

Item 9

TOWN/SILVER SHIELD NEGOTIATIONS
JULY 1, 2010 – JUNE 30, 2014

SUMMARY OF NEGOTIATED CHANGES

<i>Subject</i>	<i>Negotiated Change</i>
Duration	4 years 7/1/2010 – 6/30/2014
GW1 7/1/2010	0% plus increments
GW1 7/1/2011	2.5% plus increments
GW1 7/1/2012	2.5% plus increments
GW1 7/1/2013	2.5% plus increments
Medical Plans	- Effective 1/1/12 eliminate Anthem PPO and POS - Effective 1/1/12 modify HD-HSA to include Rx co-pays 10/25/40 - Effective 7/1/11 employee cost share 8% HSA, Anthem \$10 POS, Anthem \$POE, Rx and Dental. - Effective 7/1/12 employee cost share 10% all medical plans - Effective 1/1/12 amend Rx co-pays to 10/25/40
Retirement	- Tier II DB retirement plan Eff. 7/1/2011 - 2% multiplier per year. - Eliminate cliff benefit and additional service benefit. - Minimum retirement eligibility age 50 and 25 years of creditable service. - Final compensation not to exceed a maximum of 112% of base pay. - Non-substantive language changes - Eff. 7/1/11 end current practice for vacation payout at retirement for Tier II employees.
EMT/MRT	Delete out-dated language

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<i>Subject</i>	<i>Negotiated Change</i>
Dispatch	Delete outdated language
Master Police Officer	Effective 7/1/2011 new premium pay position
Medical Appendices	Updated Appendices
Payroll	Mandate Direct Deposit
401-k	Increase Town match \$50 1/12 and \$50 1/13
Personal Leave	Employee may convert 1 vacation to a personal leave day with 30 days notice
Personal Leave	Amend language as to use of personal leave day.
Sick Incentive	1 vacation day each quarter for no use of sick leave during quarter
Premium Pay Positions	Post process for assignments to premium positions to be posted
Seniority	Include language defining seniority for purposes of layoff.

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Finance Department

TOWN OF GREENWICH
CONNECTICUT

May 20, 2011

TO: Dave Detjen, Chairman
Labor Contracts Committee

FROM: Peter Mynarski
Comptroller

REQUIRED CONFIRMATION OF THE ESTIMATED COSTS FOR THE 2010-2014 COLLECTIVE BARGAINING AGREEMENT BETWEEN THE TOWN OF GREENWICH AND SILVER SHIELD ASSOCIATION OF THE TOWN OF GREENWICH

As required by the Representative Town Meeting approved Sense of the Meeting Resolution, Item 22, Paragraph 3, dated June 9, 1980, I am certifying the attached estimate of annual costs to the Labor Contracts Committee and the Representative Town Meeting for June 13, 2011 are correct and I am in agreement.

5.20.2011
Date


Comptroller

cc: Alfred C. Cava, Director of Labor Relations

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Silver Shield Association 2010 - 2014
Cost of Labor Settlement

[illegible]

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Health	Current Cost		Revised Cost		Revised Projected Cost		Revised Projected Cost	
	Variance	Current Cost	Variance	Revised Cost	Variance	Projected Cost	Variance	Revised Projected Cost
Medical (Town portion of prem)	\$0.00	\$2,265,003	\$0.00	\$2,265,003	(\$73,038)	\$2,191,965	(\$131,518)	\$2,060,447
Rx (Town portion of prem)	\$0.00	\$377,941	\$0.00	\$377,941	(\$51,087)	\$326,754	(\$46,080)	\$280,674
Dental (Town portion of prem)	\$0.00	\$177,755	\$0.00	\$177,755	(\$3,023)	\$173,942	(\$1,911)	\$172,031
	\$0	\$2,820,609	\$0	\$2,820,609	(\$127,948)	\$2,518,778	(\$179,509)	\$2,341,121
					-10.70%		-7.13%	
Totals		\$19,982,504		\$20,034,159		\$20,281,889		\$20,608,910
Percentage change from prior year				0.76%		1.24%		1.61%
								\$21,088,745
								2.33%

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EASTERN REGION - PHILADELPHIA
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May 17, 2011

Mr. Al Cava
Director of Labor Relations
Town of Greenwich
101 Field Point Road
Greenwich, CT 06830

Re: Cost Analysis for Police Pension Benefit Changes – Final Cost Impact

Dear Al:

As requested, we have conducted an actuarial analysis on the impact of a new tier of benefits to be provided to Police members of the Town of Greenwich Retirement System. The new tier (Tier II) applies only to members hired after the effective date; therefore any cost decrease will occur very gradually.

Benefit Changes

Table 1 below provides a summary of the current provisions versus additional possible revisions.

Table 1: Summary of Current versus Tier II Benefit Provisions

Provision	Current Plan	Tier II Provisions
Retirement Benefit Amount	Benefit = 2.5% of final compensation times years of service; 75% of compensation at 26 years, 8 months of service. An additional 0.5% of Final Compensation for each full year of Creditable Service after reaching the 26 year, 8 month threshold , up to a maximum of seven years. Contribution refund available with benefit adjustments. Member contributions (5% of base pay) cease after reaching the 26 year, 8 month threshold.	Benefit = 2.0% of final average compensation for each year of service, without 75% "cliff"* or additional multiplier *Member contributions of 5% of base pay would continue until retirement.
Eligibility	Retirement eligibility at age 55 OR upon completing 20 years of service	Retirement eligibility at age 50 AND completion of 25 years of service.
Final Average Pay (FAP)	Total of final twenty-six pays, BASE PAY + STIPENDS	26 pay average, limited to 112% of base pay

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TOWN OF GREENWICH

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Mr. Al Cava
May 17, 2011

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Impact on Employer Costs

Because the Tier II system will only apply to future Police officers, there is no impact on the Plan's current Actuarial Accrued Liability. The annual cost of future benefit accruals for new entrants under any change in provisions is measured as the change in Normal Cost.

We have compared the Normal Cost under the current and proposed provisions for Police Officers hired in 2006 or later (basis for New Hires).

- **Current New Hire Normal Cost (Town Portion):** 13.7%
- **Tier 2 New Hire Normal Cost (Town Portion):** 8.9%

The assumed long term rate of return on investments for the Plan is 8.0% per year. All calculations herein are based on this assumption. If actual returns are lower than this, the overall cost of the Plan will be higher than what is shown herein. Likewise, if actual returns are higher, the cost will be lower.

This analysis has been performed in accordance with generally accepted actuarial principles and practices. Please contact me if you have any questions.

Sincerely,



Gregory M. Stump, FSA

cc: Jim Lavin – Town of Greenwich
Karen Earley – EFI Actuaries