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MEMORANDUM OF AGREEMENT

Agreement made this 18th day of ~~September~~ OCTOBER, 2015, by and between the City of New

Brunswick (herein the “City”) and the **Policemen’s Benevolent Association Local No. 23, Inc.** (herein the “PBA”) and **Policemen’s Benevolent Association Local No. 23A, Inc.** (herein the “SOA”).

WHEREAS, the City and the PBA and SOA are parties to a collective negotiations agreement (“CNAs”) covering the period January 1, 2014 through December 31, 2017; and

WHEREAS, the City and the PBA and SOA are parties to a Side Bar Agreement regarding new police recruits executed on May 4, 2015; and

WHEREAS, the City and the PBA and SOA have been engaged in good faith collective negotiations for the purpose of reaching extension agreements for the current CNAs; and

WHEREAS, the City and the PBA and SOA have reached agreement on new terms and conditions for the extension agreements which are subject to ratification by the membership of the PBA and SOA and approval by the Mayor and Council of the City; and

WHEREAS, the negotiating committees for the City and the PBA and SOA unanimously agree to recommend their agreements for ratification and approval;

NOW, THEREFORE, in consideration of the mutual covenants, promises, and undertakings herein set forth the parties agree as follows:

1. Except as herein modified, the terms and conditions set forth in the 2014 through 2017 CNAs between the City and the PBA and the City and the SOA shall remain in full force and effect.

2. **ARTICLE III, DURATION**

Modify as follows: January 1, 2014 through December 31, 2021.

3. **ARTICLE XII, HOSPITALIZATION**

a. Rx Plan, modify as follows¹:

Effective the first day of the first month following ratification by the parties, the following changes shall be implemented to the Rx plan for all PBA and SOA unit members:

- i. Co-pays for 30 day supply: generic drugs, \$10; preferred brand drugs, \$30; and non-preferred brand Drugs,” \$50.
- ii. The parties agree to limit prescriptions for erectile dysfunction (“ED”) to 6 pills per month per participant. If, however, the participant’s healthcare provider prescribes such medication for a non-ED condition, the participant shall be allowed to exceed the limit if the healthcare provider establishes medical necessity.
- iii. Specialty drugs shall be purchased through Maxor mail order.
- iv. The plan shall not cover Proton Pump Inhibitors (“PPI”) in as much as these drugs can now be purchased “over-the-counter.”
- vi. Upon ratification of the agreement by the parties, a mandatory generic dispense as written (“DAW”) procedure shall take effect. That is, if a healthcare provider indicates “DAW” or “dispense as written” on the prescription, the participant shall only pay the preferred or non-preferred co-pay. If the healthcare provider does not indicate “DAW” or “dispense as written” the member shall pay the brand (preferred or non-preferred) co-pay **plus** the difference in cost between the generic and the drug obtained.

¹ The new Rx plan will, apply only to active employees and those who retire under a contract that contains said plan except that officers who are eligible to retire effective on or before 1/1/18 shall be grandfathered in retirement under the Rx plan in effect prior to the parties entering into this agreement. If said officer does not retire effective on or before 1/1/18, he shall receive Rx benefits into retirement as set forth in this agreement. The new RX plan shall not apply to any officer who retired prior to its implementation and the grandfathered officers referenced above.

b. The City shall have the right to implement an additional health plan or plans to supplement the current health benefits program offered to PBA and SOA unit members. PBA and SOA unit members may, at their option, elect to participate in such plans if established.

c. The PBA and SOA acknowledge that their active unit members who receive health benefits through the City shall be obligated to pay no less than the contribution percentage levels from Year 4 of the Chapter 78 schedule for the term of this extension agreement regardless of whether Chapter 78 is repealed or modified to provide for lower or higher contribution rates.

4. ARTICLE XIX, SALARY GUIDES

Wages

1/1/18	1.5% to base pay
1/1/19	2.0% to base pay
1/1/20	1.5% to base pay
1/1/21	2.0% to base pay

In addition, all officers not at top pay will receive their increment.

Starting pay for any officer hired on or after August 1, 2015 shall be in accordance with the attached side-bar agreement which shall sunset as of 11:59 p.m. on 12/31/21 and the contractual pay scale shall be reinstated for new hires unless the parties mutually agree in writing to extend the side-bar or negotiate changes to the contractual rates. While the side bar provides for an hourly rate for new hires while in the Academy, this hourly rate shall be converted to an annual salary based on a forty (40) hour workweek and shall be subject to section 207(k) of the Fair Labor Standards Act.

5. **RE-OPENER**

The parties agree that the City shall have the right to re-open the contract on or before July 1, 2017 for the sole purpose of addressing the implementation and effect of the Affordable Care Act's Excise Tax on the City's health benefits plans and PBA and SOA unit members. Should the City exercise its right to reopen the contract pursuant to the provisions of this paragraph, and should the parties be unable to come to an agreement on the issues raised by either party regarding the implementation and effect of the Affordable Care Act's Excise Tax on the City's health plans and on PBA and SOA unit members, the parties agree to submit these limited issues to an arbitrator to be mutually selected by the parties or through the parties' contractual grievance procedures. The appointed arbitrator shall apply the interest arbitration criteria pursuant to N.J.S.A. 34:13A-16, et seq.

5. This agreement is subject to ratification by the membership of PBA and SOA and approval by the Mayor and City Council of the City of New Brunswick before it becomes effective.


| **FOR PBA LOCAL NO. 23**



Peter Maroon, President

FOR PBA LOCAL 23A


William Oels, III, President

FOR CITY OF NEW BRUNSWICK


Thomas A. Loughlin, 3rd
City Administrator TAS


James M. Cahill
Mayor

BY THE MUNICIPAL COUNCIL:

WHEREAS, the City of New Brunswick recently concluded negotiations with **Locals 23 and 23A, Policemen's Benevolent Association**, for an Extension of **Collective Negotiation Agreements for 2018-2021**; and

WHEREAS, the proposed terms of this Extension Agreement is set forth in a document entitled "Memorandum of Agreement between the City of New Brunswick and the Police Benevolent Association Local No. 23, Inc. And Policeman's Benevolent Association Local No. 23A, Inc." for the period of **January 1, 2014 to December 31, 2021**; and

WHEREAS, the proposed terms of the Agreement have been reviewed by City Council and found to be in the best interest of the City.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of New Brunswick that the Mayor and City Clerk be and hereby are authorized to execute a Memorandum of Agreement extending the Collective Negotiation Agreements for 2014-2021 with Local 23 and 23A, Policemen's Benevolent Association, said agreement to be in accord with aforementioned documents; and

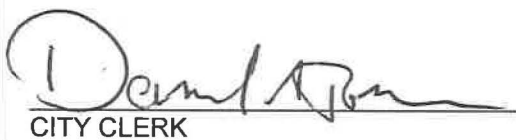
BE IT FURTHER RESOLVED, that Certified Copies of this Resolution shall be sent by the City Clerk to the following:

- City Administrator
- Director of Police
- Chief Financial Officer
- Personnel Officer
- President, Local 23
- President, Local 23A

ADOPTED: October 7, 2015



COUNCIL PRESIDENT


CITY CLERK

APPROVALS:


CITY ADMINISTRATOR
CITY ATTORNEY

TKS/kc

COUNCILMEMBER	YES	NO	NO VOTE	ABSENT
JOHN ANDERSON	X			
REBECCA ESCOBAR	X			
GLENN FLEMING, V PRES S	X			
ELIZABETH GARLATTI M	X			
KEVIN EGAN, PRES	X			



Daniel A. Torrisi, City Clerk