

CHARLOTTE FIRE DEPARTMENT
& RURAL FIRE ASSOCIATION
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KEVIN FULLERTON
Fire Chief

November 30, 2020

To: City Manager Thomas Thomas and Charlotte City Council

From: Kevin Fullerton, Fire Chief

RE: Charlotte Volunteer Fire Dept

You have in your packet a proposal from the Charlotte Volunteer Firefighters to increase the stipend (referred to previously as reimbursement) that they receive. They have valid reasons to request this increase.

They also have other concerns that need to be addressed:

1. The volunteers are not opposed to changing the way that they are organized financially. In fact, they have already organized as a 501(C)(4) with the proper board members and now have their own EIN number. The account that they had been using (with the City of Charlotte EIN number) has been closed. However, it needs to be pointed out that the City of Charlotte (years ago) told the Charlotte Volunteer Fire Department to use the City of Charlotte EIN number and to consider all of the money paid to the volunteers as reimbursement. The volunteers understand that things in the tax code may be viewed differently than it was 20 or more years ago. The point is the City of Charlotte told the Volunteers at that time to operate just the way they had recently been doing. Auditors in the past have viewed the way that the Volunteers were operating and had said that it was not material and so the volunteers were allowed to keep using the City of Charlotte EIN number. The Volunteers have a hard time understanding why they have been told (by council members and the auditors) how irresponsible they have handled their finances, when they have been doing exactly what the City of Charlotte told them to do. Further we have asked the city to issue the checks for the volunteers in the past (10 years ago) and we were told that they did not want to do that because of the increased work load. In a nut shell the volunteers were using the City of Charlotte EIN number and issuing the reimbursement checks because the City of Charlotte told them to do it that way. The audit report and the city council comments imply that the volunteers were not compliant with city guidelines, yet the same process has been followed for several years which points to a lack of oversight by the City of Charlotte.
2. The Charlotte Volunteers have purchased a Quickbooks subscription that they can use to keep track of all stipend checks and issue 1099's at the end of the year. However, they would prefer that the City of Charlotte issue all stipend checks and be responsible for all tax withholdings and bookkeeping regarding this issue

3. The volunteers are requesting that the proposed increase be retroactive to October 1, 2020, which means the 2020 4th quarter payments to the Volunteers (Oct, Nov, and Dec) would be due to them the 2nd week of January 2021. We would hope that the City of Charlotte payroll system can accommodate this because the volunteers do not want to be in violation of any laws or rules.
4. The amount that has been reimbursed to the volunteers (stipend) has not been increased since 2008. The increase that they are requesting will only cover the amount that they must now pay in taxes and the amount they will be giving back to the volunteer department to cover the required yearly audit that they will be responsible for.
5. There is enough money left in account 101-350-000-750 to cover the increase the volunteers are requesting. This increase would amount to approximately 2,500 dollars per quarter, roughly 10,000 dollars per year. There are three quarterly payments remaining in this budget year resulting in an increase of 7,500 dollars. There are two reasons that there are funds left in this account. The first is the fact that since May 2020, when the volunteer morale went downhill, we have not had any volunteers sign up for station coverage duty. They say that they just don't feel like the city appreciates their service and therefore they don't want to give anymore service than what is required (runs, meetings, required training) The second reason there are funds left in this account is because we budget for an Asst. Chief from this account. Because the Asst. Chief is a paid person, he is not eligible to receive a stipend but he must be paid overtime just like any other employee per FLSA laws. That means that his pay for going to meetings, fires, training and etc. as the Asst. Chief comes from account 101-350-000-704.001 overtime. (if the Asst Chief was from the volunteers ranks then that would come out of the 101-350-000-750 account.) The volunteers elected the Asst. Chief at their annual meeting in April.
6. A different subject for the Volunteers involves the First Responders Hazard Pay Premium Program. This pay was offered to first responders throughout the state. Eight fire departments in Eaton County, eligible Eaton County employees and some police departments within the county received up to 1000.00 per person. The Charlotte Volunteers firefighters received nothing. This could have been an oversight or an error but the Volunteers hold the City of Charlotte responsible for them not receiving any hazard pay from this program and would like to understand the reasons why.

The Charlotte Volunteers firefighters are a very dedicated, well trained, hardworking, giving, group of people. In no way have they done or will they do anything that would jeopardize their favorable standing with the community. They are not pleased that in the eyes of the auditors and some council members they have been doing something wrong when in fact they have been doing exactly what the City of Charlotte has told them to do. Like we have said before morale is a hard thing to fix and from what we understand there has been some irreparable damage done between the City of Charlotte and the Charlotte Volunteer Fire Fighters. Let's all hope that the City can become more transparent and forthcoming with any issues that they have with the Fire Department and we can all work to getting back to protecting lives and property just as our mission statement states.



Kevin Fullerton

Fire Chief