

## MEMORANDUM OF AGREEMENT

The undersigned parties, Township of Cranford ("Township") and Teamsters Local 469 ("Union") hereby agree to a new Collective Negotiating Agreement ("CNA") on the following terms:

The parties acknowledge that these terms and conditions are subject to and conditioned upon ratification by the Union and upon approval by the Cranford Township Committee.

The parties agree to recommend these terms and conditions to their respective constituents for ratification and approval.

The parties agree to enter into negotiations, as promptly as possible, concerning a CNA for future years including, but not limited to, non-binding discussions on salary guides, containing potential steps, on mutually agreeable terms.

The CNA, which by its terms expired on December 31, 2013, is hereby renewed for one (1) year from January 1, 2014 through December 31, 2014, with the following changes:

### ARTICLE 7 (SALARY AND WAGES)

The rates of pay on the salary guides will be increased as follows:

- Effective from 1/1/2014 to 12/31/2014: 2%;

### ARTICLE 17 (JURY LEAVE AND COURT APPEARANCE)

Section A - Delete phrase "minus any fees received from the courts."

### ARTICLE 20, SECTION A (HEALTH INSURANCE - FULL-TIME EMPLOYEES)

Delete Section A and replace with the following:

“Effective upon the date of ratification of the within agreement, subject to Chapter 78, Public Law 2011 (“Chapter 78”), governing the obligations of contributions by employees, the Township shall provide each regular, full time, permanent employee and the dependents of the Employee’s immediate family a Group Major Medical Insurance Plan through the NJ DIRECT 15 Plan maintained by the State Health Benefits Plan (“SHBP”). After sixty days of full-time employment, the employees will receive health benefits coverage in accordance with the within agreement and the rules and regulations of the SHBP.”

“Effective upon the date of ratification of the within agreement, the Prescription Plan provided shall be the NJ DIRECT 15 Plan maintained by the SHBP. Chapter 78 governs the obligations of contributions by employees.”

“Effective upon the date of ratification of the within agreement, subject to Chapter 78, governing the obligations of contributions by employees, the Township shall provide each regular, full-time, permanent employee and the dependents of the immediate family with dental insurance that provides for costs for coverage to be paid as follows: 80% by employer, 20% by employee, for preventive treatment; 50% by employer, 50% by employee, for basic treatment; and 50% by employer, 50% by employee, for major treatment coverage; with a maximum of one thousand five hundred dollars (\$1,500) per eligible patient per calendar year for major, preventive and basic benefits and a lifetime maximum of five hundred dollars (\$500) per patient for orthodontic benefits.”

**ARTICLE 20, SECTION B (HEALTH INSURANCE - RETIREMENT)**

Section B(1) - Replace “after December 31, 2009” with “on or after January 1, 2014”.

Sections B(2) and B(4) - Delete and replace with the following:

“Subject to Chapter 78, regarding the obligation of retirees to contribute toward a portion of their health care premium, the Township agrees to contribute toward the SHBP as follows: Four percent (4%) of the monthly premium for each complete year of creditable service as a full-time employee of the Township for each employee, up to a maximum of 25 years, who retires on or after January 1, 2014, in the manner set forth in Section B(1) of this Article, and for that employee’s immediate dependents at the time of retirement.”

Sections B(6) and B(7) - Delete and replace with the following:

“For existing employees hired as of the date of the ratification of this agreement, the Township’s obligation to contribute toward any health care premium shall terminate upon that retiree becoming eligible to participate in any medical insurance plan through a place of employment (including, but not limited to, his own employer or the retiree’s spouse). In the event the retiree or the retiree’s spouse is no longer entitled to participate in any medical insurance plan through a place of employment, the retiree is eligible to reenroll to receive this benefit again upon proof of eligibility.”

“For employees hired on or after January 1, 2014, the Township’s obligation to contribute toward any health care premium shall terminate upon that retiree becoming Medicare eligible. The Township agrees to reimburse said retirees’ payments for Medicare Parts B and D payments only.”

“It is understood that the Township needs to verify, on an annual basis, eligibility for current and future retirees to receive benefits provided in this Article, with regard to the retirees themselves and their dependents and/or spouses, as the case may be. In furtherance of this

purpose, all retirees shall furnish to the Township, on an annual basis, verified information regarding the employment status of spouse, their own employment status, their marital status and other pertinent information regarding eligibility to receive the benefit provided under this Article. Failure to provide such information shall subject the retiree to potential termination of the benefits set forth in this Article.”

**ARTICLE 20, SECTION 8 (NEW) (HEALTH INSURANCE)**

Add a new Section 8 stating as follows: “Each Employee eligible to receive coverage under the SHBP, who elects not to receive such coverage, upon submitting a waiver of coverage in the form annexed as Exhibit A hereto, shall be entitled to receive a payment of not more than 25% of the amount saved by the employer because of the waiver or \$5,000 whichever is less.”

**ARTICLE 23 (DISPATCHERS)**

Change term “dispatchers” and/or “dispatcher”, at Sections 23 (A)-(C) and (E) -(F), to “Police Communications Officer”.

Section 23(B)- Delete and replace with the following:

Police Communications Officers will work a 12-hour per day work shift and adhere to the current 4-on 4 off schedule.

Section 23(C) - Change “37.5 hour” to “40 hour”.


Section 23(F) - Change “\$300” to “\$350” and replace “2010” with “2014”. Delete last sentence.

Add a new Section 23 (G) providing as follows: “Police Communications Officer(s) shall include the Township Parking Enforcement Officer(s).”

ARTICLE 30 (DURATION): The CNA is effective as of January 1, 2014 through December 31, 2014.

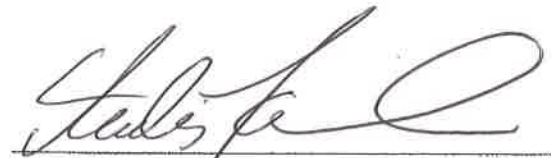
ON BEHALF OF THE UNION:

Dated: 7/1/14

  
\_\_\_\_\_, President  
Teamsters Local Union No. 469

ON BEHALF OF THE TOWNSHIP:

Dated: 6/30/14

  
\_\_\_\_\_  
~~Terence Wall Andis Kalnins, Mayor~~  
Authorized Representative of  
Township/Employer

ATTEST:

  
\_\_\_\_\_  
Tara Rowley, Township Clerk

# EXHIBIT A

STATE OF NEW JERSEY  
DEPARTMENT OF THE TREASURY  
DIVISION OF PENSIONS AND BENEFITS  
PO BOX 299  
TRENTON, NJ 08625-0299

**COVERAGE WAIVER/REINSTATEMENT  
FOR LOCAL GOVERNMENT/EDUCATIONAL EMPLOYEES  
STATE HEALTH BENEFITS PROGRAM  
SCHOOL EMPLOYEES' HEALTH BENEFITS PROGRAM**

Part 1: To be completed by the employee. Please print.

1. Name \_\_\_\_\_ SS# \_\_\_\_\_

Check one box below.

**Waiver of Coverage**

In accordance with Chapter 92, P.L. 2007 and Chapter 2, P.L. 2010, I have agreed to waive coverage (medical and, if applicable, prescription drug coverage) with the State Health Benefits Program (SHBP) or School Employees' Health Benefits Program (SEHBP) to which I am entitled because I am covered under other health coverage. I understand that I am not eligible for the waiver incentive if my other coverage is with the SHBP or SEHBP. (Note: You must submit proof of the other health coverage to your employer along with this form.)

In place of health benefit coverage, my employer will pay me the amount shown in Part 2 below. I understand that I may resume SHBP or SEHBP coverage when I am no longer covered by the other health coverage, provided that I notify the Health benefits Bureau within 60 days of the loss of the other coverage and provide proof of loss of that coverage.

**Reinstatement of Coverage**

I previously waived SHBP or SEHBP coverage because I had other health coverage.

As of \_\_\_\_\_, I am no longer covered by the other health plan, request reinstatement of health benefits  
(date)  
coverage with the SHBP or SEHBP, and have provided proof of loss of the other coverage. I further understand that coverage is permitted as an employee, retiree, or dependent, however, multiple coverage under the SHBP or SEHBP is prohibited.

Employee's Signature \_\_\_\_\_ Date \_\_\_\_\_

Part 2: To be completed by the employer. Check one box below.

We will pay the above employee \$ \_\_\_\_\_ every \_\_\_\_\_ in place of providing State Health Benefits Program or School Employees' Health Benefits Program coverage. We understand that this payment may not be more than 25% of the amount saved by the employer because of the waiver or \$5,000, whichever is less.

We request reinstatement of this employee's State Health Benefits Program or School Employees' Health Benefits Program coverage.

**A completed Health Benefits Program Application must be attached to either a waiver or a reinstatement.** If the application for waiver is received by the Health Benefits Bureau by the 5th of the month, the change will take place on the first of the following month. The reinstatement application must be filed within 60 days of the loss of other health coverage. If this timetable is followed, the coverage will be retroactive to the date of loss. If the 60 day time limit has passed, the employee must wait until the next open enrollment period to reenroll.

Employer Name \_\_\_\_\_ SHBP/SEHBP Location # \_\_\_\_\_

Signature of Certifying Officer \_\_\_\_\_ Date \_\_\_\_\_