

JULY 1, 2007-JUNE 30, 2010 COLLECTIVE BARGAINING AGREEMENT

and

JULY 1, 2010-JUNE 30, 2012 COLLECTIVE BARGAINING AGREEMENT

and

JULY 1, 2012-JUNE 30, 2015 COLLECTIVE BARGAINING AGREEMENT

by and between

THE PROVIDENCE LODGE #3, FRATERNAL ORDER OF POLICE

and

THE CITY OF PROVIDENCE, RHODE ISLAND

TENTATIVE AGREEMENT

This *Tentative Agreement* is made and entered into this _____ day of _____, 2011 by and between the CITY OF PROVIDENCE ("City") and the PROVIDENCE LODGE #3, FRATERNAL ORDER OF POLICE ("FOP"). This *Tentative Agreement* concerns, conjunctively, the following three (3) separate and distinct Collective Bargaining Agreements:

1. A Collective Bargaining Agreement by and between the parties in effect between July 1, 2007 and June 30, 2010;
2. A Collective Bargaining Agreement by and between the parties in effect between July 1, 2010 and June 30, 2012; and
2. A Collective Bargaining Agreement by and between the parties in effect between July 1, 2012 and June 30, 2015.

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WHEREAS, the parties have conducted good faith negotiations pursuant to R.I.G.L. §28-7 *et seq.* and §28-9.2 *et seq.*;

WHEREAS, the parties' negotiations have resulted in this ***Tentative Agreement*** forming the basis for the following separate and distinct Collective Bargaining Agreements: (a) the July 1, 2007 to June 30, 2010 Collective Bargaining Agreement (the "2007-2010 CBA"), (b) the July 1, 2010 to June 30, 2012 Collective Bargaining Agreement (the "2010-2012 CBA"), and (c) the July 1, 2012 to June 30, 2015 Collective Bargaining Agreement (the "2012-2015 CBA"); as well as other agreements reached by and between the parties concerning the other terms and conditions of employment described herein;

WHEREAS, this ***Tentative Agreement*** and thus the Collective Bargaining Agreements resulting therefrom are subject to ratification by both the City's and the FOP's authorized ratifying bodies;

WHEREAS, the final ratification of this ***Tentative Agreement*** and thus the Collective Bargaining Agreements resulting therefrom shall result in the settlement and dismissal of all Interest Arbitration proceedings pending between the parties; and

WHEREAS, the parties hereto desire to codify their Agreement and be bound by the same.

THEREFORE, the parties agree as follows:

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I. AGREEMENTS OF THE PARTIES AFFECTING TERMS AND CONDITIONS OF EMPLOYMENT, BUT NOT INTENDED TO ENACT SPECIFIC CHANGES TO THE LANGUAGE OF THE PARTIES' COLLECTIVE BARGAINING AGREEMENTS:

1. Police Department Budgetary Savings.

(A) The first \$6,000,000 realized of both 2011-2012 (FYE '12) and 2012-2013 (FYE '13) Fiscal Year Police Department Budgetary Savings credited to the FOP's Collective Bargaining Agreement changes and other agreements enacted under this *Tentative Agreement* (hereafter "Budgetary Savings") shall be retained as savings by the City. Budgetary Savings shall be calculated by subtracting all actual expenditures for salary (except overtime) and benefits for bargaining unit personnel from the sum of all salary lines in the FY '12 budget (except overtime lines) for bargaining unit personnel plus all benefits lines for bargaining unit personnel.

(B) Savings realized in between the first \$6,000,000 and approximately \$7,650,000 (i.e. approximately the next \$1,650,000) of both 2011-2012 (FYE '12) and 2012-2013 (FYE '13) Fiscal Year shall be applied to fund the salary stipend and/or increase described in this *Tentative Agreement* effective as of 6/30/12 and 6/30/13 (*see below*); and any additional savings above the approximately \$7,650,000/year shall be retained as savings by the City.

(C) The costs of any Police Officers hired by the City above the Police Department manpower number of 428 shall not be applied to reduce any 2011-2012 (FYE '12) and 2012-2013 (FYE '13) Fiscal Year Budgetary Savings.

(D) Promotions, transfers or other movements that increase the total number of sergeants, lieutenants, captains or 9% or 12% positions from the number filled as of July 21, 2011 will not be used to reduce Budgetary Savings calculated and credited hereunder for FY '12 or FY '13 unless the increase is offset by a concomitant decrease in a higher rank or position.

2. One-time Normal Retirement Incentive Program.

- Members of the Police Department (including non-bargaining unit Police Majors) shall be eligible to participate in a one-time *Normal Retirement Incentive Program*, permitting any Members who have accrued 18 or more Years of Service (including any service buy-backs for military time, academy time, etc.) **as of September 30, 2011** who, by September 30, 2011, commit in writing to retire on or before September 30, 2011 on a Normal Retirement to retire with the following benefits:



Pension Benefit changes:

- Receipt of up to two (2) years of additional Years of Service for accrual percentage purposes; and
- COLA payments begin after 5 years in lieu of after 3 years.

Retiree Healthcare Benefit changes:

- The Healthcare Co-Payment/Co-Share shall be frozen at \$600/individual & \$1,200/family; and
- The Healthcare Co-Payment/Co-Share shall be waived for the first two (2) years of Retirement.

Pension Base:

- As more fully described below, any salary increase effective as of 6/30/13 shall be included in the calculation of the Pension Base, with no retroactive payments.

Other Benefits:

- For purposes of other benefits, Members shall be covered by the 7/1/06-6/30/07 CBA.

Severance Pay:

- Any Severance Pay due to Members who retire through the *Normal Retirement Incentive Program* shall be paid as follows: first 25% upon retirement; second 37.5% as of 7/1/12; and the third 37.5% as of 7/1/13.

Commencement of Pension Benefit Payments:

- Pension Benefit payments shall commence no later than as of the 1st day of the month subsequent to 30 days after the Member has retired (i.e. September 1 if the Member retires in July). Moreover, if the City Retirement Office is unable to process a Member's retirement and Pension Benefit payments by this date, the City shall "handcut" or otherwise manually cut Pension Benefit payment checks to the Retired Member until the normal payment process begins.

- Members may also choose to retire prior to **September 30, 2011** with "normal" retirement benefits and procedures, including the receipt of COLA payments after 3 years (i.e. not through the *Normal Retirement Incentive Program*).
- All Members who leave employment and thereby decrease the Police Department manning below the current 468 level, whether through the *Normal Retirement Incentive Program*, through the "normal" retirement benefit and procedure process, through disability pension retirement, through resignation or termination, or by other means, shall be applied towards the calculated Budgetary Savings amount described above.



3. Conditional Freeze on Police Layoffs.

There shall be no Police Layoffs through 6/30/15; provided however in the event that at least 30 retirements to take effect by 9/30/11 have not been committed to by police officers by 9/30/11, or at least \$6,000,000 in Budgetary Savings is not realized in 7/1/11-6/30/12 through the *Normal Retirement Incentive Program* described above, other Manpower Reduction (other retirement, resignation, termination, etc.), or other savings means under this *Tentative Agreement*, then the FOP shall have 3 weeks to demonstrate other areas of savings to the City, and the City may revert to Layoffs of Police Officers as a last resort savings measure.

4. Collective Bargaining Agreement 9% and 12% Salary Increment provisions:

Members' receipt of either 9% or 12% Salary Increments pursuant to Article XIII, Section 1, Subsection (C) of the Collective Bargaining Agreement shall be enforced strictly in accordance with the requirements and limitations set forth in the Agreement.

5. Overtime/Call Back:

- Overtime, Call Back, and Court Time for bargaining unit members shall be frozen at current levels for calculation purposes, meaning that any excess shall not be used to reduce Savings calculated and credited hereunder.
- Overtime and Call Back shall be placed on a Rotating List via seniority w/in Bureaus, Units, etc.

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II. CHANGES ENACTED IN THE 2007-2010 CBA:

1. Article XIII, Section 1: "Salaries", Subsection (A): "Salary Scale".

- The following Salary Increases shall be implemented for all members of the bargaining unit:

- Effective 7/1/07: 0% (provided however that up to a 5% increase covers Retired Members who retired on or after 7/1/07, for pension benefit payment increase purposes only - see below)
- Effective 7/1/08: 0%
- Effective 7/1/09: 0%

Pension Increase: As of 7/1/13, whatever Base Pay Salary Increase is included in the wages of Active Members as of 6/30/13 shall be similarly included in the calculation of the Pension Payment Base of all retired Members who retired after 7/1/07 as more fully set forth below. However, there shall be no Retroactive Pension payments.

2. Article XXII, Section 1: "Duration of Agreement".

- The Agreement shall be for the three (3) years term beginning July 1, 2007, and ending June 30, 2010.



III. CHANGES ENACTED IN THE 2010-2012 CBA:

1. Article VII, Section 5: "Paid Holidays".

- The Holiday Payment paid to Members for Columbus Day for the 7/1/11-6/30/12 Contract Year only shall be retained by the City.

2. Article VIII, Section 2: "Clothing Maintenance Allowance".

- Members' \$1,000.00 Clothing Maintenance Allowance for the 7/1/11-6/30/12 Contract Year only shall be held in abeyance by the City pending ratification of the Tentative Agreement, and shall be retained by the City only after final and binding ratification has taken place. The Clothing Maintenance Allowance shall be paid in the event final and binding ratification is not attained. This provision shall not affect the payment of the \$200.00 non-uniform Clothing Allowance.

3. Article IX, Section 1: "Sick Leave".

- Members' Sick Leave allotment for the 7/1/11-6/30/12 Contract Year only shall be reduced from 15 Sick Leave Days to 10 Sick Leave Days.

4. Article IX, Section 5: "Attendance Bonus".

- Section 5, the \$500.00 Attendance Bonus, shall be permanently deleted from the Agreement.

5. Article XIII, Section 1: "Salaries", Subsection (A): "Salary Scale".

- The following Salary Increases shall be implemented for all members of the bargaining unit:

- Effective 7/1/10: 0%
- Effective 7/1/11: up to a 5% Salary Stipend effective as of 6/30/12, and conditionally included in base pay as of 6/30/13 (see below)

- **FYE'12 (7/1/11-6/30/12):** All Budgetary Savings over \$6,000,000 shall be applied to up to a 5% Salary Stipend in 7/1/11-6/30/12, as follows:

- Each \$330,000 saved = 1% Salary Increment up to a 5% Salary Increment (\$1,650,000 Total for a 5% Salary Stipend)
- The 0% to 5% Salary Stipend shall be calculated as of 6/30/12 and paid on 8/1/12

- As of 7/1/12 the Salary Stipend shall not yet be included in Base Pay as a Salary Increase

- **Base Pay Salary Increase:** To the extent that Budgetary Savings over \$6,000,000 are realized in the 7/1/12-6/30/13 Contract Year and paid as a Salary Stipend on 8/1/13, as of 6/30/13 each \$330,000 of Police Department Budgetary Savings realized in the 7/1/12-6/30/13 Contract Year shall cause all or a percentage of the 8/1/12 Salary Stipend to be included as a normal Base Pay Salary Increase as of 6/30/13 as follows:

- the % Salary Stipend Increment paid on 8/1/12 shall be added to the % Salary Stipend Increment paid on 8/1/13, and then divided by 2, and that amount shall be included as up to a 5% Base Pay Salary Increase as of 6/30/13. For example, if a 5% Stipend is paid on 8/1/12 and a 5% Stipend is paid on 8/1/13 ... then a 5% Base Pay Salary Increase shall be included as of 6/30/13.

- **Pension Increase:** As of 7/1/13, whatever Base Pay Salary Increase is included in the wages of Active Members as of 6/30/13 shall be similarly included in the calculation of the Pension Payment Base of all retired Members who retired after 7/1/07. (i.e., effective 7/1/13 the base pay for the last one of the retired officer's three highest paid years of service, solely as used for computing his/her pension benefit, will be increased by the same percentage as active members' base pay is increased on 6/30/13.) However, there shall be no Retroactive Pension payments.

6. Article XIII, Section 1: "Salaries", Subsection (B): "Night Relief Salary Increment".

- The Night Relief Salary Increment provision shall be amended to state that the \$75.00/week Night Relief Salary Increment shall only be paid to Members who work 4 full tours of duty in between 3:00PM and 8:00AM in a work week, in lieu of the current requirement to work 2 full tours of duty in between those hours.

7. Article XV, Section 1: "Blue Cross and Physician's Service – Active Members"; and Section 2: "Blue Cross and Physician's Service – Retirees".

- Enforce and amend/enhance current Collective Bargaining Agreement provisions concerning the City's coordination of both Active and Retired Members' and beneficiaries' Healthcare coverage in order to protect and secure Healthcare benefits for all eligible Active and Retired FOP Members.
- The City's obligation to provide retiree healthcare coverage to a specific retiree shall be suspended in the event that the retiree and/or spouse is eligible for medical insurance under any healthcare plan, including but not limited to that made available

through the retiree's spouse, providing that the said plan is equivalent in all aspects of coverage and cost. If coverage is not equivalent or if the plan's cost exceeds the cost to the retiree of the city plan, then the City shall have the option of providing payment to make the cost equal and/or providing only such coverage as to make the plans equivalent or maintaining the city plan for the retiree, all pursuant to all provisions contained herein for retirees on said retirement date. At the request of the City, the retiree shall be obligated to provide proof that he or she is not eligible to receive healthcare coverage from another source or that coverage is not otherwise equivalent coverage pursuant to this agreement. Should a retiree subsequent to retirement, whose healthcare coverage is suspended in accordance with this provision, lose alternate coverage from an alternate source, the City shall restore coverage on the first day of the month after notice has been received under the same terms as those that existed at the retiree's date of retirement.

**The coordination of benefits ("COB") for Active Members will not reduce Members' Healthcare benefits or increase the Co-Payments/Co-Shares or costs paid by Members or their spouses if such spouses become covered by another Healthcare Plan through coverage and benefits. Members' spouses will no longer be eligible to decline Healthcare benefits in return for the receipt of "buy-back" stipends however.*

8. Article XVI, all applicable Sections (regarding the Detail Assignment List).

• Amend Article XVI where applicable to state that the Detail Assignment List shall be opened to all Members of the Department (in lieu of the current mandate in the Agreement by which the List is only open to Members of the Uniform Division; ***provided however this change shall only occur if the following takes place:***

- The City mandates (via a final, binding and effective City Ordinance and corresponding new language in the Collective Bargaining Agreement) that:

(a) all private vendor construction/road/infrastructure projects must be assigned Police Officer Details; **AND** (b) all Private Details must be called in by vendors in advance, placed on the Detail Assignment List, and accompanied by a vendor payment bond.

- These Detail mandates shall be monitored and enforced by a member of the PPD/FOP as mutually agreed upon by the FOP.

9. Article XXI, Section 1: "Pension Plan and Benefits", Subsection (B): "Pension Contributions".

• Effective as of 9/1/11, Members' 8% Pension Contribution payments shall be made on a "pre-tax" basis, resulting in an increase in "take-home pay".

10. Article XXI, Section 1: "Pension Plan and Benefits", Subsection (C): "Pension Plan Benefits".

- Amend Subsection (C), in conjunction with a corresponding amendment to the applicable City of Providence Pension Ordinance to be enacted by the City Council, to state that Members hired on or after 7/1/11 shall receive the following different Pension Benefits than those benefits set forth in the Collective Bargaining Agreement:

- Retirement eligibility at the earlier of 25 Years of Service or Age 55;
- Pension Benefits of 50% of retirement-eligible pay at 25 Years of Service, with a maximum of 75% after 35 Years of Service (i.e. 2.5%/Year in between 25-35 years); and
- COLA payments based upon the CPI-U (with a floor of 1% and ceiling of 3%).

11. Article XXI, Section 1: "Pension Plan and Benefits," Subsection (C): "Pension Plan Benefits."

- Insert a new provision in Subsection (C), in conjunction with a corresponding amendment to the applicable City of Providence Pension Ordinance to be enacted by the City Council, stating that effective as of 3/1/12 the current age 60 Mandatory Retirement Age shall be changed to an age 63 Mandatory Retirement Age, meaning that any Members who have not yet reached the age of 60 as of 3/1/12 may remain employed as a member of the Police Department until December 31st of the year in which he/she reaches the age of 63.

12. Article XXII, Section 1: "Duration of Agreement".

- The Agreement shall be for the two (2) years term beginning July 1, 2010, and ending June 30, 2012.

IV. CHANGES ENACTED IN THE 2012-2015 CBA:

1. Article XIII, Section 1: "Salaries", Subsection (A): "Salary Scale".

- The following Salary Increases shall be implemented for all members of the bargaining unit:

- Effective 7/1/12: up to a 5% Salary Stipend effective as of 6/30/13
- Effective 7/1/13: 4%
- Effective 7/1/14: 4%

- FYE'13 (7/1/12-6/30/13): All Police Department Budgetary Savings over \$6,000,000 shall be applied to up to a 5% Salary Stipend in 7/1/12-6/30/13, as follows:

- Each \$330,000 saved = 1% Salary Increment up to a 5% Salary Increment (\$1,650,000 Total for a 5% Salary Stipend)
- The 0% to 5% Salary Stipend shall be calculated as of 6/30/13 and paid on 8/1/13

- Base Pay Salary Increase: To the extent that Police Department Budgetary Savings over \$6,000,000 are realized in the 7/1/12-6/30/13 Contract Year and paid as a Salary Stipend on 8/1/13, as of 6/30/13 each \$330,000 of Police Department Budgetary Savings realized in the 7/1/12-6/30/13 Contract Year shall cause all or a percentage of the 8/1/12 Salary Stipend to be included as a normal Base Pay Salary Increase as of 6/30/13 as follows:

- the % Salary Stipend Increment paid on 8/1/12 shall be added to the % Salary Stipend Increment paid on 8/1/13, and then divided by 2, and that amount shall be included as up to a 5% Base Pay Salary Increase as of 6/30/13. For example, if a 5% Stipend is paid on 8/1/12 and a 5% Stipend is paid on 8/1/13 ... then a 5% Base Pay Salary Increase shall be included as of 6/30/13.

- Pension Increase: As of 7/1/13, whatever Base Pay Salary Increase is included in the wages of Active Members as of 6/30/13 shall be similarly included in the calculation of the Pension Payment Base of all retired Members who retired after 7/1/07. (i.e., effective 7/1/13 the base pay for the last one of the retired officer's three highest paid years of service, solely as used for computing his/her pension benefit, will be increased by the same percentage as active members' base pay is increased on 6/30/13.) However, there shall be no Retroactive Pension payments.

2. Article XV, Section 1: "Blue Cross and Physician's Service – Active Members"; and Section 2: "Blue Cross and Physician's Service – Retirees".

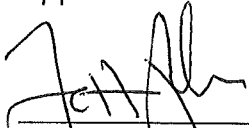
- The annual \$600.00 individual plan / \$1,200 family plan Healthcare Co-Payment/Co-Share shall increase to \$750.00 individual plan / \$1,500 family plan as of 7/1/12, if and only if the Members have received at least a 3% Salary Stipend effective as of 6/30/12 and paid as of 8/1/12.
- As of 7/1/13, the Healthcare Co-Payment/Co-Share shall increase to \$900.00 individual plan / \$1,800 family plan, paid annually.
- As of 7/1/14, the Healthcare Co-Payment/Co-Share shall increase to \$1,075.00 individual plan / \$2,150 family plan, paid annually.

3. Article XXII, Section 1: "Duration of Agreement".

- The Agreement shall be for the three (3) years term beginning July 1, 2012, and ending June 30, 2015.

WHEREFORE, the parties hereto, having read the foregoing and being duly authorized, do hereby agree to all the terms and conditions contained herein and so signify by affixing their signatures on this _____ day of _____, 2011.

Approved as to form and correctness



Jeffrey M. Padwa
City Solicitor




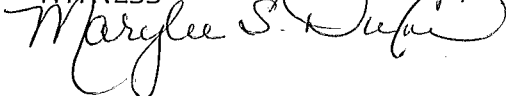
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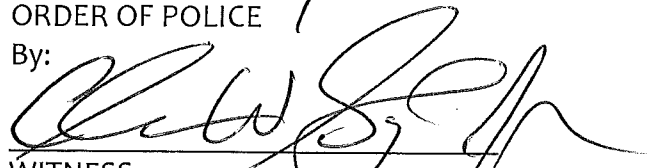
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