



State of New Jersey
DEPARTMENT OF COMMUNITY AFFAIRS
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CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

CHARLES A. RICHMAN
Commissioner

MEMORANDUM

TO: Henry White, Chief of Police

FROM: DLGS State Designee, Jeffrey S. Chiesa
Timothy Cunningham, Director, Division of Local Governmental Services

cc: Ronald L. Israel, Esq.
Jason Holt, Business Administrator
Rick Richardella, State Fiscal Monitor
Matthew J. Giacobbe, Esq., Special Labor Counsel

Date: March 15, 2017

RE: NOTICE OF IMPLEMENTATION – CHIEF OF POLICE

As you are aware, the New Jersey State Legislature approved the Municipal Stabilization and Recovery Act, (“MSRA”), codified at N.J.S.A. 52:27BBBB-1, et seq., which grants the Director of the Division of Local Government Services or his Designee the “authority to take any steps to stabilize the finances, restructure the debts, or assist in the financial rehabilitation and recovery of a municipality in need of stabilization.” After review of the terms and conditions of employment applicable to the Chief of Police, the Director and/or his Designee have determined that the following modifications set forth in this memorandum are reasonable and directly related to stabilizing the City’s finances. Accordingly, please take notice that the Director and/or his Designee will exercise the statutory powers vested in the Municipal Stabilization and Recovery Act, codified at N.J.S.A. 52:27BBBB-1, et seq., to unilaterally modify the terms and conditions of employment of the current Chief of Police and all others who are appointed to said position to rehabilitate the financial condition of the City. The following modifications will be implemented on March 15, 2017 or on the effective dates as indicated below:

- Effective March 15, 2017, all pending and prospective Terminal Leave payments shall be eliminated.
- Effective March 15, 2017, or as soon thereafter as possible, the Chief of Police shall implement a new work schedule in accordance with 29 U.S.C. § 207k where **all** Police Officers and Superior Police Officers will work 2190 hours over the course of the work year. The specific shifts will be devised by the ACFD Chief of Police.
- Effective March 15, 2017, the Chief of Police shall implement a change the overtime calculus so that all Police Officers and Superior Police Officers only receive overtime after they have worked in excess of eighty-six (86) hours over a fourteen (14) day work cycle in accordance with Section 207 (k) of the Fair Labor Standards Act and 29 C.F.R. Part 553.230.



- Effective March 15, 2017, the Chief of Police shall direct and ensure that all paid time off, including but not limited to sick leave, vacation leave and personal leave shall **not** count as hours worked for overtime purposes in accordance with the Fair Labor Standards Act, 29 C.F.R. Part 778.218 (d).
- Effective March 15, 2017 or as soon thereafter as possible, the current Chief of Police, all others who are appointed as Chief of Police and future retirees will be provided with the New Jersey Direct 15 Plan in the State Health Benefits Plan. Employees and future retirees who select a plan that is more expensive than New Jersey Direct 15 shall be solely responsible for paying the difference in costs between the more expensive plan and the New Jersey Direct 15 Plan in addition to the employee's Ch. 78, P.L. 2011 contributions.
- Effective March 15, 2017, a new salary is hereby established for the Chief of Police and all others who are appointed to the position of Chief of Police. The below salary shall be the entire compensation for the Chief of Police, including longevity and educational pay. There shall be no supplemental compensation.

<u>RANK</u>	<u>2017 Salary</u>
CHIEF OF POLICE	\$165,000

- Effective March 15, 2017, eliminate the current rank differential upon promotion from Deputy Police Chief to Chief of Police.
- Effective March 15, 2017, eliminate Longevity in its entirety.
- Effective March 15, 2017, eliminate Educational Incentive Pay in its entirety.
- Effective March 15, 2017 or as soon as practicable, the co-payment for generic drugs shall be increased to \$15.00 per prescription, and the co-payment for non-generic drugs shall be increased to \$35.00 per prescription. Active employees serving as Chief of Police shall pay a \$50.00 deductible for covered dental services.
- Effective March 15, 2017, the statutory language for workers compensation payments based upon seventy percent (70%) of weekly wages in accordance with N.J.S.A. 34:15-12c shall apply to all who serve as Chief of Police.
- Effective March 15, 2017, all accumulated sick leave shall be deducted in the event the illness or injury is not service connected, provided that the examining physician appointed by the City certifies to such illness or injury. The Chief of Police may be entitled to sick leave with pay in the event he or she exhausts his or her accumulated sick leave for a period not to exceed one (1) year, subject to the provisions of N.J.S.A. 40A:14-137.
- Effective March 15, 2017, an employee serving as Chief of Police who is trained as a bomb technician shall not be entitled to receive any differential payment for such assignments or training.
- Effective March 15, 2017, the Command Differential payment shall be terminated.