

MEMORANDUM OF AGREEMENT

Between
Borough of Dunellen, Middlesex County, New Jersey
and the
Police Benevolent Association Local 146

THE BOROUGH OF DUNELLEN AND THE POLICE BENEVOLENT ASSOCIATION, LOCAL NO. 146, HEREBY AGREE TO THE FOLLOWING MODIFICATIONS AND AMENDMENTS TO THE CURRENT COLLECTIVE NEGOTIATIONS AGREEMENT, WHICH WILL EXPIRE ON DECEMBER 31, 2024, THE TERM OF WHICH SHALL BE EXTENDED FOR FOUR ADDITIONAL YEARS, JANUARY 1, 2025 THROUGH DECEMBER 31, 2028, WITH THE FOLLOWING ADDITIONS:

PREAMBLE

THIS AGREEMENT, entered into this 7th day of August 2023, by and between the BOROUGH OF DUNELLEN, in the County of Middlesex, New Jersey, a Municipal Corporation of the State of New Jersey, hereinafter referred to as “the Borough”, and the POLICE BENEVOLENT ASSOCIATION, LOCAL NO. 146, hereinafter referred to as “the Union”, represents the complete and full understanding on all negotiable issues between the Borough and the Union. This agreement, modifying and extending the current Collective Negotiations Agreement, is subject to ratification of the parties. The parties agree to recommend ratification of this agreement to their respective membership (the Borough Council and Local 146 members, respectively). All terms of the existing Collective Negotiations Agreement shall remain in full force and effect, except as modified by this Memorandum.

The terms of the Memorandum are as follows:

(1) The term of the agreement shall be from January 1, 2023 to December 31, 2028.

Unless otherwise noted, the terms herein are effective on ratification.

(2) All terms of the existing contract shall remain in full force and effect, except as modified by this memorandum.

(3) The parties shall mutually create and agree upon a collective negotiations agreement from the terms of this memorandum, which will modify and extend the current agreement.

(4) **Article VI**

a. Wages shall be increased at top step and above only as follows:

January 1, 2024	-	2.75%
January 1, 2025	-	3.25%
January 1, 2026	-	3.50%
January 1, 2027	-	3.75%
January 1, 2028	-	3.75%

See attached Exhibit A showing the top step salaries for each year of the contract.

- b. Effective January 1, 2024, holiday pay shall be rolled into to base pay after the percentage increase set forth in paragraph a. above. Pay for holidays set forth in Article X shall be eliminated.
- c. Effective on full ratification of this MOA, an Academy step will be added to the guide as Class K at \$42,000 per year; Class J will be adjusted to \$50,000 for PTC certified officers;
- d. Effective January 1, 2026, the salary guide shall be equalized between Class A and Class J. See attached Exhibit B, which is the guide for 2026.
- e. Effective, January 1, 2024, modify paragraph D.2. to \$1,000 from the current \$500.

(5) **Article X**

Effective in 2024, add Juneteenth to paid holidays in paragraph A, which will be rolled in to base pay per paragraph (4)b. above.

(6) **Article XI**

Effective 2024, increase clothing allowance to \$1,500 per year.

(7) **Article XV**

a. Add as paragraph A: “The Borough shall continue to provide medical coverage under the New Jersey State Health Benefits Program or equivalent for all permanent and probationary employees. Enrollment will be effective on the first (1st) of the month after two (2) full months of employment, following appointment by Mayor and Council. All officers shall contribute toward the cost of their medical and prescription coverage provided for in this Article in accordance with the rates established by the Tier IV grid in P.L. 2011, Ch. 78.”

b. Revise as paragraph B to read as follows: The Borough shall provide retiree health insurance through the SHBP for all PBA members, consistent with the conditions set forth below, who retire from the Borough with 25 years of service in the PFRS as follows:

- (1) Effective January 1, 2025, for all current employees employed by the Borough on the effective date of this MOA, retiree benefits will be provided to the officer at no cost to the officer; however, current officers will contribute 8% of their annual pension toward the cost of dependent coverage, if any, in retirement. The contribution required by this section shall be made directly to the Borough by the first of each month following retirement.
- (2) For employees hired on or after the effective date of this MOA, in addition to the 25-year service requirement in PFRS, the employee must have worked at least 20 years with the Borough at the time of retirement to be eligible for retiree health benefits, but not dental coverage or Medicare reimbursement. Those eligible for retiree benefits shall contribute 8% of the cost of the premium for health insurance single coverage in retirement. Officers who elect dependent coverage shall pay 25% of the cost of the premium for parent/child, husband/wife or family coverage in retirement, if any. The contribution required by this section shall be made directly to the Borough by the first of each month following retirement.

See attached Exhibit C showing retiree contribution costs in 2023 dollars.

- c. Add as paragraph C: All medical and hospital coverage in Sections 1 and 2 shall be pursuant to the rules and regulations of the New Jersey State Health Benefits Program.
- d. Add as paragraph D: The Borough can change health insurance carriers so long as equal to or better benefits are provided.

(7) **Article XXXIV**

Update dates to conform to duration of Agreement.

PBA LOCAL 146

BOROUGH OF DUNELLEN


Jonathan DeAngelo, President


Jason F. Ciento, Mayor

EXHIBIT A

2024	Base Salary ¹
Lt.	\$140,867
Sgt.	\$128,063
Class A	\$116,260
2025	
Lt.	\$145,445
Sgt.	\$132,225
Class A	\$120,038
2026	
Lt.	\$150,536
Sgt.	\$136,853
Class A	\$124,239
2027	
Lt.	\$156,181
Sgt.	\$141,985
Class A	\$128,898
2028	
Lt.	\$162,038
Sgt.	\$147,309
Class A	\$133,732

¹ Base salary includes the roll-in of holiday pay.

EXHIBIT B
SALARY GUIDE 2026

Class K	\$42,000
Class J	\$50,000
Class I	\$57,782
Class H	\$65,564
Class G	\$73,346
Class F	\$81,128
Class E	\$88,910
Class D	\$96,692
Class C	\$104,474
Class B	\$112,256
* Class A	\$124,239
Sgt.	\$136,853
Lt.	\$150,536

*Salary guide recognizes the % increases for top steps A and above based on annual increase in 2026 when steps J through B are equalized.

Class J is for newly hired officers with PTC certification.

Class K is newly hired officers who have to attend the Police Academy for certification.

EXHIBIT C

Retiree Health Contribution Costs in 2025

Officers Hired Before 1/1/23

	Annual Cost
Officer	\$0
Dependent Cost²	
Lt.	\$7,563
Sgt.	\$6,876
Class A	\$6,242

Retiree Health Contribution Costs in 2023 Dollars for 2025 for NJDIRECT 10 Plan³

Officers Hired on or after 1/1/23

	Annual Cost
Officer⁴	\$1,371
Dependent⁵	\$6,339

² Dependent Cost equals 8% of pension in 2025 and assumes retirement allowance of 65% of final salary.

³ The NJDIRECT Plan cost used is based on 2023 dollars since 2025 rates for SHBP Plans are not available.

⁴ Officer cost is 8% of premium for single coverage under NJDIRECT10 in 2023, which annual cost is \$17,132.

⁵ Dependent cost is 25% of premium for family coverage under NJDIRECT 10 in 2023, which annual cost is \$42,488 less the \$17,132 for officer, making dependent cost \$25,356.