



BARRINGTON

September 24, 2012

VIA PERSONAL DELIVERY
AND VIA U.S. CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Barrington Countryside Fire Protection District
Attn: President Thomas Rowan
22N222 North Pepper Road
Lake Barrington, IL 60010

Dear President Rowan and Trustees of the
Barrington Countryside Fire Protection District:

On behalf of the Village of Barrington ("the Village"), I acknowledge receipt of the Notice of Termination given by the Barrington Countryside Fire Protection District (the "District") pursuant to Section 14(B)(ii) of the Intergovernmental Agreement By and Between the Village of Barrington and the Barrington Countryside Fire Protection District Dated September 19, 2005 (the "Existing IGA").

Please consider this letter the Village's respective Notice of Termination of the Existing IGA hereby given to the District pursuant to that same Section 14(B)(ii) of the Existing IGA. It appears to us that the Village has a significantly different vision from the District's as to how the Village should provide the best and most reliable fire protection and EMS services to residents in the most cost-effective manner. This goal has and must remain of paramount importance to the Village.

You noted in your Notice of Termination that the Village rejected the District's request to hire additional personnel and to purchase an additional tender at the District's sole cost. We wish to note that our response to these requests was made with much reflection and after review of the facts surrounding these issues.

As mentioned at our last Cost Control meeting, in the letter from Jeff Lawler to Rich Curran, and at our Board to Board meeting on August 13, 2012, the 1982 tender was replaced by a new tender in 2009. As our Fire Chief has confirmed, the Fire Department has sufficient water capacity with our current equipment to provide services to both the District and the Village and has never needed two tenders to meet this goal. The Fire Department has 1,000 to 1,250 gallons of water on each of its three responding engines, which provide four to six minutes of water flow, and the new 2,000 gallon tender provides an additional eight to ten minutes of water flow. In addition, there are actually 291 hydrants in the district providing water in certain areas. Also, there are eight fire departments surrounding the Village and District which respond to fire calls often, bringing tenders and other equipment, with no fewer than six departments ordinarily responding to actual structure fires.

VILLAGE HALL
200 S. HOUGH ST.
BARRINGTON, IL 60010
(847) 304-3400

PRESIDENT & BOARD
MANAGER'S OFFICE
TEL (847) 304-3444
FAX (847) 304-3490

COMMUNITY AND
FINANCIAL SERVICES
TEL (847) 304-3400
FAX (847) 381-7506

DEVELOPMENT SERVICES
TEL (847) 304-3460
FAX (847) 381-1056

PUBLIC WORKS
300 N. RAYMOND AVE.
BARRINGTON, IL 60010
TEL (847) 381-7903
FAX (847) 382-3030

PUBLIC SAFETY
400 N. NORTHWEST HWY.
BARRINGTON, IL 60010

POLICE
TEL (847) 304-3300
FAX (847) 381-2165

FIRE
TEL (847) 304-3600
FAX (847) 381-1889

In response to your request to add additional personnel, we have responded that there is no need to do so. The Barrington Fire Department currently employs 39 sworn personnel and at any moment at least ten are on duty in the three fire stations staffed by the Department. This number of personnel is more than sufficient to respond to the calls coming into the Department each day. From January through August 2012, the average number of calls per day (24-hour period) was 1.4 for Station Number 3 and 1.8 for Station Number 2, both located in the District, and 4.5 for Station Number 1, located in the Village. This number of calls is typical of the number experienced year after year for the Department. Additionally, and perhaps thanks to an era of BOCA building codes, sprinkler systems, and increased fire safety awareness, less than two percent of all calls received by the Fire Department are for any type of fire (dumpster, grass, etc.) and less than one third of one percent of all calls received by the Fire Department are for structure fires. In 2011, there were 4 structure fires, (\$114,000 total damages) in the Village and 10 structure fires (\$1,454,000 total damages) in the District. Additionally, one third of all calls received by the Fire Department every year are false alarms.

As explained in our Board to Board meeting, although the District indicates its willingness to pay the full cost of adding personnel, the District can never really fund the legacy cost for the additional personnel. The legacy costs are those employee benefits which Village taxpayers are required by statute to provide for each employee beyond regular salary, benefits, and current pension contributions. The taxpayers of the Village are required to ensure that pension benefits are paid to each retiree regardless of the investment performance of the Firefighter's Pension Fund. Village taxpayers are required by Statute to guarantee these benefits are paid now and in future years whether or not the Village and the District have a contractual relationship. Another example of legacy costs are disabilities of Fire Department employees. The addition of each sworn Fire Department employee increases the potential for disability claims and increases risk management costs. If a disability pension is awarded to a firefighter, that pension is paid from the Firefighter's Pension Fund* at 65% of the last salary of the firefighter, regardless of the number of years of prior service, plus a 3 percent annual cost of living adjustment after age 60 for life, all state and federal income tax free.** Additionally, the disabled firefighter is likely to have the disability considered a "catastrophic injury" and thus could be entitled to receive health insurance coverage for life at the Village's expense. Despite municipal efforts to have the Illinois Statutory definition of "catastrophic injury" cover only catastrophic injuries which prohibit an employee from working any job, currently any disability suffered in the line of duty while responding to an emergency is considered "catastrophic" whether the injured person can work at another job or not, and requires the Village to pay health insurance for the employee, spouse and minor children for life. This cost can be as much as \$20,000, per year per employee and it is paid out of operating funds. Unfortunately, despite our relatively low volume of calls, five Fire Department employees have been granted Duty Disability retirements since 2006. Three of these retirees have qualified for the "catastrophic injury" coverage. One of the five had just six years of service before the disability occurred and three of the five are presently working at other employment. This trend has and will continue to increase the Village's cost of contributions to the Firefighter's Pension Fund and for the Public Safety Employee Benefits Act (PSEBA) "catastrophic injury" health insurance.

*As of 2006, by Statute the composition of the Firefighter's Pension Fund, which is responsible for awarding the disability pension is five members – three representatives who are firefighter/paramedics and two people appointed by the Village Board.

**By contrast with a disability pension, a regular pension available at age 50 will pay 50% of final salary with a compounded 3% annual cost of living adjustment for life with 20 years of creditable service and 75% of final salary with a compounded 3% annual cost of living adjustment after 30 years of creditable service.

The Village believes the emergency medical and fire protection services currently being provided by the Barrington Fire Department to the Village and District are excellent. We are pleased when we receive community feedback expressing gratefulness and appreciation for the kindness and care exhibited by our paramedic/firefighters and their expertise in assisting in successful outcomes for patients transported to area hospitals. In the face of increasing costs to provide these services, particularly staggering legacy costs – despite the continued efforts of our Village and local governments statewide to have the State legislature reign in these costs as the Legislature makes the pension/disability rules while local taxpayers pay – the Village must constantly seek to provide these vital services in the most cost efficient, yet effective manner. For the sake of our employees as well as our residents, we do not want to reach the day when Barrington has to choose between providing current public safety operations or paying pensions. Our real world experience makes us recognize that our decisions must reflect that our primary responsibility is providing for the safety of our public **now and in the future.**

The Village has been and continues to be willing to discuss any and all issues which the District might wish to discuss during the “Meet and Confer” period. We believe that the long history of the cooperative working relationship between the Village and the District will continue through some form of future intergovernmental agreement, the substance of which may depend on the results of our mutual efforts during the “Meet and Confer” period and thereafter.

Sincerely,

The Village of Barrington



Karen Darch
Village President

cc: Board of Trustees, Village of Barrington
Jeff Lawler, Village Manager
Fire Chief Jim Arie, Village of Barrington Fire Department
Village Attorney Jim Bateman