Description of Proposal for One-Year Contract Extension

Since June 2011, Local 3782 officers have been meeting with Management to discuss Management's proposal to extend the current collective bargaining agreement (which will expire on June 30, 2012) for one year through June 30, 2013. What this would mean is that all salaries would be frozen at current levels for an additional year but that all other provisions in the contract including health care contributions and coverage, pension and time off benefits would remain the same. With health benefit costs rising double digits for the past several years and the common practice of most employers trying to pass some or all of that increase onto their employees, we thought it wise to consider this option.

We tried to imagine what the concerns of the Union membership would be in regards to the extension proposal. We believed most members would fear that, if we were to take a salary freeze, what would stop management from giving themselves or other non-Union employees an increase in some form of compensation – salary, bonuses, pension. To that end, we drafted language that would not actually prevent management from giving anyone outside our bargaining unit an increase but rather some incentive not to do so. Because we don't have the ability to bargain for anyone outside our unit, we can't actually hold management to an agreement on raises or benefits of any type for non-Union employees. But there was a way around this, and that's how we constructed an agreement that we felt was worthy of consideration by the Union membership.

Points in the proposed agreement are as follows:

- If any non-Union employee receives a bonus or an increase in salary or pension between 7/1/12 and 6/30/13, all Union employees will receive the same bonus or increase retroactive to the same date. If more than one non-Union employee receives a bonus or increase, Union employees would receive an average of the amounts. If Management does not honor the agreement, the Union may demand full contract negotiations immediately for the period beginning July 1, 2012.
- Five types of compensation increases are identified as permissible and would not be considered a violation of the agreement:
 - Increases for non-Union employees who are given a promotion or significantly increased responsibilities
 - The 25-cent hourly increase for substitutes who have completed Pre-Service training
 - An increase in Arc's matching amount due to an employee's choice to increase pension plan contributions as per Article 48 of the contract (contributions matched up to a maximum of 4%)
 - Restoration of normal working hours for non-Union employees who have been working reduced hours as of 6/30/12
 - · An increase in the minimum wage
- Management will provide the Union with quarterly reports on any improvements of salary, bonus or pension for non-Union employees. The Union may also request information on compensation to specified employees quarterly. Non-compliance by Management on providing the information will void the contract extension agreement and enable the Union to demand negotiations immediately.

The proposal above was brought to the membership at a meeting held on February 9, 2012, and <u>a motion</u> was passed deciding that the issue could not be voted on at the membership meeting. Therefore this proposal, which was approved for presentation to the membership by the Local 3782 Executive Board, is being submitted to the entire Union membership for a ratification vote by mail.

See "RATIFICATION VOTING INSTRUCTIONS" for instructions and deadlines for "Q&A" discussion on the issue and voting.

RATIFICATION VOTING INSTRUCTIONS

Before voting you may address any questions on the issue to the Union Executive Board so that you can submit an informed vote. The Union Executive Board members are: Jessie Merritt - President (WOC, 732-229-4414), Liz Jordan - Vice President (Meridian ATC, 732-389-5256), Michele Blank - Secretary (Alexandria Group Home, 732-431-6937), Tina Kearney - Treasurer (Virginia Manor, 732-493-4321), and Madalyn Bick - Grievance & Negotiations Chairperson (Arc Center, 732-493-1919, ext. 660).

Also, questions may be emailed to mbick@arcofmonmouth.org. Questions and answers and any relevant discussion will be posted on the Local 3782 website at http://nj.aft.org/njarc so that this information can be viewed by all members prior to deciding how to vote. The deadline for submitting questions and having the answers posted on the website is XXXXXXXXXXX.

Enclosed are a ballot; a blank envelope for ballot enclosure; and a numbered, stamped, self-addressed return envelope. DO NOT DUPLICATE. Use only the original items provided. The return envelopes have been randomly assigned with numbers to verify authenticity. Envelopes returned with numbers that have not been assigned will be discarded.

- 1. Mark your vote on the ballot in either the "yes" or "no" box. Do not write anything else on the ballot. Ballots with multiple markings or written-in comments will be discarded.
- 2. Place the ballot in the small blank envelope, and seal the envelope. Do not write anything on the envelope.
- 3. Place the sealed envelope containing the ballot into the self-addressed, stamped and numbered return envelope. Do not alter the return envelope. Return envelopes which are received with non-verified numbers will be discarded in entirety. Return envelopes received with verified numbers will have the outer return envelope discarded and the inner unmarked envelope retained for ballot counting.
- 4. Ballots must be received at the Union's post office box by XXXXXXXXXXXXXXX.
- 5. Authenticated ballots will be counted at Pine Brook Fire House, 70 Hamilton Rd., Tinton Falls, NJ 07724 by members of the Union Executive Board on XXXXXXXXXXXXXX at XXXXX. Members are welcome to witness the ballot counting.