

## MEMORANDUM OF AGREEMENT

The undersigned parties, Township of Cranford ("Township") and the Firemen's Mutual Benevolent Association-Local No. 37 ("FMBA") hereby agree to a new Collective Negotiating Agreement ("CNA") on the following terms:

The parties acknowledge that these terms and conditions are subject to and conditioned upon ratification by the FMBA and upon approval by the Cranford Township Committee.

The parties agree to recommend these terms and conditions to their respective constituents for ratification and approval.

The CNA, which by its terms expired on December 31, 2013, is hereby renewed for four (4) years from January 1, 2014 through December 31, 2017, with the following changes:

### ARTICLE 5, SECTION 1(NONDISCRIMINATION)

After "political affiliation", add "sexual or affectional orientation, gender identity or expression, domestic partnership or civil union status."

### ARTICLE 8 (FIRE SAFETY PATROL)

Deleted.

### ARTICLE 20 (SALARY)

Section 1-The rates of pay on the salary guides will be increased as follows:

- Effective from 1/1/2014 to 12/31/2014: 1.5%;
- Effective from 1/1/2015 to 12/31/2015: 1.5%;
- Effective from 1/1/2016 to 12/31/2016: 1.75%; and
- Effective from 1/1/2017 to 12/31/2017: 1.75%.

### ARTICLE 21, (MERIT INCENTIVE PROGRAM)

This entire Article shall be deleted and replaced with the following:



“The Township recognizes years of faithful service by granting employees a longevity increment in accordance with the following schedule:

**For Employees not having an Associate’s (2 year college) Degree**

- After 1 year of PFRS creditable service with the Township’s Fire Department (“Service”): \$600;
- After 2 years of Service: \$1,200;
- After 3 years of Service: \$1,800;
- After 4 years of Service: \$2,400;
- After 5 years of Service:\$3,000; and
- After 6 years of Service: \$3,600.”

**For Employees having an Associate’s(2 year college) Degree**

- After 1 year of PFRS creditable service with the Township’s Fire Department (“Service”): \$1,000;
- After 2 years of Service: \$2,000;
- After 3 years of Service: \$3,000;
- After 4 years of Service: \$4,000;
- After 5 years of Service:\$5,000; and
- After 6 years of Service: \$6,000.”

Starting in 2015 only, and only for those employees that attain 6 years of service and an Associates Degree, the merit incentive pay will be considered as part of base pay.

**ARTICLE 22, SECTIONS 2 and 3 (OVERTIME-EMERGENCY RECALL AND SHIFT HOLDOVER)**

Section 2-Delete first paragraph beginning with ‘For the 2006 contract year...[and ending with phrase] back taps have sounded.’”

Replace phrase at beginning of second paragraph “Effective January 1, 2007” with “Effective January 1, 2014”.

Section 3-Delete first paragraph beginning with ‘For the 2006 contract year...[and ending with phrase] on a quarter hour basis.’

Replace phrase at beginning of second paragraph “Effective January 1, 2007” with “Effective January 1, 2014”.

**ARTICLE 23, SECTION 1 (ACTING LIEUTENANTS)**

Section 1-Delete first paragraph beginning with ‘For the 2006 contract year...[and ending with phrase] the first day of such continuous assignment.’

Replace phrase at beginning of second paragraph “Effective January 1, 2007” with “Effective January 1, 2014”.

**ARTICLE 24, SECTION 1 (CLOTHING AND UNIFORM ALLOWANCE)**

Replace Section 1 with the following: “Each employee shall be responsible for purchasing and maintaining uniforms.”

**ARTICLE 25-A (EMERGENCY MEDICAL TECHNICIAN)**

A. Section 2E. Delete and replace with the following:

“A firefighter assigned to the duty of EMT shall receive the sum of \$75.00 per billable call. A “billable call” is a call for which the transport fee established by § 42-49 of the Code of the Township of Cranford is payable. In order to be entitled to receive the within sum, the employee shall furnish accurate and complete patient insurance information to the Township so that the EMT service can be billed. Upon verification of insurance status by the Township and/or its third part providers, the payment under this section shall be due. This subsection shall

be effective on the first day of the first month following the execution of the contract by both parties.”

**ARTICLE 25-B (SELF-CONTAINED BREATHING APPARATUS (SCBA) TECHNICIANS)**

Section 2B-Delete last sentence of Section 2B

**ARTICLE 29, SECTIONS 1 AND 2 (BEREAVEMENT LEAVE)**

Section 1-After phrase of section “from the day of death”, replace remainder of that sentence with the following: “to and including through to the next day immediately after the date of the funeral, provided Employee attends the funeral.”

**ARTICLE 33, (PERSONAL LEAVE)**

Deleted.

**ARTICLE 36, SECTION 1 (TERMINAL LEAVE)**

In Section 1, subsection (1), insert “New Jersey Police and Fire Retirement System (“PFRS”) before “creditable service”;

In Section 1, subsection (4), after the word “pension”, replace the remainder of that subsection with the following: “...shall be entitled to Terminal Leave at the rate of two days’ pay at the then-current daily rate of pay for each complete year of PFRS creditable service with the Township’s Fire Department up to a maximum service credit time of 25 years. No additional credit shall be earned for any service time beyond twenty five (25) years.”

Add a new paragraph in Section 1 stating:

“For all employees hired on or after January 1, 2014, a retired employee, satisfying the conditions of subsections 1-3 above, shall be entitled to terminal leave pay at the rate of two days’ pay at the then-current daily rate of pay for each completed year of PFRS creditable service with the Township’s Fire Department up to a maximum of a total of 90 days terminal leave pay for any and all terminal leave pay provided in Section 1 through Section 6 of this Article.”

“All Notices under this Article are to be furnished on or before February 1 of the year in which Terminal Leave is sought to be paid. Payment will be made on or before the expiration of two township budget cycles (but in no event more than 24 months) from the date the notice is furnished by the retiree.”

**ARTICLE 36, SECTION 7 (TERMINAL LEAVE)**

Replace Section 7 with the following provisions:

“Subject to Section 8 of this Article, all employees hired on or after January 1, 2014, who complete their 25<sup>th</sup> year of creditable PFRS service time, shall be entitled to receive 120 days’ pay in lieu of all terminal leave pay provided in this Article as long as they physically retire no more than 180 days beyond the completion of their 25<sup>th</sup> year.”

“With exception to the employees identified on Exhibit A, all employees hired before January 1, 2014, who complete their 25<sup>th</sup> year of creditable PFRS service time, shall be entitled to receive 200 days’ pay in lieu of terminal leave pay provided in this Article, as long as they physically retire no more than 180 days beyond the completion of their 25<sup>th</sup> year. As to those employees identified on Exhibit A, those employees shall have six months from the date of the ratification of the within agreement to elect to retire so as to receive 200 days’ pay in lieu of

terminal leave pay provided in this Article. In such case, those employees identified on Exhibit A shall be entitled to receive pay at the daily rate of pay as of January 1, 2014. Other than employees identified on Exhibit A, any employee who retires after the one hundred eightieth (180th) day beyond their twenty fifth (25) year, shall only be entitled to the Terminal Leave benefits as provided in Sections 1 through 6, herein above.

“Payment will be made on or before the expiration of two township budget cycles (but in no event more than 24 months) from the date the notice is furnished by the retiree.”

**ARTICLE 36, SECTION 8 (TERMINAL LEAVE)-NEW**

Add a Section 8 providing as follows: “With the exception of those employees listed on Exhibit B, in order to be entitled to any Terminal Leave pay in this Article, the employee must have completed 20 years of PFRS creditable Service with the Township’s Fire Department.”

**ARTICLE 38, SECTIONS 2 AND 3 (ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE)**

Section 2-Deleted.

Section 3-Deleted.

**ARTICLE 39, SECTION 1 (DENTAL INSURANCE):**

Replace Section 1 with the following:

“Effective upon the date of ratification of the within agreement, subject to Chapter 78, Public Law 2011 (“Chapter 78”), governing the obligations of contributions by employees, the Township shall provide each regular, full-time, permanent employee and the dependents of the immediate family with dental insurance that provides for costs for coverage to be paid as

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follows: 80% by employer, 20% by employee, for preventive treatment; 50% by employer, 50% by employee, for major treatment; and 50% by employer, 50% by employee, for basic coverage, with a maximum of one thousand five hundred dollars (\$1,500) per eligible patient per calendar year for major, preventive and basic benefits and a lifetime maximum of five hundred dollars (\$500) per patient for orthodontic benefits.”

**ARTICLE 40, SECTIONS 1A THROUGH C (HEALTH INSURANCE):**

Replace Section 1A with the following: “Effective upon the date of ratification of the within agreement, subject to Chapter 78, governing the obligations of contributions by employees, the Township shall provide each regular, full time, permanent employee and the dependents of the Employee’s immediate family a Group Major Medical Insurance Plan through the NJ DIRECT 15 Plan maintained by the State Health Benefits Plan (“SHBP”) or a Group Medical Insurance Plan that is substantially similar or greater to the provisions of the NJ DIRECT 15 Plan.”

Section 1, subsection B-Deleted as subject to Chapter 78 and to the Affordable Health Care Act.

Replace language at Section 1, at subsection C, with the following:

Subject to Chapter 78, the Township shall pay the cost of Direct 15 coverage (“the Base Health Plan”). The employee has the option to elect to enroll in coverage other than Direct 15, offered under the SHBP, provided that any additional cost differential be paid by the employee by payroll deduction.

**ARTICLE 41, SECTION 1 (PRESCRIPTION INSURANCE):**

Replace Section 1 with the following: “Effective upon the date of ratification of the within agreement, the Prescription Plan provided shall be the NJ DIRECT 15 Plan maintained by the SHBP or a plan that is substantially similar or greater to the provisions of the NJ DIRECT 15 Plan.”

Chapter 78 governs the obligations of contributions by employees.”

**ARTICLE 42, SECTIONS 1 AND 2A (RETIREE HEALTH INSURANCE AND PRESCRIPTION PLAN FOR EMPLOYEES RETIRING ON OR AFTER JANUARY 1, 2014):**

At Section 1, subsection (1), insert “PFRS” before “creditable service” and delete “as a Sworn Uniform Firefighter and/or Fire Officer”;

At Section 2A-Replace language with the following: “Subject to Chapter 78, regarding the obligation of retirees to contribute toward a portion of their health care and prescription premium, and subject to the requirements of Section 2G herein, the Township agrees to contribute toward the SHBP, or a plan that is substantially similar or greater to the provisions of the NJ DIRECT 15 Plan, as follows: Four percent (4%) of the monthly premium for each complete year of PFRS creditable service within the Township’s Fire Department for each employee, up to a maximum of 25 years, who retires on or after January 1, 2014, in manner set forth in Section 1, and for that employee’s immediate dependents at the time of retirement.”

**ARTICLE 42, SECTION 2B (RETIREE DENTAL INSURANCE FOR EMPLOYEES RETIRING ON OR AFTER JANUARY 1, 2014):**

Replace Section 2B with the following: “Subject to Chapter 78, regarding the obligation of retirees to contribute toward a portion of their health care premium, and subject to the requirements of Section 2G herein, the Township agrees to contribute toward the Dental Coverage as follows: Four percent (4%) of the monthly premium for each complete year of



PFRS creditable service within the Township's Fire Department for each employee, up to a maximum of 25 years, who retires on or after January 1, 2014, in manner set forth in Section 1, and for that employee's immediate dependents at the time of retirement."

**ARTICLE 42, SECTION 2C**

Delete and replace with the following:

"In the event Retiree precedes spouse in death and spouse has not remarried, the spouse and eligible dependents may continue to participate in the aforesaid Township contracted group insurance plan(s) under the same arrangements as set forth in Sections 2A., B and C herein, but the spouse of the retiree ceases to be eligible to participate the month the spouse becomes Medicare eligible."

**ARTICLE 42, SECTIONS 2D-F**

Replace these sections with the following:

"For existing employees hired as of the date of the ratification of this agreement, the Township's obligation to contribute toward any health care premium and/or dental insurance premium shall terminate upon that retiree becoming eligible to participate in any medical insurance plan and/or dental plan through a place of employment (including, but not limited to, his own employer or the retiree's spouse). In the event the retiree or the retiree's spouse is no longer entitled to participate in any medical insurance plan and/or dental plan through a place of employment, the retiree is eligible to reenroll to receive this benefit again upon proof of eligibility."

“For employees hired on or after January 1, 2014, the Township’s obligation to contribute toward any health care premium and/or dental insurance premium shall terminate upon that retiree becoming Medicare eligible. The Township agrees to reimburse said retirees’ payments for Medicare Part B and D payments only.”

“It is understood that the Township needs to verify, on an annual basis, eligibility for current and future retirees to receive benefits provided in this Article, with regard to the retirees themselves and their dependents and/or spouses, as the case may be. In furtherance of this purpose, all retirees shall furnish to the Township, on an annual basis, verified information regarding the employment status of spouse, their own employment status, their marital status and other pertinent information regarding eligibility to receive the benefit provided under this Article. Failure to provide such information shall subject the retiree to potential termination of the benefits set forth in this Article. The Township shall be responsible for contacting retirees with respect to obtaining relevant information needed to verify eligibility for retiree medical benefits under this Article.”

**ARTICLE 42, SECTIONS 2G** – Deleted and replace with a new paragraph as follows:

“With the exception of those employees listed on Exhibit B, in order to be entitled to any benefit under this Article, the employee must have completed 20 years of PFRS creditable Service with the Township’s Fire Department in addition to the requirements set forth in Section 1 of this Article.”

**ARTICLE 50 (DURATION)**: The CNA is effective as of January 1, 2014 through December 31, 2017. Unless otherwise indicated, the provisions of the within agreement shall be retroactively applied to the effective date of January 1, 2014.

ON BEHALF OF THE FMBA:

Dated: 6/27/14

Steph DiPaolo  
VICE President  
FMBA Local 37

ON BEHALF OF THE TOWNSHIP:

Dated: 6/30/14

Andis Kalnins  
~~Terence Wall~~ Andis Kalnins, Mayor  
Authorized Representative of  
Township/Employer

ATTEST:

Tara Rowley  
Tara Rowley, Township Clerk

SAD