

Collective Bargaining Fiscal Impact Statement 45-5-22

Smithfield Lodge No. 17
 Fraternal Order of Police
 Proposed Contract Term: 7/1/14 - 6/30/16

	FY 2014	FY 2015	FY 2016	Totals
Proposed Salary Increases				
Percentage Increase	3%	3%	3%	
Salary Increase Costs	76,041.74	78,322.99	80,672.68	
FICA Costs	5,817.19	5,991.71	6,171.46	
Retirement Contribution	14,904.18	15,351.31	15,811.85	
Total Cost for Salary Increases	96,763.11	99,666.01	102,655.99	299,085.11
Employee Contributions to OPEB Trust Fund				
OPEB Trust Fund	(26,107.66)	(26,890.89)	(27,697.62)	
Net (Savings) / Cost	70,655.45	72,775.11	74,958.37	218,388.93

Estimated Savings Based on Current Healthcare Rates

Long Term Liability Savings - For Employees Hired after 1/15/14

Current Contract: Retirement after minimum of 20 years	478,346.64
- Employee retires with deferred pension after 20 years of service at age 42	
Proposed Contract: Normal Service Retirement under State System (Current Normal Service Retirement: 25 years of service & age 55)	(207,976.80)
Employee Co-Share (Current Co-share: \$1,500 per year * 10 years)	(15,000.00)
Total Long Term Liability (Savings) Per New Employee	<u>(255,369.84)</u>