

MEMORANDUM OF AGREEMENT

THIS MEMORANDUM OF AGREEMENT, made and executed this 16 th day of May, 2016, by and between the City of Paterson (hereafter referred to as the "City") and the Paterson Fire Officers Association (Captains) (hereafter "PFOA"), represents the full and final understanding between the City and the PFOA regarding a successor collective bargaining agreement:

1. Duration: The collective bargaining agreement shall be effective beginning August 1, 2010 through July 31, 2019.

2. Article V, entitled "Salaries", Section A, shall be deleted and replaced with the following:

1. Effective retroactive to August 1, 2010, there shall be no wage increase.

2. Effective retroactive to August 1, 2011, there shall be no wage increase.

3. Effective retroactive to August 1, 2012, there shall be no wage increase.

4. Effective retroactive to August 1, 2013, there shall be no wage increase.

5. Effective retroactive to August 1, 2014, there shall be an across the board wage increase of 2.75%.

6. Effective retroactive to August 1, 2015, there shall be an across the board wage increase of 2.75%.

7. Effective July 1, 2016, there shall be an across the board wage increase of 2.0%.

8. Effective August 1, 2017, there shall be an across the board wage increase of 1.0%.

9. Effective August 1, 2018, there shall be an across the board wage increase of 1.0%.

10. So long as the Agreement is signed by all parties on or before May 17, 2016, the PFOA bargaining unit members waive any and all retroactive pay due and owing prior to July 1, 2016 based upon the wage increases effective August 1, 2014 and August 1, 2015. If the Agreement is not in full force and effect by July 1, 2016, this entire Agreement shall be deemed null and void.

11. The waiver of any and all retroactive pay due and owing prior to July 1, 2016 is contingent upon the City's continuing obligation to make all step increases and longevity payments due PFOA bargaining unit members due under the Collective Bargaining Agreements dated August 1, 2005 through July 31, 2010, and August 1, 2010 through July 31, 2019.

3. Article V, entitled "Salaries", shall have the new Section C added to reflect the Arbitration Award issued by Arbitrator Jeffrey Tener, Docket No. AR-2013-331 dated September 6, 2013 regarding "Senior Step".

4. Article VI, entitled "Longevity", shall have the following Section C added:

"C. All bargaining unit members hired on or after July 1, 2016 shall be entitled to longevity under and to the same extent as bargaining unit members governed by the Firefighters' collective bargaining agreement."

5. Article IX, entitled "Other Payments, Section A7 shall be modified by replacing "forty (40)" with "forty-eight (48)" and by replacing "sixty (60)" with "seventy-two (72)".

6. Article IX, entitled "Other Payments", Section B1, shall have the following sentence added:

"The four (4) hour minimum shall apply unless the recall is contiguous with the employee's regularly scheduled shift."

7. Article X, entitled "Leave of Absence", Section C, entitled "Funeral Leave", shall have the first sentence modified to add "step parents" and "step children".

8. Article XI, entitled "Vacation Days, Holidays, Personal Leave Days", Section A2, shall be changed from "ten (10)" to read "eleven (11)".

9. Article XI, entitled "Vacation-Holidays-Personal Leave Days", shall have Section D3 added as follows:

"Effective January 1, 2016, in lieu of Sections D1 and D2, all employees shall receive thirty-six (36) hours of holiday pay added to the employee's base pay."

10. Article XII, entitled "Sick Leave", shall have the following Section D added:

"If an employee is absent on sick leave (exclusive of injury leave) for more than sixty (60) consecutive calendar days, the employee's annual leave day allotment shall be prorated on a monthly basis."

11. Article XIII, entitled "Terminal Leave", Section A, shall have the first sentence changed to read as follows:

"Employees who retire on pension shall receive seven hundred twenty (720) work hours terminal leave. If a member of this bargaining unit having completed fifteen (15) years of service with the City dies while on active-duty, the City shall pay to the employee's family the seven hundred twenty (720) hours terminal leave benefit provided herein. The lump sum payment shall be calculated at thirty-five point six (35.6%) percent of the employee's full salary as of his last day of active duty. Employees hired on or after July 1, 2016 shall receive five hundred (500) work hours, unless the firefighters negotiate a more favorable benefit, at which point this Agreement will be modified to reflect the better benefit."

12. Article XIII, entitled "Terminal Leave", Section E, shall change "seven hundred twenty (720)" to read "applicable".

13. Article XV, entitled "Health Benefits", Section A, shall have "EMPLOYEES" added to the title.

14. Article XV, entitled "Health Benefits" Section A1, shall be revised to read as follows:

"The City shall pay the cost of hospital and medical insurance for full-time employees and their eligible dependents for the benefits currently in effect, except that active employees shall continue to contribute to the cost of health insurance as required by applicable law. The City and the PFOA recognize that when employee health benefit contributions become negotiable under P.L. 2011, Chapter 78, the contribution rate can be negotiated by the parties either up or down from the current percentage amounts required by law. In the event that a court of competent jurisdiction determines that Chapter 78 is unconstitutional and/or that it is illegal for a municipality to require its employees to contribute to the cost of health care without negotiation, the City and the PFOA agree that contributions towards the cost of hospital, medical, dental and prescription insurance shall be governed by applicable law and the collective bargaining agreement."

15. Article XV, entitled "Health Benefits", shall be modified as follows:

1. Eliminate the Traditional Plan.
2. Requests for Medicare reimbursement shall be made within one (1) year from receipt of payment request by the employee.

With respect to the New Jersey State Health Benefits Plan ("SHBP"), the PFOA will consider allowing the City to change from a self-insured insurance program to the SHBP provided the following conditions are met:

1. All SHBP plans are made available to PFOA unit members.

2. The City shall select the "10/15" prescription plan.

3. If benefit levels are reduced and/or out-of-pocket costs are increased, by any source, the City shall seek new coverage that is equal to the SHBP coverage that was in place when the City entered the SHBP upon notice by the PFOA. The City shall not delay in seeking substitute equal to coverage. If the City decides to switch carriers or return to a self insured program, the City agrees to provide the Association with one hundred twenty (120) days notice.

16. Article XV, entitled "Health Benefits", Section B1, shall change "twenty-three (23)" to read "twenty-six (26)".

17. Article XV, entitled "Health Benefits", Section B1a, shall change "twenty-five (25)" to read "twenty (20)".

18. Article XV, entitled "Health Benefits", Section B2, shall be deleted in its entirety.

19. Article XV, entitled "Health Benefits", Section B3, shall change "twenty-three (23)" to read "twenty-six (26)".

20. Article XVI, entitled "Working Conditions", shall have a new Section I, entitled "SUSPENSIONS", be added as follows:

Pending the determination of any charges, a hearing and/or court proceeding, a Captain may only be suspended without pay for a maximum period of thirty (30) days. Following any such suspension, the employee will be returned to a modified duty position, to be determined by the Chief of the Fire Department, at full pay. This provision does not apply to suspensions pursuant to N.J.A.C. 4A:2-2.7.

21. Article XXVI, entitled "Term of Agreement" shall change "2005" to read "2010" and change "2010" to read "2019".

22. All Articles and Sections not specifically enumerated above shall be incorporated in the successor collective bargaining agreement without change.

23. This Memorandum of Understanding is subject to approval by the Paterson Fire Officers Association (Captains) bargaining unit members, City of Paterson Council, and the State of New Jersey.

IN WITNESS WHEREOF, the parties set their hands and seals on the date listed above.

PATERSON FIRE OFFICERS  
ASSOCIATION (CAPTAINS)

CITY OF PATERSON

BY: \_\_\_\_\_

BY: \_\_\_\_\_