



STEVEN M. FULOP
MAYOR OF JERSEY CITY

CITY OF JERSEY CITY
OFFICE OF THE MAYOR

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STEVEN M. FULOP
MAYOR OF JERSEY CITY

Report of Directors

8.d

Meeting 02.14.19

E.O.# **2019-001**
Amending and Superseding
E.O. 2017-018

January 25, 2019

**EXECUTIVE ORDER OF THE MAYOR OF THE CITY OF JERSEY CITY ESTABLISHING
BENEFITS FOR MANAGEMENT EMPLOYEES**

Pursuant to the legal authority vested in the Mayor of the City of Jersey City to set the compensation of City employees, I issue the following Executive Order covering classified and unclassified managerial non-union employees.

Any other Executive Orders inconsistent with the provisions of this order are repealed or continued repealed if previously repealed.

As used in this order, the terms management or managerial employees shall mean all non-union classified and unclassified City employees, hired or appointed, whose positions are not covered by any union contract who are designated as full time employees, except as noted herein.

Notwithstanding any section of the City Code, managerial employees shall receive the following benefits as compensation in addition to base salary. The City shall have the right to change any of the benefits noted or provided herein, except as not permitted by applicable law:

I. EMPLOYEE HEALTH BENEFITS¹

A. **Medical Health Coverage.** Effective November 1, 2010, the Traditional Medical Plan will no longer be an option for Management Employees. The City will offer management employees and their eligible dependents benefits consistent with either Horizon Blue Cross/Blue Shield Direct Access or Horizon POS plans, which includes, but is not limited to:

- i. Emergency room visits shall require a \$50 co-pay per visit. The Copay shall be waived if admitted to the hospital.
- ii. Out of network deductible: \$250/\$500 (Individual/Family)
- iii. The out of network reimbursement schedule shall be 70th percentile of the applicable fair health rate.

Note: the City may also offer additional health benefit plans providing separate coverage amounts other than those noted above.

B. **Life Insurance.** Employees are covered for three (3) times their salary on their lives and an additional three (3) times their salary for accidental death and dismemberment, subject to the limitations, provisions, and terms and conditions of the applicable group insurance policy purchased by the City, or self-insured by the City to cover the benefits under this section. Employees who have accepted a terminal leave payment from the City are not eligible for life insurance. Effective January 1, 2011 management employees who have received a terminal leave payment and retired from the City and have been re-hired by the City, shall no longer receive life insurance benefits.

C. **Prescription Plan.** Effective January 1, 2019, the following changes will be made to the prescription plan for all management employees and their eligible dependents:

¹ Any medical benefit changes noted in this order shall take effect on January 1, 2019, unless otherwise noted.

Generic Drugs	RETAIL \$5.00 co-pay retail for Prescriptions up to thirty (30) day supply.	MAIL ORDER Ninety (90) day supply filled via mail order will have a \$10.00 co-pay per prescription.
Brand Drugs	RETAIL \$25.00 co-pay retail for prescriptions up to thirty (30) day supply of preferred brand. \$35 co-pay retail for Prescriptions up to thirty (30) day supply of non-preferred brand.	MAIL ORDER Ninety (90) day supply filled via mail order will have a \$50.00 co-pay per prescription. For non-preferred brand, ninety (90) day supply filled via mail order will have a \$70.00 co-pay per prescription.
Prescriptions that cost over \$1,000 (RETAIL & MAIL ORDER)	Prescriptions between \$1,000- \$1,999.99: The employee is responsible for a \$50.00 co-pay per prescription. Prescriptions between \$2,000-\$2,999.99: The employee is responsible for a \$100.00 co-pay per prescription. Prescriptions over \$3,000: The employee is responsible for a \$150.00 co-pay per prescription.	

Effective January 1, 2019, the new prescription plan will be administrated in accordance with the Express Scripts National Preferred Formulary.

Mandatory Generic Prescriptions: It is mandatory that the employee shall accept the generic version of a prescription medication, if a generic version of the prescription medication exists. It will be mandatory for all drugs that are defined as maintenance drugs by the United States Food and Drug Administration (FDA) to be bought through mail order (when available). However, the co-pay on the first two prescriptions filled on any maintenance drug, whether that drug is over \$1,000.00 in cost or not, will be at the either retail co-pay rate for a generic or brand drug following which the employee will be responsible for the mail order co-pays set forth above depending on the cost of the particular drug.

D. **Optical Reimbursement Plan.** The City will provide a maximum of one-hundred (\$125) dollars for each employee and eligible dependent as reimbursement for one (1) purchase per year of an allowable corrective device in accordance with the plan. The proof of purchase must be submitted to the Department of Human Resources within 90 days of purchase to be eligible for reimbursement.

E. **Dental Plan.** Each employee is offered a choice of plans; either a closed panel program or an open panel program. This choice will be effective for one (1) year, with an annual open enrollment period in April, although qualifying events under City policy and applicable law may permit additions or changes to coverage. Under the closed panel program, all dental services are provided by a dentist chosen by the employee from a list made available by the closed panel provider and it provides more coverage in certain areas. However, after choosing a dental office from the list, only that dental office may be utilized. Under the open panel program, any dentist may be utilized at any time, but coverage is less in certain areas. The level of coverage is \$1,300 maximum under the Open plan, per employee and per dependent. Children are covered beyond age 19 if they are full-time students and proof must be submitted to the Division of Health Benefits each semester. Dependent coverage ends the month the dependent turns 23 years of age. (For more details, please read outlines of both programs.).

F. **Employee Assistance Program.** The City has contracted with a professional organization to administer an Employee Assistance Program which will provide employees with assistance with problems such as drug abuse, alcoholism, family-type stress, financial, psychological, etc. To utilize this program, contact the City Employee Assistance Program or the Department of Human Resources.

II. PAID TIME OFF

A. **Sick Leave/ Sick Leave of Absence.** Managerial employees shall be entitled to paid sick leave. Pursuant to N.J.S.A. 11A:6-19, any unused sick leave will accumulate to the employee's credit from year to year;

(1) Permanent employees:

- (a) Up to end of first calendar year: one (1) working day for each month;
- (b) Each calendar year thereafter: fifteen (15) working days.

(2) Temporary/provisional employees:

- (a) Up to end of first calendar year: one (1) working day for each month not to exceed ten (10) days for one (1) year;
- (b) Each calendar year thereafter: ten (10) working days.

B. **Annual Vacation Leave.** Except for full time Municipal Court judges and the Director of Municipal Court, and except for elected officials and statutory officers whose compensation is provided for in Ordinance 10-078, all management employees hired on or before October 6, 1992, shall be entitled to the following vacation:

<u>Amount of Service</u>	<u>Vacation Days</u>
Up to the end of the first calendar year	1 day per month
Next full calendar year	12 days
2 to 5 years	17 days
6 to 10 years	20 days
11 to 15 years	25 days
Starting with 16th year and thereafter	30 days

All management employees hired between October 7, 1992, and September 30, 2000 shall be entitled to the following vacation provided that any employee promoted or transferred into management from a City bargaining unit who at the time of such promotion or transfer was in the employ of the City in that bargaining unit, shall suffer no loss in the level of vacation benefits enjoyed by him or her immediately prior to becoming a member of management:

<u>Amount of Service</u>	<u>Vacation Days</u>
Up to the end of the first calendar year	1 day per month
Next full calendar year	12 days
2 to 5 years	15 days
6 to 10 years	18 days
11 to 15 years	22 days
Starting with 16th year and thereafter	25 days

All management employees hired by the City on or after October 1, 2000, shall be entitled to the following vacations provided that any employee promoted or transferred into management from a City bargaining unit who at the time of such promotion or transfer was in the employ of the City in that bargaining unit, shall suffer no loss in the level of vacation benefits enjoyed by him or her immediately prior to becoming a member of management:

<u>Amount of Service</u>	<u>Vacation Days</u>
Up to the end of the first calendar year	1 day per month
Next full calendar year	12 days
2 to 5 years	13 days
6 to 10 years	15 days
11 to 15 years	18 days
Starting with 16th year and thereafter	20 days

All management employees rehired after a period of separation from employment shall be considered newly hired employees for purposes of determining which of the above schedules apply to them. In the event, however, said employees have more than 5 years of previous service and have been separated for less than one year, they shall not be considered newly hired employees and shall be returned to the schedule based on his or her original date of hire. Employees receiving service retirement benefits arising from previous City employment shall receive credit for any prior City service for purposes of calculating the number of vacation days they are entitled to within the vacation schedule pertaining to employees hired on or after October 1, 2000 above.

Where in any calendar year, the vacation leave of managerial employees or any part thereof is not taken, such vacation leave not taken shall accumulate and be granted during the next succeeding calendar year only; except for that banked vacation time that accumulated prior to December 31, 1988. Employees leaving the employ of the City shall only be paid for accrued annual leave up to a maximum of one (1) year, plus a prorated share of unused annual leave that accrued during the year the employee leaves the employ of the City, except that such employees shall be paid for all annual leave that accrued prior to December 31, 1988 and retiring employees shall be paid for the entire amount of vacation entitlement for the year of their retirements without proration and for any additional vacation that has been carried over into the year of their retirements with the written permission of the Business Administrator.

For employees hired on or after November 1, 2010, upon retirement, accrued vacation time shall be paid at one-half (1/2) the amount accrued if the employee retires between January 1st and June 30th. Should an employee retire between July 1st and December 31st, he/she shall receive the full-accrued vacation amount.

All part-time employees shall receive a pro-rata share of the annual leave days provided for in this section.

C-1 **Annual Leave for Certain Employees in Municipal Court.** All full time Municipal Court Judges and the Director of Municipal Court shall be entitled to the vacation days set forth in the "Annual Vacation Leave" Section of this Order, or any subsequent amendments thereto, based upon their date of hire, or, if higher, the following vacation days:

<u>Amount of Service</u>	<u>Vacation Days</u>
Up to the end of the first calendar year	1 1/2 days per month
Next full calendar year and every year thereafter	20 days

All part-time employees shall receive a pro-rata share of vacation days as defined in this section.

C-2 **Annual Leave for Certain Management Employees (Election Day Work).** Any management employee who is required by law to report to work for the City on any State or Federal election day that is a paid holiday for other management employees, shall receive one additional vacation day. This shall be retroactive to November 1, 2017. All part-time employees shall receive a pro-rata share of the vacation days as defined in this section.

D. **Personal Days.** Except for the Chief of Police, Fire Chief and Deputy Chiefs of Police (who receive no personal days), each management employee shall receive personal business days in accordance with the following:

(1) Management employees shall be entitled to three (3) personal business days per annum, retroactive to January 1, 2017, which may accumulate for the next succeeding year only in accordance with current practice for accumulating vacation;

(2) Those employees promoted or transferred from City bargaining units into management on or after October 6, 1992, who at the time of such promotions or transfers were in the employ of the City in a City bargaining unit, shall suffer no loss in the level of personal leave benefits enjoyed by them immediately prior to becoming members of management;

(3) Employees hired into management on or after October 6, 1992 must have one (1) year of service with the City to be eligible to begin to accrue personal days. Employees hired prior to this date need only have six (6) months of service with the City to be eligible to receive personal days.

(4) All part-time employees shall receive a pro-rata share of the personal days as defined in this section.

E. **Holidays.** The following fourteen (14) holidays will be recognized as paid holidays for all management employees with the exception of the Chief of Police, Fire Chief, and Deputy Police Chiefs.

New Year's Day
Martin Luther King Day
Lincoln's Birthday
Washington's Birthday
Good Friday
Memorial Day
Independence Day
Labor Day
Columbus Day
General Election (November)
Veterans Day
Thanksgiving Day
Friday after Thanksgiving
Christmas Day

Whenever any of the holidays listed above falls on a Saturday, the preceding Friday shall be observed as the holiday. Whenever any of the holidays listed falls on a Sunday, the succeeding Monday shall be observed as the holiday. The Chief of Police and Fire Chief receive identical base salaries. The Chief of Police previously had six (6) holidays rolled into base salary, and the Fire Chief receives the benefit of six holidays rolled into his base salary. As a result the Fire Chief, Chief of Police and Deputy Police Chiefs shall receive eight (8) holidays per year and the eight (8) holidays for these positions, within the sole discretion of the Business Administrator, shall be designated as days off or shall be accumulated annually as compensatory time. Effective January 1, 2020, however these eight (8) holidays shall be designated as days off. Each of the fourteen (14) holidays shall only be recognized and paid as holidays for those employees who: (a) actually work on their work days immediately preceding and following the holiday; or (b) are on an approved vacation day, personal business day, jury duty or bereavement leave; or (c) are on a paid sick day supported by a doctor's note; or (d) any combination of a, b, or c. Any other exceptions will result in a failure to be paid for the Holiday.

All part-time management employees shall receive holiday pay only if their regularly scheduled work day falls on a holiday listed in this section.

F. **Bereavement Leave.** In the event of death in an employee's immediate family, the employee shall be entitled to time off with pay for a period of five (5) consecutive work days, with the option to elect to use, in addition to the five days provided herein, up to five (5) additional earned sick days without need to comply with any applicable City policy on the use of sick time (however such time will not count as hours worked). The additional sick time used must be taken on the first work day following the last day of bereavement leave and must be wholly taken (e.g., if you elect to use 3 sick days, they must be taken for the three days which immediately follow the last day of bereavement leave). Employees may elect to take bereavement leave at any time within 30 calendar days of the immediate family member's death. Immediate family, for purposes of bereavement leave entitlement, shall be defined as husband, wife, spouse, domestic or civil union partner, mother, father, son, daughter, sister, brother, grandparent, grandchild, sister-in-law, brother-in-law, mother-in-law, father-in-law, son-in-law and daughter-in-law and step children.

Management employees shall also be entitled to one (1) work day off with pay for attendance at the funeral of an aunt, uncle, niece or nephew or first cousin of the employee or of the employee's spouse, or any other relative residing in the employee's household who is not included in the definition of immediate family. The employee may also elect to take up to four (4) additional earned sick days following the death of an aunt, uncle, niece or nephew or cousin of the employee or of the employee's spouse, or any other relative residing in the employee's household who is not included in the definition of immediate family, without need to comply with any applicable city policy on the use of sick time. The additional sick time used must be taken on the first work day on or immediately following the death and must be wholly taken (e.g., if you elect to use 3 sick days, they must be taken for the three days which immediately follow the death). However, such sick time will not count as hours worked.

Reasonable verification of the event shall be required.

III. RETIREMENT AND OTHER POST-EMPLOYMENT BENEFITS

A. **Pension Enrollment.** Eligible employees may be enrolled in the City Pension System (ERS), the State Pension System (PERS), the State Police and Fire Retirement System (PFRS) or the Defined

Contribution Retirement Program (DCRP), pursuant to applicable law and regulation. Please contact the Department of Human Resources for more information about enrollment.

B. **Deferred Compensation (457 (b) Plan).** This benefit is a voluntary retirement savings plan which allows you to make pre-tax payroll deductions to a retirement account. To enroll in this program, please contact the Department of Human Resources, a trustee of the Deferred Compensation Board or the Plan Administrators.

C. **Terminal Leave.** All management/non-union employees shall be compensated for accumulated sick leave as follows: Except for the Chief of Police, Fire Chief and Deputy Chiefs of Police, managerial employees hired prior to July 1, 2000, leaving the employ of the City who are retiring on a pension, including those electing a deferred pension or retiring on a disability pension, shall be paid a terminal leave benefit equal to eighty percent (80%) of accrued sick leave. Employees hired by the City prior to October 1, 2010 who have attained fifteen(15) years of service or more who are not retiring on a pension, including a deferred or disability pension, but leaving employment with the City of Jersey City shall be paid a terminal leave benefit equal to fifty percent (50%) of accrued sick leave. Employees who leave the employ of the City for a period in excess of one (1) year; employees who are collecting a pension based on prior employment or had received a refund of pension contributions upon leaving the employment with the City shall not be eligible to receive terminal leave benefits based on their years of service prior to the date they left the employ or the City, but they shall be considered newly hired employees for all purposes.

Except for the Chief of Police, Fire Chief and Deputy Chiefs of Police, managerial employees hired on July 1, 2000 or thereafter shall be paid a terminal leave benefit upon retirement equal to a maximum of fifty percent (50%) of all unused sick leave days between 1(one) through 150 (one-hundred fifty) days and sixty (60%) percent for all unused sick leave days above 150 (one-hundred fifty) days, provided that any employee promoted or transferred from other City bargaining units into management on or after July 1, 2000, who at the time of such promotion or transfer was in the employ of the City in another City bargaining unit, shall suffer no loss in the level of terminal leave benefits enjoyed by him or her prior to becoming a member of management. Employees who leave the employ of the City for a period in excess of one (1) year, who are collecting a pension based on prior employment or had received a refund of pension contributions upon leaving the employment with the City shall not be eligible to receive terminal leave benefits based on their years of service prior to the date they left the employ or the City, but they shall be considered newly hired employees for all purposes.

The Chief of Police, Fire Chief and the Deputy Chiefs of Police upon retirement shall receive benefits earned as members of their bargaining units prior to their appointment to a management position.

Notwithstanding any other provision to the contrary herein, management/non-union employees hired after October 1, 2017, shall not be compensated for any accumulated sick leave after they leave or retire from the employ of the City.

Calculation of Accrued Sick Leave and Annual Leave for Certain Employees, Upon Retirement. For purposes of calculating the value of accrued sick leave and annual leave, upon retirement, any additional salary received by the employee for services performed by the employee as the Chief Financial Officer (CFO), or for the Jersey City Insurance Fund Commission, the Jersey City Pension Commission or the Jersey City ABC Board, shall be added to the employee's base pay, regardless of whether the additional salary is paid through the City Payroll system or directly from an account maintained by such Board or Commission for which the employee performs services.

Changes to Payout of Terminal Leave: Effective January 1, 2020, all terminal leave payments greater than \$10,000 shall be paid in equal installments over the course of at least three, but no more than five, calendar years, at the employee's election. Also, effective January 1, 2020, all employees who retire in the last six months of the year, will receive their first terminal leave payment in January of the following year, with any successive payments due to them to be paid annually thereafter in accordance with the schedule noted above (i.e., at least three, but not more than five, calendar years).

Employee Sick Time Payout: Effective immediately, all current management employees with at least 15 years of credited pensionable service and enrolled in a recognized pension system (e.g., ERS, PERS) shall have the option to elect a one time payment of all accrued sick time at a rate equal to what would be provided for under this Executive Order, less 20%. The Employee must elect to receive payment for at least half of all currently earned sick time, which shall be prorated as of the month of application. The employee shall submit a request in writing to the Department of Human Resources.

Terminal Leave Application: Effective immediately, all terminal leave payments shall be requested by completing the appropriate form as provided by the Department of Human Resources.

IV. LONGEVITY PAY BENEFITS (Employees Hired before November 1, 2010)

A. **Longevity Pay.** Effective September 1, 2004, managerial employees shall be entitled to the following longevity pay:

Beginning First Day of Year	Percent Base Pay	Through Last Day of Year
4	2%	7
8	4%	11
12	6%	15
16	8%	19
20	10%	22
23	12%	24
25	14%	27
28	16%	Each year thereafter

Effective September 1, 2004, for purposes of calculating longevity pay, any additional salary received by the employee for services performed by the employee as the Chief Financial Officer (CFO), or for the Jersey City Insurance Fund Commission, the Jersey City Pension Commission or the Jersey City ABC Board, shall be added to the employee's base pay, regardless of whether the additional salary is paid through the City Payroll system or directly from an account maintained by such Board or Commission for which the employee performs services.

Effective February 1, 2006, employees who have retired on an ERS, PERS, or PFRS pension, based upon credited service with the City, who are then rehired by the City at any time after that retirement, shall not be entitled to any longevity percentage based upon any service with the City that in whole or in part formed the basis of that employee's retirement calculation.

All employees hired on or after November 1, 2010, shall not be eligible for or receive longevity pay.

V. MISCELLANEOUS BENEFITS

A. **Tuition Reimbursement.** Full-time employees with two (2) months or more of credited service who successfully complete a course or courses of study which culminate in the awarding of a degree (e.g. Associates, Bachelors, Graduate (e.g., M.A., M.S.), or Professional (.e.g. Business, Law, etc.) Degrees) which their Department Director, in consultation with the Department of Human Resources, determines is job-related, will receive tuition reimbursement in an amount not to exceed four thousand dollars (\$4,000) per fiscal year, provided that:

- (1) The course or program of study is not intended to meet the minimum qualifications necessary for another vocation;
- (2) Prior approval to attend such course or program of study is received from the Department Director and the Department of Human Resources on the approved form;
- (3) The employee executes a written commitment that he or she shall remain in the employ of the City for at least one (1) year for each year's tuition reimbursement. The one year period shall start to run on the next business day following the check date on the reimbursement check;
- (4) An employee who resigns or is terminated for cause before the expiration of the commitment period shall refund to the City any tuition reimbursement paid to the employee; and
- (5) Reimbursement shall be made upon submission of receipts and proof of successful completion of the course/courses.
- (6) Classes must be scheduled to not interfere with normally scheduled working hours.

B. **Transportation Reimbursement.** Managerial employees shall be reimbursed for authorized transportation, lodging, meal and miscellaneous expenses incurred in the course of their employment with the City in accordance with the following parameters.

- (1) Transportation expenses (airline, bus, train) shall be at coach class rate not at premium or first class rates;
- (2) Attendance at seminars or other work-related travel that involves work absences or overnight lodging of three (3) days or less, not to exceed six (6) days in any calendar year, may be approved by Department Directors, but any absences or work-related travel for longer periods must be

approved by the Mayor or Business Administrator. Effective April 24, 2004, lodging expenses shall be reimbursed to the employee at the lowest available single rate in an amount not to exceed \$180.00 per night, excluding taxes;

(3) Meal expenses shall not exceed \$75.00 per day;

(4) Miscellaneous expenses, including but not limited to reasonable amounts for taxi fares, car rental, tolls, telephone calls, parking and gratuities, shall be reimbursable;

(5) Authorized use of a personal vehicle by a managerial employee shall be reimbursable on a per mile basis based upon the then applicable IRS rate or a daily rate in accordance with existing City policy;

(6) Reimbursement is subject to submission of reasonably sufficient evidence that the amount sought was expended by the managerial employee with the authorization of the Department Director, Business Administrator or Mayor, and is subject to the requirement that all requests for reimbursement must be submitted to the City not later than three (3) months after the expenses are incurred, or the employee shall not be reimbursed.

C. **Deputy Chief of Police Benefits.** Notwithstanding any provision of this Executive Order, all employees holding the position of Deputy Chief of Police, retroactive to the date they entered management, shall continue to receive the benefits contained in the collective bargaining agreement entered into between the City and the Police Superior Officers Association, but, thereafter, the benefits of this category of employee shall revert to and shall be exclusively governed by this Executive Order.

D. **Part-time Employees and Mgmt. Salary Increases:** All part-time employees shall receive a pro-rata share of monetary increases, where such increases are provided to all employees covered by this Executive Order.

Nothing in this Executive Order shall be construed as a limitation on the powers of the Business Administrator or the City to initiate sound personnel practices, actions or policies necessary to interpret and implement the benefits provided for in this Executive Order and every provision of this Order shall be subject to revision and amendment by action of the Mayor.

This Order shall be effective immediately. The City Clerk, the Business Administrator and each Department Director shall post a copy of this Executive Order in a conspicuous place, provide a copy to any employee upon request and maintain a copy in their files.

Any other Executive Orders inconsistent with the provisions of this Order are hereby rescinded.

This Executive Order shall be kept on file in the Offices of the City Clerk and Business Administrator. It will also be made available to the public upon request.

Very truly yours,


STEVEN M. FULOP
MAYOR

cc: Brian Platt, Business Administrator
Robert Byrne, City Clerk
Peter Baker, Corporation Counsel
All Department Directors