

**RATIFIED 4-YEAR AGREEMENT WITH WORKERS ASSOCIATION
JULY 29, 2011**

Topic	Terms
Term	<ul style="list-style-type: none"> • Four Year agreement, January 1, 2011 to December 31, 2014
Longevity	<ul style="list-style-type: none"> • Elimination of longevity for new hires effective upon approval of agreement.
Wages	<ul style="list-style-type: none"> • Elimination of Step 5 for new hires effective upon approval of agreement. • Full-time WA-represented employees who are employed upon the approval of this agreement will receive a lump sum payment in the amount of \$1,300 for 2011. Part-time WA-represented employees who are employed upon the approval of this agreement will receive a lump sum payment in the amount of \$300 for 2011. • Full-time active WA-represented employees will receive annual base wage increases effective January 1st as follows: +2.5% in 2012, +2.75% in 2013, +2.75% in 2014.
Medical Plan Designs	<p><u>New Hires</u></p> <p>Will only be permitted to enroll in the following HMO \$15 Plan: \$15 co-pay for the primary care physician office visit, \$30 co-pay for the specialist and all other visits (i.e. chiropractic care, physical, occupational, speech, respiratory and orthoptic/pleoptic therapy,) \$100 co-pay for emergency room (ER) waived if admitted, \$100 per day co-pay inpatient hospital with a maximum of five (5) days, \$100 co-pay for outpatient surgery, and a \$60 co-pay for specialty imaging (MRI, CT and other Scans).</p> <p><u>Current Employees:</u></p> <ol style="list-style-type: none"> 1. Employees enrolled in the HMO \$2 plan will be grandfathered. No new enrollments into HMO \$2 are permitted. This will now be a closed group. 2. Effective November 1, 2011, the HMO \$10 Plan will remain at \$10 and there will be an increase to the PPO Plan to \$10 (from \$5) for the primary care physician office visit and an increase to \$20 (from \$15 for HMO and \$5 for PPO) for the specialist and all other visits (i.e. chiropractic care, physical, occupational, speech, respiratory and orthoptic/pleoptic therapy), increase in the emergency room (ER) co-pay to \$50 (from \$35 for HMO and \$25 for PPO) waived if admitted, and a \$50 per day inpatient hospital co-pay with a maximum of five (5) days will be implemented. 3. Effective November 1, 2011, the POS Plan co-pays will remain at \$10 for the primary care physician office visit, \$20 for the specialist and all other visits (i.e. chiropractic care, physical, occupational, speech, respiratory, orthoptic/pleoptic therapy), and the ER co-pay at \$100, and a \$50 per day inpatient hospital co-pay with a maximum of five (5) days will be implemented.

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Prescription	<ul style="list-style-type: none"> • Effective November 1, 2011, the prescription co-pays will increase to \$5/\$20/\$35 (from \$7/\$14/\$20). • Effective November 1, 2011, the current “Traditional Step Therapy” program will change to the “Traditional Generic Step Therapy” program whereby a non-preferred drug requires that a cost effective generic alternative is first prescribed and utilized prior to any single-source brand being covered and utilized.
Dental	<p><u>New Hires</u></p> <p>An annual maximum of \$2,500 will be implemented. Class II services for fillings, extractions, endodontics, oral surgery periodontics and anesthesia and Class III Services for inlays, onlays crowns, bridges, dentures, crowns and prosthetics will be covered at 80%.</p> <p><u>Current Employees</u></p> <p>Effective November 1, 2011, Class II services for fillings, extractions, endodontics, oral surgery periodontics and anesthesia and Class III Services for inlays, onlays crowns, bridges, dentures, crowns and prosthetics will be covered at 90% (from 100%).</p>
Healthcare Employee Contributions	<p><u>New Hires</u></p> <p>Employee healthcare contributions will be of 7.50% of the total annual premium for core medical coverage, prescription, dental and vision benefits for him/herself, spouse and/or dependents for the HMO \$15 plan as previously noted.</p> <p><u>Current Employees</u></p> <ul style="list-style-type: none"> • Effective September 1, 2011, the base year will move to 2011 for the 10% rolling cap calculations for employee healthcare contributions. • Effective September 1, 2011, employee healthcare contributions will increase to 5.25% (from the current contribution of 4.0%) of the total annual premium for core medical coverage, prescription, dental and vision benefits for him/herself, spouse and/or dependents for the POS plan. • Effective January 1, 2012, employee healthcare contributions for all active employee plans will increase to 6.0% (from the current contribution of 5.25%) of the total annual premium for core medical coverage, prescription, dental and vision benefits for him/herself, spouse and/or dependents.

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	<ul style="list-style-type: none"> Effective January 1, 2014, employee healthcare contributions for all active employee plans will increase to 6.5% (from 6.0%) of the total annual premium for core medical coverage, prescription, dental and vision benefits for him/herself, spouse and/or dependents.
Opt-Out Waiver Program	<p><u>New Hires</u></p> <p>The Opt-Out reimbursement will be a flat dollar amount. The dollar amount will be based on a methodology of 30% of the 2011 DVHIT rate of the least expensive plan, and coverage declined, which will be the HMO \$15 Plan.</p> <p><u>Current Employees</u></p> <p>Effective January 1, 2012, the Opt-Out reimbursement will be a flat dollar amount. The dollar amount will be based on a methodology of 40% of the lower of a) the 2012 DVHIT rate, or b) the 2011 DVHIT rate plus 7%, of the least expensive plan and eligible coverage levels.</p>
Same Sex Partner Benefits	<ul style="list-style-type: none"> If the State of PA creates new state law that adds same sex partners' healthcare benefits, the Township agrees to meet and discuss this topic with the WA during the term of the Agreement. This willingness to discuss this matter shall not be interpreted to mean that same sex partner benefits will be provided by the Township.
Pension & Early Retirement Program	<ul style="list-style-type: none"> Future retirees will not have their pension decrease when CPI is negative, but the overall COLA increase will not exceed the cumulative CPI. At retirement, the spouse of the retiree will be required to sign off on the paperwork if the retiree does not select a Joint and Survivor option. Employees with chronic life threatening illnesses, who are totally disabled, and who are at least age 55 with 25 years of service will not have an early retirement reduction to their pension. "<i>Chronic Life Threatening Illness</i>" is defined as a chronic, medically verifiable disease or condition that is long-lasting or recurrent where the likelihood of death is high (e.g., cancer, renal failure, etc.). "<i>Total Disability</i>" is defined as being physically unable to perform the material duties of an employee's Township position for an indefinite duration where recovery is not expected. For full-time employees who are at least age 55 with 25 years of service who are suffering from a chronic life threatening illnesses and who are not age 65 or Medicare eligible, the Township shall contribute a flat dollar amount per month of \$257 for single and \$592 for husband/wife retiree medical and prescription plan coverage.

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Short Term Disability	The Township will provide a 90 day extension (from 60 days) for employees on short term disability (STD) who certify that they have not reached their maximum medical improvement and will be able to return to full duty.
Bereavement Leave	Bereavement leave of up to 2 days will be provided for the death of a mother-in-law/father-in-law (from 1 day) who is a current mother/father in-law (not an ex in-law). The labor agreement will codify the practice that a grandchild and step-child are considered immediate family.
Assigner	Assigner daily compensation will be increased to \$20/\$36/\$50 (from \$10/\$18/\$25) for weekdays, weekends and holidays effective January 1, 2012.
CDL Payment	The Commercial Drivers' License (CDL) annual payment will increase by \$50 for a Class A to \$175 (from \$125) and for a Class B to \$125 (from \$75) in 2013.
Retiree life insurance	Life insurance for future retirees will increase to \$11,000 (from \$10,000) for retirements after January 1, 2013 and \$12,500 for retirements after January 1, 2014.
Codify Reduced Life Insurance	The labor agreement will codify that the face value of the group life insurance (\$50,000) provided to active Township employees is reduced by 25% at age 65 (to \$37,500) and by 50% at age 70 (to \$25,000) effective the first of the month following the employee's birthday.
Communication Center SWAP	The Township will implement a new program for Telecommunicators to "swap" shifts within the workweek where it is pre-approved, operationally feasible, does not create new overtime/double time costs and conforms to safe and efficient operations of the Communication Center.
Retroactivity	<p>The following benefits have been "frozen" while WA employees worked without a contract. Upon approval of the tentative agreement:</p> <ol style="list-style-type: none"> 1. Longevity service payment levels will be retroactively provided. 2. Step increases will be retroactively provided. 3. Vacation and sick leave accrual will be retroactively provided. 4. Employees will be required to reconcile (pay additional) employee healthcare contributions at the 2011 rates retroactively. 5. Opt-Out Waiver Reimbursement at the 2011 rates will be retroactively provided.