

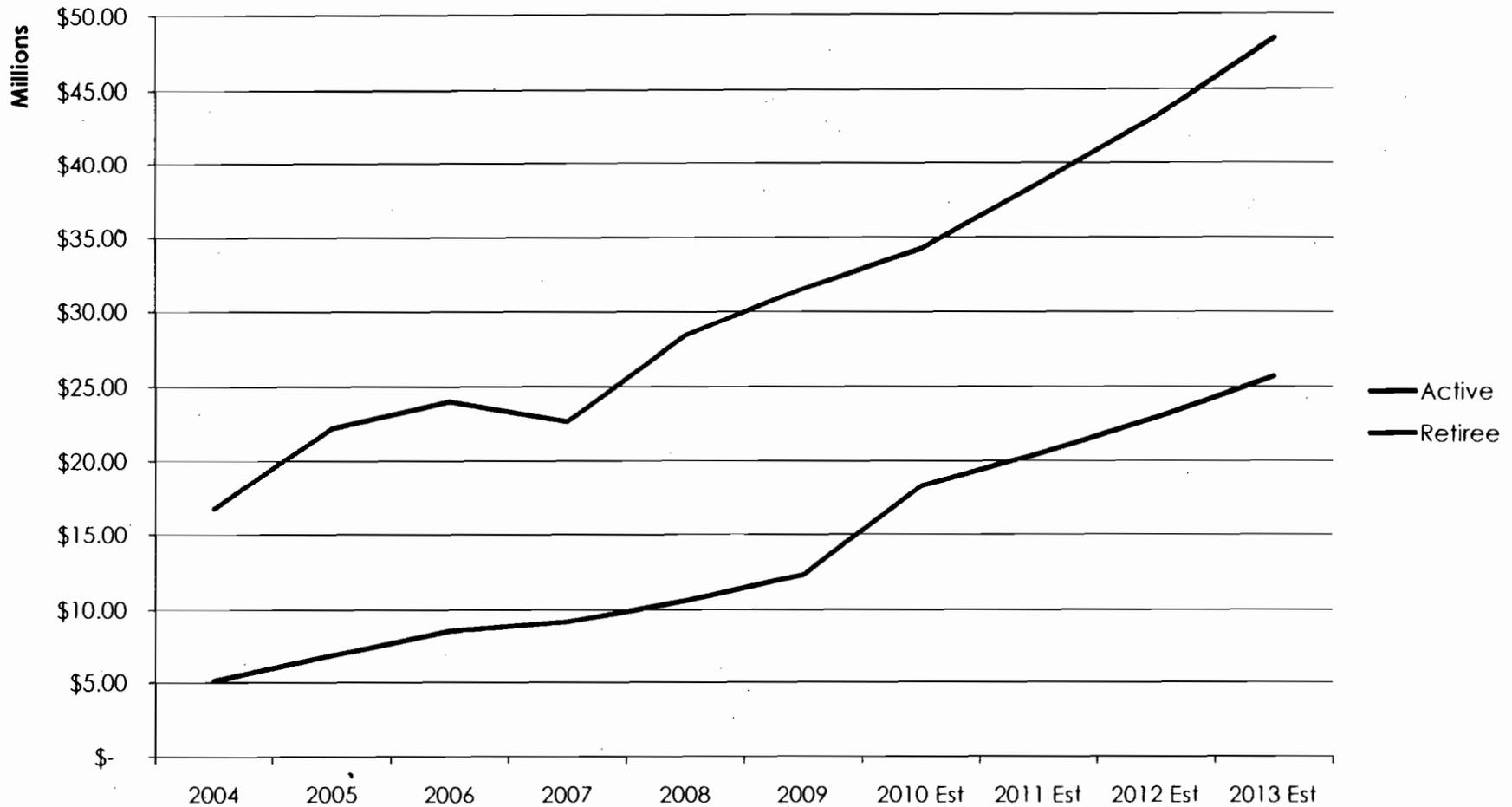
Employee Benefit Trust Council Presentation

May 3, 2010

- The City provides four main insurance benefits to active and retired employees.
 - Medical (4 plans)
 - Dental (3 plans)
 - Vision (2 plans)
 - Life
- Plans are funded with:
 - Contributions from the City
 - Employee premiums
 - State retirement system subsidy

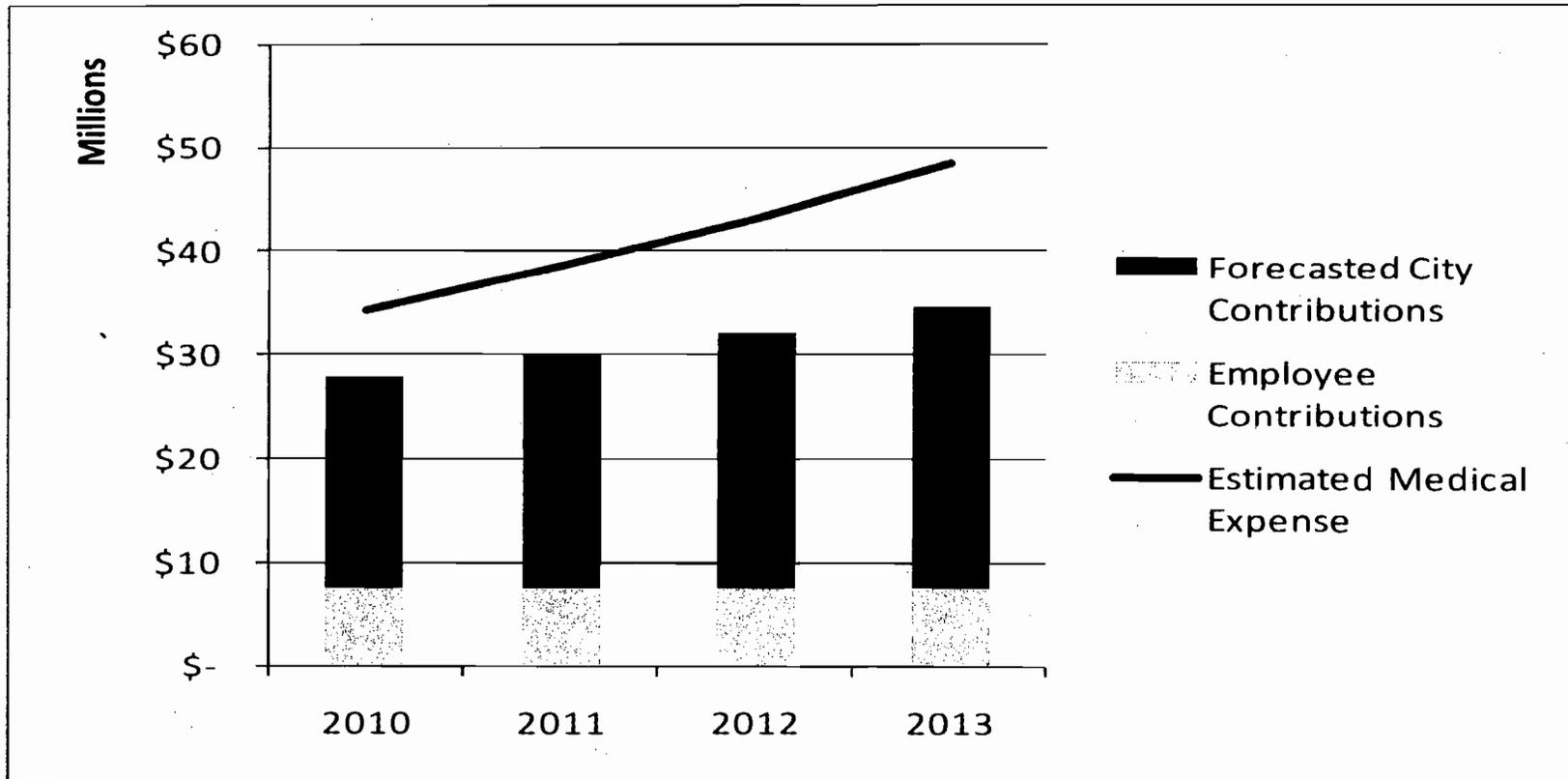
- Dental, Vision and Life
 - Combined contributions of City and employees currently cover costs.
- Medical Plans
 - Combined contributions of City and employees do **not** cover costs.

Medical Expenses Active & Retired Employees



- Proposed City contribution for FY 10/11 is \$38.6M.
 - Medical contributions are \$30.7 Million
 - Active employees \$21.5 Million
 - Retired employees \$9.2 Million
- City contribution is budgeted on a fiscal year basis, while the plans are managed on a calendar year basis.
- Overall medical cost increases:
 - 2008 through 2011 = 42%
- Employee medical plan premiums have not increased since January, 2008.

No Change to Employee Contributions Active Employees – Medical Only



	2010	2011	2012	2013
Estimated Medical Expense	\$ 34,260,520	\$ 38,580,950	\$ 43,210,664	\$ 48,395,944
Forecasted City Contributions	\$ 20,283,966	\$ 22,332,647	\$ 24,588,244	\$ 27,071,656
Employee Contributions	\$ 7,591,596	\$ 7,591,596	\$ 7,591,596	\$ 7,591,596
Trust Fund Shortfall	\$ 6,384,958	\$ 8,656,708	\$ 11,030,825	\$ 13,732,692

Sample Plan Costs

	Estimated Total Monthly Cost	Monthly Member Contribution	Monthly Budgeted City Contribution	Monthly Additional City Contribution (Difference)
Choice Single	\$474.55	\$30.50	\$274.50	\$169.55
Choice Family	\$1127.47	\$168.00	\$672.00	\$287.47
Copay Single	\$474.96	\$80.50	\$274.50	\$119.96
Copay Family	\$1547.57	\$328.00	\$672.00	\$547.57

Goals

1. Agree on an appropriate contribution philosophy
2. Provide employees the same credit amount toward each medical plan
3. Employees and City pay equally increased costs each year
4. Provide a phased-in restructuring

To provide time to achieve these goals, necessary to increase City contributions by \$4 million - - of which \$2.9 million is general fund

Questions?



MESA FIRE DEPARTMENT



BUDGET PRESENTATION MAY 3, 2010

FIRE OPERATIONS

RESERVE PROGRAM

Purpose:

Establish pool of retirees for part time work

Focus:

Offset/Relieve Overtime

Staff Support Units

- Age
- Certifications
- Medical Clearance
- Rank
- Number of Participants
- Civilian / Sworn
- ARS 38-849(D) Waiting Period

FIRE OPERATIONS

LATERAL PROGRAM

Purpose:

Hire experienced firefighters to reduce academy time and cost

Focus:

Offset/Relieve Overtime

Peak Time Staffing

Reduce initial training costs of paramedics and special teams;

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FIRE OPERATIONS

LATERAL PROGRAM

2007 Nationwide Lateral Recruitment

- No negative fiscal impact
- Program already in place
- Update program
- Create an eligibility list
- Open Recruitment

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FIRE OPERATIONS

REDUCTION PROPOSALS

Scenario "A" (Staff Alternative)	Scenario "B" (Eliminate Battalion 203)
Eliminate: <ul style="list-style-type: none"> • 3 Command Van Drivers • 3 Battalion Safety Officers • 1 Personnel & Wellness Captain 	Eliminate: <ul style="list-style-type: none"> • 3 Battalion Chiefs • 3 Battalion Safety Officers • 1 ASA I
\$761,858 -7 Positions	-\$818,332 -7 Positions

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FIRE OPERATIONS

PROGRAM MODELS

Scenario "A" (Staff Alternative)	Scenario "B" (Eliminate Battalion 203)
<ul style="list-style-type: none"> ▪ Maintains current level of Battalion Chief response ▪ Maintains current level of Battalion level training ▪ Maintains Safety Section ▪ Maintains the span of control for supervision and emergency response 	<ul style="list-style-type: none"> ▪ Reduces Battalion Chief coverage ▪ Reduces Battalion level training ▪ Reduces Safety Section ▪ Increases span of control for supervision and emergency response

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FIRE PREVENTION REDUCTION PROPOSALS

Scenario "A" (MFD – Reduced Frequency) Positions Eliminated	Scenario "B" (Public/Private Partnership) Positions Eliminated
2 Investigators 1 Inspector Supervisor 6 Inspectors 1 Fire Protection Engineer 2 Office Assistants	2 Investigators 1 Inspector Supervisor 8 Inspectors 1 Fire Protection Engineer 2 Office Assistants
-\$688,662 -12 Positions	-\$748,723 -14 Positions

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FIRE PREVENTION NEW STAFFING/PROGRAM MODEL

Scenario "A" Positions/Activities Retained	Scenario "B" Positions/Activities Retained
1 Fire Marshall 1 Investigator 1 Inspector Supervisor 5 Inspectors 1 Sr. Program Assistant 1 ASAI <ul style="list-style-type: none"> ▪ Maintains High and Medium Risk Inspections in-house - reduced frequency ▪ Maintains FSOP 	1 Fire Marshall 1 Investigator 1 Inspector Supervisor 3 Inspectors 1 Sr. Program Assistant 1 ASAI <ul style="list-style-type: none"> ▪ Maintains High Risk Inspections in-house ▪ Public Private partnership to handle Medium Risk Inspections ▪ Maintains FSOP

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FIRE & LIFE SAFETY EDUCATION

REDUCTION PROPOSAL

Fire & Life Safety Education Positions Eliminated	Programs Retained
2 Fire & Life Safety Education Specialists 1 ASA II .5 PT Fire & Life Safety Education Specialist	<ul style="list-style-type: none"> ▪ Connector Program ▪ Emergency Services Support Reduced: Grief Support Social Services ▪ Home Safety Inspection Program ▪ Bilingual Assistance Program
-\$306,040*	-3.5 Positions
* Includes \$75,773 Commodities & Other Services	

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REDUCTION SUMMARY

ITEM	BUDGET REDUCTION	POSITION REDUCTION
Vacant Office Assistant (No change from 4/8/10 presentation)	\$40,167	1
Attrition 2 Assistant Chief Positions (No change from 4/8/10 presentation)	\$289,260	2
Reassign 3 Sworn Positions (No change from 4/8/10 presentation)	\$359,354	3
Commodities (No change from 4/8/10 presentation)	\$32,284	
Vehicle Replacement (No change from 4/8/10 presentation)	\$25,000	
Fire and Life Safety Education (Revised from 4/8/10 Presentation)	\$306,040	3.5
TOTAL	\$1,052,105	9.5

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REDUCTION SUMMARY

FIRE OPERATIONS	<u>BUDGET</u>	<u>POS.</u>	<u>BUDGET</u>	<u>POS.</u>
<u>Scenario A</u>				
Staff Alternative to Eliminating Battalion 203	\$761,858	7		
<u>Scenario B</u>				
Eliminate Battalion 203			\$818,332	7
FIRE PREVENTION				
<u>Scenario A</u>				
Keep high and medium risk inspections in-house	\$688,662	12		
<u>Scenario B</u>				
Keep high risk inspections in-house, medium risk contracted			\$748,723	14
REDUCTIONS -PREVIOUS PAGE				
	\$1,052,105	9.5	\$1,052,105	9.5
TOTAL	\$2,502,625	28.5	\$2,619,160	30.5

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REDUCTION SUMMARY

	With Scenario "A's"		With Scenario "B's"	
	Pos.	Budget	Pos.	Budget
Total Reductions	28.5	\$2,502,625	30.5	\$2,619,160
Firefighter Recruit Academy		<u>-\$871,917</u>		<u>-\$871,917</u>
Net Reduction		\$1,630,708		\$1,747,243
Budget Reduction Target		<u>\$1,848,360</u>		<u>\$1,848,360</u>
Shortfall from Target		-\$217,652		-\$101,117

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FIRE OPERATIONS

TRANSITIONAL RESPONSE VEHICLES

PURPOSE:

Long term solution to fill service gaps created by:

- Increase Call Volume
- Long Travel Distances
- Seasonal Influx

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FIRE OPERATIONS

TRANSITIONAL RESPONSE VEHICLES

FOCUS:

- Never Intended to be One Year Budget Fix
- Long Term Solution; 5, 10, or 15 Year Full Implementation
- Improves Efficiency and Effectiveness

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FIRE OPERATIONS

TRANSITIONAL RESPONSE VEHICLES

GOALS:

- Match the Response to the Problem
- Reduce Call Volume of ALS Companies
- Improve Availability of First Due Units
- Improve Response Times

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FIRE OPERATIONS

TRANSITIONAL RESPONSE VEHICLES

DEPLOYMENT PLAN:

- New TRV Vehicles Due in Early June 2010
- With Medical Director Assistance, Modify Current BLS Call Type Questions
- Create Four Emergency Response Zones for TRV Response
- Start With Peak Period Coverage
- Expand the Response Areas and Times as the Program is Refined
- Operations funded with overtime

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QUESTIONS

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