

MEMORANDUM OF AGREEMENT

between

**BOROUGH OF METUCHEN
DEPARTMENT OF PUBLIC WORKS**

and

**TEAMSTERS LOCAL 11
International Brotherhood of Teamsters**

The negotiating committees for the above captioned parties hereby agree to the following terms for a successor agreement, subject to ratification of their respective bodies. The terms of the settlement are:

1. Duration: January 1, 2024 through December 31, 2027

All dates shall be appropriately revised throughout the Collective Bargaining Agreement.

2. Article 6, PROBATIONARY PERIOD FOR NEWLY HIRED EMPLOYEES, section C, shall be modified by adding the following sentence:

The Employer may unilaterally extend the probationary period by an additional thirty (30) calendar days. The Employer may extend the additional thirty (30) day probationary period with the Union's consent.

3. Article 13, LEAVES OF ABSENCE, section B, shall be modified as follows:

Family and Medical Leave Act and New Jersey Family Leave Act leave will be unpaid unless the employee has available applicable earned paid time off. In the event the employee has such available earned paid time off, the employee must first use any applicable earned sick leave, and may, thereafter, at the employee's election, use any other applicable earned paid time off, all of which time will be counted as Family and Medical Leave Act and New Jersey Family Leave Act leave. Once such applicable paid time off is exhausted, the remainder of the leave will be unpaid.

4. Article 10, section C, HOLIDAYS, shall be modified by replacing Lincoln's Birthday

with Juneteenth.

5. Article 14, SICK LEAVE, shall be modified as follows:

All Public Works employees shall be entitled to the following paid sick days as sick leave:

A1. ~~All employees hired prior to June 1, 1985 shall be entitled to eleven (11) eight (8) sick days per person per year. and shall earn five (5) hospital days per year.~~

A2. ~~Employees hired on or after June 1, 1985 shall be entitled to eight (8) sick days per person per year. and shall earn three (3) hospital days per year.~~

Section A3 and A4 shall be deleted from the Agreement.

6. Article 14, SICK LEAVE, subsection B, shall be modified as follows:

1. Employees retiring January 1, 1982 and thereafter and collecting a PERS pension, shall be paid at their regular rate of pay for fifty percent (50%) of the unused sick leave they have accumulated up to a maximum of six thousand dollars (\$6,000.00).

7. Article 17, WELFARE AND PENSION BENEFITS, section c, (health insurance waiver), shall be eliminated from the agreement.

8. Article 17, WELFARE AND PENSION BENEFITS, section E, shall be modified by increasing the maximum Life Insurance amount from \$20,000 to \$100,000.

9. Article 17, WELFARE AND PENSION BENEFITS, shall be modified by adding new subsection F:

F. Effective January 1, 2024, eligible employees who retire after reaching sixty-two (62) years of age and complete at least fifteen (15) years of service to the Borough shall receive employee only retiree health benefits as provided by the Borough. Those eligible retirees shall contribute four (4%) percent of their pensionable earnings as adjusted by COLA increases, to the cost of their retiree health benefits. In the event the retiree is employed subsequent to his/her retirement and such Employer offers medical and prescription coverage equal to or better than the Borough's Plan, the retiree shall accept said coverage in place of the Borough's plan. Once the retiree becomes eligible for Medicare benefits, Medicare becomes primary.

The Borough reserves the right to change the retiree health benefits program. If future negotiations result in the elimination of retiree health benefits, such elimination will only be prospective and will not affect any retiree receiving retirement health benefits at the time the change is negotiated.

10. Article 18, SEPERATION AND SEVERANCE PAY, section E, Severance Pay, shall be modified as follows:

In the event of separation from employment ~~termination of service, except for cause~~ **after 25 years of service to the Borough, a reduction in force or retirement and collecting a PERS pension,** the following terms governing severance pay shall apply when related to length of service:

For Employees hired on or after 1/1/2024, in the event of separation for a reduction in force, the following terms governing severance pay shall apply when related to length of service:

11. Article 24, Educational Program:

Change: two cents (\$0.02) per hour

To: three cents (\$0.03) per hour

12. Article 27, MISCELLANEOUS, subsection E, shall be modified as follows:

E. All benefits, **with the exception of medical benefits provided under Article 17,** shall begin on the ninety one (91st) day of employment with the exception of mandatory benefits established by law. All benefits shall accrue from the date of hire. **Medical benefits shall be effective on an employee's date of hire.**

13. Article 28, Wages, shall be revised by providing as follows:

Effective January 1, 2024 –	all salaries increased by \$400.00 on base salary, then increased by 3.0%
Effective January 1, 2025 –	all salaries increased by \$400.00 on base salary, then increased by 3.0%
Effective January 1, 2026 –	all salaries increased by \$400.00 on base salary, then increased by 3.0%
Effective January 1, 2027 –	all salaries increased by \$400.00 on base salary, then increased by 3.0%

This Memorandum of Agreement shall be recommended for ratification by the parties' respective negotiating committees.

Borough of Metuchen

Melissa Perilstein
Borough Administrator
[Signature]

Teamsters Local 11

[Signature] 1/23/24
[Signature]
Scott Roudi