

**Fire Services Efficiency Project  
Finance Team Meeting  
2/9/07**

Committee Members in Attendance:

Gregory Cingle, Nick Condon, Gale Fisk, Mike Fowler, Carol Haslett, Terrence Hickey, Kenneth Kleppel, Brandee Moretta, Joe Pope, Timothy Pope

Committee Members Absent:

Anthony Zielinski, Dan Patrick II, Dana Kavander, Pierre David

-The team is still working toward the objective of having a 2009 expenditure budget completed by September, and to have a revenue budget completed by December

-Gale Fisk has joined the Strategy Team, and has agreed to serve as a co-chairman for the Finance Team (alongside Ken Kleppel)

-Information needed from the Legal Team includes:

- a.) The extent of inside millage from the departments
- b.) How debt from the individual departments will be handled
- c.) What will happen to levies that certain departments have
- d.) Disposition of assets

-Information needed from the Operations Team includes:

- a.) Which stations will remain open
- b.) If any stations will close
- c.) Staffing needs for the district (professional and non-professional)
- d.) How to handle billing system for paramedics
- e.) How dispatching will be handled
- f.) How payroll and HR will function

**Personnel Budget**

-The main goal of the meeting is to estimate numbers to be used in the Personnel Budget

-It is felt that the Personnel Budget will account for roughly 70-80% of total costs

-The following table lists a breakdown of five positions within the district, the estimated number of people that will hold each position (from each of the seven cities), and an estimate of the 2009 salary of each position (per person). Also included in the table is the team's estimate for the total overtime cost the district will face in 2009.

	(Position)	(Total # for District)	(Estimated 2009 Salary Per Person)
1	Chief	7	\$92,000
2	Asst. Chief/Captain	8	\$83,800
3	Lieutenant	48	\$75,000
4	Firefighter Paramedic	182	\$68,000
5	Firefighter	34	\$65,000
6	Overtime	(all-encompassing)	\$2,000,000

-Assumptions:

- a.) Salary estimates took into account current salaries and assumed 3% growth per year

into 2009

- b.) Due to discrepancies in pay between the cities, the estimate assumes the highest possible salary, which can be adjusted accordingly in the future
- c.) Both the number of personnel, salaries, and overtime were best estimated on behalf of cities from which no representatives were present at the 2/9/07 meeting
- d.) The estimate for overtime cost includes overtime for all positions for the entire year
- e.) All salary estimates do not take into account pay increases for longevity/seniority

-These estimates will still have to be overviewed by the Operations Team due to the many assumptions made

### **Hospitalization**

-The team estimates that, in terms of all personnel, 80% will be on a family hospitalization plan and 20% will be on a single hospitalization plan

-Ken Kleppel talks of the benefits of self-insurance plans and recommends on the basis of substantial possible savings

-However, for budgeting purposes, the team will assume a two tier approach to hospitalization costs

(Tier)	(Cost Per Month Per Person)
Family—80%	\$1,000
Single—20%	\$400

-Savings are possible because most of the personnel to be covered will be young and healthy

### **Other Personnel Costs**

Medicare	1.45%
Pension	24%
Workman's Comp.	1.85%
Uniform Allowance	\$900/person
Life Insurance	\$125/person

-From the Operations Team, we still need to know: 1.) Will we be a reimbursing employer?

2.) Will we be retrospective or not?

-Estimates from today's meeting (personnel costs) will account for approximately 80% of the budget. The aforementioned needed information from the Operations Team will help fill out the remainder of the expenditure budget.

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