

## Feasibility Review/Cost Analysis for Out-Sourcing vs. In-House Labor for Janitorial Services for the Fire Department

Estimated Annual City Costs	Year 1
4 P/T Custodian Positions	\$ 74,880
Benefits/Burden Costs - FICA	\$ 5,728
Benefits/Burden Costs - Retirement	\$ -
Benefits/Burden Costs - Health Insurance	\$ -
Benefits/Burden Costs - Life Insurance	\$ -
Benefits/Burden Costs - Workers' Compensation Insurance	\$ 204
Benefits/Burden Costs - Workers' Compensation Claims	\$ 100,000
Benefits/Burden Costs - OPEB	\$ -
Cleaning Equipment & Supplies	\$ 20,536
Onboarding and Training Costs	\$ 14,000
<b>Sub-Total</b>	<b>\$ 215,348</b>

Estimated Annual Costs from the Proposed Contract	Year 1
Annual Contract Amount	\$ 53,312
Owner's Contingency	\$ 5,331
Allowance of Janitorial Supplies	\$ 10,795
<b>Sub-Total</b>	<b>\$ 69,438</b>

<b>Estimated Net Increase by Utilizing In-House Labor</b>	<b>\$ 145,909</b>
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**Assumptions:**

1. This analysis includes an hourly rate of \$20 for the Custodian Position(s).
2. City Personnel Costs in future years would increase to account for wage increases and increases in cost of benefits.
3. Cleaning Equipment and Supplies includes Vacuums, Mops, etc. along with General Consumable Supplies for Department includes items such as garbage bags, hand soap, toilet paper, paper towels, etc. that are currently provided by the contractor.