

STATE OF NEW JERSEY
PUBLIC EMPLOYMENT RELATIONS COMMISSION

In the Matter of the Interest Arbitration Between

THE CITY OF NEW BRUNSWICK,
Public Employer,

and

**NEW BRUNSWICK FIREMEN'S MUTUAL
BENEVOLENT ASSOCIATION, LOCAL NO. 17,**
Employee Representative.

PERC Docket No.
IA-95-120

JS Case No.
2204

**OPINION
AND
AWARD**

Before **JOHN E. SANDS**, Impartial Arbitrator

OPINION

This interest arbitration proceeding arises under *N.J.S.A. 34:13A-14 et seq.*, and the administrative regulations promulgated thereunder, *N.J.A.C. 19:16-5 et seq.* On April 21, 1995, pursuant to the mutual request of the parties' representatives, Robert M. Glasson, PERC's then-Director of Arbitration, appointed me to arbitrate the impasse that had developed in the parties' efforts to negotiate a successor contract to theirs that had expired on December 31, 1994.

Pursuant to my authority as Interest Arbitrator and with the parties' approval, I conducted mediation sessions with the parties on September 20, October 10, and November 1, 1995. Mediation having failed to resolve all issues, I conducted a hearing on January 19, 1996. Both parties appeared by representative and had full opportunity to adduce evidence, to cross examine each other's witnesses, and to make argument in support of their respective positions. Each submitted a post-hearing brief, and neither has raised any objection to the fairness of this proceeding.

At the January 19th hearing, the parties expressed their agreement on three major issues that I confirmed on January 31, 1996 as "stipulations of the parties" under *N.J.S.A. 34:13A-16g(4)*:

This will also confirm that, at the January 19th hearing, you agreed to the following factual stipulations with the understanding that they constitute "stipulations of the parties" within the interest arbitration statute's criteria:

1. **Term:** The term of the Award will be three years.

2. **Salaries:**

(a) **Effective January 1, 1995** increase all steps of existing schedule by 4%.
Effective January 1, 1996 increase all steps of existing schedule by 4%.
Effective January 1, 1997 increase all steps of existing schedule by 4%.

(b) For employees hired on or after June 1, 1995 the starting salary shall be \$23,000 ("Step 1") with progression in six equal steps thereafter to the top rate in the seventh year.

(c) Paragraph 2(b), above will be effective prospectively only as of the date of the Award. Paragraph 2(a) will not apply to compensation of employees subject to paragraph 2(b) prior to the Award's date.

3. Prescription Plan:

(a) Co-pay of \$3 for generic and \$5 for brand-name drugs.

(b) Exclude cosmetic drugs unless medically necessary. For example, Retin-A would be covered if prescribed for acne but would not be covered if prescribed to fill out hollow cheeks or thin lips or to eliminate wrinkles.

Your stipulation to those terms includes, of course, your implicit stipulation that all of those terms meet the relevant statutory criteria and that the Opinion accompanying the Award accordingly need not include the analysis that would be required by the Supreme Court's *Hillsdale/Washington Township* cases in absence of your stipulation. You have agreed that the exhaustive record you have provided more than supports your stipulation under the statute's criteria and that the parties' briefing and the arbitrator's analyzing those issues would be a needless waste of time and money.

[Arbitrator's January 31, 1996 letter, pp. 1-2.]

On June 13, 1996, at a grievance arbitration hearing, the parties reached and executed an agreement settling that case as well as all remaining issues of this interest arbitration proceeding except the union's demand for a "24/72" schedule. That agreement provides, in relevant part:

3. The parties' stipulation in their current interest arbitration proceeding will be amended to include the following additional terms, which the parties stipulate meet the relevant statutory criteria; and, accordingly, the Opinion accompanying the Interest Award need not include the analysis that would required by the Supreme Court's *Hillsdale/Washington Township* cases in absence of this stipulation:

(a) Article V, Section 6(f) of the parties' contract will be modified to read,

Section 6. Hospital confinement and major illness or injury shall be treated in the following manner:

* * *

f. Major illness is defined as an illness or injury which is not service related and requires hospitalization for six (6) or more days, or non-elective surgery, or an ailment or contagious disease requiring a leave of thirty (30) or more calendar days which would render a member unfit for "light duty."

(b) Article V will be amended to add the following Section 11:

Section 11. Light Duty: Light duty is defined as any duty which may be required of a firefighter which will not exceed his/her physical limitations, as imposed by illness or injury.

(c) Article V, Section 7 will be amended to add the following paragraph:

d. If the employee is judged by the City physician or Worker's Compensation physician to be able to perform light duty, the member will report for light duty on the days of his ten-hour shifts only or incur a loss of benefits under this section.

(d) The City shall pay an annual stipend equal to one percent (1%) of base salary to each firefighter certified as an Emergency Medical Technician ("EMT") so long as the firefighter maintains that certification. The City will continue current practice with respect to bearing the cost of EMT training and providing compensatory time for training.

(e) The contract will be amended to recognize a limited chiropractic benefit of \$500 per person per year when medically necessary pursuant to current practice.

[June 13, 1996 Consent Award, pp. 1-3.]

On June 28, 1996 the parties consolidated their stipulations into a single Settlement

Agreement and agreed further to extend my time for rendering this Opinion and Award

until June 30, 1996. The parties acknowledge, and as Interest Arbitrator I certified as well, that the terms of their Settlement Agreement are consistent with the relevant criteria of *N.J.S.A.* 34:13A-16(g) as established by the parties' proofs on the record of this proceeding. (Settlement Agreement of June 28, 1996, p.5.) A copy of that Settlement Agreement is an Appendix to this Award.

The sole remaining issue of this interest arbitration proceeding is the union's non-economic demand for a "24/72" work schedule. Before considering that issue, however, I must address the question of what law governs my determination. On January 10, 1996 Chapter 425 of the 1995 Laws of New Jersey was approved. Known as the Police and Fire Public Interest Arbitration Reform Act, Chapter 425 amended the prior law --Chapter 85 of the 1977 Laws-- in a number of significant respects.

Chapter 425's section 11 provides the Act's effective date and reads, in relevant part:

This act shall take effect immediately and shall apply to all collective negotiations between public fire and police departments and the exclusive representatives of their public employe[e]s *except those formal arbitration proceedings in which the arbitrator has, prior to the effective date of this Act, taken testimony from the parties* [Emphasis added.]

In this case the first hearing at which I took testimony from the parties occurred on January 19, 1996, nine days following the Act's effective date. Section 11's exception

does *not* apply to this case, and I shall accordingly base my evaluation of the record and determination of the issues on Chapter 425's relevant mandates.

Specifically Section 3D(2) as amended requires that my "... award on the unsettled issues [be] determined by conventional arbitration" and that I

... separately determine whether the total net economic changes for each year of the agreement are reasonable under the eight statutory criteria set forth in Subsection g of this Section.

In addition, the amended criteria of Chapter 425's subsection 3g govern my decision.

That subsection now provides,

g. The arbitrator or panel of arbitrators shall decide the dispute based on a reasonable determination of the issues, giving due weight to those factors listed below that are judged relevant for the resolution of the specific dispute. In the award, the arbitrator or panel of arbitrators shall indicate which of the factors are deemed relevant, satisfactorily explain why the others are not relevant, and provide an analysis of the evidence on each relevant factor:

(1) The interests and welfare of the public. Among the items the arbitrator or panel of arbitrators shall assess when considering this factor are the limitations imposed upon the employer by P. L. 1976. C. 68 (C. 40A: 4-45.1 et seq.).

(2) Comparison of the wages, salaries, hours, and conditions of employment of the employees involved in the arbitration proceedings with the wages, hours, and conditions of employment of other employees performing the same or similar services and with other employees generally:

(a) In private employment in general; provided, however, each party shall have the right to submit additional evidence for the arbitrator's consideration.

(b) In public employment in general: provided, however, each party shall have the right to submit additional evidence for the arbitrator's consideration.

(c) In public employment in the same or similar comparable jurisdictions, as determined in accordance with section 5 of P. L.[1995 C. 425] (now pending before the Legislature as this bill): provided, however, that each party shall have the right to submit additional evidence concerning the comparability of jurisdictions for the arbitrator's consideration.

(3) The overall compensation presently received by the employees, inclusive of direct wages, salary, vacations, holidays, excused leaves, insurance and pensions, medical and hospitalization benefits, and all other economic benefits received.

(4) Stipulations of the parties.

(5) The lawful authority of the employer. Among the items the arbitrator or panel of arbitrators shall assess when considering this factor are the limitations imposed upon the employer by P. L. 1976. C.68 (C.40A:4-45.1 et seq.).

(6) The financial impact on the governing unit, its residents and taxpayers. When considering this factor in a dispute in which the public employer is a county or a municipality, the arbitrator or panel of arbitrators shall take into account, to the extent that evidence is introduced, how the award will affect the municipal or county purposes element, as the case may be, of the local property tax: a comparison of the percentage of the municipal purposes element or, in the case of a county, the county purposes element, required to fund the employees' contract in the preceding local budget year with that required under the award for the current local budget year; the impact of the award for each income sector of the property taxpayers of the local unit; the impact of the award on the ability of the governing body to (a) maintain existing local programs and services, (b) expand existing local programs and services for which public moneys have been designated by the governing body in a proposed local budget, or (c) initiate any new programs and services for which public moneys have been designated by the governing body in a proposed local budget.

(7) The cost of living.

(8) The continuity and stability of employment including seniority rights and such other factors not confined to the foregoing which are ordinarily or traditionally considered in the determination of wages, hours, and conditions of employment through collective negotiations and collective bargaining between the parties in the public service and in private employment.

Having determined the applicable law, I now turn to the remaining issue of this case. FMBA's proposal is for a "24/72" work schedule subject to these conditions:

- (1) guarantees that, as a continuing condition for keeping the 24/72 schedule,**
 - (a) annual sick leave usage will be reduced by at least 20% below its 1995 level (excluding from both measures the 10 days' sick leave charged to firefighters before going on major illness benefits), and**
 - (b) annual non-fire overtime will be reduced by at least 10% below its 1995 level (compliance to be determined with reference to existing manpower levels and proportional increases or decreases). If in any year the FMBA unit fails to meet either of those guaranteed reductions, the City may restore the 10/14 work schedule.**

- (2) Mutual exchanges of tours (also known as "swaps") will be limited to six per year, must be mutually worked, and cannot result in two consecutive tours of duty.**

- (3) To eliminate any cost impact of the new schedule, accounting for all time based benefits such as vacations, personal days, sick leave, and the like shall be adjusted to maintain the same hourly level of cost and benefit as had been the case under the 10/14 schedule.

New Brunswick's firefighters currently work a "10/14" schedule and have done so since 1947. A 10/14 schedule means a firefighter's platoon works two ten-hour tours and two fourteen-hour tours every seven days:

"10/14" WORK SCHEDULE

| Workday begins ... | 0800-1800 | 1800-0800 |
|---------------------------|---------------------|---------------------|
| Monday | work 10 hrs. | off 14 hrs. |
| Tuesday | work 10 hrs. | off 48 hrs. |
| Wednesday | --- | --- |
| Thursday | --- | work 14 hrs. |
| Friday | off 10 hrs. | work 14 hrs. |
| Saturday | off 72 hrs. | --- |
| Sunday | --- | --- |
| Monday | --- | --- |
| Tuesday (cycle # 2) | work 10 hrs. | off 14 hrs. |

The union seeks a “24/72” schedule, which means a firefighter’s platoon would work one 24-hour tour and then have 72-hours off to recuperate until the next 24-hour tour:

“24/72” WORK SCHEDULE

| Workday begins . . . | 0800-0800 |
|-----------------------------|----------------------|
| Monday | work 24 hours |
| Tuesday | off 72 hrs. |
| Wednesday | --- |
| Thursday | --- |
| Friday (cycle # 2) | work 24 hours |
| Saturday | off 72 hrs. |
| Sunday | --- |
| Monday | --- |
| Tuesday (cycle # 3) | work 24 hours |

Both schedules divide the workforce into four platoons that work 48 hours every eight days. Every seven cycles both schedules average 42 hours’ work per week.

FMBA’s 24/72 proposal was the centerpiece of the parties’ negotiations and dominated discussions during the mediation phase of this interest arbitration proceeding. Initially, the union sought the 24/72 schedule alone and supported its demand with

general assertions that the 24/72 schedule would reduce sick leave usage and overtime expense. Challenged by the City's skepticism, in mediation the union "puts its money where its mouth was," modifying its 24/72 proposal to include specific guarantees that the 24/72 schedule would reduce ordinary sick leave usage by 20% and overtime by 10%. Those concrete guarantees are unique in my experience and distinguish FMBA's proposal and argument from the generalized "things-will-improve" assurances that often accompany a 24/72 demand.

In response to the City Fire Director's concern that the present policy of unlimited "mutuals" --exchanges of tours for work or money-- would produce an absentee workforce with a limited number of exhausted firefighters doing all of the work, the FMBA further modified its 24/72 proposal to limit mutuals to actual work on not more than six occasions per year. In addition, at the hearing the union acknowledged that mutuals should not be permitted to result in a firefighter's working two consecutive tours of duty.

FMBA also made clear that, to eliminate any cost impact of this proposed schedule, accounting for all time-based benefits such as vacations, holidays, personal days, sick leave, and the like should be adjusted to maintain the same hourly level of cost and benefit notwithstanding increasing each work day's length to twenty-four hours. At one point in the mediation the City, sensing how keenly the FMBA wanted the 24/72

schedule, actually offered to grant that demand if the union would accept a 3% raise instead of the 4% the parties had agreed to be appropriate.

The FMBA supported its proposal with testimony and exhibits. Most persuasive was the survey of data compiled over the twelve-year period from 1974 through 1985 by the City of Union, New Jersey, which switched from 10/14s to 24/72s in 1980. Comparing the six-year periods before and after that change, Union experienced a 23% decrease of line-of-duty injuries to firefighters, a 38% decrease of tour-of-duty civilian injuries, a 35% decrease of sick allowance/home illness, and a 58% decrease of overtime expense. All these benefits were accompanied by a 95% increase in productivity measured by numbers of classified alarms (up 30%), tour fire hazard inspections (up 213%), and non-emergency services (up 150%). The Union Fire Department attributed the decrease in firefighter injuries “. . . to the fact that there is recuperative time in the 24 hr. shift due to the 72 hr. off period” and the decrease in tour-of-duty civilian injuries “. . . largely to the increase in in-service inspections and other fire prevention details performed on the 24 hr. tour-of-duty.”

FMBA's argument also cites health benefits for firefighters:

The three most frequent causes of death in fire service are Heart Attacks, Cerebral Hemorrhage, and Cancer. All are associated with the inhalation of toxic gases. It is widely accepted in the Medical Community that a 72 hour period is an optimal

recuperation time for a firefighter's body to eliminate toxins associated with the hazards of firefighting. This also cuts down on sick time caused by "sprains, strains and pulls," a common occurrence on a Fire Scene, by allowing 72 hours rehabilitation after a working shift.

[FMBA Exhibit 2, p. 3.]

That assertion is supported by the International Association of Firefighters' report comparing nationwide experience of firefighter fatalities on split shifts and 24-hour shifts. Firefighters working split shifts like 10/14s suffered far more fatalities due to heart attacks than fighting fires and other duty-related causes --58% as against 42%. For firefighters working 24-hour shifts the statistics were reversed: 59% of fatalities due to fighting fires and other duty causes and only 41% due to heart attacks.

FMBA's case focused as well on additional 24/72 advantages relating to morale, training, productivity, teamwork, and efficiency --all of which the City challenged. Primarily, the City argued that one eighteen-person platoon working a 24-hour period would end up more fatigued and more subject to risk of injury than do the two platoons totaling 36 people now covering the same 24-hour period. That argument makes surface sense but fails on deeper analysis. First, lack of recovery time between shifts and disruption of circadian rhythms compound the shorter 10/14 shift's fatigue factor. More important, available data contradict that argument. People on 24-hour shifts simply lose less time due to illness and injury than do split shift firefighters; they suffer

fewer heart attacks, and they have a lower fatality rate.¹ Moreover, the City of Union's experience contradicts that argument. Union, a densely-populated urban community with almost 80% of the number of New Brunswick's annual alarms, actually experienced both 23% fewer firefighter injuries and 38% fewer *civilian* injuries due to fires following its switch to 24/72s. Clearly the quality of firefighters' service to the community was not reduced by the schedule change in Union.

The City also challenged the impact of 24/72s on the Department's training and recall needs. The City argues that the Training Officer, who works eight-hour days Mondays through Fridays, can train each firefighter on 10/14s twice a week but would see each 24/72 firefighter only once a week. That argument does not hold up to critical examination. Assuming a 10/14 cycle beginning with the first platoon working days on Monday and Tuesday, the Training Officer would see only the first and second platoons twice during the first week, the third platoon only once on Friday of the first week, and the fourth platoon only once on Monday of the second week. The training officer would not see the **third and fourth platoons** for a second day of training until Monday of the third week for the **fourth platoon** and Monday of the fourth week for the third platoon. By

¹ On cross examination the City's Fire Director confirmed that those statistics accord with his own experience.

contrast, on 24/72s the training officer would have seen all four platoons twice by Thursday of the *second* week.

With respect to recall in the event of emergencies or general alarms, the City argues that, on 24/72s, off-duty firefighters would be less available for recall because they would be encouraged to live further away and because their next shift's start would be more remote. The simple answer to the City's first contention is that current firefighters would live no further away than they do now. Moreover, the City can require new firefighters to be City residents and prohibit current firefighters from moving further away. In addition, the City's latter argument is speculative. One could equally well argue that more and better-rested firefighters will be available for recall on 24/72s. There simply are no data to support this less-available-for-recall argument.

The City also attacks FMBA's 24/72 proposal as nothing more than a strategy to enable firefighters more easily to work second jobs. Second jobs will certainly be easier to work under 24/72s. The City's Fire Director candidly conceded on cross examination, however, that there is no current proscription against second jobs, that many New Brunswick firefighters now work second jobs even with the 10/14 schedule's shorter recovery time between shifts, and that he himself worked second jobs during his career as a New Brunswick firefighter and was no less a firefighter as a result. As to this issue, I

find that, whether on 10/14s or 24/72s, firefighters will be working second jobs and that improved ease of doing so will have a positive impact on firefighter morale and service.

Finally, the City argues that 24/72s for firefighters would produce chaotic results because firefighters' supervisors, the IAFF-represented Fire Officers, are on 10/14s; and there will be no continuity of supervision or teamwork critical to efficient and effective fire service. I reject this argument as unpersuasive. The IAFF contract expired on the same date as the FMBA's, and that unit too is in interest arbitration before me represented by the same negotiator who represents the FMBA. That negotiator credibly stated at the FMBA hearing that the IAFF too will seek 24/72s if FMBA wins it in this proceeding. And, as the arbitrator in both cases, I can say with great assurance that the IAFF Award on what is likely to be an identical record will not depart from the pattern established for the FMBA in this proceeding. The bottom line is that fire officers and firefighters will be on the same schedule, as common sense dictates they must.²

I turn now to the statutorially-required analysis of the sole, non-economic issue before me giving due weight to Section 3g's eight factors.

² In this connection, IAFF must understand that its working the 24/72 schedule will depend on the FMBA unit's meeting its sick-leave and overtime reduction guarantees.

(1) *The interests and welfare of the public.* I find the evidence before me strongly supports the FMBA's case that its 24/72 proposal serves the public's interest and welfare. It will increase productivity, reduce civilian injuries due to fire, reduce costs due to sick leave and overtime, and improve morale.

(2) *Comparison of conditions of employment.* With respect to this criterion, I find there are no comparable employees performing the same or similar services in private employment. In public employment in general, the FMBA asserts, and the Fire Director confirms, the nationwide statistic that 70% of paid fire departments work 24/72 schedules. Within the State of New Jersey, the parties' data differ, but even the City's Exhibit 53 establishes that fully one-third of the State's 48 paid fire departments work 24/72s. And those 16 communities include such urban communities as Jersey City, Hoboken, Passaic, Paterson and Union as well as urban/suburban communities such as Morristown, Edison, Ridgewood Village, and South Orange. The fire services of those communities face comparable problems and challenges to those encountered by New Brunswick, and I find their positive experience both relevant and persuasive.

(3) ***Overall compensation.*** I find this criterion to be irrelevant, because the union's proposal addresses this working condition in such a way as to have no impact on compensation.

(4) ***Stipulations of the parties.*** This criterion is irrelevant because the parties have reached no stipulations on this issue before me.

(5) ***The lawful authority of the Employer.*** The union's proposal involves no limitations of the employer's lawful authority. The "cap law" is not relevant because the proposal has no budgetary consequences except to reduce expenses. Although the employer's brief suggests that FMBA's proposal is a non-negotiable managerial prerogative, I disagree. The 24/72 schedule places the same number of personnel performing the same services at the same locations at the same times using the same equipment for the same purpose as is currently the case. The only difference is the schedule of work, and that is clearly a mandatory subject of bargaining that has no impact on management's right to define the Department's mission and the methods, means, and personnel by which to accomplish it.

(6) ***Financial impact on the governing unit, its residents and taxpayers.***
The union's proposal will have a positive financial impact. The 20% reduction of sick

leave usage will save the City \$14,254 of lost time.³ The City Administrator stated at the hearing that a 10% saving of non-fire overtime would amount to \$4,500. Because all time-based benefits will be adjusted to maintain the same hourly cost and benefit, there will be no other financial impact.

(7) *Cost of living.* This factor is irrelevant because the proposal is non-economic.

(8) *Continuity and stability of employment.* For the reasons discussed above, I find the union's 24/72 proposal will have a positive impact on the continuity and stability of employment. 24/72s will make the firefighting job less stressful, will support a healthier workforce with higher morale, and will make the firefighting job more attractive. All those factors should serve to decrease employee turnover due to resignation, death, and disability.

Finally, in its brief the union proposed an additional issue, that the parties' grievance procedure be amended to substitute the Public Employment Relations Commission for the New Jersey State Board of Mediation as the agency administering

³ Calculated by dividing average firefighter compensation of \$43,000 by the current 182.52 work days per year to produce average daily compensation of \$236 times 60.4 days (20% x 1995 total sick time used of 302 days).

arbitrations. Because that proposal was not raised prior to the hearing before me and was not addressed with evidence on the record, I reject it as untimely and unsupported.

By reason of the foregoing I issue the following

AWARD

The parties' 1995-97 collective bargaining agreement shall provide the following:

1. Firefighting platoons shall be subject to the "24/72" work schedule.

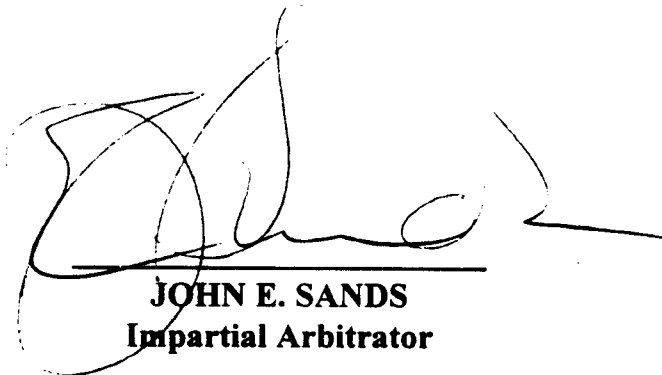
2. To eliminate any cost impact of this new schedule, accounting for all time-based benefits such as vacations, holidays, personal days, sick leave and the like shall be adjusted to maintain the same hourly level of cost and benefit as had been the case under the 10/14 schedule.

3. Mutual exchanges of tours (also known as "swaps") shall be limited to six per year, must be mutually worked, and must not result in a firefighter's working two consecutive tours of duty.

4. As a continuing condition for keeping the 24/72 schedule, each year that schedule is in effect annual sick leave usage must be at least 20% below the 1995 base (excluding from both measures the 10 days' sick leave charged to firefighters before going on major illness benefits); and non-fire overtime must be at least 10% below 1995 non-fire overtime (compliance to be determined with reference to existing manpower

levels and proportional increases or decreases). If in any year the FMBA unit fails to meet either of those guaranteed reductions, the employer may restore the 10/14 work schedule.

Dated: June 28, 1996
Montclair, New Jersey

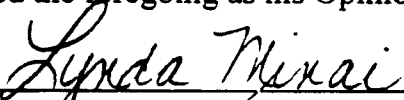


JOHN E. SANDS
Impartial Arbitrator

ACKNOWLEDGMENT

State of New Jersey)
 s.s.:
County of Essex)

On June 28, 1996, JOHN E. SANDS, whom I know, came before me and acknowledged that he executed the foregoing as his Opinion and Award in the above-captioned matter.



Lynda Minai
a Notary Public of New Jersey
My Commission expires April 23, 1997

Appendix

STATE OF NEW JERSEY
PUBLIC EMPLOYMENT RELATIONS COMMISSION

In the Matter of the Interest Arbitration Between

CITY OF NEW BRUNSWICK,
Public Employer,

and

NEW BRUNSWICK FMBA BRANCH NO. 17,
Employee Representative.

PERC Docket No.
IA-95-120

JS Case No.
2204

**SETTLEMENT
AGREEMENT**

Before **JOHN E. SANDS**, Impartial Arbitrator

In the settlement of all but one of the outstanding issues of this Interest Arbitration Proceeding, the parties have reached the following

SETTLEMENT AGREEMENT

1. **Term:** The parties' collective bargaining agreement that expired December 31, 1994 shall be renewed for a three-year term expiring December 31, 1997 with the changes set forth in this Agreement.

2. Salaries:

(a) Effective January 1, 1995 increase all steps of existing schedule by 4%.
Effective January 1, 1996 increase all steps of existing schedule by 4%.
Effective January 1, 1997 increase all steps of existing schedule by 4%.

(b) For employees hired on or after June 1, 1995 the starting salary shall be \$23,000 ("Step 1") with progression in six equal steps thereafter to the top rate in the seventh year.

(c) Paragraph 2(b), above will be effective prospectively only as of the date of the Award. Paragraph 2(a) will not apply to compensation of employees subject to paragraph 2(b) prior to the Award's date.

(d) The new contract's salary guide shall be the following:

PROPOSED SALARY GUIDE

| For Those Hired Prior to June 1, 1995 | | | |
|--|--------------------------|-------------|-------------|
| Firefighters* | 1995 | 1996 | 1997 |
| Step 1 | \$29,879.00 ¹ | \$31,074.00 | \$32,317.00 |
| Step 2 | \$39,333.00 | \$40,906.00 | \$42,542.00 |
| Step 3 | \$44,096.00 | \$45,860.00 | \$47,694.00 |
| Step 4 | \$47,653.00 | \$49,559.00 | \$51,541.00 |
| Step 5 | \$51,283.00 | \$53,334.00 | \$55,467.00 |

* Assumes 4% increases in 1995, 1996 and 1997.

¹ All figures are rounded off to the nearest whole dollar.

| For Those Hired after June 1, 1995 | | | |
|---|-------------|-------------|-------------|
| Firefighters | 1995 | 1996 | 1997 |
| Step 1(0-12 months) | \$23,000.00 | \$23,000.00 | \$23,000.00 |
| Step 2 | \$27,714.00 | \$28,056.00 | \$28,411.00 |
| Step 3 | \$32,428.00 | \$33,112.00 | \$33,822.00 |
| Step 4 | \$37,142.00 | \$38,168.00 | \$39,233.00 |
| Step 5 | \$41,856.00 | \$43,224.00 | \$46,644.00 |
| Step 6 | \$46,570.00 | \$48,280.00 | \$50,055.00 |
| Step 7 | \$51,283.00 | \$53,334.00 | \$55,466.00 |

* Assumes 4% increases in 1995, 1996 and 1997.

3. Prescription Plan:

(a) Co-pay of \$3 for generic and \$5 for brand-name drugs.

(b) Exclude cosmetic drugs unless medically necessary. For example, Retin-A would be covered if prescribed for acne but would not be covered if prescribed to fill out hollow cheeks or thin lips or to eliminate wrinkles.

4. Article V, Section 6 of the parties' contract will be modified to add the following subsection (f):

Section 6. Hospital confinement and major illness or injury shall be treated in the following manner:

* * *

f. Major illness is defined as an illness or injury which is not service related and requires hospitalization for six (6) or more days, or non-elective surgery, or an ailment or contagious disease requiring a leave of thirty (30) or more calendar days which would render a member unfit for "light duty."

5. Article V will be amended to add the following Section 11:

Section 11. Light Duty: Light duty is defined as any duty which may be required of a firefighter which will not exceed his/her physical limitations, as imposed by illness or injury.

6. Article V, Section 7 will be amended to add the following subsection (d):

d. If the employee is judged by the City physician or Worker's Compensation physician to be able to perform light duty, the member will report for light duty on the days of his ten-hour shifts only or incur a loss of benefits under this section.

7. The City shall pay an annual stipend equal to one percent (1%) of base salary to each firefighter certified as an Emergency Medical Technician ("EMT") so long as the firefighter maintains that certification. The City will continue current practice with respect to bearing the cost of EMT training and providing compensatory time for training.

8. The contract will be amended to recognize a limited chiropractic benefit of \$500 per person per year when medically necessary pursuant to current practice.

