

**TOWNSHIP OF SALISBURY  
LEHIGH COUNTY, PENNSYLVANIA**

Ordinance No. 02-2017-610

(Duly Adopted February 23, 2017)

AN ORDINANCE AMENDING CHAPTER 1, PART 6(A) OF THE CODE OF ORDINANCES (RELATING TO POLICE PENSION PLAN) TO COMPLY WITH THE COLLECTIVE BARGAINING AGREEMENT WITH THE SALISBURY TOWNSHIP POLICE OFFICERS ASSOCIATION, INCLUDING A REVISION OF THE DEFINITION OF THE TERM "COMPENSATION" TO NOT INCLUDE ANY PAYMENTS MADE FOR THE WAIVER OF HEALTH/MEDICAL COVERAGE.

**WHEREAS**, the Board of Commissioners ("**Board**") of the Township of Salisbury, Lehigh County ("**Township**") has established and maintained a Police Pension Plan and Police Pension Fund (the "**Plan**"), a defined benefit pension plan for the full-time police officers of the Township pursuant to Act 600 of 1955 as amended, 53 PA. STAT. ANN. §§ 767-778 ("**Act 600**"). The terms and conditions of the Plan are codified in Chapter 1, Part 6(A) of the Township's Code of Ordinances, as amended through the date of this Ordinance; and

**WHEREAS**, the Township and the Salisbury Township Police Officers Association ("**Association**"), the collective bargaining representatives of the Township's police officers, entered into a collective bargaining agreement ("**CBA**") effective from January 1, 2017 through December 31, 2020; and

**WHEREAS**, the CBA requires a certain amendment to the Plan, and the Board desires to amend the Plan to comply with the CBA; and

**WHEREAS**, prior to the adoption of this Ordinance the Board reviewed a cost estimate of the effect of the changes made herein prepared by the actuarial firm

Beyer-Barber Company in accordance with Section 305 of the Municipal Pension Plan Funding Standard and Recovery Act, 53 PA. STAT. ANN. § 895.305; and

NOW, THEREFORE, be it ORDAINED and ENACTED by the Board of Commissioners of the Township of Salisbury, Lehigh County, Pennsylvania, that Chapter 1, Part 6(A) of the Code of Ordinances (relating to Police Pension Plan) is amended by amending paragraph C of the definition of “Compensation” in § 601 as follows (with additions indicated by double-underlining, and deletions indicated by ~~stricken through~~ type), effective immediately:

**§ 601. Definition of Terms.**

\* \* \*

COMPENSATION —

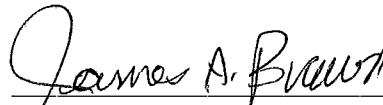
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- C. Employee Contributions to Health Coverage and Payments for Waivers of Health Coverage. “Compensation” shall also include employee contributions towards employer-provided health/medical coverage in accordance with the provisions of the collective bargaining agreement for the Township’s police officers as in effect from time to time, even if not includible in the Participant’s federal gross income by reason of the application of Internal Revenue Code § 125 (relating to cafeteria plans) or other provisions of the Code. However, “Compensation” shall not include payments made to a Participant for waiving health/medical coverage for himself/herself and/or for his/her spouse or dependents, even though such payments may be includible in the Participant’s income for federal income tax purposes.

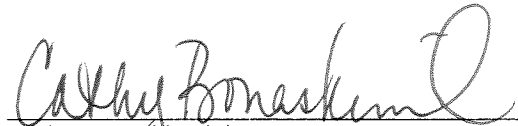
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**DULY ORDAINED** and **ENACTED** by the Board of Commissioners of the Township of Salisbury, Lehigh County, this 23rd day of February, 2017, in lawful session duly assembled.

BOARD OF COMMISSIONERS  
TOWNSHIP OF SALISBURY

  
\_\_\_\_\_  
James A. Brown, President

Attest:

  
\_\_\_\_\_  
Cathy Bonaskiewich  
Assistant Township Secretary