

The Savings

Using the formula seen below, you can see that utilizing a MMS contract employee can save approximately 20% over the cost of a municipal employee. This is based on 1 employee, when you add this to a scope of 10 employees; this would amount to \$129,920. A savings in these times where every dollar is essential. The reason that MMS can achieve these low costs is two-fold. There is an economy to scale because combined or company has over 2,000 employees and we are highly efficient at keeping our costs down.

	<u>Municipal Employee</u>		<u>MMS Employee</u>
Salary	\$30,000		Salary \$30,000
Overtime	<u>\$1,000</u>	-	Overtime <u>\$1,000</u>
Total Wages	\$31,000		Total Wages \$31,000
FICA/SS/Medicare 7.65%	\$2,372		
Health/Life Insurance	\$20,000		
Unemployment/Worker s Comp	\$1,000		
IMRF Retirement (10.5%)	\$3,255		
Holiday/Vacation (10%)	\$3,100		
<i>Employer Payroll Costs</i>	<i>\$29,727</i>		<i>All Payroll and Benefit Costs \$17,825</i>
Total Cost of Compensation	\$61,727		Total Cost of Compensation \$48,825
		Municipal Employee Cost	\$61,727
		MMS Employee Cost	\$48,825
		Savings	\$12,902 20%

These are estimated costs that are typical to governmental organizations.