

L-211

Memorandum of Understanding

Dated: October 16, 2013

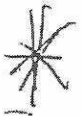
WHEREAS, the Collective Negotiations Agreement between the City of Bayonne [the "Employer"] and the Fire Superiors Union, Local 211 of the NJ FMBA [the "Union"] expired June 30th, 2013; and

WHEREAS, the parties to that Agreement appointed negotiation teams that have met on several occasions in an effort to attempt to resolve a successor agreement; and

WHEREAS, the negotiating teams have tentatively reached an agreement ["New Agreement"], subject to ratification of a formal written agreement; and

WHEREAS, the parties wish to memorialize their understanding in writing:

NOW, THEREFORE, IT IS AGREED by the negotiation teams for both the City and the Union, as follows:



1. The terms of the successor agreement shall be five and one-half [5.5] years, starting July 1, 2013 and ending December 31, 2018.
2. The salaries covered by this new agreement shall be increased across the board, as in past practice as follows:

Effective July 1, 2014 =	2%
Effective July 1, 2015 =	3%
Effective July 1, 2016 =	3%
3. No changes to longevity for existing members. For members hired after the execution of this memorandum of understanding the existing longevity schedule is replaced by the following:
 - o after the completion of their 10th year of service - \$3,000 base pay payment
 - o after the completion of their 15th year of service - an additional \$3,000 base pay payment to make for a total of \$6,000 longevity compensation
 - o after the completion of their 20th year of service - an additional \$3,000 base pay payment to make for a total of \$9,000 longevity compensation
 - o
4. Effective July 1, 2013, Subject to the needs of the Department and with the consent of the Chief of the Fire Department, Captains shall receive a fifth [5] personal day and Battalions receive a sixth [6] personal day after their tenth anniversary of appointment to the fire department and beyond which must be used in the same calendar year earned or lost. The

additional personal day will be a use it or lose it day. Captains will only be permitted to submit for four unused personal days for compensation or banked towards their accumulated retirement hours based on the rate of pay at retirement on the twelve [12] hour day totaling no more than forty eight [48] hours annually. Battalion Chiefs will only be permitted to submit for five unused personal days for compensation or banked towards their accumulated retirement hours based on the rate of pay at retirement on the twelve [12] hour day totaling no more than sixty [60] hours annually. All other terms regarding personal days shall remain in effect as per the previous contract.

5. Effective 1/1/2014

- o All members to be enrolled in the NJ Direct2030 plan or its equivalent at the City expense. Employees will make contributions for health insurance consistent with that which is required by P.L. 2010, Chapter 2 and P.L. 2011, Chapter 78
- o Any member choosing to enroll in an alternate plan must pay for the full cost of the difference between the chosen plan and the NJ Direct2030 plan
- o NJ Direct 20/30 plan will be the new base plan for active and future retirees with the exception of those members who had 20 years of service as of June 28th, 2011, as described in P.L. 2011, Chapter 78. Those members will be enrolled in NJ Direct 2030 only while active and upon retirement with the minimum of 25 years of service [20 with the City] return to NJ Direct15 or equivalent once retired at no cost to the employee. Also, if a member with 20 years of service as of June 28th, 2011, should retire with a disability that member will also return to NJ Direct15 or equivalent.

6. Health care contributions shall be consistent with that required by P.L. 2010, Chapter 2 and P.L. 2011, Chapter 78. The City and the Union will be in compliance with the terms of each law and shall complete the four year phase-in period of cost sharing for health insurance on June 30, 2017.

7. Effective 7/1/2017

- o The State mandated employee contribution schedule for health benefits and prescription coverage shall be replaced with the following formula:
 - All employees will pay a percentage of their base pay for health benefits rather than a percentage of their insurance premium as outlined in P.L. 2011, Ch78
 - The percentage amount has been determined and negotiated between both parties and an explanation on how the value of the percentage has been derived from is attached to the M.O.U.

- The percentage amount for health benefits and prescription coverage is only applied to the employee's base pay and excludes longevity payments.

- Captain [base pay in 2017 of \$129,413] percentage amounts for the different plan options of NJ Direct20/30. The percentage amount for the plan option is used regardless of the possibility of the member being in the promotional step salary categories [year 1-3]

• Single	2.4%
• Parent/Child	3.65%
• Member/Spouse	5.08%
• Family	6.17%

- Captain [base pay in 2017 of \$135,842] percentage amounts for the different plan options of NJ Direct20/30.

• Single	2.35%
• Parent/Child	3.47%
• Member/Spouse	4.84%
• Family	5.88%

- Battalion Chief [base pay in 2017 of \$148,824] percentage amounts for the different plan options of NJ Direct20/30. The percentage amount for the plan option is used regardless of the possibility of the member being in the promotional step salary categories [year 1-3]

• Single	2.15%
• Parent/Child	3.17%
• Member/Spouse	4.42%
• Family	5.37%

- Battalion Chief [base pay in 2017 of \$156,217] percentage amounts for the different plan options of NJ Direct20/30.

• Single	2.05%
• Parent/Child	3.02%
• Member/Spouse	4.21%
• Family	5.12%

8. Unless otherwise prescribed by law, no changes in retiree health benefits for members who achieved twenty years or more of service in the retirement system [PFRS] as of June 28, 2011.

9. For members who achieved less the twenty years of service as of June 28, 2011, and who retire with a minimum of twenty-five years of service [20 years with the City] on or after July 1, 2017, 2.5% of their retirement allowance shall be contributed towards the cost of the NJ Direct 20/30 plan or its equivalent as well as the same continued benefit of prescription drug coverage.
10. Sick Leave Incentive: Extend existing language to cover the period of July 1, 2018 through December 31, 2018. Any employee who does not utilize sick leave during this time period will be compensated with twelve [12] hours of compensatory time.
11. If the provisions of Chapter 2, P.L. 2010 or Chapter 78, P.L. 2011 or any other State law that requires active FMBA employees or retirees to make a minimum contribution for health benefits coverage are ever repealed, allowed to lapse, amended, altered or ruled invalid or otherwise unenforceable by a court or other competent jurisdiction for any reason, the parties shall reopen negotiations for the sole purpose of making compliance modifications to any health benefit contribution contractual language to effectuate the intent of the parties.
12. If this contractual provision providing for the active FMBA employee and retiree contributions for health benefits coverage is ever determined to be invalid or otherwise unenforceable by a court or other competent jurisdiction for any reason, the parties shall reopen negotiations for the sole purpose of making compliance modifications to the language to effectuate the intent of the parties.
13. This Memorandum of Understanding shall form the basis for a revision to the Collective Negotiations Agreement between the parties, which shall be subject to formal ratification of both parties.
14. Except as modified by this Memorandum of Understanding, all provisions of the existing Collective Negotiations Agreement shall continue in full force and effect.

City of Bayonne

By: [Signature]
title BA

Dated: 10/23/13

By: _____
title _____

Dated:

Bayonne Fire Superiors, Local 211 of the NJ FMBA

By: [Signature]
title President Local 211

Dated:

By: [Signature]
title Vice President

Dated: