AGREEMENT

BETWEEN

THE BOROUGH OF RUTHERFORD

AND

THE RUTHERFORD DEPARTMENT HEADS UNIT

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PREAMBLE

THIS AGREEMENT made as of the ______day of ______, 2005 by and between the Borough of Rutherford a municipality in the County of Bergen and State of New Jersey, hereinafter referred to as the "Borough" and the RUTHERFORD DEPARTMENT HEADS UNIT, hereinafter referred to as the "Unit", represents the complete and final understanding on all bargainable issues between the Borough and the Unit.

PURPOSE

WHEREAS, the Borough and the Unit recognize that it will be to the benefit of both to promote mutual understanding and foster a harmonious relationship between the parties to the end that continuous and efficient service will be rendered to and by both parties,

NOW THEREFORE, it is agreed as follows:

ARTICLE I

RECOGNITION

A. The Borough recognizes the Unit as the exclusive collective bargaining agent for the purpose of collective negotiation with respect to the negotiable terms and conditions of employment for the below enumerated Department Heads, Borough of Rutherford, Bergen County, New Jersey. Attached hereto as SCHEDULE A is a list of all titles covered by this Agreement. Recognition of the Unit is in accord with the Stipulation of Settlement entered into between the Borough and the Unit dated October 21, 1985.

B. Whenever the term "Employee or Employees" is used herein it shall be construed to mean those employees covered by this Agreement.

C. There shall be no discrimination, interference, or coercion by the Borough or any of its agents against the employees represented by the Unit because of membership or activity in the Unit. The Unit or any of its agents shall not intimidate or coerce employees into membership. Neither the Borough nor the Unit shall discriminate against any employee because of race, creed, color, age, sex or national origin.

D. No employee shall be compelled to join the Unit but shall have the option to voluntarily join said Unit.

E. It is hereby recognized and agreed that an employee shall have the right to withdraw from membership in the Unit, said withdrawal shall only be permitted on January 1 or July 1. In the exercise of that right, neither party, nor any of its agents shall discriminate, coerce or otherwise interfere with the employees.

F. The Borough will notify the Unit within three (3) days of hire of all employees, job classification, rate of pay, and of all removals of employees from the Borough's payroll.

ARTICLE II

DUES CHECK-OFF

Payroll deductions for dues may be made upon the submission by the Unit of notification by the employee authorizing the deduction of dues from pay. The Borough Chief Financial Officer shall forward dues to the Unit representative (which said representative shall be confirmed by written authorization of the Unit) once during each 3-month period. Employees shall have the right to withdraw authority for deduction of dues in accordance with New Jersey State Statutes.

ARTICLE III

UNIT REPRESENTATIVES

A. The Borough recognizes the right of the Unit to designate two (2) representatives for the enforcement of this Agreement. The Unit shall furnish the Borough in writing the names of the representatives and notify the Borough of any changes.

B. The authority of the representatives so designated by the Union shall encompass the following duties and activities:

1. The investigation and presentation of grievances in accordance with the provisions of the collective bargaining Agreement; and

2. The transmission of such messages and information which shall originate with, and are authorized by the Union or its officers.

C. Only one (I) designated Union representative shall be granted time with pay during work hours to investigate and seek to settle grievances or to attend meetings and conferences on said grievances with Borough officials, provided prior arrangements are made with the Borough Administrator or his or her designated representative and provided further that Borough operations are not interrupted.

ARTICLE IV

CONDUCTING UNIT BUSINESS

A. No Unit member or officer or authorized representative shall conduct any Unit business on Borough time except as specified in this Agreement.

B. No Union meetings shall be held on Borough time or use Borough facilities unless specifically authorized by the Borough in writing. The Borough agrees to provide a meeting facility after working hours at least once a month (if requested) provided arrangements are made in advance in writing and rooms are available.

C. Only two (2) authorized representatives may confer with management on grievances or other matters of mutual interest.

D. The Borough agrees that it will permit one of the authorized representatives to take a reasonable amount of time from the job to confer with management on, or to investigate grievances without loss of pay, provided prior arrangements to be excused are made with the Borough Administrator or designated representative.

E. The Borough reserves the right to deny the Unit representative permission to conduct Unit business on Borough time as outlined in this Article if said activity interferes with the Borough's operations.

ARTICLE V

BULLETIN BOARD

A. The Borough will permit one enclosed bulletin board for the use of the Union to be placed in the employee lounge in the Borough Hall.

B. The bulletin board shall be for the use of the Unit for the posting of notices and bulletins pertaining to Unit business and activities or matters dealing with the welfare of employees.

C. No matter may be posted without receiving permission of the officially designated Unit representative. All items posted shall be on Unit letterhead.

D. In the event that material posted on the Unit bulletin board shall be deemed detrimental to the interests and operation of the Borough, then and in that event the Borough Administrator may remove such material.

E. No material of a derogatory, inflammatory, insulting or demeaning nature against the Borough, any employee and/or official of the Borough or any resident/citizen/landlord/tenant/business owners of the Borough shall be permitted to be posted.

ARTICLE V (A)

WORK CONDITIONS

A. The following Department Heads shall be entitled to use of Borough vehicles

during work periods with all attendant costs assumed by the Borough:

- (i) Construction Official
- (ii) D.P.W. Superintendent
- (iii) Fire Marshal
- B. The following Department Heads shall be entitled to use of Borough vehicles for

the purpose of commuting to and from work if the employee resides in the Borough of

Rutherford, and use for work related activities during non-business hours:

- (i) Construction Official
- (ii) Fire Marshal

C. The following Department Heads shall be entitled to a monthly car allowance in the amount of \$200.00:

(i) Tax Assessor

- (ii) Recreation Superintendent
- (iii) Borough Clerk
- (iv) Purchasing Agent

The monthly car allowance referenced in paragraph C of this Article shall be paid to the applicable Unit members retroactive to the first day of the contract term. Any retroactive monies due unit members by virtue of this Article shall be paid as soon after execution and governing body approval as practicable.

D. Department Heads required to use their personal vehicles for work related activities shall be reimbursed at the current Internal Revenue Service approved rate of reimbursement.

E. The Borough agrees to provide a safe working environment wherein all

known occupational hazards, including toxic material, are removed or remedied to the greatest extent practicable.

F. The Fire Marshal shall receive a clothing allowance of \$500 per year.

ARTICLE VI

COLLECTIVE NEGOTIATING PROCEDURE

A. Collective negotiations with respect to rates of pay, hours of work or conditions of employment shall be conducted by the duly authorized negotiating agents of each of the parties. Ordinarily not more than two (2) representatives of each party shall participate in collective negotiating meetings. Additional persons may be permitted upon mutual agreement of the parties.

B. Collective negotiating meetings shall be held at time and places mutually convenient at the request of either the Borough or the Unit in accordance with time frames stipulated by law or sooner if the parties agree.

C. In the event any negotiating meetings are scheduled during any part of the working day, employees of the Borough may be designated by the Unit to participate in such negotiating meetings. Up to a maximum of two (2) will be excused from their Borough work assignments by the Borough provided their absence will not interfere with the Borough's operations. The decision to excuse employees from their work assignments to participate in negotiations shall be in the sole discretion of the Borough Administrator or his or her designee.

D. The duly authorized negotiating agents of either the Borough or the Unit are not required to be an employee of the Borough.

ARTICLE VII

DISCRIMINATION AND COERCION

A. There shall be no discrimination, interference or coercion by the Borough or any of its agents against the employees represented by the Unit.

B. The Unit, or any of its agents, shall not intimidate or coerce employees into membership.

C. Neither the Borough nor the Unit shall discriminate against any employee because of race, creed, color, age, sex or national origin.

ARTICLE VIII

MANAGEMENT RIGHTS

A. The Borough hereby retains and reserves unto itself without limitations, all powers, rights, authority, duties and responsibilities conferred upon and vested in it prior to the signing of this Agreement by the Laws and Constitution of the State of New Jersey and of the United States, including, but without limiting the generality of the foregoing, the following rights:

1. To the executive management and administrative control of the Borough Government and its properties and facilities and the activities of its employees;

2. To hire all employees and subject to the provisions of law, to determine their qualifications and conditions for continued employment and assignment and to promote and transfer employees;

3. To suspend, demote, discharge or take other disciplinary action for good cause according to law.

B. In the exercise of the foregoing powers, rights, authority, duties and responsibilities of the Borough, the adoption of policies, rules, regulations and practices in furtherance thereof, and the use of judgment and discretion in connection therewith shall be limited only by the specific and express terms of this Agreement and then only to the extent such specific and express terms hereof are in conformance with the Constitution and Laws of New Jersey and the United States.

C. Nothing contained herein shall be construed to deny or restrict the Borough of its powers, rights, authority, duties and responsibilities as prescribed by law.

ARTICLE IX

GRIEVANCE PROCEDURE

A. To provide for the expeditious and mutually satisfactory settlement of grievances arising with respect to complaints occurring under this Agreement, the following procedures shall be used. For the purpose of this Agreement, the term "grievance" means an appeal by the Unit, and only by the Unit, on behalf of an individual employee or group of employees from the interpretation, application or violation of the terms and conditions of this collective bargaining agreement.

- B. The procedure for settlement of grievances shall be as follows:
- 1. Step One

In the event that the Unit has a grievance, within four (4) working days of the occurrence of the event being grieved the Unit shall discuss it informally with the Borough Administrator. It is exclusively the province of the Unit and not that of an individual employee or a group of employees to grieve an event. The Borough Administrator shall decide the grievance within four (4) working days after the grievance is first presented to him and shall present said decision to the Unit in written form.

2. <u>Step Two</u>

If no satisfactory resolution of the grievance is reached at Step One, then within four (4) working days of the date the Borough Administrator decides the grievance, the grievance shall be presented in writing to the Mayor and Council. It is exclusively the province of the Unit and not that of an individual employee or a group of employees to grieve an event. The Governing Body shall render a decision within fifteen (15) working days after the grievance was first presented to it and shall present said decision to the Unit in written form.

3. <u>Step Three</u>

(a) If no satisfactory resolution of the grievance is reached at Step Two, then within five (5) working days of the date the governing body decides the grievance, the grievance shall be referred to PERC for the selection of an Arbitrator. It is exclusively the province of the Unit and not that of an individual employee or a group of employees to refer a grievance event to PERC. The decision of the Arbitrator shall be final and binding upon the parties. The expense of such arbitration shall be borne equally by the parties.

(b) The arbitrator shall have no authority to add to or subtract from the Agreement.

(c) It is agreed between the parties that no arbitration hearing shall be held until after the expiration of at least thirty (30) days after the decision rendered by the Mayor and Council on the grievance. Further, it is the intent of the parties that no matter in dispute that is subject to the review and/or the decision of the New Jersey Department of Personnel may be submitted to arbitration. The parties herein direct the Arbitrator not to accept or to decide any matter in dispute that is subject to New Jersey Department of Personnel review and decision.

(d) If a decision is not rendered within the time limits prescribed for such a decision at any step in the grievance procedure, then it shall be deemed to have been denied.

(e) The time limits expressed herein shall be strictly adhered to. If any grievance has not been initiated with in the time limits specified, then the grievance shall be deemed to have been abandoned. If any grievance is not processed to the next succeeding step in the Grievance Procedure within the time limits prescribed, then the disposition of the grievance at the last preceding step shall be deemed to be conclusive. Nothing herein shall prevent the parties from mutually agreeing to extend or contract the time

limits provided for processing the grievance at any step in the Grievance Procedure.

(f) Working days shall be defined throughout this Article as Monday through Friday irrespective of whether or not the employee works those days.

(g) Attendance at a grievance or arbitration hearing or matter by anyone other than the grievant and his or her Unit representative shall be permitted only by subpoena, and only if the individual subpoenaed is testifying. No overtime shall be paid for attendance at a grievance or arbitration.

ARTICLE X

DISCHARGE AND DISCIPLINE

A. No employee shall be disciplined arbitrarily or without reason. The Borough shall notify the Unit at the time if disciplinary action is taken.

B. A grievance by an employee claiming that he has been unjustly discharged or suspended must be submitted in accordance with the grievance procedure outlined in Article IX unless the subject grievance is subject to the jurisdiction of the New Jersey Department of Personnel in which case the procedures therein shall apply.

C. Any employee whose appeal has been sustained shall be returned to his former position and compensated at his regular rate for any time lost during the period of such dismissal.

D. The provision shall be construed and interpreted to be consistent with the Civil Service laws, rules and regulations.

ARTICLE XI

WAGES

A. The rates of pay for each job classification in the Department Heads Unit are set forth in Appendix B attached hereto and made a part hereof.

B. The base annual salary guide shall be retroactive to the first day of the contract term. Any retroactive monies due employees by virtue of this clause shall be paid as soon after execution of this Agreement as practicable.

C. Entitlement to salary increments shall accrue as of January 1 of each year and be paid retroactively to that date after adoption of the Municipal Budget and Salary Ordinance for that year. However, new employees hired after June 30th of any year shall not be entitled to any increment until January 1st of the second year of their employment.

ARTICLE XII

LONGEVITY

A. Each employee shall be paid, in addition to his/her base pay, a longevity increment based upon years of service in the employ of the Borough in accordance with the following schedule:

Employees Hired on or prior to December 31, 1990

YEARS OF SERVICE	INCREMENT OF BASE PAY	
Upon completion of 5 years service	1%	
Upon completion of 10 years service	3%	
Upon completion of 15 years service	5%	
Upon completion of 20 years service	7%	
Upon completion of 24 years service	9%	
Employees Hired after January 1, 1991 but on or prior to December 31, 1997		
YEARS OF SERVICE	INCREMENT OF BASE PAY	
Upon completion of 5 years service	\$ 400	
Upon completion of 10 years service	\$1,200	
Upon completion of 15 years service	\$2,000	
Upon completion of 20 years service	\$2,800	
Upon completion of 24 years service	\$3,600	

B. Longevity increments shall be effective on July 1 or January 1 following the anniversary date of employment.

C. Longevity pay will be eliminated for any employees hired after January 1, 1998. However, any person currently employed by the Borough who becomes a member of the unit, by promotion or otherwise, shall receive longevity based on their original date of hire.

ARTICLE XIII

HOLIDAYS

A. The following days are designated as paid holidays for all full time employees covered by this Agreement:

New Year's Day	Veteran's Day
Martin Luther King Day	General Election Day
Washington's Birthday	Thanksgiving Day
Good Friday	Day after Thanksgiving
Memorial Day	1/2 day on Christmas Eve*
Independence Day	Christmas Day
Labor Day	1/2 day on New Year's Eve*

Employee's Birthday (effective 1998)

B. In the event any of the aforementioned holidays shall fall on a Saturday, it shall be celebrated on the Friday immediately preceding it; and in the event any of the aforementioned holidays shall fall on a Sunday, it shall be celebrated on Monday immediately following it.

C. Holidays falling within a period of approved paid absence will entitle the employee to be paid for such holidays. Periods of approved paid absence are sick leave, injury leave, terminal leave, jury duty leave, vacation leave and funeral leave.

D. Employees are required to work the last day prior to the holiday and the first workday following the holiday in order to be paid for the holiday unless their absence is excused or waived by the Borough Administrator in accordance with established Borough policy. The Borough Administrator shall not unreasonably withhold his consent in this regard.

E. Holidays falling during an unpaid leave of absence will not be credited.

*In the event that this holiday falls on a weekend, then and in that event, the employees shall be entitled to receive the day before the actual holiday.

ARTICLE XIV

VACATIONS

A. Subject to Civil Service Laws, Rules and Regulations when applicable and consistent with existing practice, employees shall be granted the following annual leave for vacation purposes with pay:

1st year	l working day per month
2 - 4 years	l6 working days
5 - 9 years	19 working days
10 - 14 years	21 working days
15 - 19 years	24 working days
20 - 24 years	27 working days
25+ years	30 working days

B. New employees in their first year of service will be permitted to take their vacation leave as earned.

C. Beginning January I of each successive year of employment, employees shall be permitted to use in advance of earning the full amount of vacation leave for that year. Any vacation time "borrowed" under this policy must be earned back by the last pay period of that calendar year. If this is not done and a negative vacation balance results, it will be deducted from the employee's pay. In the event of termination of employment prior to repayment of advanced vacation leave, the necessary salary adjustments will be made on the employee's final paycheck.

D. Earned vacation leave for one (1) calendar year may, with the prior written approval of the Borough Administrator or his or her designee, said request to be presented by each Unit member to the Borough Administrator in writing, be carried over and used during the following calendar year and only during the following calendar year. In the event that vacation time is not utilized one year after the year within which it is earned, the said vacation time not utilized shall lapse. Any requests in writing to carry over vacation days in accordance with this Article shall be submitted to the Borough Administrator on or before November 30 of each year of the term of this contract. Such requests shall not be unreasonably denied by the Borough Administrator, however in all instances, the necessities of the effective operations of the applicable Department and of the Borough shall be weighed in the Borough Administrator's decision making.

E. If an employee resigns with proper notice or plans to retire, the employee shall be entitled to earned and unused vacation leave as of the effective date of termination.

F. If an employee shall die while employed, a sum of money equal to earned and unused vacation leave shall be paid to his estate.

G. The salary paid to an employee while on vacation leave will be the same amount the employee would have earned while working regular straight time hours during vacation.

H. Employees on approved, paid vacation leave will continue to accrue vacation leave according to length of service and regular work schedule.

I. If a holiday observed by the Borough occurs during the period of the employee's vacation leave, it is not charged against the balance of the employee's vacation leave and an equivalent day off shall be granted.

J. Employees shall receive their salary covering the period of vacation prior to commencing vacation to the extent that they have earned and accrued such vacation time and providing that at least a one-week vacation is to be taken, and the employee has notified the Borough Administrator in writing at least fifteen (15) days prior to the commencement of the vacation.

K. If an employee is on vacation and becomes sufficiently ill so as to require inpatient hospitalization, he may have such period of illness and post hospital recuperation period charged against sick leave at his option upon proof of hospitalization and a physician's certificate.

L. Any vacation leave, which exceeds two (2) days in time, shall be submitted to the Borough Administrator for review and approval. The approval of the Borough Administrator in this regard shall not be unreasonably withheld.

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ARTICLE XV

HOURS OF WORK

A. The standard weekly work schedule for all full time employees shall consist of thirty-five (35) hours from Monday through Friday. The basic workday shall consist of seven (7) hours per day, exclusive of a one-hour lunch period.

B. The standard weekly work schedule for the Social Services Director shall be maintained at the same level and practice as presently exists.

C. It is recognized by the parties that the regular office hours of the Borough Departments begin at 8:30 a.m. and end at 4:30 p.m., with the exception of the Public Works, and Social Services Departments. Department heads shall ensure that offices are properly staffed during regular office hours except when otherwise approved by the Borough Administrator.

D. It is agreed and understood that special circumstances may, on occasion, dictate deviations from the hours and times of work set forth herein. In such cases the affected Unit employee shall make request in writing of the Borough Administrator of the special circumstances so that the Administrator may modify the regular schedule on a case-by-case basis.

E. It is agreed and understood that based upon their specific job responsibilities,

Department Heads will be expected to be present and attend events, functions and/or emergencies including both scheduled events and unanticipated circumstances or emergencies, outside of the standard work schedule. This time shall be in addition to the standard weekly work schedule as defined herein.

F. In full consideration of their presence at all events, functions, and/or emergencies referenced and detailed in the preceding paragraph, members of the Unit shall receive, in addition to and exclusive of, wages as referenced herein in Article XI and in addition to and exclusive of longevity as applicable as referenced herein in Article XII the following stipend or compensatory time:

(i) Tier A: \$3,750.00 annually

- a. Fire Marshal
- b. D.P.W. Superintendent
- c. Construction Official
- (ii) Tier B: \$2,500.00 annually
 - d. Borough Clerk
 - e. Recreation Superintendent
- (iii) Tier C: \$1,250.00 annually
 - f. Social Services Director
 - g. Tax Collector

(iv) Tier D: Compensatory time on an hour-for-hour basis upon prior written request and prior written approval by the Borough Administrator or his or her designee.

a. All other Unit members

G. The monetary stipends, and only the monetary stipends, referenced in the preceding paragraph of this Article shall be paid to the Unit members retroactive to the first day of the contract term. Any retroactive monies due Unit members by virtue of this Article shall be paid as soon after execution and governing body approval as practicable.

H. Beginning January 1, 2006, and only for the term of this contract, the monetary stipends, and only the monetary stipends, referenced in paragraph F of this Article shall increase in proportion with the applicable contract year's corresponding annual salary percentage increase, as per the terms of this contract, and to wit:

- i. Effective January 1, 2006, a three percent (3%) increase in said stipend;
- Effective January 1, 2007, a three percent (3%) increase in said stipend;
- iii. Effective January 1, 2008, a four percent (4%) increase in said stipend;

- iv. Effective January 1, 2009, a three percent (3%) increase in said stipend;
- v. Effective January 1, 2010, a three percent (3%) increase in said stipend;

OUTSIDE EMPLOYMENT

Subject only to the Statutes of New Jersey applicable case law and the New Jersey Administrative Code, no employee shall be restricted or impaired from maintaining outside employment.

Any such outside employment, however, shall not interfere with the regular work hours or duties of the employee including those duties requiring a Departmental Head to be present and work outside the standard work week as specified in paragraph E of this Article. <u>MAINTENANCE OF WORK OPERATIONS</u>

The parties agree that there shall be no lockouts, strikes, work stoppages, job actions, or slowdowns during the life of this Agreement. No officer or representative of the Association shall authorize, instigate, or condone such activity, nor shall any employee participate in such activity.

It is understood that violation of the provisions of this Article may subject any employee participating in or condoning such activity to disciplinary action by the Borough. Such disciplinary action may include termination of employment or any other appropriate lesser form of discipline.

ARTICLE XVI

COMP PLAN

The employer shall take appropriate action to analyze and potentially establish an Employee Deferred Compensation Plan approved by the Internal Revenue Service and in conjunction therewith will use its best efforts to offer Borough employees such benefits, which plan, shall be on a total employee contribution basis.

ARTICLE XVII

MEDICAL COVERAGE

A. The Borough will provide and pay for health insurance for employees and their eligible dependents covered by this Agreement who work twenty (20) or more hours per week. The Borough shall provide a coverage plan with equivalent benefits as currently offered. The plan shall be substantially the same coverage provided under the prior collective bargaining agreement as to benefits and usual and customary fees.

B. The Borough shall have the option of securing equivalent coverage from an insurance company of its choosing.

C. The Borough shall provide retiree medical and dental coverage.

Coverage shall be provided to the members of the bargaining Unit retiring with twenty (20) or more years of service to the Borough as follows:

- Said insurance will be provided to employees who retire on or before July 1, 2006, who shall submit proof of retirement from the Public Employees Retirement System (PERS), including a copy of the first pension check (endorsed) and the bank deposit slip;
- 2. The retiree and spouse shall be covered (if the employee is married before the date of retirement) for the lifetime of the retiree and the spouse, unless the spouse has insurance coverage, or as set forth below;
- 3. If the retiree is not eligible for any other insurance from any other employer or from the retiree's spouse;
- 4. If the retiree or spouse should remarry after the death of the retiree or spouse, the benefit coverage shall not extend to the new partner.
- If the retiree retires on or before July 1, 2006 as per this section, the Borough shall be responsible for the full cost.

D. The Borough shall provide retiree medical and dental coverage to members of the bargaining Unit retiring with twenty-five (25) or more years of service to the Borough who retire on or after July 2, 2006 as follows:

- Said insurance will be provided to each employee(s), who shall submit proof of statement from the Public Employees Retirement System (PERS), including a copy of the first pension check (endorsed) and the bank deposit slip.
- 2. The retiree and spouse shall be covered (if the employee is married before the date of retirement) for the lifetime of the retiree and spouse, unless the spouse has insurance coverage as set forth below.
- 3. If the retiree is not eligible for any other insurance from any other employer or from the retiree's spouse.
- 4. If the retiree or spouse should remarry after the death of the retiree or spouse, the benefit coverage shall not extend to the new partner.
- If the retiree retires on or after July 2, 2006 as per this section, the employee/retiree and spouse shall be responsible to pay twenty-five (25%) percent of the Borough's yearly premium costs for such coverage for the lifetime of the retiree or spouse.

E. The Borough shall provide a full-family dental plan covering employees and their dependents. The plan which shall be implemented is set forth as Appendix C to this Agreement. The Borough shall bear the full cost of the plan. The Borough shall have the option of securing equivalent coverage from another insurance company. The Unit shall be advised of any such decision and shall be given a copy of all such insurance information.

F. Eyeglasses - The Borough, if requested by the Unit, shall implement the same type of payroll withholding procedure which it has established for the Borough Police Department in regard to an eyeglass program, but the total cost of same shall be paid for by the employee. The Borough shall only be required to administer such program.

G. Prescription - Employees shall receive a prescription plan, the premiums for which shall be paid by the Borough and which shall provide for the employee to pay the initial \$10.00 cost for each prescription and \$5.00 co-pay for generic drugs. The Borough shall have the option of securing other equivalent coverage to that currently offered.

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Employees' dependents eligible under the terms of the policy shall also be provided Borough-paid coverage. The plan shall cover prescriptions for periods up to 30 days, or amounts up to 100 units. The Borough shall attempt to include contraceptives in any such plan. In any event the existing benefit plan provided for herein shall be that plan which the Borough has established for the whole municipality.

H. If desired by the Unit, the Borough agrees to implement a Section 125 Flexible Spending Account Plan pursuant to the provisions of federal law.

ARTICLE XVIII

SICK LEAVE

A. All permanent full time employees covered by this agreement shall be granted sick leave with pay of one (l) working day for every month of service during the remainder of the first calendar year of service and fifteen (15) working days (l 1/4 per month) in each calendar year thereafter which shall accumulate from year to year. If the employee begins work after the tenth of the month, sick leave is not earned for that month.

B. Sick leave with pay is hereby defined to mean a necessary absence from duty due to illness, injury or exposure to contagious disease and may include absence due to illness in the immediate family of the employee or necessary attendance upon a member of the immediate family. Immediate family shall include spouse, children, parents, brothers, sisters and grandparents of employee or spouse.

C. Sick leave must be earned before it can be used except that the employer (Borough) may grant sick leave in advance on a case-by-case basis. Should the employee require none or only a portion of the earned sick leave for any year, the amount not taken accumulates to the employee's credit from year to year during employment.

D. In order to receive compensation while absent on sick leave, the employee shall notify the Borough Administrator or his or her designee no later than fifteen (15) minutes after the time set for him/her to begin his/her daily work schedule. Failure to so notify the Borough Administrator may be cause for denial of the use of sick leave for that absence and constitute cause for disciplinary action. It is agreed, however, that unusual circumstances will be considered on a case-by-case basis. Any employee who is absent more than five (5) days without notice to the Borough is subject to dismissal in accordance with Civil Service Law.

E. A sick day shall be charged for an absence of more than three and one-half $(3 \frac{1}{2})$ hours or one-half (1/2) day for an absence of less than three and one-half $(3 \frac{1}{2})$ hours. The minimum amount of time charged for sick leave is one-half (1/2)_day and sick leave shall be charged in one-half (1/2) day increments.

F. The Borough may require medical proof of illness of an employee or a member of the employee's immediate family as referenced in paragraph B of this Article.

G. The Borough reserves the right to require a doctor's note at any time at the Borough's expense. All records from any such examination shall be the property of the Borough and the Unit employees shall sign all necessary_releases, including, but not limited to, a Health Insurance Portability and Accountability Act of 1996 ("HIPAA") release, to allow the Borough to obtain such records. Failure of a Unit employee to comply with this provision shall be cause for disciplinary action.

H. Abuse of sick leave shall be cause for disciplinary action.

ARTICLE XIX

TERMINAL PAYMENT

A. Upon an employee's regular retirement, disability retirement or resignation or death, the employee shall be entitled to time off or to compensation for accumulated, unused sick leave as follows:

(1) Fifty percent (50%) of all remaining accumulated sick days after twenty-

five (25) years of service subject to a maximum amount of \$5,000.

(2) Seventy-five percent (75%) of all remaining accumulated sick days after

thirty (30) years of service subject to a maximum amount of \$7,500.

B. Notwithstanding the provisions of paragraph A above, employees hired prior to January 1, 1992 shall be entitled to a terminal leave benefit which shall be the greater of the maximum amounts set forth in A(1) and A(2), or the cash value of accumulated sick leave calculated as of December 31, 1992. In the event that an employee's accumulated sick leave at the time of retirement is less than the calculated value as of December 31, 1992, the terminal leave payment shall be proportionately reduced using 1992 dollar values.

C. Terminal payment due to an employee who dies shall be paid to the estate of said employee.

D. Any Unit employee that is separated from service for a cause arising from any disciplinary action shall not be entitled to compensation for accumulated leave.

ARTICLE XX

PERSONAL DAYS

A. An employee shall be entitled to three (3) personal days off with pay each year to be used as the employee sees fit. One of said personal days shall be chargeable against sick leave and two shall be non-chargeable. At least one (1) day's notice shall be given to the Borough Administrator that the employee intends to take his or her personal day.

B. A personal day shall be charged for an absence of more than three and one-half $(3 \frac{1}{2})$ hours or one-half (1/2) day for an absence of less than three and one-half $(3 \frac{1}{2})$ hours. The minimum amount of time charged for personal leave is one-half (1/2) day and personal leave shall be charged in one-half (1/2) day increments.

C. The personal days provided for herein shall not be accumulated for use in succeeding years.

ARTICLE XXI

LEAVE OF ABSENCE

A. Any full time employee covered by this Agreement may take a leave of absence without pay from Borough duties, if recommendation therefore is given by the Borough Administrator or designated representative and the Mayor and Council grant approval.

B. The leave of absence shall not exceed thirty (30) days. The decision as to whether or not to grant a leave of absence without pay in accordance with this Article shall be within the sole and absolute discretion of the Borough.

C. The employee shall submit in writing all facts bearing on the request to the Borough Administrator or designated representative who shall append his recommendations and forward the request to the Borough Council. An application for an unpaid leave pursuant to this Article shall be submitted at least thirty (30) days prior to the effective date of the proposed leave except in the case of emergencies. The Borough Council shall consider each case on its merits and without establishing a precedent.

D. This leave is subject to renewal for reasons of personal illness, disability or other reasons deemed proper and approved by the Borough. Normally, it shall be granted only when the employee has used his or her accumulated sick, vacation and personal leave in the case of illness or vacation leave if the leave without pay is requested for reasons other than illness.

E. At the expiration of such leave, the employee shall be returned to the position from which he is on leave and will receive of the date of his return all benefits he would have received had he not taken the leave.

F. Seniority shall be retained and shall accumulate during all leaves.

G. During the period of said leave, the Borough shall be under no obligation to pay for the benefits provided in this Agreement.

H. The employee shall sign a statement that during the period of the leave of absence, he or she shall not engage in any paid outside employment. False representation in this regard will be cause for termination or other disciplinary action in accordance with

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Civil Service Law.

ARTICLE XXII

FUNERAL LEAVE

A. All permanent full time employees covered by this Agreement shall be entitled to up to three (3) consecutive working days leave with pay one of which shall be either the day of death or the day of the funeral, whichever the employee chooses upon the death of a member of the immediate family within the State of New Jersey and up to five (5) consecutive working days leave with pay one of which shall be either the day of death or the day of the funeral, whichever the employee chooses if outside the State. (The funeral service must be held outside the State of New Jersey in order to qualify for the five (5) day leave herein provided.) Proper notification shall be given to the Borough Administrator or designated representative as soon as possible after the death. Proof of death may be required at the sole discretion of the Borough.

B. Immediate family shall include spouse, children, parents, brothers, sisters, grandparents and grandchildren of employee or spouse.

C. An employee must actually attend the funeral in order to be entitled to a leave under this provision. Proof of attendance at the funeral may be required at the sole discretion of the Borough.

D. In the case of unusual circumstances not specifically covered in this Article, funeral leave may be granted or extended at the discretion of the Borough Administrator. An extension of funeral leave beyond the number of days permitted under Section A above, shall be charged to an employee's vacation or personal leave at the option of the employee.

ARTICLE XXIII

JURY LEAVE

A. All employees covered under this Agreement shall be excused from his/her employment on all days he/she is required to be present in court in response to a summons for jury service.

B. Any employee so excused shall receive his/her usual compensation for each day he/she is on jury service less the amount of per diem fee he/she receives as shown on a statement issued to the juror by the Sheriff or other court officer making payment of juror fees.

ARTICLE XXIV

MILITARY LEAVE

A. Military Duty Leave:

1. Any full time employee covered by this Agreement may, in accordance with current, applicable law, be entitled to a leave of absence without pay if the employee is required to serve actively in any component of the Armed Forces of the United States or the State of New Jersey.

2. Military duty leave may extend to three (3) months after the employee's release from required military service. This three (3) month period shall only apply in the event the employee remained on continuous active duty for two (2) years.

 Sufficient proof of active military duty must be presented to the Borough Administrator prior to requesting such leave.

B. Military Training Leave:

1. Except as limited herein, a full time employee covered by this Agreement who is a member of any component of the Armed Forces of the United States or the State of New Jersey, and who is required to undergo military field training for a period of up to two (2) weeks, upon request, may be granted leave of absence with pay to take part in such training.

2. The employee must provide a certified copy of orders for military training to the Borough Administrator prior to requesting leave for such training.

3. Any military pay received by the employee while on military training leave may be retained by the employee and shall be in addition to the regular salary which would have been received from the Borough had such training not been ordered. Except for employees in Section 5 below, when military training leave is granted, it shall be in addition to any vacation leave, sick leave or compensatory time off to which an employee may be entitled.

4. A full time employee who has been continuously employed by the Borough for at least one full year, at the time such military training is to commence, shall be granted a leave of absence with pay as provided in Section I above.

5. A full time employee who has not been continuously employed by the Borough

for at least one full year at the time military training is to commence may only be granted a leave of absence without pay, unless said employee chooses to utilize any accrued vacation leave or compensatory time off, for the duration, or any part of, the period of military field training.

ARTICLE XXV

MATERNITY LEAVE

A. In addition to any leave granted to an employee in accordance with the Family Medical Leave Act ("FMLA"), a leave of absence without pay may be granted up to three(3) months at the sole discretion of the Borough. In no circumstances shall such an approved leave of absence without pay exceed thirty (30) days.

B. The employee has the option of using accumulated sick leave and/or earned vacation leave while she is on maternity leave. Absences in excess of available FMLA, sick and vacation leave will be treated as leave without pay.

ARTICLE XXVI

INJURED ON DUTY

A. Injury leave as distinguished from sick leave shall mean paid leave given to an employee due to absence from duty caused by an accident, illness or injury which occurred while the employee was performing duties and which is compensable under the Workers Compensation Statutes or any policy or workers compensation insurance applicable to the said employee.

B. The employee shall present evidence that he/she is unable to work in the form of a certificate from a physician chosen by the Borough and forwarded to the Borough Clerk within seventy-two (72) hours of the injury or illness or within such reasonable time as the circumstances may require. The Borough may reasonably require that such certificates be presented from time to time during the course of the illness or injury.

C. All injured on duty leave shall terminate when the physician appointed by the Borough reports in writing that the employee is fit to perform the regular duties of the position held by that employee.

D. In the event the employee through his own independent physician contends that he is entitled to a period of disability beyond the period established by the Borough's treating physician, then and in that event, the burden shall be upon the employee to establish such additional period of disability by obtaining a judgment in the Division of Workers Compensation establishing such further period of disability and such finding by the Division of Workers Compensation or by the final decision of the last reviewing court which shall be binding upon the parties.

E. In the event a dispute arises as to whether an absence shall be computed or designated as sick leave or as an injury on duty, the parties agree to be bound to the decision of an appropriate workers compensation judgment or if there is an appeal there from, the final decision of the last reviewing court.

F. After all injury leave is used as set forth in Section G below, the

employee may be granted additional injury leave only upon unilateral approval of the Borough. After all injury leave is used, the employee may elect to use any sick leave, vacation or compensatory time due at the time of the injury and shall then be governed by other appropriate provisions of this contract.

G. Use of Injury Leave - Employees absent from duty due to an accident, illness or injury compensable under the Workers Compensation Statutes or any policy or workers compensation insurance applicable to the said employees and who have completed three (3) months service with the Borough shall be entitled to full pay for a period not in excess of ninety (90) working days for each new and separate injury. In the event an employee is granted an injured on duty leave, the Borough's sole obligation shall be to pay the employee the difference between his or her regular pay and any compensation, disability or other payments received from other sources provided by the Borough. At the Borough's option, the employee shall surrender and deliver his or her entire compensation payments, in which case the Borough shall issue a check for the employee's full base salary; or the Borough shall pay the employee the difference between his or her full base salary and the amount of other compensation received by said employee.

H. Subject to it being permitted to do so by applicable Federal and State law or regulation, the Borough shall record that portion of the salary checks equal to the amount of the compensation checks covering partial disability (also known as injury leave) and shall notify the employees in writing at the conclusion of each year of the amounts of such partial disability income.

I. Contested Injuries:

1. Charges may be made against sick leave accrual, if any, in any case where the Borough is contesting the employee's eligibility for injury leave.

2. In the event that the Workers Compensation Division determines in favor of the employee, sick leave surcharged shall be recredited to the employee's sick leave accrual balance.

3. In the event eligibility for payment is denied by the Workers Compensation Division, the employee shall be eligible to utilize sick leave accruals, if any, retroactive to the date of injury, and to use vacation leave thereafter. 4. It is understood that it is the responsibility of the employee to file the appropriate petition in a timely fashion under this paragraph.

J. Medical Proofs - In order to limit the obligation of the Borough for each work connected injury, the Borough may require the employee to furnish medical proof or submit to medical examination by the Borough at its expense to determine whether an injury is compensable under this Section. All records from any such examination shall be the property of the Borough and the employee shall sign all necessary releases, including a HIPAA release, to allow the Borough to obtain such records. Failure of an employee to comply with this provision shall be cause for disciplinary action.

ARTICLE XXVII

EDUCATION INCENTIVE

A. Effective January l, 1989, each employee covered by this Agreement who has obtained or obtains a Bachelor's degree (B.A. or B.S.) from an accredited college or university in a field of study related to the job title and duties performed by the employee shall upon proper notification and proof to the Borough receive an increment, in addition to all other wages and benefits provided in this Agreement, in the amount of Fifteen Hundred (\$1, 500.00) Dollars per year.

B. Effective January 1, 1993, each employee covered by this Agreement who has obtained or obtains an Associate Degree (A.A.) from an accredited college or university in a field of study related to the job title and duties performed by the employee shall upon proper notification and proof to the Borough receive an increment, in addition to all other wages and benefits provided in this Agreement, in the amount of One Thousand (\$1,000.00) Dollars per year.

C. Increments paid under this Article shall be prorated from the date of receipt of said degree and shall be paid as part of the employee's bi-weekly salary.

D. An employee shall be entitled to only one (1) increment pursuant to this Article.

ARTICLE XXVIII

FULLY BARGAINED PROVISIONS

This Agreement represents and incorporates the complete and final understanding and settlement by the parties on all bargainable issues which were or could have been the subject of negotiations. During the term of this Agreement neither party will be required to negotiate with respect to any such matter, whether or not covered by this Agreement, and whether or not within the knowledge or contemplation of either or both of the parties at the time they negotiated or signed this Agreement.

ARTICLE XXIX

SAVINGS CLAUSE

A. It is understood and agreed that if any portion of this Agreement or the application of this Agreement to any person or circumstance shall be invalid, the remainder of this Agreement or the application of such provision to other persons or circumstances shall not be affected thereby.

B. If any such provisions are so invalid, the Borough and the Unit will meet for the purpose of negotiating changes made necessary by applicable law.

ARTICLE XXX

TERMINATION AND EXTENSION OF AGREEMENT

A. The term of this Agreement shall be from January 1, 2004 through December31, 2010 and its terms and conditions effective with its commencement.

B. All of the provisions of this Agreement shall continue in full force and effect beyond the stated expiration date set forth herein until a successor Agreement is executed and becomes effective.

C. **IN WITNESS WHEREOF,** the parties hereto have entered their hands and seals this day of 2005.

ATTEST:

BOROUGH OF RUTHERFORD BERGEN COUNTY, NEW JERSEY

Mary P. Kriston, Borough Clerk

Bernadette P. McPherson, Mayor

Timothy F. Stafford, Borough Administrator

WITNESS:

RUTHERFORD DEPT HEADS UNIT

Paul T. Dansbach

Caryn Miller

Frank A. Bucino

APPENDIX "A"

The job titles covered by this Agreement are as follows:

TITLES Superintendent of Recreation Construction Official Social Services Director Tax Collector Court Administrator Borough Clerk Public Works Superintendent Tax Assessor Fire Marshal Purchasing Agent

APPENDIX "B"

The annual salaries and salary ranges for job titles ranges for job titles covered by this Agreement are as follows:

DEPARTMENT HEADS EFFECTIVE - JANUARY 1, 2004 DESCENDING LIST - FULL-TIME POSITIONS

Base Rate "B"	Step 1.	Step 2.	Maximum Rate "M"	
\$52,200 Borough Clerk Public Works Superintendent	\$59,580	\$66,970	\$74,350	
\$51,445 Construction Official Fire Marshal Recreation Superintendent	\$58,780	\$66,115	\$73,450	
\$49,195 Purchasing Agent Tax Collector Tax Assessor Court Administrator Social Services Director	\$56,550	\$63,915	\$71,273	
EFFECTIVE JANUARY 1, 2005				
\$55,921	\$63,823	\$71,741	\$79,643	
Borough Clerk Public Works Superintendent				
-	\$62,964	\$70,825	\$78,681	

EFFECTIVE JANUARY 1, 2006

Base Rate "B"	Step 1.	Step 2.	Maximum Rate "M"		
\$57,599 Borough Clerk Public Works Superintender	\$65,738 nt	\$73,893	\$82,032		
\$56,762 Construction Official Fire Marshal Recreation Superintendent	\$64,853	\$72,950	\$81,041		
\$54,278 Purchasing Agent Tax Collector Tax Assessor Court Administrator Social Services Director	\$62,396	\$70,519	\$78,568		
EFFECTIVE JANUARY 1, 2007					
\$59,327 Borough Clerk Public Works Superintenc	\$67,710 lent	\$76,110	\$84,493		
\$58,465 Construction Official Fire Marshal Recreation Superintenden	\$66,799 t	\$75,139	\$83,472		
\$55,906 Purchasing Agent Tax Collector Tax Assessor Court Administrator Social Services Director	\$64,268	\$72,635	\$80,925		

EFFECTIVE JANUARY 1, 2008

Base Rate "B"	Step 1.	Step 2.	Maximum Rate "M"			
\$61,700 Borough Clerk Public Works Superintendent	\$70,418	\$79,154	\$87,873			
\$60,804 Construction Official Fire Marshal Recreation Superintendent	\$69,471	\$78,145	\$86,811			
\$58,142 Purchasing Agent Tax Collector Tax Assessor Court Administrator Social Services Director	\$66,839	\$75,540	\$84,162			
EFFECTIVE JANUARY 1, 2009						
\$63,551 Borough Clerk Public Works Superintendent	\$72,530	\$81,529	\$90,509			
\$62,628 Construction Official Fire Marshal Recreation Superintendent	\$71,555	\$80,489	\$89,415			
\$59,886 Purchasing Agent Tax Collector Tax Assessor Court Administrator Social Services Director	\$68,844	\$77,806	\$86,687			

EFFECTIVE JANUARY 1, 2010

Base Rate "B"	Step 1.	Step 2.	Maximum Rate "M"
\$65,457 Borough Clerk Public Works Superintendent	\$74,706	\$83,975	\$93,224
\$64,507 Construction Official Fire Marshal Recreation Superintendent	\$73,702	\$82,904	\$92,097
\$61,583 Purchasing Agent Tax Collector Tax Assessor Court Administrator Social Services Director	\$70,909	\$80,140	\$89,288