may be granted time off with pay to attend the funeral. The determination as to who may be spared and the validity of the reason shall rest with the Department Head.

b. Under no circumstances is the department to be closed or services appreciably reduced without prior written approval of the City Manager.

12.4 Emergency Leave During Vacation. Emergency leave will not be granted if the emergency occurs during a previously scheduled vacation unless such leave starts prior to the time that the vacation is scheduled. When the leave starts prior to the time the vacation is scheduled the absence will be charged to emergency leave rather than vacation. If the emergency occurs after the vacation is started, the time will be charged to vacation and not to emergency leave.

12.5: Employee's Wife Having a Baby. An employee will be permitted up to a total of one (1) day off without charge to sick leave when his wife is having a baby.

ARTICLE XIII LEAVE OF ABSENCE

13.1: An employee for justifiable reasons, may be granted a leave of absence without pay for up to one (1) week by the Chief of Police. Request for leaves involving more than a week or a request for a renewal must be in writing and approved in writing by the City Manager with a copy to the Union. Leaves shall be considered on an individual basis, and the length of time approved shall be at the discretion of the City. During the period of absence, the employee shall not engage in gainful employment other than Union employment.

Employees on leave shall accumulate seniority, with the exception of employees on leave in the employ of this Union or its affiliates.

ARTICLE XIV LIGHT DUTY WORK

14.1: Light duty work for an injured or disabled employee may be provided by the Chief of Police at his discretion, with the concurrence of the City Manager, based on any criteria established by the City including the availability of work, the number of persons requesting light duty, and any other factors which the City decides to use in determining whether to grant light duty. If the Chief of Police and the City Manager decide to allow an employee light duty work, such light duty work must be mutually agreeable to the employee and the Union.

14.2: An employee who has been permanently or partially incapacitated by occupational injury or illness arising out of and in the course of his employment with the City, may be assigned other work in the bargaining unit which, in the judgement of the City and agreeable to the Association, he is capable of performing, provided that this provision shall not accord him super-seniority beyond his seniority date to continue working.

14.3: An employee assigned as provided in Section 14.2 shall be paid the regular rate of the job to which he is assigned, unless his incapacity renders him unable to perform a normal day's work, in which case a lesser rate shall be negotiated between the City and the Association. This provision shall not be construed as a guarantee of employment or an obligation to create work not normally available. This provision shall be without prejudice to any rights which may accrue to such employee under the applicable Worker's Compensation Act.

14.4:

A. In the event an employee is disabled and unable to work within the Police Department at his regular salary, except as otherwise provided in this Article, as a result of duty connected personal injury or illness arising out of and in the course of his employment, and in fact is paid Worker's Compensation benefits, the employee will be paid for those days the employee would otherwise have been scheduled to work 100% of his regular base pay for the period beginning on the 14th calendar day of disability through 1 year from the date of such disability.

The period will begin on the 1st calendar day of disability through 1 year from the date of such disability in the event that the compensability of the disability under Workers Compensation is not disputed and the employee is placed off work by the City physician.

Such payment will consist of the Worker's Compensation payment, supplemented by any other disability benefits provided by the City, and an additional supplement provided by the City. The additional supplement provided by the City will be made for a period not to exceed 1 year, and will be provided without deduction from the employee's accrued sick leave.

For the first 14 calendar days if applicable, as set forth above, and in the event that the employee is unable to return to his regular duties after a period of 1 year, accrued illness allowance or vacation leave shall be used, and deducted, on a pro-rata basis to provide up to 100% of base pay.

During the time that any Worker's Compensation claim is pending, but benefits have not been received, the employee shall utilize accrued illness allowance or vacation leave. If Worker's Compensation benefits are subsequently awarded for such period of time, the employee will endorse the benefits to the City and shall

receive the equivalent credit in accrued leave. If an employee exhausts accrued leave while a Worker's Compensation claim is pending, the employee shall receive disability benefits as described in subsection B. below, and health insurance benefits will be continued for a period not to exceed 1 year.

B. In the event an employee is disabled and unable to work within the Police Department at his regular salary and position as a result of illness or injury not compensable under the Worker's Compensation Act, the employee will receive disability benefits in accordance with Article X, Section 10.4. Accrued illness allowance or vacation leave shall be used, and deducted, on a pro-rata basis to provide up to 100% of base pay.

C. The City may, at its option, require a confirming statement and evidence from a medical doctor relative to the nature of injury or illness and the duration of absence.

D. An employee unable to return to work within twenty four (24) months of the date of injury or illness shall no longer accrue additional paid leave time or other benefits earned by active employees; provided that this provision shall not affect the disabled employee's benefits on the date of disability as applicable regarding health insurance, disability insurance, disability pension, and other benefits as set forth in the contract. An employee's seniority shall terminate thirty six (36) months after the date of injury or illness; however, the termination of seniority shall not impact upon entitlement to previously earned paid leave, or short-term disability and long-term disability, or disability pension.

ARTICLE XV
EDUCATIONAL ASSISTANCE PROGRAM

15.1: The City will continue its present Educational Assistance Program which will provide reimbursement for books and tuition according to the following:

15.2: Application. Application for Educational Assistance may be made by any regular employee who has completed his designated probationary period.

Application will not be considered if the employee is eligible for or receiving funds for the same course from any other source (GI Bill, scholarships, vocational rehabilitation, etc.)

Application will be approved only for course work directly related to the employee's present job or directly related to a promotional position.

15.3: Reimbursement. Reimbursement shall be made only for course work completed at accredited high schools, colleges and universities.

Reimbursement shall be limited to \$1,500.00 per participant per fiscal year for credit courses. This equals approximately six (6) credit hours per semester. There shall be a One Hundred Dollars (\$100.00) limitation per participant per fiscal year for non-credit courses.

15.4: Reimbursement Schedule. Reimbursement for tuition and required textbooks shall be according to the following schedule:

- (i) 100% reimbursement for courses completed with "A" or "B" or numerical equivalent.
- (ii) 75% reimbursement for courses completed with "C" or numerical equivalent.
- (iii) 0% reimbursement for courses completed with a grade less than "C".

15.5: The Program does not include special seminars or "short courses" of a few days' duration, which will continue to be considered on an individual and departmental training basis as in-service training.

15.6: Employees must submit official school transcript showing final grade received. The employee shall be considered as having completed a class when he concludes the term for which the school quotes the tuition fee.

15.7: As funds for Educational Assistance are limited, priority shall be governed by the time and date that completed applications are received in the Personnel Department. Approval and reimbursement for Educational Assistance is contingent upon the availability of funds as budgeted by the City, the employee's successful completion of the course, and adherence to the procedures and policies outlined in this Article.

15.8: Expenses such as lab fees, parking, mileage, etc. shall not be part of the Educational Assistance Program.

15.9: The applicant shall attend classes on his own time and without compensation from the City. The employee should not carry over six to eight credit hours per term or semester.

15.10: It is recognized that in an area as broad as Educational Assistance, this policy may not cover all eventualities. The City Manager shall be the final authority in judging whether reimbursement shall be made.

ARTICLE XVI LONGEVITY

16.1: Longevity payments in accordance with the following schedule and provisions shall be payable to Sergeants in December of each year:

- (a) Less than 5 years of service - none
- 5 through 9 years - 2% of scheduled rate.
- 10 through 14 years - 4% of scheduled rate.
- 15 through 19 years - 6% of scheduled rate.
- 20 through 24 years - 8% of scheduled rate.
- 25 years and over - 10% of scheduled rate.

16.2: Commanders shall receive longevity pay which is equivalent to the same dollar amount that Sergeants receive.

16.3: Employees leaving service because of Normal Retirement or Disability Retirement may add their accumulated vacation to their last date of work, provided they have not used their vacation prior to that time, in order to qualify for a longevity payment date of December.

16.4: Employees who die or retire with a Normal Retirement or Disability Retirement under the City's Retirement program prior to the December date on which longevity is paid shall be entitled to receive a pro-rated portion of the longevity pay for the year in which such death or retirement takes place as of the date of death or the date he actually leaves the City's employ to retire, irrespective of when such person is entitled to receive retirement benefits, based on the wage schedule in effect on such date. Employees who terminate their employment prior to December 1st of any year for reasons other than death, Normal Retirement or Disability Retirement shall not be eligible for longevity pay for the year of their termination.

ARTICLE XVII
HOURS OF WORK AND REPORT IN PAY

17.1: Normal Work Week. The normal work week shall be an average of forty (40) hours per week averaged, at a minimum, over two consecutive payroll periods (a 28 calendar day period). As part of the normal work week and work schedule, each employee is required to report either fifteen (15) minutes before or remain fifteen (15) minutes after his tour of duty. The employee may be assigned any work the Department determines during this fifteen (15) minute period. This fifteen minute period shall be included as hours worked in the normal work week and no overtime shall be paid for such fifteen minutes. This section shall not in any way be construed as a guarantee of pay or work.

ARTICLE XVIII
OVERTIME

18.1: An employee will be paid one and one-half (1-1/2) times his/her regular hourly rate in the following instances:

18.2: Subject to 17.1 and 18.4, time worked in excess of eight (8) hours in any shift.

18.3: Subject to 17.1, time worked during the 28 calendar day period (referred to in Article XVII) in excess of 160 hours.

18.4: An employee shall not be paid any premium pay for the fifteen minute period either prior to or after the regular tour of duty. Currently, Commanders may work an additional one-half hour after their tour of duty, including the fifteen minutes referred to in Article XVII. Such employees are allowed to take compensatory time upon approval of the Chief of Police or Captain for this additional one-half hour. This practice shall continue during the term of the contract, provided that the Chief of Police approves of its continuance.

18.5: There shall be no duplication of the premium paid under Section 18.2 and 18.3 for the same hours worked.

18.6: Compensated time off shall be counted as time worked for purposes of computing overtime pay under this Agreement.

ARTICLE XIX
COURT TIME

19.1: Three (3) hours minimum, at one and one-half (1-1/2) times the regular rate will be paid when appearing for scheduled court appearance on off-duty time not immediately prior to or following regular scheduled shift.

ARTICLE XX
CALL BACK

20.1: Three (3) hours minimum, at one and one-half (1-1/2) times the regular rate will be paid when the City requires an employee to be called back to the station for duty-related matters during off-duty time not immediately prior to or following his regular scheduled shift.

ARTICLE XXI
LUNCH BREAK

21.1: An employee is permitted a thirty (30) minute lunch period subject to call for which the employee shall suffer no loss of compensation.

ARTICLE XXII
TRAVEL AND EDUCATION TIME

2.1: Travel Time. Except as provided in Sections 22.3 and 22.4, when an employee is specifically directed by the City to attend a work-related school and/or training program, the employee shall be paid for actual class time subject to Section 22.3 and actual travel time to and from the school or training program at either the applicable straight time or overtime rate provided that, (1) if an employee's actual class time and travel time are equal to or less than eight (8) hours, he shall be paid only for actual class and travel time; and (2) the employee must report to the station immediately before and after attendance at and/or travel from the school or training program, unless excused by the Chief.

22.2: Class Time. If an employee attends a class which extends more than one day, the number of hours spent in class, and travel time shall be averaged. If the time spent in class, traveling, and on duty for those days averages less than 8 hours per day, then the employee will receive no additional compensation; if the time spent averages more than 8 hours per day, then the employee shall be paid at the applicable overtime rate for those average hours in excess of eight (8).

22.3: This section does not include post-secondary courses which are prerequisite or requisite to retaining or obtaining a position with the Department.

22.4: This section does not include any work-related schools and/or training programs conducted outside of the state of Michigan. Time spent attending and/or traveling to such schools shall be negotiated by the City and the employee involved on an individual basis, and need not be approved by the Union.

ARTICLE XXIII
SENIORITY

23.1: Seniority, for purposes of this Agreement shall be department seniority and shall mean an employee's continuous service in any classification within the Police Department in a position with the power of arrest. An employee who is promoted from the Sergeant classification to the Commander classification shall be credited with department seniority in the Commander classification the day following completion of his probationary period in the Commander classification. An employee demoted from the Commander classification to the Sergeant classification may exercise his department seniority

in the Sergeant classification. Any employee who is promoted, transferred or demoted out of the bargaining unit, but who continues as an employee with the power of arrest in the Birmingham Police Department, shall retain and continue to accumulate department seniority which he may exercise in the event he is returned by the City to the unit. This shall apply to prior as well as future promotions, transfers or demotions. Upon execution of this Agreement, the City and Association shall agree on the applicable seniority date for each member in the bargaining unit.

ARTICLE XXIV
LAYOFF-DEMOTION

24.1: When there is a reduction of the working forces in the Department within the Classifications covered by this Agreement, the following procedure shall govern in making layoffs:

24.2: Probationary employees within the affected classification shall be laid off first.

24.3: Thereafter, seniority shall govern layoffs and recalls. The employee who has the lowest seniority shall be the first to be laid off from the affected classification, and the last to be recalled. If a Commander is laid off and has more seniority than a Sergeant, he may displace that Sergeant. Commanders and Sergeants who are laid off may exercise their department seniority in any position where they have a contact right to do so. In the event of an increase in the work force, or a vacancy in the previously-held classification, the laid off employee shall be recalled to such position.

24.4: Seniority shall terminate if an employee:

- A. Quits or retires.
- B. Is discharged for just cause and it is not reversed.
- C. If he is laid off for a period equal to his seniority at the time of layoff or two years, whichever is the lesser.

D. Fails to return to work at the termination of any leave, unless on the day he was to return from leave, the employee notifies the City of his inability to return and is able to establish that it was physically impossible to return to work.

24.5: Recalls shall be in the reverse order of layoffs.

24.6: Employees on the seniority list when recalled to work shall be given five (5) calendar days advance notice in which to indicate in writing their desire to report for work. Recalls shall be made by certified mail. Copy of notices shall be given to the Association.

24.7: If any employee fails to report within ten (10) calendar days after being notified, or fails to give a satisfactory explanation for not reporting, he will be considered as having voluntarily quit.

24.8: When employees are called to work or laid off, the Association shall be given the names and order of calling or laying off.

24.9: The City shall keep a true seniority list of all bargaining unit employees having seniority rights, copies of which shall be posted in the department. Copies shall be given to the committee once each six (6) months. The City and Union did agree on the initial list and it is attached to this contract.

24.10: Employees shall notify the City of their proper post office address or change of address, telephone number and changes, and they shall be given a receipt from the City that such notices have been given. The City shall be entitled to rely upon the address and telephone number shown upon its records for all purposes.

24.11: Any employee promoted into the unit who has not attained the educational requirements in effect at the time of the promotion for the classification he is promoting into must, as a condition of continued employment in such position, expeditiously and actively pursue completion of such educational requirements.

ARTICLE XXV
WAGES AND CLASSIFICATIONS

25.1 (a): The salary schedule for July 1, 1995 - June 30, 1998 is attached hereto as Schedule A and is made a part of this Agreement.

25.2: Movement to the maximum of the pay grade is on a merit basis and not automatic.

25.3: When an employee is promoted to a higher classification, he/she shall be placed in the step of that classification which has a wage rate immediately higher than the rate he/she received prior to such promotion.

ARTICLE XXVI
VACATION

26.1: Employees shall be granted vacation according to this Article.

26.2: Employees with one (1) full year of service, but less than five (5) years of service prior to January 1st of any year, shall receive two (2) weeks (ten (10) work days) vacation.

26.3: Employees with five (5) years of service but less than ten (10) years of service prior to January 1st of any years shall receive three (3) weeks (fifteen (15) work days) vacation.

26.4: Employees with ten (10) years of service, but less than twenty (20) years of service prior to January 1st of any year shall receive four (4) weeks (twenty (20) work days) vacation.

26.5: Employees with twenty (20) or more years of service prior to January 1st of any year shall receive five (5) weeks (twenty-five (25) work days) vacation.

26.6: Employees shall accrue vacation only as long as the employee is directly paid compensation by the City. In the

year in which an employee ceases to be directly paid by the City, his vacation pay for that year shall be pro-rated on the basis of the number of calendar days in the period for which he was directly paid and 365 days.

26.7: Vacations must be taken in the calendar year following the year in which they were earned, unless advance written approval of the City Manager is obtained.

26.8: Vacation leaves may be suspended during any period of emergency declared by the City Manager.

ARTICLE XXVII
HOLIDAYS

27.1: The City recognizes the following holidays:

New Year's Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Friday after Thanksgiving Day
Christmas Day
December 24th
December 31st
Personal Day (3)
Employee's Anniversary
Good Friday
Martin Luther King, Jr.'s Birthday (effective
January 1, 1991)

27.2: To be eligible for time off with pay or pay as provided in Section 28.3 for the above holidays, the employee must work his regular work day before and his regular work day after the holiday, unless absent on approved paid sick leave or vacation.

27.3: For all employees, all holidays (except Good Friday and the Friday after Thanksgiving Day) shall be taken in conjunction with an employee's vacation during the calendar year following the year in which the holidays occur. For Good Friday and the Friday after Thanksgiving, a Platoon Sergeant shall be paid in cash for these holidays if he meets the eligibility requirements. All other employees shall be given time off on Good Friday and the Friday after Thanksgiving unless required to work on such days, in which case such employee shall be given a mutually agreeable day off in lieu of such holiday.

27.4: If an employee terminates prior to his vacation, he will be paid for all holidays which have preceded his date of termination, if he has not already taken time off for and been paid for such holidays.

27.5: Consistent with the accrual of holidays, Martin Luther King, Jr.'s Birthday will be celebrated during calendar year 1992 as an addition to annual leave.

27.6: In the event that special event activities continue to take place on New Year's Eve, and members of the bargaining unit not otherwise scheduled to work are assigned to work during the special event activities, all members of the bargaining unit who in fact work during the special event, shall receive additional compensation such that compensation totals 2 times the employee's regular hourly rate of pay.

ARTICLE XXVIII
UNIFORM ALLOWANCE

28.1: A yearly allowance of \$400.00 shall be provided by the City as a uniform allowance. This allowance shall be credited to the employee's account in the Uniform Fund. The Uniform Fund shall be administered by the Chief of Police or a staff officer designated by him.

28.2: The employee shall be responsible for maintaining his uniform in the standards established by the Department.

28.3: No checks will be issued for an amount greater than the balance in an employee's account.

28.4: The balance remaining at the end of the fiscal year shall remain in the employee's account.

28.5: This account is for the sole use of the employee for purchasing required uniforms and may not be used for other purposes.

28.6: Bargaining unit employees holding positions in the Juvenile Bureau and the Detective Bureau shall annually receive an additional uniform allowance of \$50.00 for each fiscal year.

ARTICLE XXIX
CLEANING ALLOWANCE

29.1: In addition to the uniform allowance provided above, the City shall pay to Commanders and Sergeants \$200.00 per year. This amount shall be payable in two equal installments; one installment being paid November 1st, and the other installment being paid February 1st to each employee on the payroll on such dates and be subject to taxation as required by the taxing authorities.

ARTICLE XXX
ILLNESS ALLOWANCE

30.1: Sick leave shall be allowed only in cases of actual sickness or disability of an employee or as provided in Article XII.

30.2: Seniority employees are allowed one (1) day (eight (8) hours) sick leave credit for each month in service, beginning with the first full calendar month of service:

- a. No sick leave will be granted before it has been earned.
- b. Unused sick leave credits may accumulate to the total of sixty (60) days (480 hours).
- c. Employees who have accumulated and hold a bank of sixty (60) days (four hundred eighty (480) hours) shall, while such bank continues at sixty (60) days, accrue additional sick leave credits commencing with calendar year 1976 at the rate of one-half (1/2) day per month of six (6) days per year. there shall be no limit to the accumulation of days at such rate.

30.3: Employees will be credited with sick leave earned after they complete their first six (6) months of employment.

30.4: In order to receive sick leave the employee must notify his supervisor before he is scheduled to report, unless physically impossible. Failure to do so may be cause for denial of paid sick leave. Sick leave may be used to supplement any insurance benefits received so that combined benefits are equal to, but do not exceed, approximate gross biweekly pay.

30.5: If the City, based on reasonable grounds, determines that an employee has misused his sick leave, the employee shall lose his pay for the first day of absence commencing with the third period of absence after the City notifies the employee in writing of his misuse of sick leave. Such penalty shall be applied to the employee's first day of absence commencing with such third pay period and each additional period of absence thereafter within twelve (12) months after the City notified the employee in writing of his misuse of sick leave.

30.6: The sick leave earned to date shall be posted on the employee's record on January 1, of each year:

- a. If any employee is absent from work due to illness or disability prior to the start of his

previously scheduled vacation period, and continues ill during his vacation period he may charge the time to his illness allowance at his option.

- b. Any illness or disability occurring after a vacation period has started will not be charged to illness allowance but will be charged to vacation up to the extent of the previously arranged vacation period.

30.7: Except as provided in Section 30.14, an employee who terminates his employment with the City will forfeit any sick leave that he may have accumulated. In the event that he is later re-hired, he shall be considered a new employee for all purposes.

30.8: Sick leave will be accrued and charged to the nearest half hour and is computed from the first half hour of the employee's absence, when approved.

30.9: The amount of sick leave used by an employee will be equal to the number of regularly scheduled hours he would otherwise have worked during his absence. During January of each year, a report will be made to each employee showing his accumulated sick leave.

30.10: A certification from a physician of the City's choosing may be required by the Department Head as evidence of illness or disability before compensation for the period of illness or disability is allowed. Any question as to eligibility, etc., shall be resolved through the grievance procedure.

30.11: A written authorization from the employee's attending physician is required before an employee may return to work following a prolonged illness or injury absence.

30.12: Inability to work because of proven sickness or injury shall not result in loss of seniority rights.

30.13: Sick leave shall cease to accrue in instances where an employee no longer is being paid directly by the City. For the month in which the employee is last paid by the City his sick leave for that month shall be prorated based on the number of days in that month for which he was directly paid by the City and thirty (30) days.

30.14: Upon death, normal or deferred, retirement with twenty or more years of service under the City's retirement plan, an employee shall be entitled to receive an amount equivalent to the unused hours accumulated in his illness allowance bank in excess of 480 hours according to the following schedule:

| | |
|---------------|------------------------------|
| 0 - 480 hours | - 0% |
| 481-575 hours | - 50% for all hours over 480 |
| 576-671 hours | - 60% for all hours over 480 |
| 672-766 hours | - 70% for all hours over 480 |
| 767 and over | - 80% for all hours over 480 |

All employees who, as of January 2, 1985, had 672 hours of accrued sick leave or more, upon death, normal or disability retirement, or deferred retirement with twenty or more years of service, under the City's Retirement System, shall receive an amount equivalent to their accrued sick leave in excess of 480 hours, provided that such employee continues to have a bank of accrued sick leave in excess of 672 hours until death, normal or disability retirement or deferred retirement with twenty years of service; if before such death or retirement, such an employee's accrued sick leave goes below 672 hours, he shall thereafter upon death or retirement be subject to the schedule set forth above.

Upon disability retirement under the City's Retirement System, an employee shall be entitled to receive an amount equivalent to the unused hours accumulated in his illness allowance bank in excess of 480 hours; such payment shall be based on the employee's hourly rate of pay and paid as of the date of disability retirement.

30.15: Effective January 1, 1991, an employee who as of January 1, 1990, or as of any subsequent January 1, has a balance of at least 480 sick leave hours, and who does not use any sick leave (whether for emergency leave or otherwise) during the calendar year commencing on such date, shall receive a bonus of one personal day which shall be taken during the following calendar year. As an example, an employee who as of January 1, 1991 has at least 480 sick leave hours and who has not used any sick leave time during calendar year 1991, shall receive eight (8) hours personal time which shall be used during calendar year 1992.

ARTICLE XXXI
WORK OUT OF CLASSIFICATION

31.1: When a Sergeant on Duty is assigned in writing by the Chief or Captain for a temporary period, because of the absence of a Commander, to perform duties as an Acting Commander, he shall be paid at the minimum rate for Commander for the actual time he works as an Acting Commander, and shall be required to report at the same starting time as the Commander he is temporarily replacing.

ARTICLE XXXII
MANAGEMENT RESPONSIBILITY

32.1: It is recognized that the management of the Department, the control of its properties and the maintenance or order and efficiency is solely a responsibility of the City. Other rights and responsibilities belonging solely to the City are hereby recognized, prominent among which, but by no means wholly inclusive are: the right to decide the number and location of its facilities, stations, etc., work functions to be performed, to establish shifts and the schedule of persons to work such shifts, and to rotate duties, maintenance and repair, amount of supervision necessary, equipment, methods, schedules of work, together with the selection, procurement, designing, engineering and the control of equipment and materials, and the right to purchase services of others, contract or otherwise, to enter mutual aid pacts with other communities, and expressly reserves the right to establish and maintain Rules, Regulations and Procedures governing the operation of the Police Department and the employees therein, except when limited by the express provisions appearing elsewhere in this Agreement.

32.2: It is further recognized that the responsibility for the management of the Department and the selection and direction of the working forces, including the right to hire, suspend or discharge for just cause, assign, promote or transfer, demote, to release employees because of lack of work or for other legitimate reasons is vested exclusively in the City. Employees shall have the right to process grievances in accordance with the procedure in his Agreement, if the Association believes the City has violated this Agreement or its Rules and Regulations relating to employment.

32.3: It is expressly agreed by the parties hereto that the Personnel Policies, Rules and Regulations for the Police Department in effect on July 1, 1990, except as modified as provided in Article VI, will be continued and the Association agrees that the City shall continue to have all rights set forth therein except as may be expressly modified herein.

ARTICLE XXXIII
RESIDENCY REQUIREMENTS

33.1: An employee covered by this Agreement shall be required to establish his permanent residency within the boundaries outlined in Exhibit G, which encompass the area of the north side of Eight Mile Road, the east side of Haggerty Road, the south side of Thirty-Two Mile Road, and the west side of Van Dyke. A new employee must meet the residency requirements by the time he completes the one-year probationary period provided in this Agreement.

ARTICLE XXXIV
ASSIGNMENT OF REPLACEMENT PERSONNEL

34.1: In the event that a Sergeant is absent from work, the employees in this Unit recognize and agree that the City has the right to either assign or call in a Corporal to perform such work.

34.2: In the event that a Commander is absent from work the employees in this Unit recognize and agree that the City has the right to either assign or call in the Captain to perform such work.

34.3: In the event that a Corporal who is assigned as a replacement for the Sergeant is absent, the City, if it elects to fill the Sergeant position, shall not be required to offer the work to the employees in this Unit.

ARTICLE XXXV
OUTSIDE EMPLOYMENT

35.1: Private employment by an employee on off-duty time may be permitted pursuant to the established Department Rules and Regulations and Procedures.

ARTICLE XXXVI
PARKING

36.1: During the term of this contract, the City agrees to maintain for employees the current parking arrangement or at a similar facility within the downtown area.

ARTICLE XXXVII
SEPARABILITY

37.1: This Agreement is subject to the laws of the State of Michigan, and in the event that any provision of this Agreement shall, at any time, be held to be contrary to law by a court of competent jurisdiction from whose final judgement or decree no appeal has been taken within the time provided therefore, such provisions shall be void and inoperative; however, all other provisions of this Agreement shall, insofar as possible continue in full force and effect.

ARTICLE XXXVIII
SCOPE OF AGREEMENT

38.1: The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject matter not removed by law from the area of collective bargaining, and that the understandings and agreements arrived at by the parties after the exercise of the right and opportunity are set forth in this Agreement. Therefore, the City and the Association for the life of this Agreement each voluntarily and unqualifiedly waives the right, and agrees that the other shall not be obliged to bargain collectively with respect to any subject or matter referred to or covered in this Agreement, or with respect to any subject or matter not specifically referred to or covered by this Agreement, even though such subject or matter may not have been within the knowledge or contemplation of either or both parties at the time that they negotiated or signed this Agreement.

ARTICLE XXXIX
SUPPLEMENTAL AGREEMENTS

39.1: All supplemental agreements must be in writing and shall be subject to the approval of the City and the Association. They should be approved or rejected within a period of ten (10) days following the date they are filed by the Association.

ARTICLE XL
DEFERRED COMPENSATION PLAN

40.1: Employees may participate in the ICMA Deferred Compensation Plan. An employee may sign up for or make changes in the amount of his contribution or elections only during the first full week of July and December of each year. Changes or withdrawals cannot be made at any other times.

ARTICLE XLI
DRUG SCREENING PROGRAM

41.1: After negotiations with the Union about the effects on Sergeants and Commanders under this Agreement, the City has adopted a drug screening program which is attached as Exhibit F to this Agreement. To the extent such program applies to

Sergeants and Commanders under this Agreement, the program, which is a part of the City's Rules and Regulations, is incorporated into this Agreement.

ARTICLE XLII
TERMINATION

41.1: This collective bargaining agreement shall become effective on the date signed by the parties, and will expire at midnight on June 30, 1998. Request for negotiations for the next fiscal year shall be made to the City prior to April 1, 1998.

41.2: 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 a resolution of a new contract for the next fiscal year.

Signed this 29 day of Feb, 1996.

BIRMINGHAM COMMAND OFFICERS
ASSOCIATION

CITY OF BIRMINGHAM

By

John U. Van Gorder

By

[Signature]

By

Thomas A. Sewert

3/4/96

LETTER OF AGREEMENT

The City of Birmingham ("City") and the Birmingham Command Officers' Association of Michigan ("BCOA") ("COAM") agree that the Sergeant, Stephen Schettenhelm's seniority date shall be March 11, 1982, except that this seniority date shall not be used to calculate "years of service" for promotion purposes,

For promotion purposes, Sergeant Schettenhelm shall be credited with years of service from March 15, 1985.

CITY OF BIRMINGHAM

Gleanor A. Seewert

3/4/96

Date

BIRMINGHAM COMMAND OFFICERS
ASSOCIATION

John V. Van Horn

[Signature]

Date 2-29-96

CITY OF BIRMINGHAM
POLICE COMMAND (BCOA)

LETTER GROUP: J
HOURS: 2088

EFFECTIVE JULY 1, 1995

| 04 SERGEANT | A MINIMIM | B 6 MONTHS | C 18 MONTHS | D 30 MONTHS |
|----------------|--------------|---------------|----------------|----------------|
| H | 22.52 | 22.91 | 23.30 | 23.69 |
| W | 900.80 | 916.40 | 932.00 | 947.60 |
| B | 1,801.60 | 1,832.80 | 1,864.00 | 1,895.20 |
| M | 3,918.48 | 3,986.34 | 4,054.20 | 4,122.06 |
| A | 47,021.76 | 47,836.08 | 48,650.40 | 49,464.72 |

| 05 COMMANDER | A | B | C | D |
|-----------------|-----------|-----------|-----------|-----------|
| H | 24.33 | 24.74 | 25.25 | 25.59 |
| W | 973.20 | 989.60 | 1,010.00 | 1,023.60 |
| B | 1,946.40 | 1,979.20 | 2,020.00 | 2,047.20 |
| M | 4,233.42 | 4,304.76 | 4,393.50 | 4,452.66 |
| A | 50,801.04 | 51,657.12 | 52,722.00 | 53,431.92 |

CITY OF BIRMINGHAM
POLICE COMMAND (BCOA)

LETTER GROUP: J
HOURS: 2088

EFFECTIVE JULY 1, 1996

| | A | B | C | D |
|-----------|-----------|-----------|-----------|-----------|
| 04 | MINIMIM | 6 MONTHS | 18 MONTHS | 30 MONTHS |
| SERGEANT | | | | |
| H | 23.20 | 23.60 | 24.00 | 24.40 |
| W | 928.00 | 944.00 | 960.00 | 976.00 |
| B | 1,856.00 | 1,888.00 | 1,920.00 | 1,952.00 |
| M | 4,036.80 | 4,106.40 | 4,176.00 | 4,245.60 |
| A | 48,441.60 | 49,276.80 | 50,112.00 | 50,947.20 |
| 05 | | | | |
| COMMANDER | | | | |
| H | 25.06 | 25.48 | 25.90 | 26.36 |
| W | 1,002.40 | 1,019.20 | 1,036.00 | 1,054.40 |
| B | 2,004.80 | 2,038.40 | 2,072.00 | 2,108.80 |
| M | 4,360.44 | 4,433.52 | 4,506.60 | 4,586.64 |
| A | 52,325.28 | 53,202.24 | 54,079.20 | 55,039.68 |

CITY OF BIRMINGHAM
POLICE COMMAND (BCOA)

LETTER GROUP: J
HOURS: 2088

EFFECTIVE JULY 1, 1997

| | A | B | C | D |
|-----------|-----------|-----------|-----------|-----------|
| 04 | MINIMIM | 6 MONTHS | 18 MONTHS | 30 MONTHS |
| SERGEANT | | | | |
| H | 23.90 | 24.31 | 24.72 | 25.13 |
| W | 956.00 | 972.40 | 988.80 | 1,005.20 |
| B | 1,912.00 | 1,944.80 | 1,977.60 | 2,010.40 |
| M | 4,158.60 | 4,229.94 | 4,301.28 | 4,372.62 |
| A | 49,903.20 | 50,759.28 | 51,615.36 | 52,471.44 |
| 05 | | | | |
| COMMANDER | | | | |
| H | 25.81 | 26.24 | 26.68 | 27.15 |
| W | 1,032.40 | 1,049.60 | 1,067.20 | 1,086.00 |
| B | 2,064.80 | 2,099.20 | 2,134.40 | 2,172.00 |
| M | 4,490.94 | 4,565.76 | 4,642.32 | 4,724.10 |
| A | 53,891.28 | 54,789.12 | 55,707.84 | 56,689.20 |

EXHIBIT "B"

The Optical Plan provided in Article IX is the Health Application Network Plan. Consistent with the provisions of Article IX, employees shall elect as part of an insurance option outlined in Article IX, employees shall elect as part of an insurance option outlined in Article IX, HAN Plan I.

HAN - Plan I

| | <u>HAN Panel Provider</u> | <u>Non-Panel Provider</u> |
|--------------------------------|-------------------------------|-------------------------------|
| Examination | 100% | \$20.00 |
| Lenses (Pair) Single Vision | \$40.00 | \$20.00 |
| Bifocal | \$65.00 | \$24.00 |
| Trifocal | \$75.00 | \$30.00 |
| Lenticular | \$90.00 | \$40.00 |
| Frames | \$65.00 | \$20.00 |
| Contact Lenses | \$80.00 | \$40.00 |

EXHIBIT "C"

COMPREHENSIVE DENTAL EXPENSES INSURANCE

SUMMARY OF EXPENSE BENEFITS

The benefits summarized below and more particularly described on the following pages are separate from Medical Expense Benefits. Benefits for each of an employee's insured dependents will be on the same basis as his own.

PLAN I

| | |
|-----------------------|--|
| Benefit..... | 80% of Covered Dental Expenses for Type I services; |
| | 80% of Covered Dental Expenses for Type II services; |
| | 60% of covered Dental Expenses for Type III. |
| Maximum Benefits..... | \$1,000.00 for all expenses in any one calendar year except orthodontic expenses. This maximum applies separately to each insured family member. |

Schedule "C" (Continued)

BENEFITS FOR ORTHODONTIC TREATMENT

Covered Dental Expenses, as previously defined, also include charges for orthodontic diagnostic procedures and treatment consisting of surgical therapy, appliance therapy, and functional/myofunctional therapy (including related oral examinations, surgery and extractions) for children under 23 years of age.

The rate of reimbursement for these charges will be 50% of the usual, reasonable and customary charges.

The maximum benefit will be \$1,000.00 for all such expenses incurred during the lifetime of those insured.

The term "orthodontic treatment" means preventive and corrective treatment of all those dental irregularities which result from the anomalous growth and development of dentition and its related anatomic structures or as a result of accidental injury and which require repositioning (except for preventive treatment of teeth to establish normal occlusion).

No benefits are payable for the replacement or repair of an orthodontic appliance.

Orthodontic Limitations

- (1) If orthodontic treatment is terminated for any reason before completion, the obligation to pay benefits will cease with payment to the date of termination. If such services are resumed, benefits for the services, to the extent remaining, shall be resumed.
- (2) The benefit payment obligation for orthodontic services shall be only for months that coverage is in force.

INTRODUCTION

Plan Objectives

This Dental Expense Benefits Plan has three basic objectives. These objectives are:

- (1) To provide benefits for listed services which are necessary, of acceptable quality, and appropriate for the treatment of a dental condition.
- (2) To help an insured individual defray the cost of dental care required to restore the mouth to (or to maintain the mouth in) a health form and function with a professionally adequate result.
- (3) To assure uniformity in dental claims administration to all insured individuals, wherever located.

Reasonable and Customary Charges

This Plan provides benefits for that part of a dentist's charge for a service or supply which is reasonable and customary. Generally speaking, a charge by a dentist is considered reasonable and customary if it does not exceed:

- a) The dentist's usual charge for the service or supply, or
- b) The prevailing charge for the service or supply made by others of similar professional standing in the same geographical area,

whichever is less.

There may be cases where a usual and prevailing charge cannot be readily identified. In these cases, the City will determine the extent to which the charge is covered by taking into account the complexity, degree of professional skill required, and other factors relating to the services or supplies provided.

COVERED DENTAL EXPENSES

Covered Dental Expenses are the usual charges of a dentist which an employee is required to pay for services and supplies which are necessary for treatment of a dental condition, but only to the extent that such charges are reasonable and customary charges for services and supplies customarily employed for treatment of that condition, and only if rendered in accordance with accepted standards of dental practice. Such expenses shall be only those incurred in connection with the following dental services which are performed by a licensed dentist and which are receive while insurance is in force.

Type 1 Services

1. Routine oral examinations and prophylaxis (scaling and cleansing of teeth), but no more than once each in any period of six (6) consecutive months.
2. Topical application of fluoride.
3. Space maintainers that replace prematurely lost teeth for children under 19 years of age.
4. Emergency palliative treatment.

Type II Services

1. Dental x-rays, including full mouth x-rays (but not more than once in any period of thirty-six (36) consecutive months), supplementary bitewing x-rays (but not more than once n any period of six (6) consecutive months) and such other dental x-rays as are required in connection with the diagnosis of a specific condition requiring treatment.
2. Extractions.
3. Oral surgery.
4. Amalgam, silicate, acrylic, synthetic porcelain, and composite filling restorations to restore diseased or accidentally broken teeth.
5. General anesthetics when medically necessary and administered in connection with oral or dental surgery.
6. Treatment of periodontal and other diseases of the gums and tissues of the mouth.

Covered Dental Expenses (Continued)

7. Endodontic treatment, including root canal therapy.
8. Injection of antibiotic drugs by the attending dentist.
9. Repair or recementing of crowns, inlays, onlays, bridgework or dentures; or relining or rebasing of dentures more than six (6) months after the installation of an initial or replacement denture, but not more than one relining or rebasing in any period of thirty-six (36) consecutive months.
10. Inlays, onlays, gold filings, or crown restorations to restore diseased or accidentally broken teeth, but only when the tooth, as a result of extensive caries or fracture cannot be restored with an amalgam, silicate, acrylic, synthetic porcelain, or composite filling restoration.

Type III Services

1. Initial installation of fixed bridgework (including inlays and crowns as abutments).
2. Initial installation of partial or full removable dentures (including precision attachments and any adjustments during the six (6) month period following installation).
3. Replacement of an existing partial or full removable denture or fixed bridgework by a new denture or by new bridgework, or the addition of teeth to an existing partial removable denture or to bridgework, but only if satisfactory evidence is presented that:
 - (a) The replacement or addition of teeth is required to replace one or more teeth extracted after the existing denture or bridgework was installed; or,
 - (b) The existing denture or bridgework cannot be made serviceable and, if it was installed under this Dental Expense benefits Program, at least five (5) years have elapsed prior to its replacement; or,

Covered Dental Expenses (Continued)

- (c) The existing denture is an immediate temporary denture which cannot be made permanent and replacement by a permanent denture take place within twelve (12) months from the date of initial installation of the immediate temporary denture.

Normally, dentures will be placed by dentures but if a professionally adequate result can be achieved only with bridgework, charges for such bridgework will be included as Covered Dental Expenses.

LIMITATIONS

A. Restorative:

- (1) Gold, baked porcelain restorations, crowns and jackets. If a tooth can be restored with a material such as amalgam, payment of the applicable percentage for that procedure will be made toward the charge for another type of restoration selected by the patient and the dentist. The balance of the treatment charge will remain the responsibility of the patient.
- (2) Reconstruction. Payment based on the applicable percentage will be made toward the cost of procedures necessary to eliminate oral disease and to replace missing teeth. Appliances or restorations necessary to increase vertical dimension or restore the occlusion will be considered optional and their cost remains the responsibility of the patient.

B. Prostodontics:

- (1) Partial Dentures. If a cast chrome or acrylic partial denture will restore the dental arch satisfactorily, Dental Expense Benefits will cover the applicable percentage of the cost of such procedure toward a more elaborate or precision appliance that patient and dentist may choose to use, and the balance of the cost will remain the responsibility of the patient.

Limitations (Continued)

- (2) Complete Dentures. If , in the provision of complete denture services, the patient and dentist decide on personalized restorations or specialized techniques as opposed to standard procedures, payment of the applicable percentage of the cost for the standard denture services toward such treatment and the balance of the cost will remain the responsibility of the patient.
- (3) Replacement of Existing Dentures. Charges for the replacement of an existing denture will be considered as Covered Dental Expenses only if the existing denture is unserviceable and cannot be made serviceable. Payment based on the applicable percentage will be made toward the cost of services which are necessary to render such appliances serviceable. If an existing prosthetic appliance was installed under this Dental Expense Benefits Program, charges for the replacement of prosthodontic appliances will be Covered Dental Expenses only if at least five (5) years have elapsed since the date of its installation.

EXCLUSIONS

Covered Dental Expenses do not include and no benefits are payable for:

1. Charges for any dental services and supplies which are covered in whole or in part under any other plan of benefits provided by the employer.
2. Charges for treatment by other than a dentist except that scaling or cleaning of teeth and topical application of fluoride may be performed by a licensed dental hygienist if the treatment is rendered under the supervision and guidance of the dentist.
3. Charges for veneers or similar properties of crowns and pontics placed on or replacing teeth, other than the ten upper and lower anterior teeth.

Exclusions (Continued)

4. Charges for services and supplies that are cosmetic in nature, including charges for personalization or characterization of dentures.
5. Charges for prosthetic devices (including bridges and crowns) and the fitting thereof which were ordered while the individual was insured for Dental Expense Benefits but are finally installed or delivered to such individual more than sixty (60) days after termination of insurance.
6. Charges for the replacement of a lost, missing or stolen prosthetic device.
7. Charges for any services or supplies which are for orthodontic treatment, unless specifically provided.
8. Charges for any duplicate prosthetic device or any other duplicate appliance.
9. Charges for sealants and for oral hygiene and dietary instruction.
10. Charges for a plaque control program.
11. Charges for implantology.
12. Charges for services or supplies received as result of dental disease, defect or injury due to an act of war, declared or undeclared.
13. Charges listed on the page entitled, "General Provisions."

EXHIBIT "D"

LONG-TERM DISABILITY INSURANCE

The following represents an outline of benefits applicable to the long-term disability insurance provided under Article IX.

Benefit

The income benefit is payable to the employee as long as he remains totally disabled after the benefit waiting period but not longer than the maximum benefit period as stated in the Insurance Schedule. Benefit payments will be made for each monthly period thereafter during which total disability existed.

Disability Defined (Own/Any Occupation)

Total Disability is, as a result of injury or sickness, the inability of the employee to perform the material and substantial duties of his own job during the benefit waiting period and the next 24 months. Thereafter, it is the inability of the employee to perform the material and substantial duties of any gainful occupation for which he is fitted based on education, training, or experience.

The employee must be under the regular care of a legally qualified physician during the period of disability. With regard to Mental Illness the employee must be under the care of a Physician legally certified to practice as a Psychiatrist.

Injury means an accidental bodily injury which causes disability within 90 days after the injury.

Sickness means an organic disease. Mental Illness is covered as sickness up to the limits specified in this proposal.

Recurrent Disability

If the employee recovers from a total disability during the benefit waiting period and becomes disabled again due to the same or related cause as the previous disability, the subsequent periods of disability will be considered a continuation of the first period of disability, as long as the employee has not returned to full-time active work for more than 15 days in total during the initial benefit waiting period. The returns to work will be counted in satisfying the benefit waiting period. After the benefit waiting period, a recurrence of a disability due to the same or related cause within six (6) months of return to full-time work will be considered a continuation of the previous period of disability, provided that the employee has been continuously insured with us.

Waiver of Premium

Premiums which fall due during continuing disability will be waived commencing with the first premium which falls due after benefits have been payable for one month. Until then, premiums in respect of the disabled employee continue to be payable.

Mental Illness (for groups of 100 lives or more)

A disability income benefit is payable if disability results from a mental, nervous or emotional disease or disorder which requires regular care of a Physician who is also certified to practice as a Psychiatrist.

Exclusions

Benefits are not payable if disability results from:

- a) intentional self-inflicted injury;
- b) war, whether declared or not, or any related act;
- c) participation in a riot or civil commotion;
- d) committing or attempting to commit a felony or assault or engaging in an illegal occupation;
- e) medical or surgical care which is cosmetic in nature unless required to restore tissue damage by disease or accidental bodily injury.

Pre-Existing Conditions Exclusion

If an employee has incurred medical expenses, or received care or treatment by a Physician during the 90-day period prior to the effective date of insurance, no benefit will be payable for any disability resulting from the same or related cause until:

- a) the employee has not incurred medical expenses, or received care or treatment by a Physician for a period of 90 days; or,
- b) the employee has been insured for 12 consecutive months and the disability commences after this period.

If this plan is replacing a similar plan which will be in effect until the day before this one is to commence, the employee will receive credit for continuous time insured under both plans for the purpose of applying this provision.

Partial Disability Benefit (Standard)

For this benefit a disabled employee must satisfy the definition of total disability for the plan throughout the benefit waiting period. Should the disabled employee return to gainful employment after satisfying the benefit waiting period, a partial disability benefit will be paid equal to the gross income benefit reduced by:

- a) 50% of the pay from gainful employment; and
- b) any amounts paid to the employee from the sources listed under Non-Duplication of Benefits.

The partial disability benefit so determined will be further reduced to the extent that the sum of the benefit paid plus 100% of the pay from gainful employment plus any amounts paid to the employee from the other sources of income listed under Non-Duplication of Benefits exceeds 80% of the employee's pre-disability earnings.

The partial disability benefit is payable to the end of the benefit period as long as the disabled employee continues in gainful employment which is under the supervision of a physician and which is acceptable to North American Life.

Non-Duplication of Benefits (Family Offset)

Full Offset (including Dependent Benefits)

The amount of disability benefit payable to the employee is the income benefit reduced by the following:

- a) any amount received as a salary continuation plan, or a severance allowance, from the employer;
- b) any benefits paid under:
 - 1) a retirement plan, except benefits representing the employee's contributions to the retirement plan;
 - 2) any other disability insurance plan;

for which the employer has paid any part of the cost, but excluding any increases in these benefits after the employee becomes totally disabled (a retirement plan does not include a profit-sharing plan, a thrift plan, an individual retirement account (IRA), a tax sheltered annuity (TSA), a stock ownership plan, or a non-qualified plan of deferred compensation):

- c) any benefits for which the employee and his dependents may be reasonably considered to be entitled under:
 - 1) any Workers' Compensation or similar law;
 - 2) the federal Social Security Act;
 - 3) any other federal, state, or provincial benefit plans;

but, excluding cost-of-living increases in these benefits after LTD is first payable;

- d) any benefits payable under any plan sponsored by an organization of which the employee is a member.

Survivor Benefit (Lump Sum)

A survivor Benefit will be paid if an employee dies after the benefit waiting period while receiving total disability benefits provided that:

- a) total disability existed for 180 consecutive days prior to the employee's death; and
- b) there is an eligible survivor.

The Survivor Benefit is equal to a multiple of the last net monthly benefit that was paid just prior to the employee's death. This multiple is shown in the Schedule of Benefits.

An eligible survivor is:

- a) the employee's spouse, if living; otherwise
- b) the employee's dependent children under age 21.

The Group Police determines all rights and benefits which are summarized in this Exhibit.

EXHIBIT "E"

LIFE INSURANCE

The following represents an outline of provisions applicable to the life insurance provided under Article IX.

1) Benefit

Upon death from any cause at any time or place, the life insurance will be paid in a lump sum or, if elected, under a settlement option agreement to the beneficiary named. The insured individual may change the beneficiary designation at any time.

2) Total Disability Death Benefit

If the insured becomes totally disabled before age sixty (60), a death benefit will be payable if he remains totally disabled until death. Periodic proof of total disability must be furnished as required by the policy.

3) Conversion Benefit

There is a conversion privilege which gives an individual--on termination of his insurance under the policy--the right, under certain stated conditions, to continue his life insurance protection under an individual policy.

4) Effective Date of Coverage

If because of injury or sickness, an employee is unable to perform active work on a full-time basis at any time during the day immediately preceding the date on which his insurance would otherwise become effective, no insurance will become effective on that employee or his dependents until he returns to work and performs active work on a full-time basis. Further, if an employee did not receive insurance because of the above provision and subsequently returns to active work on a full-time basis, that portion, if any, of his Life Insurance in excess of \$10,000 will not become effective until he has performed active work on a full-time basis for a continuous period of thirty (30) calendar days.

Life Insurance (Continued)

With respect to dependents, if a dependent is confined in a hospital on the date he would otherwise become insured, no insurance will become effective on that dependent until the day he is discharged from the hospital.

Application for insurance upon any person must be made within 31 days after becoming eligible. If application is not made within this time period, satisfactory evidence of insurability is required.

5) Multiple Coverage Limitation

This plan contains a provision which provides that if any person is also covered under any other group basis plan and is entitled to benefits or services as to medical care, services or supplies for which benefits are payable under this program shall be adjusted, if necessary to the extent that the combined benefits or services shall not exceed the expense incurred for charges allowable under such other plan and this program.

The Group Policy determines all rights and benefits which are summarized in this Exhibit.

EXHIBIT "F"

DRUG FREE WORKPLACE

I. PURPOSE

The City of Birmingham and the Police Officers Association of Michigan (POAM) have established a drug program covering sworn members of the Police Department. The main focus of this program is to have employees with drug addiction volunteer for treatment and rehabilitation and provide all sworn officers with notice of the provisions of the Department drug testing program.

II. POLICY

It is the policy of this department that the critical mission of law enforcement justifies maintenance of a drug-free work environment through the use of a reasonable employee drug testing program.

The law enforcement profession has several uniquely compelling interests that justify the use of employee drug testing. The public has a right to expect that those who are sworn to protect them are at all times both physically and mentally prepared to assume these duties. There is sufficient evidence to conclude that the use of controlled substances and other forms of drug abuse will seriously impair on Officer's physical and mental health and, thus, job performance.

Where law enforcement officers participate in illegal drug use and drug activity, the integrity of the law enforcement profession and public confidence in that integrity are destroyed. This confidence is further eroded by the potential for corruption created by drug use.

Therefore, in order to ensure the integrity of the department and to preserve public trust and confidence in a fit and drug free law enforcement profession, this department will implement a drug testing program to detect prohibited drug use by sworn employees on January 1, 1991.

III. DEFINITIONS

- A. Sworn Officer -- Those Officers who have been formally vested with full law enforcement powers and authority.
- B. Supervisor -- Those sworn Officers assigned to a position

having day-to-day responsibility for supervising subordinates, or who are responsible for commanding a work element.

- C. Drug Test -- The compulsory or voluntary production and submission of urine by an Officer in accordance with departmental procedures, for chemical analysis to detect prohibited drug usage.
- D. Reasonable Suspicion -- That quantity of proof or evidence that is more than a hunch, but less than probable cause. Reasonable suspicion must be based on specific, objective facts and any rationally derived inferences from those facts about the conduct of an individual that would lead the reasonable person to suspect that the individual is or has been using drugs while on or off duty.
- E. Probable Cause -- That amount of facts and circumstances within the knowledge of a supervisor or the administration which are sufficient to warrant a prudent man to believe it is more probable than not that an Officer had committed or was committing an offense contrary to this drug policy.
- F. Probationary Officer -- For the purpose of this policy only, a probationary Officer shall be considered to be any person who is conditionally employed with the department as a recently hire law enforcement Officer.
- G. MRO - Medical Review Officer -- The medical review officer is a physician knowledgeable in the medical use of prescription drugs and the pharmacology and toxicology of illicit drugs. The MRO will be a licensed physician with knowledge of substance abuse disorders. The MRO shall have appropriate medical training to interpret and evaluate an individual's test results with his or her medical history and any other relevant biomedical information.

IV. PROCEDURES/RULES

A. Prohibited Activity

The following rules shall apply to all applicants, probationary and sworn Officers, while on and off duty:

1. No Officer shall illegally possess any controlled substance.
2. No Officer shall ingest any controlled or prescribed substance, except under the direction of a licensed medical practitioner.
3. Any Officer who unintentionally ingests, or is made to ingest, a controlled substance shall immediately report the incident to his supervisor so that appropriate medical steps may be taken to ensure the Officer's health and safety.
4. Discipline of sworn Officers for any violation of this drug testing policy shall be in accordance with the due process rights provided in the department's rules and regulations, policies and procedures and the collective bargaining agreement. When there is a refusal to participate, probable cause, or the Medical Review Officer determines that an officer's drug test was positive; the officer may be immediately relieved of duty pending a department investigation at the discretion of the Chief of Police or his designee.

B. Applicant Drug Testing

1. Applicants for the position of sworn law enforcement Officer shall be required to take a drug test in accordance with applicable state laws and regulations.
2. Applicants shall be disqualified from further consideration for employment under the following circumstances:
 - a. Refusal to submit to a required drug test; or

- b. A confirmed positive drug test indicating drug use prohibited by this policy.

C. Probationary Officer Drug Testing

All probationary recruit Officers shall be required as a condition of employment to participate in any unannounced drug tests scheduled for the probationary period. The frequency and timing of such tests shall be determined by the Chief or his designee. They may be tested prior to completion of the probationary period.

D. Officer Drug Testing

1. Sworn officers will be required to take drug tests as a condition of continued employment in order to ascertain prohibited drug use, as provided below:
2. The City and the Union have agreed to a policy under which sworn employees will undergo a drug screen on a random basis, or whenever the City has probable cause or reasonable suspicion.
3. Once each month the names of all employees shall be placed in a sealed container and shall be drawn out by a representative of the Union and the Chief of Police or his designee. If a name is drawn of an employee not on duty on the date of the drawing, the employee's name shall be returned to the sealed container and another name shall be drawn. The Union representative and Chief of Police, or his designee, shall not reveal the names of those employees drawn until after the employee has been appropriately contacted by the Department.
4. The Chief of Police may order an officer to take a drug test upon documented probable cause that the officer is or has been using drugs. A summary of the facts supporting the order shall be made available to the Officer prior to the actual test. If such Officer's test is negative, the summary of facts supporting the order shall not be placed in

his file.

5. Upon reasonable suspicion the Department may request, through the Union, that an Officer submit to a voluntary drug test. Submission to a voluntary drug test hereunder shall be subject to the frequency limitation found in Article IV, subsection D, subsection 2 herein. Any Officer voluntarily submitting to a drug test who tests positive as a consequence of said test, shall be eligible for coverage under the last chance rehabilitation provision set forth in this policy. Any Officer who refuses to submit to a request for a voluntary drug test shall not be disciplined as a consequence of such refusal, but shall not be eligible for coverage under the last chance rehabilitation provision set forth in this policy for a period of three (3) years.
6. A drug test may be administered as part of any promotional physical examination required by this Department.
7. A drug screening test shall be considered as a condition of acceptance to the Narcotic Unit. Furthermore, the members of the Narcotic Unit may be tested randomly at least once every six months and also when they leave the unit. The members shall be eligible for coverage under the last chance rehabilitation provision set forth in this policy.

E. Penalty

Violation of any provision of this drug testing policy shall be grounds for disciplinary action. Discipline shall be administered as set forth in the Birmingham Police Department's rules and regulations, and may include discharge from the police department. Any discipline issued remains subject to review in accordance with the collective bargaining agreement except that the union shall not represent probationary employees with respect to discipline or discharge.

F. Rehabilitation Program

1. Under this program, any seniority employee may volunteer to enter a drug education/rehabilitation program prior to the random test or prior to being

notified that he/she will be tested. With regard to marijuana use, this program will require the individual to participate in a City approved/supervised drug education program as directed by the City, followed by unannounced periodic testing for drugs. With regard to drugs or controlled substances other than marijuana, this program will require the individual's enrollment in a City approved/supervised in-patient treatment facility, followed by participation in a City approved/supervised out-patient treatment program as directed by the City. Participants in both the rehabilitation/treatment program and the education program will be subject to unannounced periodic testing for drugs for a period of two (2) years. Any further use of any controlled substance under any circumstance may thereafter result in the employee's suspension and dismissal from the City. Furthermore, the failure to fully participate in and/or successfully complete the prescribed education or rehabilitation and follow-up program may constitute grounds for dismissal.

2. The drug education program and in-patient treatment referred to in the Section shall be paid for by the employee, subject to the City provided insurance program.
3. Employees will be allowed to use accrued sick leave benefits until such time as the city, based on medical evidence, determines they are capable of returning to active duty. Time spent on out-patient treatment after an employee is reinstated shall be on the employee's own time. Successful completion of the prescribed treatment program and certification by a physician, designated by the City, are required prior to returning to active duty. Participation in the rehabilitation program requires the employee to sign an authorization for release of those medical records necessary for the City to determine that the employee is complying with the rehabilitation program and can be certified for reinstatement.

G. Drug Testing Procedures

1. The testing procedures and safeguards provided in this policy, to ensure the integrity of department drug testing, shall be adhered to by any laboratory

personnel administering drug testing.

2. Laboratory personnel authorized to administer drug tests shall require positive identification from each Officer to be tested before they enter the testing area.
3. In order to prevent a false positive test result, a pre-test interview shall be conducted by testing personnel with each Officer to ascertain and document the recent use of any prescription or non-prescription drugs, or any indirect exposure to drugs; however, medical information may be given to the laboratory testing personnel on a voluntary basis. If the test results are positive, it will be mandatory that the officer divulge the necessary medical information to the Medical Review Officer that may have lead to a false positive test.
4. The bathroom facility of the testing area shall be private and secure.
 - a. Authorized testing personnel shall search the facility before an Officer enters it to produce a urine sample, and document that it is free of any foreign substance.
5. Where the Officer appears unable or unwilling to give a specimen at the time of the test, testing personnel shall document the circumstances on the drug-test report form. The Officer shall be permitted no more than eight hours to give a sample, during which time he shall remain in the testing area, under observation, however, the officer may allow a blood sample to be drawn. Reasonable amounts of water may be given to the employee to encourage urination. Failure to submit a sample shall be considered a refusal to submit to a drug test except for good cause as determined by the M.R.O.
6. The urine/blood sample will be split and stored in case of legal disputes. The samples must be provided at the same time, and marked and placed in identical specimen containers by authorized testing personnel. One sample shall be submitted for immediate drug testing. The other sample shall remain at the facility in frozen storage.

This sample shall be made available to the employee or his Union, prior to disciplinary action, should the original sample result in a legal dispute. The officer must request same within 72 hours of being notified of a positive and confirmatory test by the Medical Review Officer. All groups of negative samples may be destroyed after seven (7) days.

7. All specimen samples shall be sealed, labeled, initialled by the Officer and laboratory technician/ and checked against the identity of the employee to ensure the results match the tested specimen. Samples shall be stored in a secured and refrigerated atmosphere until testing or delivery to the testing lab representative.
8. Whenever there is a reason to believe that the employee may have altered or substituted the specimen to be provided, a second specimen shall be obtained within a reasonable period of time.

The laboratory personnel will take the appropriate necessary steps to assure the integrity of the second specimen.

H. Drug Testing Methodology

1. The testing or processing phase shall consist of a two-step procedure:
 - a. initial screening test
 - b. confirmation test
2. The urine sample is first tested using the initial drug screening procedure. An initial positive test result will not be considered conclusive; rather, it will be classified as "confirmation pending." Notification of test results to the supervisor or other departmental designee shall be held until the confirmation test results are obtained and verified by the M.R.O.
3. A specimen testing positive will undergo an additional confirmatory test. The confirmation procedure shall be technologically different and more sensitive than the initial screening test.

4. The drug screening tests selected shall be capable of identifying marijuana, cocaine and every major drug of abuse including heroin, amphetamines and barbiturates. Personnel utilized for testing will be certified as qualified to collect urine sample or adequately trained in collection procedures.
5. Concentrations of a drug at or about the following levels shall be considered a positive test result when using the initial immunoassay drug screening test:

Initial Test Level

| | (ng/ml) |
|--------------------------------|---------|
| Marijuana metabolite | 100 |
| Cocaine metabolite | 300 |
| Opiate metabolite. | 300* |
| Phencyclidine. | 25 |
| Amphetamines | 1000 |
| Barbiturates | 300 |

*25ng/ml if immunoassay-specific for free morphine.

Concentrations of a drug at or above the following levels shall be considered a positive test result when performing a confirmatory CG/MS test on a urine specimen that tested positive using a technologically different test than the initial screening method:

Confirmatory Test Level

| | |
|--------------------------------|-------|
| Marijuana metabolite | 15* |
| Cocaine metabolite | 150** |
| Opiates: | |
| Morphine. | 300+ |
| Codeine | 300+ |
| Phencyclidine. | 25 |
| Amphetamines | |
| Amphetamine | 500 |
| Methamphetamine | 500 |

* Delta-9-tetrahydrocannabinol-9-carboxylic acid

** Benzoyllecgonine

+ 25ng/ml if immunoassay-specific for free

Barbiturates 200

6. The laboratory selected to conduct the analysis shall be experienced and capable of quality control, documentation, chain-of-custody, technical expertise and demonstrated proficiency in urinalysis.
7. Officers having negative drug test results shall receive a memorandum stating that no illegal drugs were found. A copy of the letter will be placed in the Officer's personnel file upon the officer's request.
8. Any Officer who interferes with the testing process or breaches the confidentiality of test results shall be subject to discipline.

I. Chain of Evidence - Storage

1. Each step in the collecting and processing of the urine specimens shall be documented to establish procedural integrity and the chain of custody.
2. Where a positive result is confirmed, urine specimens shall be maintained in a secured, refrigerated storage area. If a dispute arises the specimens will be stored until all legal disputes are settled.

J. Drug Test Results

1. All records pertaining to department-required drug tests shall remain confidential, and shall not be provided to other employers or agencies without the written permission of the person whose records are sought. However, medical, administrative, and immediate supervisory personnel may have access to relevant portions of the records as necessary to insure the acceptable performance of the officer's job duties.

K. Off-Duty Use of Marijuana

In accordance with department policy on off-duty use of marijuana, an employee undergoing a scheduled drug screen which tests positive for marijuana may be suspended without pay for a period of thirty (30) days, required to satisfactorily participate in a drug education program, and undergo periodic unannounced testing for a period of two (2) years. Any further use of any controlled substance, including marijuana, will thereafter result in dismissal. Further, the employee's failure to satisfactorily participate in the drug education program shall constitute grounds for discharge. This policy in no way limits the department's prerogative to appropriately discipline its members for conduct related to the use of marijuana.

L. Procedures for Implementation of the Last Chance Agreement

1. A seniority officer whose drug test has been confirmed positive by the Medical Review Officer during random or reasonable suspicion testing shall, if found guilty during department disciplinary proceedings, be offered a last chance agreement.
2. At the discretion of the Chief of Police, that last chance agreement may also be offered to any officer whose drug test has been confirmed positive by the Medical Review Officer.
3. Standard letter of conditions for continued employment (last chance agreement) must be signed by Department and employee.
4. Officer must attend the employee assistance program and/or an authorized rehabilitation source.
5. Officer must sign a form releasing those records necessary for the City to determine that the employee is complying with the rehabilitation program.
6. Officer must complete a rehabilitation program as prescribed by the employee assistance program and/or an authorized rehabilitation source.
7. Officer must pass a medical examination

administered by a medical facility designated by the Chief of Police prior to being allowed to return to duty. The examination shall only screen for drug use and the physical impact of the prior drug usage.

8. Officer may be allowed to use sick time and apply for a medical leave of absence if required, while undergoing rehabilitation.
9. Once authorized to return to duty, the officer must submit to periodic urinalysis on a timetable as may be determined by the Chief of Police.
10. The officer shall be subject to the terms of this program for three (3) years after their return to work.
11. The officer must agree in writing that the officer will be automatically terminated forthwith if a violation of any portion of this program occurs at any time during it's enforcement term.
12. Officer must be advised that the officer is not obligated to sign the agreement and be advised he has the right to seek the counsel of his legal and/or labor representative.

LAST CHANCE AGREEMENT

RE: _____

Whereas, the above referenced individual was found guilty of violating the departmental drug policy on _____, and;

Whereas, the Birmingham Police Department will conditionally reinstate _____ to the position of _____, provided the officer is found by medical examination to be capable of performing all the duties of the classification as determined by the Birmingham Police Department and subject to the following terms and conditions being met and maintained;

Now, therefore, it is agreed that:

1. Officer must sign a form releasing any and all information necessary for the City to determine that the employee is complying with the rehabilitation program and can be certified for reinstatement.
2. Officer must complete a rehabilitation program as prescribed by the employee assistance program and/or an authorized rehabilitation source.
3. Officer must pass a medical examination administered by a medical facility designated by the Chief of Police prior to being allowed to return to duty. The examination shall only screen for drug use and the physical impact of the prior drug usage.
4. Officer may be allowed to use sick time and apply for a medical leave of absence if required, while undergoing rehabilitation.
5. Once authorized to return to duty, the officer must submit to a periodic urinalysis on a timetable as may be determined by the Chief of Police.
6. Upon clearance by the medical facility designated by the Chief of Police, _____ shall be returned to the Police Department as a _____.
7. Once returned to duty, Officer _____ will present himself to the department's employee

assistance program for evaluation, and agree to, as well as follow any and all directives given him by the employees assistance program for a period of not more than three (3) years. Officer _____ agrees to sign appropriate forms releasing any and all information to the Police Department as may be requested. Failure to follow the employees assistance program directives are grounds for discharge, subject to review pursuant to the collective bargaining agreement of only the discharge for failure to follow E.A.P. directives.

8. Officer _____ shall submit to controlled substance testing at the discretion of the Chief of Police. If any such test shows a positive result for the presence of a controlled substance, Officer _____ will be discharged from employment with the City of Birmingham, subject to review pursuant to the collective bargaining agreement of only the discharge for a positive test result hereunder.

9. Officer _____ will be credited with seniority, for promotional purposes, for time separated from the Police Department between _____ and the date of return to duty. No other wage is due or owing, and Officer _____ waives any claim thereto.

10. The Union shall withdraw with prejudice the grievance # _____ and shall release and discharge employer from any and all claims relating thereto. The employer shall release and discharge the union and _____ from any and all claims relating thereto. Officer _____ shall release and discharge the union and the employer from any and all claims relating to grievance # _____, including but not limited to the processing and arbitration of this grievance. Further, Officer _____ releases the city and union from all liability and claims he may have had or now has with respect to his employment with the City of Birmingham whether such claims or liability arise under Federal or State statute, constitutional provisions, principles of common law, or under the collective bargaining agreement between the City of Birmingham and the _____ association.

11. All parties have had the opportunity to consult legal counsel and have carefully and completely read and understood all the terms of this settlement agreement. This settlement agreement is freely and voluntarily entered into by all parties without any duress or coercion.
12. The parties agree that this agreement is entered into as a full and final settlement of the above referenced matter, and is to have no precedential value. Furthermore, the actions taken by the parties in settling this matter are not meant to establish a practice or right to be utilized in any other grievance, claim, or litigation.
13. In the event the officer grieves and attempts to process to arbitration any discipline imposed as a condition of this last chance agreement, said grievance shall be barred by release and waiver, and an arbitrator shall have no authority to modify the penalty imposed by the Police Department.

DATED THIS _____ DAY OF _____, 199__

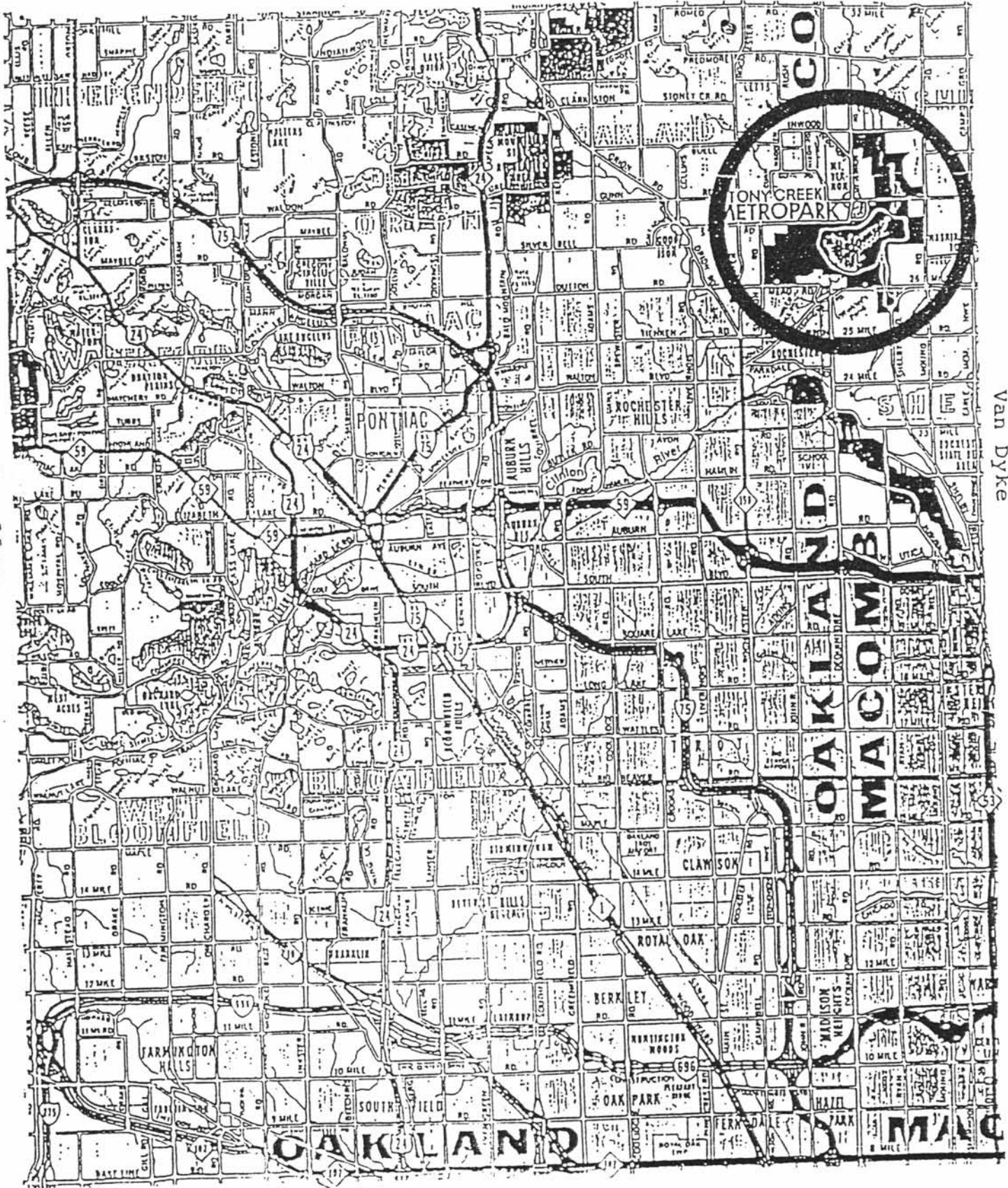
OFFICER

DIVISIONAL INSPECTOR

UNION REPRESENTATIVE

CHIEF OF POLICE

32 Mile Road



Van Dyke

Hayden

SCHEDULE H
Birmingham Command Officers Association
BENEFIT OUTLINE - Active Employees and Retirees Under Age 65

Benefits

SelectCare PPO, Self Insured

In full - Unlimited*

1. Inpatient Hospital
(semi-private room)
Includes ICU and all other eligible charges

Unlimited*

Maternity & Newborn baby care

In full

2. Outpatient Hospital
Includes surgery, lab and radiology

In full for accident

Emergency Room

In full*

3. M. D. Services
Inpatient services:
Surgical procedures, assistant surgeon,
in-hospital attendance, anesthesia,
diagnostic X-ray and lab.

\$15.00 co-pay

Office visits

* \$4,000,000.00 Lifetime maximum per person under combined total plan.

SCHEDULE H
Birmingham Command Officers Association
BENEFIT OUTLINE - Active Employees and Retirees Under Age 65

Benefits

SelectCare PPO, Self-Insured

4. **Additional Benefits**
Home Health Care

In full 60 days maximum

Hospice Care
Adult physical exam
GYN exam
Well Child Care

In full \$7,500 maximum
\$75.00 co-pay
\$50.00 co-pay
\$15.00 co-pay

Skilled Nursing
Care Facility

In full 60 days maximum

5. **Deductibles**

Network: None
Non-Network: \$150 Single/\$300 Family

Co-Pays

Network: N/A
Non-Network:
20% up to \$1,000 Single/\$2,000
Family;
not to exceed \$200 Single/\$400
Family

Out of Pocket Maximum

Network: N/A
Non-Network: \$350 Single/\$700 Family

SCHEDULE H
Birmingham Command Officers Association
"UNBUNDLED" BENEFIT OUTLINE

Benefits

Acorn

Inpatient Psychiatric Care

In full 45 days/year 30 day interval
after first 30 days.
Non-Network: Separate \$500 deductible
with 20% co-pay.

Inpatient Alcohol/Substance Abuse

In full 45 days/year 90 days lifetime 30
day interval after first 30 days.
Non-Network: No coverage

Outpatient Psychiatric visits and
Alcohol Substance Abuse

In full for first 2 visits.
Third to tenth visit: \$35 co-pay
Eleventh + visits: \$50 co-pay

Prescription Drugs

PCS System

\$5.00 per prescription for generic

SCHEDULE H
Birmingham Command Officers Association
MEDICARE COMPLEMENTARY COVERAGE
BENEFIT OUTLINE - RETIRED EMPLOYEES 65 AND OLDER

Benefits

SelectCare, Self Combined Basic/Master Medical

1. Inpatient Hospital
Medicare Part A deductible, daily medicare co-insurance from 61st to 90th day, 275 additional days to total 365. Worldwide coverage in accredited hospitals for 30 days. Medicare coinsurance for 60 lifetime reserve days.
2. Skilled Nursing Home Care
Medicare coinsurance for 21st through 100th day
3. M. D. Services
Medicare Part B (Doctor) deductible, 20% coinsurance for most services covered by Part B
4. Outpatient Psychiatric Care
37.5% coinsurance up to a maximum of \$500 annually when combined with Medicare coverage
5. Extended and Additional Benefits
Modified with limit of \$100,000 per year on extended, and \$2,500 per year and \$5,000 lifetime on Additional. No coverage on co-pays for basic services.

SCHEDULE H
Birmingham Command Officers Association
MEDICARE COMPLEMENTARY COVERAGE
BENEFIT COMPARISON - RETIRED EMPLOYEES 65 AND OLDER

Benefits

SelectCare, Self Combined Basic/Master Medical

- | | |
|-----------------------|--|
| 6. Deductible | \$100 per person per year |
| 7. Non-Network | N/A |
| 8. Prescription Drugs | PCS System \$5.00 per prescription generic. |

SCHEDULE OF BENEFITS

Overall Plan Lifetime Maximum Benefit \$4,000,000
(SelectCare PPO and/or Out-of-Network Plan)

NETWORK BENEFITS -

The following schedule applies when SelectCare PPO Providers are utilized.

Calendar Year Deductible
Individual None
Family None
Out of Pocket Maximums None

INPATIENT HOSPITAL SERVICES & ANCILLARY SERVICES

Inpatient semi-private room and board In-full
(Unlimited days)

(PRECERTIFICATION NOT REQUIRED)

Maternity, Delivery & Newborn In-full

Surgical Procedures In-full
(including assistant surgeon)

Diagnostic, X-Ray, Laboratory, Pathology
and Radiology In-full

Physical Therapy In-full

OUTPATIENT HOSPITAL SERVICES

Emergency Room
Accident or Life Threatening In-full
Sickness \$50 Co-Payment

Outpatient Surgery In-full

Ambulance-Medical or Accident In-full
(when medically necessary)

PHYSICIAN SERVICES

Office Visits, Diagnostic In-full after \$15 Co-Payment

Immunizations (when physician not seen) In-full

Allergy Injections (when physician not seen) In-full

Physical Examinations
 Adult Exams (over 19) In-full after \$75 Co-Payment
 Pediatric Exams (0-19) In-full after \$15 Co-Payment
 Gynecological Exam
 (pap, breast, pelvic) In-full after \$50 Co-Payment

Allergy Testing & Therapy In-full after \$15 Co-Payment

Well child Care In-full after \$15 Co-Payment

Chiropractic Services Not Covered

ADDITIONAL BENEFITS

Sterilizations In-full up to \$1500 Maximum
 Per Lifetime

*Home Health Care In-full (60 day maximum
 per calendar year

*Hospice In-full, \$7500 maximum per lifetime

*Skilled Nursing Facility In-full (60 day maximum
 per calendar year

*NOTE: These services require prior authorization by Selectcare.

MENTAL ILLNESS AND SUBSTANCE ABUSE TREATMENT

The following benefits apply when ACORN, an Employee Assistance Program, is utilized for direct outpatient counseling and precertification of inpatient treatment. Please refer to pages 56 and 57 for complete details. Contact ACORN at 1-800-223-7050.

Maximum benefit for Inpatient and
 Outpatient Treatment \$30,000 per lifetime

Inpatient Mental/Nervous In-full 45 days per calendar
 Treatment year. Maximum 30 days per
 confinement. A 30 day interval
 between confinements.

Inpatient Substance In-full 45 days per calendar
 Abuse Treatment year. Maximum 90 days per
 lifetime. A 30 day interval
 between confinements.

| | |
|-------------------------------------|--------------------------------|
| Outpatient Mental/Nervous | In-full after the following |
| and Substance Abuse | Co-payment: |
| Treatment | Session 1-2 None |
| | Sessions 3-10 \$35 per session |
| | Sessions 11+ \$50 per session |

OUT OF NETWORK BENEFITS

The following schedule applies when covered providers, who are not SelectCare PPO and/or ACORN providers, are utilized.

Calendar Year Deductible

| | |
|--------------------------|-------|
| Individual | \$150 |
| Family | \$300 |
| Mental/Nervous | \$500 |

Coinsurance 80% of the first \$1000 in covered expenses per individual, 80% of the first \$2000 in covered expenses per family. 100% the remainder of the calendar year.

Out of Pocket Maximums

(includes Calendar Year Deductible)

| | |
|----------------------|-------------------------|
| Individual | \$350 per calendar year |
| Family | \$700 per calendar year |

NOTE: NORMAL COINSURANCE LEVELS AND OUT OF POCKET MAXIMUMS DO NOT APPLY TO MENTAL/NERVOUS BENEFITS.

INPATIENT HOSPITAL SERVICES & ANCILLARY SERVICES

Inpatient semi-private room and board and ancillary Subject to deductible and coinsurance

Pre-certification Mandatory - A reduction in benefits of 20% of the approved charges up to a maximum of \$750 per calendar year individual and \$1500 per calendar year per family will be made should Health Direct not be contacted prior to, or within 48 hours of an inpatient confinement. Should a confinement or any portion of a confinement be found to be not medically necessary, reimbursement for those days not medically necessary will be reduced. Contact Health Direct at 1-800-323-3454.

Maternity, Delivery & Newborn . . Subject to deductible and coinsurance

| | |
|---|---------------------------------------|
| Surgical Procedures | Subject to deductible and coinsurance |
| In-Hospital Visits | Subject to deductible and coinsurance |
| Diagnostic X-Ray, Laboratory, Pathology and Radiology | Subject to deductible and coinsurance |
| Physical Therapy | Subject to deductible and coinsurance |

OUTPATIENT HOSPITAL SERVICES

| | |
|---|---------------------------------------|
| Outpatient Surgery | Subject to deductible and coinsurance |
| Diagnostic X-Ray, Laboratory | Subject to deductible and coinsurance |
| Emergency Room | Subject to deductible and coinsurance |
| Ambulance (Medical or Accident Emergency) | Subject to deductible and coinsurance |

PHYSICIAN SERVICES

| | |
|-------------------------------------|---|
| Office Visits | Subject to deductible and coinsurance |
| Immunizations | Not covered |
| Allergy Injections | Subject to deductible and coinsurance |
| Preventative Examinations | |
| Adult Exams | Not covered |
| Pediatric Exams | Not covered |
| Gynecological Exams | Not covered |
| Sterilizations | Not covered |
| Allergy Testing & Therapy | Subject to deductible and coinsurance |
| Chiropractic Services | Subject to deductible and coinsurance, limit 20 visits per calendar year. |

ADDITIONAL BENEFITS

Home Health Care In-full (60 day maximum per calendar year)

Hospice In-full (\$7500 maximum per lifetime)

Skilled Nursing Facility In-full (60 day maximum per calendar year)

MENTAL ILLNESS AND SUBSTANCE ABUSE TREATMENT

The following benefits apply when ACORN, an Employee Assistance Program is not utilized for direct outpatient counseling or precertification of inpatient treatment.

Maximum Benefit for Inpatient Treatment . . \$30,000 per lifetime

SEPARATE Calendar year MENTAL ILLNESS Deductible \$500

Inpatient Mental Illness Treatment . . Subject to the above separate deductible and 20% coinsurance. A 30 day maximum per calendar year.

Inpatient Substance Abuse Treatment Not covered

Outpatient Mental Illness and Substance Abuse Treatment Not covered

PRESCRIPTION DRUG BENEFIT

Generic Drugs 100% after \$5 Co-Payment

MAIL ORDER PRESCRIPTION BENEFIT

Generic Drugs 100% after \$5 Co-Payment

NOTE: If brand name drug is to be given, the Plan Sponsor reserves the right to request that the physician must provide medical necessity for the use of a brand name drug. If not, then the employee must pay the difference in price between the generic drug and brand name drug after the \$5 Co-payment.