

FOR SETTLEMENT PURPOSES ONLY PURSUANT TO N.J.R.E. 408

Proposed

SIDEBAR AGREEMENT BETWEEN
THE TOWNSHIP OF HOLMDEL AND IUOE LOCAL 68

This Sidebar Agreement is made this 22nd day of December 2020, by and between the TOWNSHIP OF HOLMDEL (the "Township") and IUOE LOCAL 68 (the "Union").

WHEREAS, the Township and IUOE Local 68 are parties to a collective negotiations agreement effective from January 1, 2020 through December 31, 2022; and

WHEREAS, the collective negotiations agreement provides for the Horizon Direct Access Health Savings Account (HSA) Plan for medical insurance and prescription drug coverage; and

WHEREAS, the benefits provided through the SHBP are equal to or better than the benefits provided through the Horizon Direct Access Health Savings Account (HSA) Plan; and

WHEREAS, the premium for the State Health Benefits Program is currently lower than the premium for the Horizon Direct Access Health Savings Account (HSA) Plan, thus resulting in lower premium costs for both the Employee and the Township; and

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the Township and IUOE Local 68 hereby agree as follows:

1. Article XXI – Insurance

- Replace existing language in its entirety with:

A. Major Medical Insurance and Prescription Drug Benefits. Benefits shall be provided to active members who work a minimum of thirty (30) hours per week and their eligible dependents through the State Health Benefits Program (SHBP) or another insurance carrier selected by the Township on the condition that that the benefits provided are equal to or better than those through the SHBP.

B. Dental Insurance Plan. Dental insurance coverage will be offered to all full-time, benefits eligible employees. Eligible employees shall have choice of Township offered plans.

1. \$1,000 annual benefit option: employee cost is \$15.00 per month
2. \$1,500 annual benefit option: employee cost is \$21.00 per month

C. Employee Contributions / Payroll Deductions: Per the Pension and Health Benefit Reform Law (Chapter 78, P.L. 2011) all medical and/or dental plan participating employees must contribute to the cost of their medical and/or dental premiums through payroll deductions. Employees

shall be required to pay no less than 1.5 % of their base salaries toward medical/dental coverage. Plan costs and payroll deduction schedules are available from the Administrator's office.

D. Short Term and Long Term Disability Insurance: The Township shall provide short-term and long-term disability plans to eligible staff to utilize for absence due to personal illness. Enrollment eligibility and waiting periods shall be driven by the plan. An employee must apply and satisfy all requirements of the program in order to qualify and to receive benefits.

2. In consideration of the change stated in Item 1, the Township agrees to pay the following non-pensionable stipends to employees who are eligible for Township health benefits as of 1/1/2021 and who do not receive a stipend for waiving medical benefits:

- \$2,000 for the year 2021
- \$1,000 for the year 2022
- \$500 for the year 2023
- Fifty percent (50%) of the stipend will be payable on May 15 & the remaining Fifty percent (50%) of the stipend will be payable on November 15 of each year
- Individuals must be actively employed by the Township on the payable date of the stipend in order to receive payment

Township of Holmdel

By: _____

Date: _____

IUOE

By: _____

Date: _____