

SETTLEMENT AGREEMENT

This Settlement Agreement (Agreement) is entered into this ____ day of _____, 20____, by and between the City of Billings (hereinafter "City"), _____ (hereinafter "Police Officer"), Montana Public Employees Association, Billings Police Unit (hereinafter "Association"), and collectively referred to as the "parties." The settlement reached herein has been negotiated and approved by the Association on behalf of those individual police officers who voluntarily desire to enter into this Agreement.

The City and the Association are parties to collective bargaining agreements that set forth the terms and conditions of employment for police officers in the City of Billings Police Department. The terms of employment include pay provisions involving longevity, overtime, holiday pay, and other forms of pay.

Disputes have arisen regarding the City's calculation and payment of longevity, overtime, and other pay. The Association and the City sought the technical assistance of outside authorities, including the U.S. Department of Labor, to aid in clarifying the proper payment methods. Corrections to the computations were put into effect on July 1, 2009, for all police officers. The Association is satisfied that the calculation of pay has been accurate since that date.

The City believes that the interpretation of the longevity language set out in the last two (2) collective bargaining agreements between the City and Association (July 1, 2003 - June 30, 2006 and July 1, 2006, through June 30, 2009) leads to the conclusion that the City has significantly overpaid longevity during the terms of those contracts. Approximately 27 members and former members of the Association believe that prior to July 1, 2009, the City underpaid longevity, and they have filed suit in State District Court to recover said longevity.

The Association negotiated this recommended settlement of all issues. The decision on signing this Settlement Agreement is being left to the discretion of each officer, however.

In the interests of settling this dispute, Police Officer _____ agrees to settle any and all back pay, overtime, longevity, holiday, or other types of pay for the sum of \$_____. This payment represents corrections of overtime and other pays from January 1, 2007, through June 30, 2009, but the release covers the entire term of employment. Police Officer _____ agrees not to file any grievance or any claim, lawsuit, or action of any kind in any administrative or judicial forum that is based in whole or in part on the City's calculation or payment of longevity pay, overtime, or any other pay prior to July 1, 2009.

In exchange, the City specifically waives its right to collect any overpaid longevity from Police Officer _____ for the period of July 1, 2003, to June 30, 2009. It is agreed that the City does retain its right to defend its calculations, rely on the actual longevity contract language that was in place from July 1, 2003, to June 30, 2009, and seek reimbursement of overpayments from any officer who does not enter into this Settlement Agreement or who files or participates in any administrative, judicial, or action of any kind regarding the proper calculation and payment of overtime pay, longevity pay and/or any other type of pay.

Upon execution of this Settlement Agreement by Police Officer _____, the Association agrees that it will not pursue, process, or file any grievance or any claim in any administrative, judicial, or any other forum on behalf of said officer that is based in whole or in part on the City's calculation of longevity pay, overtime, or any other pay that occurred prior to the date of this Settlement Agreement.

This Agreement does not constitute an admission of wrongdoing by any party, and it is without prejudice to the City's right to defend its calculations in any proceeding or assert its rights to reimbursement by other parties for any alleged overpayments of compensation in any proceeding. Any dispute regarding the terms of

this Memorandum of Agreement shall be resolved through the grievance and arbitration procedures set out in the Collective Bargaining Agreements.

It is understood and agreed that this is a **FULL AND FINAL RELEASE** in full compromise and settlement of all claims relating to pay of every nature and kind whatsoever, and releases all claims whether known or unknown, suspected or unsuspected. The PARTIES warrant and represent that no promise or inducement has been offered or made by the other, except as herein set forth, and that this Release is executed without reliance upon any statement or representation not included within this Release.

If, after the date hereof, any provision of this Release is held to be illegal, invalid or unenforceable under the present or future laws effective during the term of this Release, such provision shall be fully severable. In lieu thereof, there shall be added a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

This agreement shall not be modified or amended except by an instrument in writing signed by all of the PARTIES.

The validity, construction, interpretation and administration of this Release shall be governed by the substantive laws of the State of Montana.

This Release contains the ENTIRE AGREEMENT between the PARTIES hereto, and the terms of this Release are contractual and not a mere recital.

Police Officer _____ has carefully read the foregoing, discussed its legal effect with a Union representative or representatives, has had ample opportunity to discuss it with an attorney of his/her own choosing, understands the contents thereof, and signs the same of his/her own free will and accord. The Montana Public Employee's Association has carefully read the foregoing, has had ample opportunity to discuss it with an attorney of its own choosing, understands the contents thereof, agrees to be bound by its terms and has authorized Bob Chatriand to sign the same as its free and voluntary act. The Agreement is subject to the final approval of the Billings City Council.

DATED this ____ day of _____, 2009.

**MONTANA PUBLIC EMPLOYEES
ASSOCIATION, BILLINGS POLICE UNIT**

POLICE OFFICER _____

By: _____
Name: _____
Title: _____

By: _____

CITY OF BILLINGS

By: _____
Name: _____
Title: _____