Town Administrator's Office

343 Highland Road, Tiverton, Rhode Island 02878 (401) 625-6710

Memorandum

Date: August 21, 2015

To: Town Council

From: Matt Wojcik

RE: Fiscal Impact Statement for Renewal of Police Chief Contract

Before the Council on August 24, 2015 there is an agenda item requesting approval for a three year contract renewal for Chief Thomas Blakey. Based upon performance and the overall managerial considerations of the Tiverton Police Department and the Town as a whole, I recommend this contract renewal without any reservations.

The fiscal impact will be presented first as change from year 3 of the expiring contract to year 1 of the new contract. Please note that Chief Blakey's anniversary date is September 8 of each year, thus, the cost of his contract from one full year to the next will not be a precise reflection of the amounts appearing in the budget for fiscal years beginning on July 1. The budgeted figure represents a two month time lag from one contract year to the next and thus is slightly lower than the rate of pay per contract year.

The Chief's contract reflects a 2% salary increase. The budget includes an additional 1% incentive for departmental achievement of State accreditation. That amount is not considered at this time and if awarded, will be done so with Council approval and an updated fiscal impact statement.

The second set of numbers below demonstrates the full cost to carry this position, inclusive of all benefits.

The added costs for year one (Sept. 8, 2015 – Sept. 8, 2016) of this contract for Chief Blakey are as follows:

1. Salary increase:	$ 1,711
2. FICA increase:	$ 131
3. TOTAL change:	$ 1,842

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The cost to carry the Chief's position in year one of the new contract is as follows:

1.	Salary:	$ 87,241
2.	FICA:	$ 6,652
3.	Health insurance premium:	$ 13,968
4.	Health savings account, Town share:	$ 2,000
5.	Dental insurance premium:	$ 941
6.	Life insurance premium:	$ 768
7.	Work related injury premium:	$ 936
8.	Health savings account annual fee:	$ 45

Therefore, the total cost to carry this position in year 1 of the new contract is $ 112,551.

The Chief participates in the Police Pension Fund. The employer contribution to the fund for several years now has exceeded the IBPO contractual requirement due to the plan submitted to the State by the Town, thus, the Chief's contract does not have any impact upon the expenses of the Town in this regard.

cc: Treasurer
T. Blakey