

BEFORE THE STATE EMPLOYMENT RELATIONS BOARD

In the Matter of Conciliation Between	:	
	:	
	:	Case Nos. 2016-MED-07-0707
Fraternal Order of Police, Lodge 186	:	2016-MED-07-0708
	:	
and	:	Conciliator Steven L. Ball
	:	
Board of West Chester Township	:	
Trustees, Butler County, Ohio	:	

CONCILIATION REPORT

The undersigned, Steven L. Ball, appointed as State Employees Relations Board conciliator, makes the following report and final offer settlement award:

I. HEARING

The conciliation hearing was held at West Chester Twp. Hall, 9113 Cincinnati-Dayton Road, West Chester, Ohio 45069 at 10:00 a.m. on April 5, 2017. The following were present:

Township

Don Crain, Attorney
Alex Ewing, Attorney
Judi Bozko, Township Administrator
Joel Herzog, Chief
Brian Rebholz, Asst. Police Chief

FOP

Susan D. Jansen, Attorney
David Tivin
Michael Veeneman
Rob Obermeyer
Paul Louell

The parties waived any verbatim transcript of the proceeding. The record consists of the Exhibits submitted by both parties and this Report. Both parties submitted voluminous exhibits for consideration, and the representatives for both parties were well prepared and cooperative. All issues existing at fact finding and not discussed here have been resolved by the parties prior to conciliation.

II. CRITERIA

After presentation of the evidence, consideration was given to the factors detailed in OAC 4117-9-06(H) and Section 4117.14(G)(7), Ohio Revised Code, and the Report and Recommendation of the Fact Finder 4117.14(G)(6), Ohio Revised Code.

III. FINDINGS OF FACT, RECORD AND REPORT

Report and Record

Summary of Final Positions

The parties have agreed that any award will be retroactive from the end of the last agreement, September 30, 2016. Two bargaining units are represented by the Union, full time police officers below the rank of sergeant, and all full time employees in the rank of sergeant or lieutenant.

The Union's final position is the fact-finder's recommendation as to wages (\$1,000 added to based wages, plus 2.5% the first year and 3.00% the following two years). The Union proposes current language for health insurance but provides for a reopener January 1, 2019 for the third year of the agreement solely on the issue of employee premium contributions. The fact-finder recommended a reopener January 1, 2018 (Fact Finding Report p. 14). Also, the Union proposes current language as to the ability of the Chief to hire at higher steps. The Township's final position as to wages is a 3% increase in base wages, with no additional adjustment to base wages, for each year of the three year contract. The Township also proposes language giving the Chief the ability to hire at the third step without Union approval. The Township also offers a health insurance provision which deletes current language requiring the Township to provide the

current elective plan or its equivalent and increases the percentage employee contribution for the only plans now in use to 16% and 17%, respectively, for 2017 and 2018. The Township's proposal requires that the bargaining unit employees be offered any health plan that is offered to non-contract employees or another bargaining unit.

The Fact-Finder's Report

The Union argues that the Conciliator must or should defer to the Fact Finder's recommendations, and the Township argues that he should not do so, and should reject the fact-finder's recommendations as being a reversal of prior fact-finding and conciliation reports.

Section 4117.14(G)(6), Ohio Revised Code, requires that the Fact Finding Report and Recommendation be included in the record by the Board "for consideration by the Conciliator." Neither the statute nor the SERB rules require any deference to the Fact Finding Report or Recommendation, nor do they preclude placing any weight upon it as the Conciliator may deem prudent.

This Conciliator believes that given the statutory mandate, he must consider the report, but is not bound in any way by it nor required to give it any particular weight. In this particular case, the Fact-Finder issued a detailed 15 page Report and Recommendation that the Conciliator has considered, and given such weight as noted more specifically below.

Wages

The Union's position is that the bargaining units have fallen behind comparable external units, as a result of their base pay not being changed since October 1, 2012 (Union Position Statement, pps. 17-18, prior Fact Finding Report and Recommendation and Conciliator's Report, Union Exs. 28 and 29, p. 5 of current Fact Finding Report). As a result of the previous conciliation award, the bargaining unit employees received a lump sum equivalent of a 1.5%

increase to their wages for the period 2014-2016. Because the increase has not been added to the base pay, the Union argues that the Conciliator should approve a larger percentage increase in the new agreement than that enjoyed by both the external and internal comparable units. The reasons for applying lump sum, one-time pay increases, according to the last conciliator, was the projected financial position of the Township. See Tab 23 Union Exhibits, Township Pre-Hearing Statement of 2014 fact finding, pps. 3-15. The lump sum payments in the prior Conciliation afforded some relief to the employees without binding the Township to further increases given the economic fears of the Township (see p. 17, 2014 Conciliation Award). The Union contends, and the Fact-Finder in this case found, that a \$1,000 addition to the base pay plus 2.5%, 3.0% and 3.0% yearly increases is warranted to maintain parity with comparable police units. The Township criticizes the Fact-Finder's Report because it "Relitigate(s) Prior Impasse Proceedings" (Township Position Statement, pps. 10 and 11), and misinterprets the basis upon which the prior conciliator imposed one-time lump sum increases rather than percentage increases. However, the Township, in its Pre-Hearing Statement for fact finding in 2014 wrote that it "could not justify a base wage increase in light of its current financial circumstances." The Township also there wrote at p. 13: "The Township is facing a negative reserve fund balance in 2017." It also concluded that adding a 1% base wage increase in each year of the contract would result in a negative \$1,000,000 balance at the end of 2017. This Conciliator concludes that prior financial projections were the rationale underlying the previous one-time lump sum payments, as did the current Fact-Finder, and considering the current wage demands in light of the actual financial performance of the levy fund during the past three years does not "re-litigate" the prior award.

The Township has one of the highest median household incomes in the region and state. It has a plethora of business residents contributing to its wealth. The Township funds its police department via a levy. In 2013 the Township projected a negative carryover balance of \$432,620 by the end of 2017. The township assumed that policy levy revenues would decline nearly 3% each year 2014-2017. However, the 2016 revenues are at their highest level since 2014.

In the 2016 budget (Tab D, Twp. Exhibits) the Township lists the budget years from 2012 on, including the projected (budgeted) and actual figures. Clearly the Township has underestimated its revenue for each year listed, with nearly a million dollar difference in two of the years (2012, 2015), nearly \$800,000 in 2014, and by \$550,000 in 2013, and has under stated predicted expenditures for all four years, notably over two million dollars for 2015. This has resulted in a carryover increasing to \$11,300,000 at the end of 2016 from a low of \$8,227,201 in 2010. The actual revenue and expenditures for the levy fund for the period 2011-2016 are also listed in Union Ex. 14. The carryover has steadily increased each year. Revenues have been fairly consistent and expenditures reduced by over \$1,000,000 from 2011 to 2016. The levy has exceeded its predicted life by at least two years.

The Township has obviously been conservative in its estimates, a prudent course. It cites its management as a prime reason for holding expenditures down and not relying on overly optimistic income projections. The Conciliator agrees that the Township should be congratulated for its management of the Fund. Clearly, however, the \$11,300,000 carryover reflects recovery from the recession and exceeds the Township's goal of a 25% carryover by at least an additional 50% (projected 2017 expenses \$15.2 million, see Township 2017 operational budget Work Section Tab 20, p. 9). The employees obtained only a 1.5% increase in wages for

the three years of the last contract, largely because of the conservative predictions of income and expenses.

Whatever the prior pay history, the ultimate issue from this conciliator's perspective is which position more closely meets the standards of other comparable police departments. The Union cites thirteen comparable departments (Union Ex. 34). The Fact-Finder relies upon the following comparables all included in those urged by the Union: Miami Township (Clermont Co.), Springfield Twp. (Hamilton Co.), Miami Twp. (Montgomery Co.), Green Twp. (Hamilton Co.), Colerain Twp. (Hamilton Co.), and Union Twp. (Clermont Co.).

The Township cites Miami Twp. (Clermont Co.), Springfield Twp. (Hamilton Co.), Green Twp. (Hamilton Co.), Colerain Twp. (Hamilton Co.) in its comparables, all of which are in the same geographical area as West Chester (Twp. Ex. C-8) and are also cited by the Union and the Fact Finder. The Township's own figures show that their proposed increases of 3% for each year of the agreement, without any adjustment to the base, will leave the West Chester officers lagging behind Miami Twp. and Springfield Twp. in top level pay and behind Miami Twp., Green Twp. and Union Twp. in entry level pay for police officers and sergeants. For lieutenants, the Township's proposal would place them behind Miami Twp., Springfield Twp. and Delhi Twp., and behind Miami Twp. for top level pay. This Conciliator sees no mandate that the Township's police pay be kept at the top of the cited comparables, as appears to be the case before the last agreement. However, it does appear that even with the "catch up" pay proposed by the Fact Finder, it will not exceed that level. Moreover, if the Township's proposed increases in the employee contributions are considered, the total compensation would definitely lag (Union Ex. C-22) and Township chart "Net Effect of Insurance Premium Share Increase on Percent Wage Increases 2017-2019".

The Fact-Finder analyzed the comparables in some detail (Fact Finding Report pps. 6 and 7) and the Conciliator agrees with his analysis and conclusions. The additional \$1,000 added to the base is necessary to maintain the units' wages commensurate with past standards and is consistent with the Township's ability to pay. The fact finder concluded, as this Conciliator does, that though percentage increases have averaged about 2% per year statewide, the past imposition of one-time increases not added to the units' base, makes percentage comparisons here inappropriate.

The remaining issue as to Article 19 Wages, is the Township's proposal to allow the police chief to hire new employees at Step 3 on the salary schedule. Currently, the agreement permits the chief to hire at Step 2, and to a higher step if agreed by the Union. There is a complete absence of evidence for the need to change this bargained-for provision. If the Union has been unreasonably withholding permission, no examples have been cited.

Health Insurance

Approximately 60% of the bargaining units participate in an Elective Plan and 40% in a high deductible plan. None participate in the basic plan. The current agreement provides for a 15% employee contribution to the premium, which was increased in a prior agreement. The Township proposes no increases in participation for the basic plan, which is not currently in use by the bargaining units. The Township proposes that the employee premium participation increase for the other plans to the lesser of 16% or the percent applicable to non-contract employees for 2017, increasing to 17% for 2018.

The Union has proposed the language recommended by the Fact Finder, which maintains the 15% employee participation rate for all plans, but differs from the fact finder's recommendation, with a reopener solely upon the percentage participation for the last nine

months of the agreement, rather than the last year and nine months of the agreement as recommended by the fact finder.

The Township argues that internal comparables should control the Conciliator's decision on this issue. The AFSCME units have agreed to pay 16% toward the Elective and HSA plans in 2017 and 17% for 2018. The firefighters will pay 16% in 2017 and the Township says that it will seek 17% or greater employee premium participation upon the negotiation of that contract. The Township contends that the police have historically "followed" the firefighters agreement and equity mandates that the police units pay the share agreed to by the firefighters in their current agreement. However, the Conciliator in 2014 wrote that the Township characterized the police contract as a "lead contract," (Conciliation Award p. 16). Also see the Township Pre-Hearing Statement for the last conciliation (Union Ex. Tab 23, p. 17) describing the police as the "lead contract."

The Township clearly prefers use of a basic plan, contending that the current elective plan is not cost efficient, but has offered nothing in its final position to compensate the bargaining units for giving up a valued and previously negotiated benefit. Rather, it seeks an increase in employee percentage participation, and removes the guarantee of an elective plan. The current 15% employee contribution rate is well within the norm of comparable police departments (see Tab 35, Union Exhibits). Some have no contribution.

The Township's fears of greatly accelerating future costs for the elective plan may prove well taken, but only time will tell. The Township has offered no hard figures as to the anticipated increase in costs. Township Exhibit F.25 is the only exhibit that appears to provide a cost analysis of the various plans. It is cited, however, in the Township's Conciliation Statement solely for the proposition that the Basic Plan has more at point of service costs (deductibles,

insurance, co-pays) born by the employee than the Elective Plan. According to the Township that shifts the burden of coverage somewhat from “heavy users of healthcare services to all employees and the township.” The Township states that “this type of plan is vulnerable to ever-increasing costs.” If that Exhibit is intended also to show the difference in premiums paid by the Township between the elective and basic plans, it is not explained in the Township’s Statement. The document is confusing to this Conciliator, and without explanation as to just what the “Estimated Monthly and Combined Premiums” and “Estimated Annual Premiums” and “Estimated Combined Annual Premiums” entries are intended to show, the Conciliator can give it no weight. There is an entry of 3.07% at the bottom of the page that is similarly not explained. General predictions of the cost of Affordable Care Act costs have little relevance to this inquiry (see Township Ex. 26). The Township cites the uncertainty caused by Trump election (Township Position Statement, p. 33). That amounts to mere speculation. The increase in premiums from 2016 to 2017 is 7.60%, and the average increases 2013 on has been 8.76% per year (Union Ex. 48). As the township points out, the fact finder did not discuss any rationale for not agreeing to drop the guarantee of an elective plan. This conciliator sees no concrete evidence of a financial need to drop the guarantee of an elective plan, which was negotiated in prior agreements.

Even if the police agreement has historically “followed” the fire agreement, rather than lead it as argued to the previous fact finder conciliator, the Fact-Finder’s recommendation of a reopener to coincide with the fire department’s next agreement appears equitable. It would take away the “lead” or “follow” arguments and give the Township and safety unions an opportunity to negotiate a consistent approach to health care. The reopener as to employee contributions to premiums recommended by the Fact Finder was to be triggered January 1, 2018 to coincide with

the end of the firefighter's agreement. The proposal by the Union is to reopen January 1, 2019, a mere nine months before the end of the new agreement, and a year after the firefighter's agreement terminates. The timing of the Union proposed reopener would more appropriately be timed to the firefighter's negotiation. However, nothing precludes the parties from negotiating at that time and conciliation is merely a choice between proposals. Uniformity in health care plans throughout the Township's employees is a laudable goal, and would serve to promote the morale of all employees. However, slightly differing percentage participation rates do not appear to this Conciliator as necessarily harmful.

In the absence of hard data to show some injustice to the current percentages, or an offer by the Township to compensate the employees to offset the increased contribution rate it proposes, this Conciliator believes that the current contribution rate should be maintained, subject to the Union's proposed reopener.

IV. AWARD AND ORDER

The conciliator awards and orders the final positions of the Union, Articles 17 and 19 attached hereto.



Steven L. Ball, Conciliator
May 10, 2017

CERTIFICATE OF MAILING

I hereby certify that the Conciliation Report has been sent by email to Donald L. Crain, dcrain@fbtlaw.com, Alexander Ewing, aewing@fbtlaw.com, Susan D. Jansen, sjansen@djlawfirm.com, and to Donald M. Collins, General Counsel, SERB, med@serb.state.oh.us, on this 10th day of May, 2017.



Steven L. Ball, Conciliator

ARTICLE 17

Welfare

Section 1. The Township will provide bargaining unit Employees with the same health insurance options enjoyed by other Township employees throughout the term of this Agreement from a carrier of its choice or on a self-insured basis.

(a) Insurance coverage disputes are to be resolved exclusively by the insurance carriers or plan administrator.

(b) The Union President (or his/her designee) and up to two (2) members as selected by the Union President, will be present and participate in all health care committee meetings to review and recommend health care insurance. The Health Care Committee will meet as often and as necessary to facilitate in a timely fashion all information and cost information as needed to maximize the value to Employees and cost effectiveness of health plan redesign.

(c) In the event that escalations in major medical insurance premium costs exceed the ability of the Employees to continue to make the required premium or co-payments, the Employer and covered Employees will discuss and, upon mutual agreement, consider adjustments to deductibles, co-pays, and coverage levels in an effort to contain costs for both the Employees and the Employer. Any such agreements will be reduced to writing, signed by both parties and maintained as a record of the current coverage level for purposes of this Agreement.

Section 2. The Township will provide health insurance for all full-time Employees in the form of plan options: Basic Plan, an Elective Plan, and/or a Health Savings Account (HSA).

Employees who wish to participate in a Township health insurance program are required to pay for such coverage via a pre-tax reduction plan through contributions equal to the following:

(a) Basic Plan*: The Employee shall pay an amount equal to 15% effective upon ~~August 11, 2014~~ *January 1, 2017*, and 15% effective ~~1/1/15~~ *January 1, 2018*, and 15% effective ~~1/1/16~~, of the premiums and the premium equivalents including but not limited to any applicable HRA reimbursement or fees owed by the Township to participate in the program, rounded to the nearest tenth of a dollar; or

(b) Elective Plan*: The Employee has the option to participate in an Elective Plan by paying an amount equal to 15% effective upon ~~August 11, 2014~~ *January 1, 2017*, and 15% effective ~~1/1/15~~ *January 1, 2018*, and 15% effective ~~1/1/16~~, of the premiums and premium equivalents including but not limited to any applicable HRA reimbursement or fees owed by the Township to participate in the program.

(c) Health Savings Account (HSA)*: The Employee has the option to participate in a Health Savings Account and pay an amount equal to 15% effective upon ~~August 11, 2014~~ *January 1, 2017*, and 15% effective ~~1/1/15~~ *January 1, 2018*, and 15% effective ~~1/1/16~~, of the monthly premiums and monthly premium equivalents including but not limited to any applicable HRA reimbursement or fees owed by the Township to participate in the program, rounded to the nearest tenth of a dollar.

The parties agree to reopen this Agreement solely on the issue of employee monthly premium contributions to be paid in the third year of this Agreement to the Township for health insurance provided in Article 17, Sections 2(a), (b), and (c). Such notice of reopener must be given at least sixty (60) days prior to January 1, 2019. The reopening of the

* Note: HRA reimbursement ends 7/1/11.

Agreement as set forth herein shall invoke the dispute settlement procedure set forth in O.R.C. Section 4117.14. The results of the negotiation process or any settlement reached between the parties or any determination ordered by a Conciliator will become effective January 1, 2019.

(d) The Township is under no obligation to offer or meet the current level of benefit for the Basic Plan or the HSA, or to provide the Basic or HSA plans in any subsequent year.

(e) It is understood the Elective Plan, or its equivalent, as offered by a carrier, during the term of this Agreement, will change from a 100% in-network, 70% out-of-network plan to a 90% in-network, 60% out-of-network plan, effective July 1, 2011.

(f) Effective January 1, 2015, health insurance coverage for spouses of new employees will be provided upon certification by the Employee that the Employee's spouse is not eligible for insurance coverage from the spouse's employer, pension or Medicare.

Section 3. From time to time, and at its discretion, the Township may provide to bargaining unit members, additional supplemental health and welfare benefits or incentives generally afforded to other Township employees that are not specifically delineated in this Agreement. It is recognized that such allowances and incentives are provided apart from this Agreement at the sole discretion of the Township for whatever period of time the Township deems appropriate.

Section 4. The Employer, at its option, may self-insure certain benefits and will provide general liability insurance coverage for Employees acting in good faith, within the scope of their official duties as assigned by the Township.

Section 5. Any Employee may decline health care coverage and, upon proof of coverage elsewhere, receive a one thousand ~~two~~ *five* hundred dollar (~~\$1,200.00~~ *1,500.00*) allotment to waive health care coverage payable on or before the last regular payroll in December of that year for a full year of such waived coverage or a pro-rated amount on a monthly basis if less than one (1) year. This monetary allotment is only payable to those Employees that are not carried on the Township's health care plan in any form.

Section 6. During the term of this Agreement, the Employer will continue to provide forty thousand dollars (\$40,000.00) in term life insurance for each Employee and Accident & Sickness Coverage at the levels provided on the effective date of this Agreement, so long as said coverage remains available to the Employer at a reasonable cost. The Employer will notify affected Employees if a decision is made to discontinue any such coverage.

Section 7. There shall be a joint Township inter-departmental Safety and Health Committee (Risk Management Committee) established under the sponsorship of the Township Administration. The Police Department will have one representative on this committee appointed by the Chief of Police. In addition, one representative will be appointed by the Union to sit on this committee. The committee member assigned by the Union to this position shall sit on this committee without compensation if the meeting is on the Employee's off day or extends beyond their normally scheduled shift.

ARTICLE 19

Wages

Section 1. Effective with the pay period beginning closest to October 1 of each year of this Contract, rates of pay computed hourly for Employees shall be in accordance with the following schedule, subject to the conditions set forth in paragraph 2, below:

Employees hired before July 1, 2010, are to be paid in accordance with the following five step schedule *which reflects \$1,000.00 added to the base wage and then a 2.5% increase to the base wage effective with the pay period beginning closest to October 1, 2016. Effective with the pay period beginning closest to October 1, 2017, employees shall receive a 3% increase to their base wage. Effective with the pay period beginning closest to October 1, 2018, employees shall receive a 3% increase to their base wage.*

<u>Dates</u>	<u>Step 1</u>	<u>Step 2*</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>
10/1/13	\$54,303.19	\$58,415.28	\$62,527.37	\$66,639.46	\$70,751.55
10/1/16	\$56,685.77	\$60,900.66	\$65,115.55	\$69,330.45	\$73,545.33
10/1/17	\$58,386.34	\$62,727.68	\$67,069.02	\$71,410.36	\$75,751.69
10/1/18	\$60,137.93	\$64,609.51	\$69,081.09	\$73,552.67	\$78,024.24

The following rates and six step schedule are payable to Employees hired on or after July 1, 2010 *which reflects \$1,000.00 added to the base wage and then a 2.5% increase to the base wage effective with the pay period beginning closest to October 1, 2016. Effective with the pay period beginning closest to October 1, 2017, employees shall receive a 3% increase to their base wage. Effective with the pay period beginning closest to October 1, 2018, employees shall receive a 3% increase to their base wage.*

<u>Dates</u>	<u>Step 1</u>	<u>Step 2*</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>
10/1/13	\$54,303.19	\$57,592.86	\$60,882.53	\$64,172.21	\$67,461.88	\$70,751.55
10/1/16	\$56,685.77	\$60,057.68	\$63,429.59	\$66,801.52	\$70,173.43	\$73,545.34
10/1/17	\$58,386.34	\$61,859.41	\$65,332.48	\$68,805.57	\$72,278.63	\$75,751.70
10/1/18	\$60,137.93	\$63,715.19	\$67,292.45	\$70,869.73	\$74,446.99	\$78,024.25

*Employees may be initially hired at Step 2 at the Employer's discretion and at a higher Step if agreed to by the FOP.

Section 2. Eligibility for step rate increases during the term of this Agreement shall be on the basis of merit which shall be payable to the Employee on the pay period after the Employee's anniversary date of first reporting to work for the Employer. The Police Chief shall determine whether an Employee is entitled to a merit wage increase by means of a written performance evaluation to be submitted to and reviewed with the Employee, by the Police Chief or his designee, prior to the Employee's yearly anniversary date of employment. Failure to attain a satisfactory performance evaluation will result in no incremental merit wage increase for the following twelve (12) months.

Section 3. After completion of five (5) continuous years of service with the West Chester Township Police Department, Employees will receive longevity pay in the first pay period in December of each year equal to \$75.00 per year of service with the Employer.

Section 4. Beginning the effective date of this Agreement, any Employee assigned to plainclothes duty for a continuous period exceeding ninety (90) days shall become eligible for and be reimbursed \$400.00, twice per calendar year, for a clothing allowance, upon the presentation of \$400.00 in clothing receipts. Such clothing allowance is payable at the first pay period in March and September of each calendar year. An Employee newly assigned to plain clothes duty and upon completion of a continuous period exceeding ninety (90) days shall be

reimbursed the \$400.00 clothing allowance upon presentation of clothing receipts. Such allowance will then be deducted from the next scheduled clothing allowance payment.

Section 5. All Employees working rotating reliefs for a continuous period exceeding one hundred eighty (180) days shall become eligible for shift pay of \$700.00 per year payable on a semi-annual basis of \$350.00 the first payday of March and \$350.00 on the first payday in September. Employees who are assigned to duty on a permanent basis for more than thirty (30) consecutive work days on either the second or third shift shall be entitled to shift differential pay, instead of rotating shift pay, at the rate of \$700.00 per year payable on a semi-annual basis of \$350.00 the first payday of March and \$350.00 on the first payday in September. Rotating shift pay or shift differential pay shall be pro-rated if worked for less than a twelve (12) month period.

Section 6. Effective 2/3/2002 the Employer's Agreement and assumption to pick-up and pay 10.1% of each unit Employee's individual contribution to the Public Employees Retirement System ("PERS") shall cease. Such 10.1% "pick-up" is converted to wages, as reflected in the rates set forth in Article 19 herein. During any transition period between 2/3/2002 or the effective date of new wage rates for the current Agreement, when the Employer's pension pick-up payments are assumed by the Employee, all pick-up payments that cannot be refunded to the Employer will be set off against the rates payable set forth in Article 19, Section 1.

Section 7. Any Employee assigned plainclothes duty and who is also assigned primary on call responsibility during off duty hours on a regular basis throughout the calendar year shall be entitled to a yearly stipend of \$400.00, payable in the first pay period in December. Employees assigned to plainclothes, primary on call duty for less than 12 months, but more than 30 days, will have their on call pay pro-rated accordingly.

Section 8. Patrol officers assigned to and serving more than four (4) hours of Officer-In-Charge duty in any workday shall be entitled to the Sergeant rate of pay for the hours worked in the Officer-In-Charge position. Assignments to Officer-In-Charge Duty shall be determined at the sole and absolute discretion of the Employer.

Section 9. Training Officers (TO's) shall receive an additional two dollars (\$2.00) per hour for hours during which they are assigned to perform TO duties.

Section 10. Officers assigned as dog handlers shall, in addition to their regular pay, receive four (4) hours of pay at the applicable rate, or compensatory time of four (4) hours of time off per week as determined by the Employer, as compensation for the necessary grooming, home care and other work associated with the assignment.

The Employer will provide kennels, modified patrol cars for transportation, as well as food, veterinary services and housing while such officers are on vacation at no cost to the Employee.

This Section represents a reasonable agreement and full payment to each canine officer according to Section 7(g)(2) of the FLSA and 29 CFR 785.28. If the canine officer engages in activity beyond the necessary degree of training and care for the canine that is for the benefit of the Township, such activity must be reported to his supervisor in writing.

~~Section 11. Annual Lump Sum Payments. Each police officer in the employ of the Township on September 30 of 2014, 2015, and 2016 will be paid a lump sum equivalent to one and one-half percentage (1.5%) of his/her annual base rate of pay, as set forth in Section 1, less lawful deductions.~~

ARTICLE 19

Wages

Pay rates computed hourly during the term of this Agreement shall be as follows.

<u>Dates</u>	<u>Sergeants</u> (115%)	<u>Lieutenants</u> (Sergeant rate, plus 15%)
10/1/13	\$81,364.28	\$93,568.92
10/1/16	\$84,577.13	\$97,263.70
10/1/17	\$87,114.44	\$100,181.60
10/1/18	\$89,727.88	\$103,187.06

The above percentage figures represent a multiple of top pay for Patrol Officers and Sergeants, as noted. An Employee promoted to the rank of Sergeant or Lieutenant will be paid 7.5% greater than the previous rank for one (1) year after the effective date of the promotion.

Section 1. After completion of five (5) continuous years of service with the West Chester Township Police Department, Employees will receive longevity pay in the first pay period in December of each year equal to \$75.00 per year of service with the Employer.

Section 2. Beginning the effective date of this Agreement, any Employee assigned to plainclothes duty for a continuous period exceeding ninety (90) days shall become eligible for and be reimbursed \$400.00, twice per calendar year, for a clothing allowance, upon the presentation of \$400.00 in clothing receipts. Such clothing allowance is payable at the first pay period in March and September of each calendar year. An Employee newly assigned to plain clothes duty and upon completion of a continuous period exceeding ninety (90) days shall be reimbursed the \$400.00 clothing allowance upon presentation of clothing receipts. Such allowance will then be deducted from the next scheduled clothing allowance payment.

Section 3. All Employees working rotating reliefs for a continuous period exceeding one hundred eighty (180) days shall become eligible for shift pay of \$700.00 per year payable on a semi-annual basis of \$350.00 the first payday of March and \$350.00 on the first payday in September. Employees who are assigned to duty on a permanent basis for more than thirty (30) consecutive work days on either the second or third shift shall be entitled to shift differential pay, instead of rotating shift pay, at the rate of \$700.00 per year payable on a semi-annual basis of \$350.00 the first payday of March and \$350.00 on the first payday in September. Rotating shift pay or shift differential pay shall be pro-rated if worked for less than a twelve (12) month period.

Section 4. Effective 2/3/2002, the Employer's Agreement and assumption to pick-up and pay 10.1% of each unit Employee's individual contribution to the Public Employees Retirement System ("PERS") shall cease. Such 10.1% "pick-up" is converted to wages, as reflected in the rates set forth in Article 19 herein. During any transition period between 2/3/2002 or the effective date of new wage rates for the current Agreement, when the Employer's pension pick-up payments are assumed by the Employee, all pick-up payments that cannot be refunded to the Employer will be set off against the rates payable set forth in Article 19, Section 1.

Section 5. Any Employee assigned plainclothes duty and who is also assigned primary on call responsibility during off duty hours on a regular basis throughout the calendar year shall be entitled to a yearly stipend of \$400.00, payable in the first pay period in December. Employees assigned to plainclothes, primary on call duty for less than 12 months, but more than 30 days, will have their on call pay pro-rated accordingly.

Section 6. Training Officers (TO's) shall receive an additional two dollars (\$2.00) per hour for hours during which they are assigned to perform TO duties.

Section 7. Officers assigned as dog handlers shall, in addition to their regular pay, receive four (4) hours of pay at the applicable rate, or compensatory time of four (4) hours of time off per week as determined by the Employer, as compensation for the necessary grooming, home care and other work associated with the assignment.

The Employer will provide kennels, modified patrol cars for transportation, as well as food, veterinary services and housing while such officers are on vacation at no cost to the Employee.

This Section represents a reasonable agreement and full payment to each canine officer according to Section 7(g)(2) of the FLSA and 29 CFR 785.28. If the canine officer engages in activity beyond the necessary degree of training and care for the canine that is for the benefit of the Township, such activity must be reported to his supervisor in writing.

~~Section 9. Annual Lump Sum Payments. Each Sergeant and Lieutenant in the employ of the Township on September 30 of 2014, 2015, and 2016 will be paid a lump sum equivalent to one and one-half percentage (1.5%) of his/her annual base rate of pay, as set forth in Section 1, less lawful deductions.~~