

## AGREEMENT

THIS AGREEMENT, by and between UPPER CHICHESTER TOWNSHIP, Delaware County, Pennsylvania (hereinafter called "Township") and FRATERNAL ORDER OF POLICE, LODGE NO. 27 (hereinafter called "FOP").

### WITNESSETH THAT:

WHEREAS, pursuant to Act 111 of 1968 the Township recognizes the FOP as the exclusive bargaining representative for a bargaining unit consisting only of police officers employed by the Township (excluding the Chief of Police); and

WHEREAS, the Township and the FOP have engaged in collective bargaining pursuant to the Collective Bargaining Act of June 24, 1968, P.L. 237, 43 P.S. 217, et seq. (also known as Act 111 of 1968) and have reached an agreement concerning changes in the terms and conditions of the employment of the Township's Officers for the calendar years 2017 through 2021, inclusive; and

WHEREAS, the Township of Upper Chichester is committed with full faith and support of its police department as an professional, independent and highly valued resource for the Township; and

WHEREAS, said Collective Bargaining Act of June 24, 1968, as aforesaid, provides that settlements entered into as a result of collective bargaining shall be reduced to written agreement:

NOW, THEREFORE, the parties hereto agree to the following to be effective for the five calendar years commencing January 1, 2017, and concluding December 31, 2021, and shall continue thereafter unless modified or vacated by the mutual agreement of the parties or by order of the Court, all of which shall be incorporated into the existing labor agreement.

1. **TERM OF AGREEMENT:**

The Preamble of the expired agreement shall be amended to reflect a new contract term of five (5) years from January 1, 2017, through December 31, 2021.

2. **WAGES** – Article 1, Wages, shall be amended to provide as follows:

(a) Pay increases.

Beginning January 1, 2017, the base wage shall be increased by two and one-half percent (2.5%).

Beginning January 1, 2018, the base wage shall be increased by two and one-half percent (2.5%).

Beginning January 1, 2019, the base wage shall be increased by two and one-half percent (2.5%).

Beginning January 1, 2020, the base wage shall be increased by two and one-half percent (2.5%).

Beginning January 1, 2021, the base wage shall be increased by two and one-half percent (2.5%).

3. **MEDICAL BENEFITS:**

(a) Effective January 1, 2017, all officers currently employed (and all officers hired thereafter) shall receive for themselves and their covered dependents, the Independence Blue Cross/Blue Shield Personal Choice Plan HDHP HDI-HC1, with the full premium and deductible paid by the Township. In addition, the Township will reimburse officers for all prescription drug expenses, incurred on behalf of themselves and their covered dependents. All other medical benefits shall remain “as is”.

(b) If at any time during the term of this contract or before a successor contract is reached, it becomes known by the Employer that the healthcare plan provided by the Township will be subject to an excise tax under applicable sections of the Internal Revenue Code, as amended (i.e., the “Cadillac Tax”), the Township may reopen the contract for renegotiation to provide an equitable way to provide for medical benefits that will not be subject to such tax. If an agreement is not reached on the issue within 21 days of the initial demand to reopen the contract pursuant to this provision, the Township may demand that an Arbitration Panel be convened in order to consider what changes to the labor agreement would avoid unnecessary or unreasonable cost to the employer due to the excise tax, without resulting in unnecessary or unreasonable diminution of the benefits or compensation of the employees.

(c) If a retired officer shall marry after retirement, the spouse of that officer shall be eligible for medical coverage for no more than 10 years, or until the spouse’s Medicare eligibility, whichever occurs sooner.

4. **KILLED IN SERVICE BENEFIT:**

- Existing Article 21. A shall be restated as follows:

In light of the passage of Act 51 of 2009, the killed in service survivor benefit payable from the Township Police Pension Fund shall be eliminated for so long as the benefit is provided by the Commonwealth. Therefore, in the event a Police Employee is killed in service, the Police Employee's family shall receive the benefits provided for and subject to the terms of Act 51 of 2009, which benefits are paid exclusively by the Commonwealth of Pennsylvania with the exception of any pension benefit to which the Police Employee was entitled prior to the Police Employee's death, solely by virtue of the Police Employee's service with the Township (i.e., either a normal, early, or vested pension benefit).

- There shall be no change in the medical coverage provided to survivors of police employees killed in service pursuant to existing Article 21. D.

5. **ACT 44 PENSION PROGRAM:**

A forty-eight (48) month ACT 44 Program (DROP Program) shall be implemented effective January 1, 2017.

If an ACT 44 Program (Drop Program) Participant becomes eligible for a service-connected disability pension and his employment is terminated due to an inability to continue in service on grounds that render him eligible for a service-connected disability pension, the monthly normal retirement benefit of the ACT 44 Program Participant shall be reclassified as being on account of a service connected disability. In no event shall an ACT 44 Participant's monthly retirement benefit be recalculated. The Act 44 Participant's monthly retirement benefit shall remain 50% as calculated at the time of entry into the ACT 44 Program (subject to cost of living increases).

6. **COST OF LIVING ADJUSTMENTS DURING RETIREMENT:**

The Township shall continue to provide an annual cost-of-living increase on pensions paid after retirement (whether for service or disability). The Township will contribute such funds as are needed to keep the Pension Fund actuarially sound. The annual cost-of-living increase after retirement shall be equal to the annual cost-of-living increase in the Philadelphia area All Urban Consumers Price Index as published for the month of October preceding the annual adjustment; provided, further, that in no case shall the total police pension benefits exceed seventy-five (75%) percent of the salary for computing retirement benefits; and provided, further, that the total cost-of-living increase shall not exceed thirty (30%). All adjustments shall be made in January and calculated on the twelve-month-percentage change in the consumer price index as of the previous October.

7. **NON-SERVICE CONNECTED BENEFIT:**

Article 19 B. shall be restated as follows:

When an officer is permanently disabled from performing police work for the Township as the result of a non-service connected disability, the officer shall receive fifty percent (50%) of his base salary plus full hospital and medical coverage in the effect at the time of retirement, for the officer and his family. However, the Township may take credit against its obligation to provide a fifty percent (50%) non-service connected disability benefit for any benefits received by the officers that were provided by the Township at its expense (short or long-term disability insurance payments), Social Security Disability Income payable to the officer due to the officer's

disability, and any pension received by the officer from the police pension plan (e.g., vested pension benefits). This non-service connected disability benefit shall continue until the death of the disabled officer. The portion of this benefit which is not attributable to a vested age and service pension benefit shall not be payable from the Police Pension Fund. Furthermore, the disabled officer shall cooperate with the Township by preparing all appropriate paperwork necessary for the processing of any short-term and/or long-term disability benefit available through insurance coverage purchased by the Township.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have hereunto set their hands and seals.

**TOWNSHIP OF UPPER CHICHESTER  
("Township")**

**DELAWARE COUNTY LODGE #27 OF  
THE FRATERNAL ORDER OF POLICE  
ON BEHALF OF THE POLICE  
OFFICERS OF THE TOWNSHIP OF  
UPPER CHICHESTER  
("FOP")**

BY Michael Landress  
President

BY Joseph A. Fitzgerald  
President

ATTEST:

ATTEST:

[Signature]  
Secretary

Mark Dillon  
Secretary

Date: 11/2/17

Date: 11/3/17