COLLECTIVE BARGAINING AGREEMENT

Made and entered into	this 17	day of Augu	st	2017 by and
between the BOROUGH OF F	OX CHAPEL, a	municipal corpor	ation hereinafte	r referred to as
"Borough" and the POLICE DE	PARTMENT OF	THE BOROUGE	OF FOX CHA	PET hereinafter
referred to as "Police Officers".	This Agreement	replaces and supe	ersedes the Agre	ement that was
executed on July 17, 2017.		passes and oup	0200000 1120 12510	chicit that was

WITNESSETH:

WHEREAS, the Borough and Police Officers have previously entered into a contract dated September 11, 2013 covering the years 2014, 2015, 2016 and 2017; and

WHEREAS, the Borough and Police Officers have agreed to renegotiate the contract for 2018 and extend it through 2021 as hereinafter set forth; and

WHEREAS, the Borough and Police Officers desire to enter into a contract agreement covering salaries and fringe benefits; and,

WHEREAS, the Borough and Police Officers have agreed upon the terms of the contract agreement as hereinafter set forth.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I DEFINITIONS

1. The following definitions shall apply to this agreement:

a) BOROUGH

The term "Borough" as used in this Agreement shall mean the Borough of Fox Chapel, Pennsylvania, and the Council and Mayor duly elected under the laws of the Commonwealth of Pennsylvania.

b) <u>POLICE OFFICER</u>

The term "Police Officer" as used in this Agreement shall include all persons employed as full-time, regular Police Officers by the Borough, excluding the Chief of Police, so long as said Policemen have been employed through and in accordance with the procedures established in conformity with the Police Civil Service Act.

c) PART-TIME POLICE OFFICER

The term "Part Time Police Officer" shall refer to an officer who is hired to supplement the schedule, to fill in for absences and who is regularly scheduled to work 32 hours or less per week. A "Part Time Police Officer" shall not be eligible for any benefits rights or entitlements under this collective bargaining agreement. The hourly pay rate for a Part Time Police Officer shall be \$3.00 per hour less than the rate paid to a "first year" full time police officer. In addition, in the event the Borough determines that employees are to be laid off, Part Time Police Officers shall be laid off before full time police officers.

ARTICLE II MANAGEMENT RIGHTS

The Borough reserves all rights and powers conferred upon it by the Constitutions and Laws of the Commonwealth of Pennsylvania and of the United States, except as expressly limited by a specific and express provision of this Agreement.

ARTICLE III RATE OF PAY

For the term of this Agreement, the following salary schedule shall be in effect:

PATROL OFFICERS

<u>2018</u>	<u>2019</u>	<u>2020</u>	2021
\$91,588	\$93,786	\$96,037	\$98,342
(1)	(1)	(1)	(1)

DATE HIRED	2018	2019	2020	2021
Prior to 1/01/09	99,373	\$101,758	\$104,200	\$106,700
After 1/01/09	(1)	(1)	(1)	(1)

SERGEANTS

(1) The annual salary for Officers hired after 1/01/09 shall be based on the following percentages of the salary for Officers hired prior to 1/01/09.

Years of Service	
0-1	55%
1-2	65%
2-3	75%
3-4	85%
4-5	95%
5+	100%

- (2) The hourly rate for any officer shall be determined by dividing his or her annual salary by 2080.
- (3) In September of 2020, if the increase in the Consumer Price Index for the Pittsburgh Metropolitan Area shall exceed fourteen (14) percent for the period of September 2017 through September 2020, the Police Officers may reopen the subject of 2021 salaries for negotiation.
- (4) The parties have agreed to provide the K-9 Handler with full compensation for the care, feeding, exercising, and training to maintain both Handler and K-9 proficiency as required by the Fair Labor Standards Act. The Handler shall be required to undergo a minimum of sixteen (16) hours per month training to maintain proficiency of both the Handler and the K-9. The rate of pay for the K-9 Handler for training, care, feeding, exercising and boarding shall be \$9.78/hour.

The Handler will be compensated for training as follows: 16 training hours per month times 12 months times 1.5 hours compensable time for each hour worked equals 288 hours due. 96 hours (12 days) will be taken as compensatory time off in the year earned. The remaining 192 hours will be paid as compensation at the K-9 care rate of \$9.78/hour or \$1,877.76.

The Handler will be compensated for care, feeding, exercising and boarding as follows: 0.5 hours a day times 365 days times 1.5 hours overtime for each hour worked equals 274 hours times the K-9 care rate of \$9.78/hour equals \$2,679.72.

Total compensation for K-9 care and training is 12 compensation days and \$4,557.48 taxable wages.

The Borough shall provide a marked police unit to the Handler, which is to be used during his work hours. The vehicle may be used for training the K-9 as authorized by the Chief of Police. The Borough shall pay for all standard veterinary expenses.

The Handler agrees to house the K-9 at his residence and is responsible for the health, safety, and supervision of the K-9 both on and off duty. Maintenance of the K-9 includes regularly scheduled veterinarian visits, grooming, feeding and bathing the K-9.

The Handler agrees to keep the K-9 after the K-9 is retired from active service, and agrees to assume all costs pertaining to the retired K-9.

ARTICLE IV OVERTIME AND COMPENSATORY TIME

Police Officers shall be paid the Overtime Rate (as hereafter defined) for all hours worked in excess of eight (8) hours per regularly-scheduled shift or in excess of forty (40) hours in a work week. There shall be no duplication or pyramiding of overtime. The work week shall commence on Monday at 7:00 a.m. and end at 6:59 a.m. the following Monday. Normal work shifts shall be those shifts set forth in Article XII of this Agreement.

No compensatory time is permitted with the exception of the K-9 Officer/Handler and Wildlife Officer. Compensatory time for the K-9 Officer/Handler and Wildlife Officer shall accrue at 1 ½ hours for each hour worked in accordance with the Fair Labor Standards Act.

The K-9 Officer/Handler may earn up to 12 days per year. The Wildlife Officer may earn up to 9 days per year. The use of compensatory time by these officers cannot create or cause additional cost, in the form of overtime to the Borough. Compensatory time shall be used in the year earned.

The "Overtime Rate" is to be computed by adding applicable longevity and education pay, if any, to the annual salary and dividing the amount by 2080 and multiplying that hourly rate by one and one-half $(1\frac{1}{2})$.

When a Police Officer is called out to duty, he shall be given at least four hours of pay at the Overtime Rate unless the time for which he is called out is contiguous with his regularly scheduled shift in which event he shall be paid at the Overtime Rate for those hours actually worked in excess of his regularly-scheduled shift.

"Special Duty" services performed by Police Officers for Borough residents or institutions shall be contracted and paid for through the Borough payroll ONLY. The rate of pay for "Special Duty" services shall be an amount as agreed upon by the Police, Police Chief, and the Borough.

All overtime and "Special Duty" services shall be divided as equally as possible among Police Officers as fairly as good operating procedure permits. In making such division, overtime accumulated by reason of court appearances shall not be included.

HOSPITALIZATION, MEDICAL-SURGICAL COVERAGE MAJOR-MEDICAL COVERAGE, VISION CARE, DENTAL CARE

The Borough shall offer all Police Officers medical coverage, including the families of said Police Officers. The hospitalization plans available shall be the MBS 500 plans. The Borough or the Police shall have the right at any time during the term of this agreement to propose comparable coverage. In this context, comparable shall not mean that the plans are identical. Rather, it shall mean that the plan affords coverage for services that when considered as a whole, are comparable to the plan in effect. Once presented, the proposal shall be considered and voted upon by the other party. Provided a majority of both the Police Officers and Borough Council approve of the proposed plan, the current agreement shall be reopened for the purposes of the adoption of the new health care plan. A summary of the current benefits is attached to this contract and identified as Addendum A.

A vision care program will be provided each Police Officer and family member. The program to be provided shall be the Vision Benefits of America Plan as provided by the Municipal Employees Insurance Trust (MEIT).

A dental care program will be provided each Police Officer. The program to be furnished shall be what is referred to as the high-option dental plan as provided by the Municipal Employees Insurance Trust (MEIT).

An Officer may elect to waive any and all health coverage or portion thereof and receive 33% of the Borough's savings as salary supplements pursuant to the provisions of the Borough's Section 125 Cafeteria Plan, if the Police Officer can demonstrate, to the satisfaction of the Borough and such terms and conditions imposed by the insurance carrier, that the Officer or family will be covered by a comparable or superior plan by the spouse's coverage. If the option to drop health coverage is elected, the Officer may at any time resume health coverage provided by the Borough by notifying the Borough and complying with the terms and conditions imposed by the insurance company. It is the intent of the parties that this opt-out arrangement will qualify as an "Eligible Opt-Out Arrangement" and that the Affordable Care Act and related regulations will not require opt-out payments to be counted as an employee contribution for purposes of determining whether and offer of coverage is affordable. It is likewise the intent of the parties that the opt-out payment shall not render the Borough's offer of coverage to an employee "unaffordable" as defined by the Affordable Care Act and related regulations. Should the amount of a potential opt-out payment to an employer render the Borough's offer of coverage to that employee or any other employee "unaffordable" as defined by the Affordable Care Act and related regulations, then the amount of the opt-out payment shall be reduced by the amount necessary to ensure that the Borough's offer of coverage to that employee or any other employee is affordable.

A Police Officer shall pay 6 percent of the applicable monthly premium, by payroll deduction, for the standard health insurance plan, dental and vision insurance coverages under this Article, including any successors to the subject plans. An officer who is eligible for medical benefits but not receiving a paycheck must make arrangements to pay the premium contribution directly to the Borough monthly. For purposes of calculating the six (6%) percent contribution, the cost shall be calculated on the applicable monthly premium for the cost of the MBS 500 (Highmark Network) plan. Employees may elect the MBS 500 (UPMC Network) plan for another higher-cost plan made available to employees through MBS (currently the PPO 10 plans) by paying the difference between the amount that the Borough would pay towards the MBS 500 (Highmark Network) plan and the cost of any higher-cost plan selected.

The aforementioned employee contributions to health insurance will be paid on a pre-tax basis utilizing a Section 125 plan. Accordingly, based upon current law, these health insurance contributions will be treated as a pre-tax item, thereby reducing Federal, FICA, Pennsylvania and local taxes.

If and when the total cost of the monthly health care premiums increase by more than a total of fifteen (15%) percent during the first three (3) years of the contract, the Police Officers agree to reopen Article V of the contract to review health care costs.

An officer's eligibility for Article V benefits under this agreement will end if the officer is not actively at work for a period of two continuous years for any reason subject applicable law.

For purposes of determining the right of the Borough to propose comparable coverage as set forth above, the MBS 500 (Highmark Network) plan shall be utilized as the plan for comparison purposes.

If the Borough receives notice indicating that its health care plan costs will subject the plan to the Affordable Care Act's "Cadillac Tax" excise tax, the Borough will give the Police Officers written notice of that fact and the parties will immediately meet to bargain changes in plan design, and/or plan carrier, in order to avoid the imposition of the tax. If no agreement is reached within fourteen (14) days of the Borough's written notice to the Police Officers regarding this issue, then the parties will proceed to an expedited interest arbitration proceeding with arbitrators selected in accordance with Act 111 of 1968. The sole purpose for that expedited arbitration proceeding will be for the arbitrator to modify the plan, plan design and/or plan carrier in order to eliminate the exposure to the "Cadillac Tax". The decision of the arbitration panel on this matter shall be issued within thirty (30) calendar days of appointment of the neutral arbitrator.

ARTICLE VI LIFE INSURANCE

All Police Officers shall be provided with a group-term life insurance policy providing a death benefit equal to 1.4 times their base salary. In addition, each Police Officer shall be provided with an accidental death and dismemberment insurance policy providing an accidental death benefit equal to 4.1 times their base salary.

Upon retirement, the Borough, at its expense, will provide each Officer with a paid life insurance policy in the amount of \$5,000.00.

ARTICLE VII NON-SERVICE CONNECTED DISABILITY PLAN

The municipality shall provide all Police Officers with a non-service connected long-term disability benefit plan available from the Municipal Employers Insurance Trust (MEIT). Said plan shall provide a minimum of seventy (70) percent of the Officer's base wages during the term of this Agreement. Each Officer shall pay a tax on the disability benefit premium such that in the event the Officer collects a disability benefit, such benefit shall be non-taxable for Federal income tax purposes. An employee who may be eligible for long-term disability benefits must apply for those benefits promptly and upon receipt shall no longer be entitled to extended sick leave. For the purpose of employment status, seniority, eligibility for vacations, longevity pay and benefits provided by Article V, the first twelve (12) months of absence under the Non-Service Connected Disability Plan shall be counted as continuous service.

ARTICLE VIII HOLIDAYS

All Police Officers shall be entitled to thirteen (13) paid holidays per year as follows:

1. New Year's Day

7. Veterans' Day

2.	Good Friday	8.	Thanksgiving Day
3.	Easter	9.	Day before Christmas
4.	Memorial Day	10.	Christmas
5.	Independence Day	11.	Columbus Day
6.	Labor Day	12.	Personal Holiday
		13.	Personal Holiday

Any Police Officer who works Thanksgiving, Christmas Eve, Christmas Day, New Year's Day or Easter shall be entitled to take an additional day off at a time that it does not require any other Police Officer to work overtime. The scheduling of such days off shall be regulated by the Chief of Police.

Holidays will be accrued in the current year based on the percentage of the year that the employee is employed. Holidays shall be scheduled within the current year and used by December 31 of that year, a "use it or lose it" basis, except for the additional day earned by working on Thanksgiving Day, the Day before Christmas, and Christmas Day which may be carried over for use in the following year. An employee who is absent from work on any leave of absence other than bereavement leave, emergency leave, sick leave or paid leave described in Article XIX, Sections 1, 2, 3, or 6 ("Long-Term Leave") of this Agreement shall have his or her holiday allocation reduced by 8 hours for every 160 scheduled work hours that the employee was absent from work. If the employee does not have a sufficient holiday allocation available for reduction upon returning to work, the employee shall have his or her holiday allocation reduced in the following year. An employee who subsequently separates from employment without returning to work shall not be required to reimburse the Borough for any holidays that were used.

ARTICLE IX LONGEVITY PAY

All Police Officers shall be entitled to longevity pay in accordance with the following eligibility requirements and rates of pay:

5 through 9 years of service	1.50% of base salary per year
10 through 14 years of service	2.00% of base salary per year
15 through 19 years of service	2.50% of base salary per year
20 years' service and over	3.00% of base salary per year

Longevity pay shall be calculated for the entire year then divided equally between the number of applicable pay periods.

ARTICLE X EQUIPMENT, UNIFORM ALLOWANCE

The Borough shall provide a uniform allowance of \$785.00 per year for all Police Officers. A newly hired officer shall become eligible for the benefit only after completion of one year of service. This uniform allowance shall be accrued in the current year based on the percentage of the year that the employee is employed and may be used for the purchase or repair of any article of required clothing or equipment, including shoes, which shall be considered part of the official uniform. All Police Officers shall purchase and wear the same style shoe as may be prescribed by the Chief of Police. Any unused balance, positive or negative, at year-end may be carried over to the following year. Only items on the Borough approved list of non-taxable "required clothing or equipment" shall be eligible for purchase from the uniform allowance allotment. An officer's entitlement shall not be affected by approved "Long-Term Leave" as defined in Article VIII, but the officer shall not be entitled to make purchases until returning to work following such leave. An officer who has used unearned uniform allowance and subsequently separates from employment without returning to work shall not be required to reimburse the Borough.

ARTICLE XI PENSION FUND STATEMENT

Upon receipt of its biennial actuarial report covering the Police Pension Fund, a copy shall be furnished to the Police Department.

ARTICLE XII WORK SHIFTS

During the period of this contract, the normal daily work shifts shall be as follows:

7:00 A.M. to 3:00 P.M. 3:00 P.M. to 11:00 P.M. to 7:00 A.M.

In the event of an emergency, it may be necessary to deviate from this schedule for a temporary period.

ARTICLE XIII ANNUAL PHYSICAL EXAMINATION

Employees shall be required to undergo an annual physical and shall be eligible for reimbursement of the \$20.00 co-pay incurred, if applicable, as a result of obtaining said physical.

ARTICLE XIV VACATION SCHEDULE

Each Police Officer shall be entitled to vacation on the basis of employment in the prior year, subject to proration based on the percentage of the year that the employee is employed, in accordance with the following schedule:

1 through 4 years' service
5 through 9 years' service
10 days paid vacation
15 days paid vacation
20 days paid vacation
20 days paid vacation
25 days paid vacation
25 days paid vacation

All vacation must be used in the period for which it was earned. Vacation may not be accumulated and any unused vacation as of December 31 shall be forfeited except that in unusual circumstances, the Chief may authorize a limited number of vacation days to carry over and be used within the first four weeks of the following year. No payment shall be made for any unused vacation except in the case of an employee whose services are terminated for any reason whatsoever and who has accrued but unused vacation for the year in which employment is terminated. Vacation scheduling shall be regulated by the Chief of Police, subject to the needs of the Department to provide effective service. A newly hired employee shall not be eligible for vacation until completion of one (1) year of service.

ARTICLE XY DRY CLEANING ALLOWANCE

Each Police Officer shall be provided with a dry cleaning allowance in the amount of \$300.00 per year. Payment will be made to the Police Officers in the first payroll cycle of each year. The Dry Cleaning Allowance shall be accrued in the current year based on service. An employee

who receives his or her Dry Cleaning Allowance and is absent from work on approved "Long-Term Leave" as defined in Article VIII of this Agreement shall have his or her allocation reduced the following year by \$5.77 for every 40 scheduled work hours that the employee was absent from work. An employee who subsequently separates from employment without returning to work shall not be required to reimburse the Borough for any portion of received Dry Cleaning Allowance.

ARTICLE XVI EDUCATION PAY

Police Officers having an Associate's Degree in Police Science shall be paid an additional \$200.00 per year. Police Officers having a Bachelor's Degree in Police Science shall be paid an additional \$500.00 per year. Police Officers having a Master's Degree in Police Science shall be paid an additional \$750.00 per year. The entire amount shall be paid in a lump sum the second pay period of each year.

ARTICLE XVII EXPENSE/TRAVEL REIMBURSEMENT

A Police Officer who is required to attend, or is approved by the Chief of Police and Borough to attend, training, Magisterial District Court, or any other level Court, hearing or conference shall be paid a travel allowance at the IRS-approved rate per mile traveled to attend when a Borough-owned vehicle is not used. The mileage shall be deemed to begin and terminate at the Borough Building. The Borough shall reimburse parking costs incurred as a result. The Borough shall reimburse meal expenses in accordance with the Travel and Entertainment Policy for any required or approved training, court proceeding, hearing or conference that exceeds four (4) hours.

ARTICLE XVIII COURT PROCEEDINGS & HEARINGS

Police Officers who are required to attend Magisterial District Court proceedings outside of their regularly-scheduled work time shall be compensated at the Overtime Rate for the actual time involved in attendance at such proceeding or two hours, whichever is greater. Police Officers who are required to attend County, State or Federal Court proceedings, Juvenile Detention or Mental Health proceedings outside of their regularly-scheduled work time shall be compensated at the Overtime Rate for the actual time involved in attendance at such proceeding or four hours, whichever is greater.

ARTICLE XIX LEAVES OF ABSENCE

1. BEREAVEMENT LEAVE

Bereavement leave with pay due to a death in the immediate family (wife, husband, daughter, son) shall be limited to a maximum of four (4) working days. An additional working day of bereavement leave will be granted in the case of an immediate family member (wife, husband, daughter, son) if the funeral is more than 100 miles from the officer's home. Bereavement leave with pay due to death of an employee's mother, father, sister, brother, grandmother, grandfather, grandchild, mother-in-law, father-in-law, sister-in-law, brother-in-law, daughter-in-law, or son-in-law shall be limited to a maximum of three (3) working days.

2. EMERGENCY LEAVE

Emergency leave with pay due to critical illness in the immediate family (as defined for purposes of bereavement) shall be limited to four (4) working days. Emergency leave with pay due to a critical illness of an employee's mother, father, sister, or brother shall be limited to two (2) working days. Any extension of such leave shall be at the direction of the Chief of Police and the Borough.

3. SICK DAYS

It is the general policy of the Borough to pay full-time employees for days on which they are absent because of illness. Under the Borough policy, employees are not "entitled" to a specific number of sick days each year. Employees will be paid for days on which they are absent because of sickness only when a legitimate illness or injury renders the employee unable to perform his/her duties. Persons who have an excessive number of sick days or who otherwise abuse this policy (for example, consistently having the same, or nearly the same, number of "sick" days each year or who have an excessive number of "sick" days at either the end of vacation days, holidays, weekends or other scheduled off days) will be dealt with appropriately. In such cases, the Chief of Police and the Borough may exercise its discretion not to pay the employee for certain sick days, in which case the employee will either be required to use currently available holiday or vacation time or will not be paid. The Borough may, at its discretion, require that an employee be examined by a physician to verify the legitimacy of an illness or injury. Employees are expected to follow the proper procedure for reporting absences from work. Any employee who is absent for five consecutive days must provide a doctor's excuse to the Chief of Police, who shall deliver it to the Borough upon his/her return to work. An employee who is anticipated to experience an extended leave due to sickness or injury may be required to apply for long-term disability benefits under Article VII when eligible. An illness or injury that is expected at the outset to last more than ten (10) regularly scheduled work days or which does last more than ten (10) regularly scheduled work days shall be converted retroactively to the first day of illness to extended sick leave.

4. EXTENDED SICK LEAVE

In the case of serious illness, injury, maternity, or long-term disability, extended sick leave may be granted by the Chief of Police and Borough to full-time employees who have worked for the Borough for at least one year. In order for this benefit to be approved, the employee's physician must provide to the Borough confirmation of the need for the extended sick leave, including specifying the nature of the illness and the anticipated duration of the leave. The Borough may, at its discretion, require that an employee be examined by a physician to verify the legitimacy of an illness or injury for which extended sick leave benefits are requested. Periodic progress reports from the employee's physician may also be requested. For the purposes of employment status, seniority, eligibility for vacations, longevity pay and benefits provided by Article V, absence from work under the approved Extended Sick Leave shall be counted as continuous service. The Extended Sick Leave will be according to the following schedule:

- a) One year to and including five years' service: 1 month full pay, 11 months two-thirds pay.
- b) Six years to and including ten years' service: 2 months full pay, 10 months two-thirds pay.
- c) Eleven years to and including fifteen years' service: 3 months full pay, 9 months two-thirds pay.
- d) All over fifteen years' service: 6 months full pay, 6 months two-thirds pay.

Amounts payable to employees as sick days or extended sick leave shall be reduced by any other income received by the employee for the same disability or medical leave, including but not limited to workers' compensation benefits, social security disability benefits, payments under any

work loss provision in mandatory "no-fault" auto insurance, payments under the Pennsylvania Motor Vehicle Financial Responsibility Law, or disability retirement benefits under the Pension plans for Police Officers. Once an officer qualifies for Long Term Disability benefits, the officer shall be required to apply for and shall receive only those benefits if eligible.

5. PERMANENT DISABILITY PENSION BENEFITS

Disability Pension Plan benefits shall begin on the date when a pension plan participant is determined by the Plan Administrator to be incapacitated due to total and permanent disability as defined in the pension plans, even if Extended Sick Leave has not been exhausted. Disability Pension Plan benefits shall be in accordance with the provisions set forth in the Pension Plan for Police.

6. PAID LEAVES

Payment of regular wages or salary will be made for authorized training or attendance at conferences. No overtime payment shall be made for such training or conferences.

7. MILITARY LEAVE

The Borough shall comply with all laws regarding leave for military service.

8. UNPAID LEAVE

An employee may be granted an unpaid leave upon the recommendation of the Chief of Police and Borough. An unpaid leave shall be for a period not to exceed six (6) months. For the purpose of seniority and eligibility for vacations and longevity pay, the leave of absence shall be counted as continuous service. Benefits such as but not limited to hospitalization, vision care, dental care, group life insurance, accidental death insurance, sick leave, and workers' compensation shall be terminated during any unpaid leave. For the purpose of computing pension benefits, unpaid leave shall not be counted toward years of continuous service with the exception of qualified military leave. If in the judgment of the Chief of Police and Borough the duration of the leave is so brief that the termination of benefits would be inequitable, the Chief of Police and Borough may elect to continue said benefits.

ARTICLE XX GRIEVANCE PROCEDURE

DEFINITION: A grievance is a dispute concerning the interpretation, application or alleged violation of a specific term or provision of this Agreement including matters of discipline.

STEP I: An officer with a grievance shall reduce it to writing and deliver it to the Chief of Police within ten (10) calendar days of its occurrence or knowledge of the same. The grievance shall identify the contract article or articles violated, provide a description of the grievance, and set forth the remedy requested. The Chief of Police shall attempt to resolve the grievance to the mutual satisfaction of the officer. The Chief shall provide a written answer to the grievance within five (5) calendar days of its presentation. In the event the grievance is not resolved to the satisfaction of the officer, he/she may present it at the second step.

STEP II: If the officer is not satisfied with the disposition of his/her grievance at Step I, he/she may submit a written appeal to the Borough Manager within ten (10) calendar days after receiving the decision at Step I. The Borough Manager shall have five (5) calendar days after receiving the appeal to answer the grievance. The Manager's response shall be provided to the officer in writing. In the event the grievance has not been satisfactorily resolved, it may be presented at the third step.

STEP III: In the event the officer is not satisfied with the disposition of his grievance at Step II, he/she may submit a written appeal to Borough Council within ten (10) calendar days after receiving the Step II answer. The written appeal shall be provided to Borough Council. The Borough Council shall have five (5) calendar days after receiving the Step III appeal to provide a written answer to the officer. In the event the grievance has not been satisfactorily resolved at this step, it may be appealed to Step IV.

STEP IV: In the event the grievance has not been satisfactorily resolved at the earlier steps, the Police Department of the Borough of Fox Chapel may appeal the grievance to arbitration within ten (10) calendar days after having received the answer at Step III. The arbitration appeal shall be initiated by written notice to Borough Council or its designee. Within five (5) calendar days of the arbitration demand, the parties will attempt to agree upon a neutral arbitrator to hear and to decide the case. If the parties are unable to agree upon an arbitrator, either party may request a list of seven (7) potential arbitrators who reside in western Pennsylvania and who are members of the National Academy of Arbitrators from the American Arbitration Association. Each party shall alternatively strike one name from the list until a single name remains. The remaining name shall be the arbitrator selected. The first strike shall alternate between the parties.

The arbitrator shall have no power to add to, subtract from or modify the provisions of this Agreement in arriving at a decision of the issue or issues presented and shall confine his/her decision to the application and interpretation of this Agreement. The Decision or Award of the arbitrator shall be final and binding.

The cost of arbitration shall be shared equally by the parties. Each party shall bear the cost of preparing and presenting its own case.

If the Borough fails to adhere to the time limitations at any step of the grievance procedure and a time extension has not been granted by the officer or Department, the officer or Department shall have the right to advance the grievance to the next step of the grievance procedure.

A grievance may be withdrawn by an officer or the Department at any time, and the withdrawal of any grievance shall not be prejudicial to the positions taken by the parties as they relate that grievance or any future grievance.

The time limits set forth in the grievance procedure shall, unless extended by mutual written agreement of the Borough and officer/Department, be binding and any grievance not timely presented or timely processed thereafter, shall not be considered a grievance under this Agreement and shall not be arbitrable.

ARTICLE XXI PENSION BENEFITS

Each Police Officer shall be entitled to a pension following retirement or permanent disability, subject to the terms and conditions set forth in the official Police Pension Plan of the Borough. There will be no extra cost to the taxpayers for the inclusion of a DROP provision. Pension benefits, including officer contributions, shall be administered in compliance with the terms and provisions of the Borough of Fox Chapel Police Pension Plan. The pension plan shall be amended to provide a deferred retirement option plan (DROP) that shall be in compliance with applicable law and shall contain the following provisions:

- (1) An Officer may enter DROP only after reaching age 56 years and 6 months with at least twenty-five (25) years of service.
- (2) The maximum period of participation in the DROP would be three (3) years.

- (3) An Officer may only elect to enter DROP between the dates of July 15 and December 31 of any calendar year.
- (4) DROP proceeds would be contributed to a money market account or, at the discretion of the Borough, to a deposit account subject to FDIC insurance.
- (5) An Officer who is participating in the DROP shall have his or her base pay and longevity frozen at the amounts the officer was receiving on the date of entry into DROP.
- (6) An Officer on DROP shall have available to him or her the same benefits that would apply to an Officer not in DROP with the exception of sick leave. An Officer in DROP shall have available to him/her seven (7) paid sick days for use in each twelve (12) month period they remain in DROP with no right of accumulation.
- (7) It is the intent of the parties that DROP be cost neutral. In determining costneutrality, the Borough shall conduct a review of the DROP annually during active enrollment by an Officer in the DROP to determine whether this element of the agreement is being met. That review shall take into account any and all cost directly attributed to the DROP program, including an actuarial analysis performed by the Police Pension Plan actuary, the cost of which shall be subject to payment from the plan. Both parties may offer to make changes to the DROP to eliminate or offset those costs prospectively. It is understood in this context that prospective changes may include changes for existing employees who have not yet entered the DROP. Should the parties fail to agree on changes to the DROP to achieve cost-neutrality within 30 days of initiating discussions, then the parties will proceed to an expedited interest arbitration proceeding with arbitrators selected in accordance with Act 111 of 1968. Any arbitration award shall comply with applicable law including, but not limited to, Act 205 of 1984 and shall be subject to the plan actuary's fiduciary responsibility to determine actuarial assumptions for the pension plan. The sole purpose for the expedited arbitration proceeding will be for the arbitrator to determine cost-neutrality and modify the DROP to eliminate or offset those costs in excess of cost-neutral for either party. The decision of the arbitration panel shall be rendered within 30 calendar days of appointment of the neutral arbitrator.

ARTICLE XXII EXISTING TERMS AND CONDITIONS

All existing benefits and terms and conditions of employment not inconsistent with this Agreement shall remain in full force and effect.

ARTICLE XXIII DUES DEDUCTION

The Police Officers have established an association. The Borough has agreed to deduct from the pay of an employee who voluntarily elects to pay dues and who so notifies the Borough of that election in writing, the amount established by the Police Officers as the monthly dues.

The Police Officers and the Association agree to indemnify and hold harmless the Borough from all clams, suits, orders, or judgments brought or issued against the Borough as a result of any action arising out of or resulting from the provisions of this Article.

ARTICLE XXIV EFFECTIVE DATE

This Agreement shall remain in full force and effect for the period January 1, 2018, to December 31, 2021, or until hereafter amended with the express written consent of both parties.

IN WITNESS WHEREOF, this Agreement is executed the day, month and year first above written.

ATTEST:

BOROUGH OF FOX CHAPEL

ATTEST:

FOR THE POLICE DEPARTMENT OF THE BOROUGH OF FOX CHAPEL

Mana a aleate