

MEMORANDUM OF AGREEMENT

The Negotiations Committees of the Township of Hillside ("Township") and Hillside FMBA Local No. 35 ("FMBA") agree to recommend for ratification and approval, the following modifications to the 2005-2007 collective bargaining agreement:

1. **DURATION:** July 1, 2007 to June 30, 2012
2. **SALARY:** Schedule A shall be increased as follows:

July 1, 2007	3.00%
July 1, 2008	3.75%
July 1, 2009	4.00%
July 1, 2010	4.00%
July 1, 2011	4.50%

3. **LONGEVITY:** ~~Article X~~ ^{Article VIII}, shall be modified, effective July 1, 2007, as follows:

5 th anniversary date	2%
10 th anniversary date	4%
14 th anniversary date	8%
18 th anniversary date	12%
22 nd anniversary date	14%

The remaining language will be modified to reflect the language in the 2000-05 collective bargaining agreement, including the deletion of the footnote in the 2005-07 collective negotiations agreement.

4. **HEALTH INSURANCE:** Article IX shall be modified as follows:
 - A. Section 1 - Hospitalization: Revise language to reflect new plans.
 - B. Effective as soon as practical, increase PPO co-pay for office visits to \$15.
 - C. All members hired after June 30, 2008 must enroll in the PPO Plan and cannot select the Traditional Plan.
 - D. Section 3 - Prescription: Effective as soon as practical, increase co-pays to \$10 for generic prescription drugs and to \$15 for brand-name prescription drugs. Mail Order will remain at "Zero" co-pay.
 - E. Monthly Employee Contributions: Effective July 1, 2010, employees will contribute \$50 per month toward the cost of their health benefits. The monthly contribution shall be deducted by payroll deductions in even amounts throughout the year.

F. IRS Section 125 Plan. As soon as practical, the Township shall establish a non-contributory IRS 125 Plan to provide for pre-tax deductions for qualified employee expenditures. Employees will indemnify the Township against any losses due to effect of tax laws and regulations.

G. Health Insurance Opt-Out: Add new section to successor agreement as follows:

1. Employees covered by this Agreement may opt-out of any health insurance coverages provided each such employee is covered by substantially similar insurance coverage. Such employees will be entitled to receive 25% of the then-current value of the premiums saved by the Township as a direct result of such opt-out. Prorated payments, less usual payroll deductions, will be commence thirty (30) days following the Township's receipt of a written certification that the Employee wishes to opt-out and that s/he has substantially similar insurance coverage. Employees who lose such substantially similar coverage will be entitled to re-enter the Township's insurance plans including the specific insurance plan(s) in which the employee was enrolled immediately prior to his/her opt-out, provided such plan(s) remain available and in force in the Township. Upon the recommencement of coverage under the plan(s), the employees will cease be eligible to receive any payments under this Section. The employee requesting such coverage shall be responsible for notifying the Township of the starting date for recommencement of coverage. The Township will not be responsible for any damages incurred by an employee who fails to provide timely notice of the need to recommence coverage. Employees will be responsible for providing required certification of coverage under the federal Health Insurance Portability and Accountability Act, commonly referred to as HIPAA.

2. Employees who opt-out of all insurance coverages are not responsible to pay the monthly premium contribution referenced in Section 4.E. above. Employees who opt-out of fewer than all coverages will only be responsible to pay that portion of the monthly premium contribution which is proportionate to the amount of premiums saved relative to the total premiums which otherwise would have been paid under all plans by the Township.

5. **HOLIDAY PAY:**

A. Effective July 1, 2008, the value of the holiday pay shall be included in base salary. The method of implementation shall be as follows: Employees will receive the value of their 88 hours of 2007 holiday time by separate check pursuant to the usual practice that has prevailed in the Township. During 2008-09, they will receive 44 hours of holiday time, less any time used, by separate check payable in the second pay period in December 2008. The remaining 44 hours of holiday time for 2008 will be incorporated into the salary guide at Schedule A of the collective bargaining agreement based upon the following calculation: Effective July 1, 2008, increase 2007-08

salary by 88 hrs./2184 hrs. = 2.015% then increase that product by the 2008-2009 salary increase of 3.75%. Effective January 1, 2009, increase the base salary by the product of 2.015% times the 2007-08 base salary, representing the remaining fold-in of holiday time. Effective July 1, 2009, the only increase to base salary will be the salary increases reflected in Section 2 above of this Memorandum of Agreement.

All salary increases are reflected in the attached Rider A which are agreed to and which shall be incorporated into the successor collective bargaining agreement at Schedule A.

- B. 1. Delete Section 5 (Holidays) of Article III in its entirety.
2. Parties will enter into Sidebar Agreement reflecting that Section 5 of Article III was in full force and effect for 2007-08 and providing that Employees who previously banked holiday time pursuant to the former Section 5.B. will be grandfathered. Employees who have not had holiday incentive time added to base pay pursuant to the former Section 5.E. as of September 1, 2008, will **not** have such holiday incentive time added to their base pay. Section B of Article XII will be deleted though it will be noted in the Sidebar Agreement that it was in full force and effect during July 1 2007 – June 30, 2008.
3. Amend Article XII.G. to provide that only holiday time or overtime previously banked prior to November 1, 2008 will be included as Estate Benefits.
6. **BANKED TIME:** Add new section to Article III as follows:
- Upon separation other than by retirement under PFRS, employees will be entitled to receive their previously accumulated holiday time and accumulated sick incentive time subject to a 25% reduction due to early withdrawal. Employees retiring under PFRS shall not be subject to the 25% reduction.
7. **RECALL:** Add following language to end of Article III, Section 2.C.: “ Employees recalled pursuant to this paragraph will remain on call for a minimum of two (2) hours from the time of the initial call.”
8. **EMTS:** Add following language to last sentence of Article VI, Section 4.A.: “when such assignment exceeds sixty (60) minutes or the firefighter is actually dispatched to an EMS call on the ambulance.”
9. **CONTINUATION OF AGREEMENT:** The 2005-2007 CBA shall continue in full force and effect except as modified by the terms of this MOA.

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FOR FMBA LOCAL NO. 35

Alan Roberts

[Signature]

[Signature]

[Signature]

[Signature]

DATED: October ____, 2008

FOR THE TOWNSHIP

DATED: October ____, 2008

RIDER "A"

CALCULATION OF FMBA NO. 35 SALARIES (2007-12) W/ HOLIDAY PAY ADDED IN

2006-07	2007-08	7/1/08- 12/31/08*	1/1/09- 6/30/09**	2009-10	2010-11	2011-12
\$74,660	\$76,900	\$81,391	\$82,941	\$86,258	\$89,709	\$93,746
\$68,593	\$70,651	\$74,777	\$76,201	\$79,249	\$82,419	\$86,128
\$62,533	\$64,409	\$68,171	\$69,469	\$72,247	\$75,137	\$78,519
\$56,473	\$58,167	\$61,564	\$62,737	\$65,246	\$67,856	\$70,909
\$50,412	\$51,924	\$54,957	\$56,003	\$58,243	\$60,573	\$63,299
\$33,926	\$34,944	\$36,985	\$37,689	\$39,196	\$40,764	\$42,599
\$28,712	\$29,573	\$31,301	\$31,897	\$33,172	\$34,499	\$36,052

* Includes one-half of the value of holiday fold-in calculated as agreed as (88 hrs./2184 hrs.=.0403/2=.0215) x 2007-08 salary which is then added to the 2007-08 base. Thus, \$76,900 x .02015=\$1,550 which is then added to \$76,900 to equal \$78,450. Then, negotiated increase of 3.75% is added.

** Includes remaining one-half of the value of holiday fold-in calculated as agreed as (88 hrs./2184 hrs.=.0403/2=.02015) x 2007-08 salary which is then added to the 2007-08 base. Thus, \$76,900 x .02015=\$1,550 which is then added to \$81,391 to equal \$82,941.

SIDEBAR AGREEMENT

between

TOWNSHIP OF HILLSIDE

-and-

HILLSIDE FMBA LOCAL NO. 35
(Holiday Pay)

WHEREAS, Hillside FMBA Local No. 35 ("Union") and the Township of Hillside ("Township") are parties to a collective bargaining agreement ("Agreement") with a term from July 1, 2005 through June 30, 2007; and

WHEREAS, the Agreement contains the following provisions in Article III concerning holiday pay:

Section 5: Holidays

A. Each employee shall receive 88 hours of holiday pay in lieu of granting legal holidays. During the first calendar year of employment, an employee shall be entitled to eighty-eight (88) paid holiday hours which shall be prorated from the date of hire.

B. Unit members shall be entitled at their option to accumulate forty (40) hours of holiday and/or overtime compensation for purpose of retirement. Upon retirement each employee shall be entitled to payment for same at the rate of pay in effect at the time of retirement for time so banked or may elect to utilize same as terminal leave.

C. Each employee of the fire fighting force shall have the option to take time off for said holidays with the permission of the Chief. If an employee elects to use up these holidays, time shall be deducted at the rate of 10 hours per holiday used up. Permission of the Chief shall not be unreasonably withheld.

D. If an employee uses holiday time during a calendar year he shall receive non-payable bonus time off pursuant to the following chart:

<u>HOLIDAY</u>	<u>Regular Holiday Time</u>	<u>Bonus Time Off-No Pay</u>
1	10 hours	
2	<u>10 hours</u> 20 hours	4 hours
3		
4	10 hours <u>10 hours</u> 40 hours	4 hours
5		
6	10 hours <u>10 hours</u> 60 hours	4 hours
7		
8	10 hours	4 hours
8	<u>10 hours</u> 80 hours	<u>14 hours</u> 30 hours
Total	8 hours (remainder)	Possible Bonus Hours

Holidays Regular Holiday Hours

E. In addition to the above, each employee shall receive eight (8) hours of holiday incentive time. This benefit shall be added to the base salary of all members of the department upon completion of three (3) years of service. Employees who have not completed three (3) years of service in the department may take this in time off or shall submit a voucher for payment of the eight (8) hours during the calendar year subject to the approval of the Chief of the Department which shall not be unreasonably withheld.

WHEREAS, following good faith negotiations for a successor collective bargaining agreement, on October ___, 2008, the parties executed a Memorandum of Agreement ("MOA") for a successor collective bargaining agreement providing for the holiday pay referenced in Article III, Section 5 to be included into the employees' base pay effective July 1, 2008 with the specific calculation set forth in detail in the MOA; and

WHEREAS, it is the parties' intent that the terms and conditions of ARTICLE III, Section 5 - Holidays, be maintained in full force and effect during 2007-08; and

WHEREAS, it is the parties' intent that all holiday time, overtime, and holiday incentive time earned and banked by employees as of July 1, 2008 be maintained in those employees' accounts, notwithstanding that those benefits will be eliminated in the successor collective bargaining agreement; and

NOW THEREFORE, it is hereby agreed on this ____ day of November, 2008 by and between the Union and the Township, as follows:

1. The former Article III, Section 5 – HOLIDAYS, shall be considered as if in full force and effect for the period of July 1, 2007 through and including June 30, 2008.
2. Effective July 1, 2008, one-half of the holiday pay referenced in Article III, Section 5 of the Agreement will be included into the employees' base pay with employees receiving a check for the one-half of the holiday time earned and unused as of June 30, 2008 as described in more detail in the MOA and as reflected in the Salary Guide attached at Schedule A of the successor collective bargaining agreement.
3. All holiday time, overtime, and holiday incentive time earned and banked by employees as of July 1, 2008 shall be maintained in those employees' accounts, notwithstanding that those benefits are eliminated in the successor collective bargaining agreement.
4. The parties agree that in view of the inclusion of holiday time in the employees' base salary and the terms and conditions of this Sidebar Agreement, Article III, Section 5 – Holidays, as well as all other references to holiday pay, are to be deleted from inclusion in the successor collective bargaining agreement.
5. The parties hereto agree that wherever this Sidebar Agreement is in conflict with the Agreement, this Sidebar Agreement shall be considered controlling.
6. This Sidebar Agreement is subject to ratification by the Union membership and the Township.
7. This Sidebar Agreement sets forth the full and complete agreement regarding the subject covered hereunder and can be modified only by a written agreement signed by all parties hereto.

ATTEST:

Township Clerk

ATTEST:

TOWNSHIP OF HILLSIDE:

Mayor Karen D. McCoy-Oliver

HILLSIDE FMBA LOCAL NO. 35

Glen DeSanto
Glen DeSanto, FMBA President

*see
attached
memo
approved
by Mayor
12/17/08*

**MEMORANDUM OF AGREEMENT
BETWEEN THE TOWNSHIP OF HILLSIDE
AND
NEW JERSEY FMBA LOCAL 35, HILLSIDE FIRE OFFICERS ASSOCIATION
FMBA LOCAL 235, FOP LODGE NO. 82 AND FOP LODGE NO. 160**

The Township of Hillside (hereinafter referred to as the "Township"), and New Jersey FMBA Local 35, Hillside Fire Officers Association FMBA Local 235, FOP LODGE NO. 82, FOP LODGE NO. 160, Local 255, United Service Workers Union, and OPEIU Local No. 32 (hereinafter sometimes collectively referred to as the "Locals" or the "Unions"), herewith enter into this Memorandum of Agreement (hereinafter referred to as the "Agreement") this ___ day of October, 2010.

WHEREAS, the Locals represent, pursuant to collective negotiations agreements with each of them, which agreements currently are scheduled to expire June 30, 2012, certain employees employed by Hillside; and

WHEREAS, the foregoing collective negotiations agreements are sometimes collectively referred to as the "Original Agreements"; and

WHEREAS, the parties have entered into this Agreement to modify the Locals' Agreements in accordance with the terms hereof, and for the primary purpose of canceling currently scheduled layoffs and avoiding or prohibiting future layoffs for employees represented by the Locals during the term of this Agreement; and

WHEREAS, the parties desire to cancel the current layoff plan on file with the Civil Service Commission involving the Locals and their employees and avoid and prohibit therefore, layoffs generally during the term of this Agreement and cancel the layoffs currently scheduled for October 15, 2010.

NOW, THEREFORE, it is agreed as follows:

1. The terms of the WHEREAS clauses are incorporated herein as if set forth at length and are represented to be true.
2. The Original Agreements, all of which are for the period July 1, 2007 to June 30, 2012, shall remain in full force and effect unless changed herein and subject to the changes which are set forth herein.
3. The Locals agree to move to the New Jersey State Health Benefits Plan, including the prescription plan at such date as is determined by the Township of Hillside.
4. The Locals agree to implement a rollback of the July 1, 2010 4% wage increase, effective October 1, 2010. The Locals agree to the Township utilizing a salary deduction to retroactively recoup the excess wages paid for the period of October 1, 2010 through the date when a new salary ordinance reflecting the above rollback could be passed. Such deduction will be for a duration of 3 consecutive pay periods. The Township will provide the Locals with 2 weeks' advance notice of the commencement of such salary deductions.
5. Effective July 1, 2011, the wages which would have been in effect except for this rollback, inclusive of the 4% base salary increase which was originally scheduled to be effective July 1, 2010, shall be reinstated. The 4.5% base salary increase, which would have been in effect as of July 1, 2011 under the Original Agreements, will be deferred and be effective July 1, 2012. Accordingly, the Original Agreements will be extended one year to June 30, 2013.
6. The Locals agree to the implementation of a 1.5% base salary health insurance premium contribution replacing the current contribution currently set forth in the

Original Agreements, effective October 1, 2010. The payment of all retroactive amounts due under this paragraph shall be handled as set forth in Paragraph 4 above.

7. The Locals agree that, effective November 1, 2010, overtime will not accrue until an employee has worked 40 hours during any workweek.
8. The Township agrees that those Local members who agree to waive health benefits shall receive annually a \$5,000 payment for that waiver subject, however, to State law regarding such waivers. The method of this payment will be made under the identical terms as in the Original Agreements. This provision shall only require a payment where the Township would be required to pay a premium in the event the employee did not opt out of insurance coverage. The terms of the waiver shall be in accordance with agreed upon procedures such as the right of the Local member to end the waiver where duplicate coverage is not available or for other valid reasons.
9. The Township shall immediately direct that the Civil Service Commission cancel the layoff plan currently in effect and any layoffs currently pending.
10. There shall be no layoffs or non-disciplinary demotions during the term of this Agreement (July 1, 2010 to June 30, 2013). Because a prohibition against layoffs or such demotions may be unenforceable, in the event that the Agreement set forth herein as to no layoffs or demotions is violated, the Locals shall have all rights which they may have to challenge the violation of the Agreement. In addition, the Locals' members shall have the following rights:
 - a. As to those who are actually laid off, they shall recover the amounts which were forgiven pursuant to this Agreement as compared to the applicable Original Agreements, up until the effective date of their layoff. This will include all

retroactive payments required to make the laid-off employees whole as to wage and premium payments. For example, the make-whole calculation will include the amounts paid as to the 1.5% contribution to health benefit premiums which commenced as of October 1, 2010 to the date of the layoff; and all base salary increases forgiven from October 1, 2010 to the effective date of the layoff under the Original Agreements.

- b. If there are any layoffs in violation of this Agreement, then, as to those employees not laid off, the following shall take effect prospectively. If the layoff or layoffs take place on or after July 1, 2011 through June 30, 2012, then prospectively, the 4.5% base pay increase, presently scheduled to be effective as of July 1, 2012, will immediately be added to the then-current wages which shall include the 4% increase scheduled to be effective July 1, 2011. In this event, the term of the contract shall be changed, however, so that it will terminate 12 months after the effective date of the first such layoff, provided that in no event will the Original Agreements' terms be extended beyond June 30, 2013. For example, if the layoff or layoffs take place on December 1, 2011, the term of the contract herein shall end December 1, 2012 (instead of June 30, 2013).

11. Any reference to the Locals also includes reference to the Locals' members.
12. The Locals represent the following employees: FMBA Local 35, Firefighters; FMBA Local 235, certain Fire Superior Officers including the Deputy Fire Chiefs; FOP Lodge No. 82, Patrolmen, FOP Lodge No. 160, Police Superior Officers, Local 255, United Service Workers Union, certain Public Works and Clerical employees, and OPEIU Local No. 32, school crossing guards.

13. In the event that a court or agency of competent jurisdiction rules that this Agreement or any material part thereof is invalid, the parties hereto agree that this Agreement will be considered a nullity, and that the Original Agreements shall be in full force and effect.

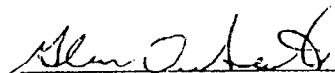
We agree to the above.

TOWNSHIP OF HILLSIDE

By: _____

By: _____

NEW JERSEY FMBA LOCAL 35

By: 
Glen DeSanto, President

By: _____

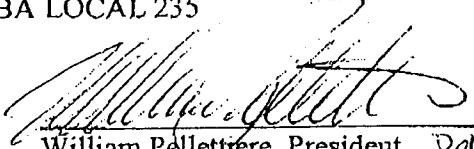
By: _____

By: _____

By: _____

By: _____

HILLSIDE FIRE OFFICERS ASSOCIATION
FMBA LOCAL 235

By: 
William Pelletiere, President Delegate Local 235

By: _____

By: _____

By: _____

HILLSIDE FOP LODGE NO. 82

By: _____
Joseph Cocuzza, President

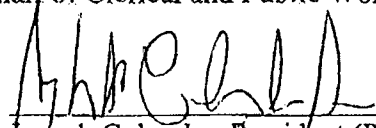
By: _____
Peter Corvelli, Jr.

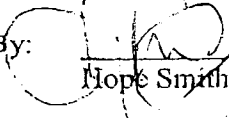
HILLSIDE FOP LODGE NO. 160

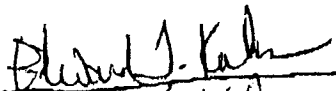
By: _____
Michael Gennaro, President

By: _____

LOCAL 255, UNITED SERVICE WORKERS UNION
(on behalf of Clerical and Public Works Unions)

By: 
Joseph Colombo, President (Public Works Unit)

By: 
Hope Smith, President (Clerical Unit)


Edward J. Kahn
Business Agent - U.S.W.U.

OPEIU LOCAL NO. 32

By: _____
Helen Roche, Shop Steward

**RESOLUTION APPROVING MEMORANDUM OF AGREEMENT WITH CERTAIN
UNIONS REGARDING SALARY, BENEFITS AND LAYOFFS**

R-11-036

WHEREAS, the Township of Hillside ("Township") has been experiencing a severe fiscal crisis as a result of the adverse economic environment prevailing throughout the State; and

WHEREAS, the fiscal crisis has required the Township to consider substantial layoffs of personnel; and

WHEREAS, the rules and regulations of the Civil Service Commission required the Township to seek alternatives to lessen the impact of the layoffs, including but not limited to entering into negotiations with the exclusive negotiations representatives for the employees subject to such layoffs; and

WHEREAS, the Mayor entered into negotiations with representatives of each of the affected unions with the aid of the Township's labor counsel and after conferring with the Township Council's Finance Committee; and

WHEREAS, the Mayor determined to negotiate with the affected unions by means of a negotiations committee which comprised himself, the Township's labor counsel and members of the Township Council's Finance Committee; and

WHEREAS, the Township's Negotiations Committee, including the Mayor, Township labor counsel and members of the Township's Finance Committee met with representatives of all the major unions representing the employees affected by the proposed layoffs on several occasions; and

WHEREAS, the Mayor never informed any member of the Township's Negotiations Committee that they were not authorized to negotiate in good faith on behalf of the Township; and

WHEREAS, the Mayor also never informed any representative of the affected unions that any agreement by the Township's Negotiations Committee was subject to his final approval or that he retained veto power over any agreement reached by the Township's Negotiations Committee; and

WHEREAS, the members of the Township's Negotiations Committee believed that they had authority to negotiate on behalf of the Mayor and that Committee and held themselves out to the unions' representatives as having such authority; and

WHEREAS, as a result of this process the Township Negotiations Committee reached an agreement with the representatives of several unions upon the terms and conditions of a Memorandum of Agreement ("MOA") providing for numerous valuable concessions in wages

and benefits to the Township, which concessions are vital to the Township approving a fiscally responsible budget for the current fiscal year; and

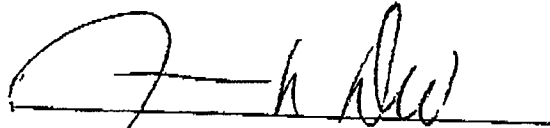
WHEREAS, the Township Negotiations Committee believes approval of the MOA is fully in the interest of the taxpayers and residents of the Township and that the terms and conditions of the MOA are fair, responsible and capable of being met and therefore, recommend that the MOA be approved by the Township Council as to FMBA Local No. 35, FMBA Local No. 235, Local 255, USWA, TCU, AFL-CIO (Public Works Unit); Local 255, USWA, TCU, AFL-CIO (Clerical Unit); OPEIU Local No. 32 (School Crossing Guards); and Local 1040;

NOW, THEREFORE, THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF HILLSIDE RESOLVES that the MOA be and hereby is approved as to FMBA Local No. 35, FMBA Local No. 235, Local 255, USWA, TCU, AFL-CIO (Public Works Unit); Local 255, USWA, TCU, AFL-CIO (Clerical Unit); OPEIU Local No. 32 (School Crossing Guards); and it is

FURTHER RESOLVED, that the Mayor hereby is directed to execute the MOA on behalf of the Township as required by law; and it is

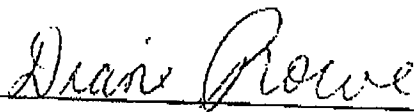
FURTHER RESOLVED, that the Mayor hereby is directed to implement immediately the terms and conditions of the MOA as to FMBA Local No. 35, FMBA Local No. 235, Local 255, USWA, TCU, AFL-CIO (Public Works Unit); Local 255, USWA, TCU, AFL-CIO (Clerical Unit); OPEIU Local No. 32 (School Crossing Guards); and it is

FURTHER RESOLVED, that this Resolution shall take effect immediately.



Council President

Attest:



Deputy Township Clerk, Janet Vlasisavljevic, R.M.C.