



**UNIFIED FIRE AUTHORITY BOARD
BENEFITS AND COMPENSATION COMMITTEE MEETING MINUTES**

Wednesday, March 27, 2019 at 3:05 p.m.

Committee Members Present:

- ✓ Mayor Peterson
- ✓ Councilmember Bowen
- ✓ Mayor Dahle
- ✓ Mayor Overson
- ✓ Mayor Hale

Committee Members Absent:

- ✗ Mayor Bush
- ✗ Councilmember Stewart
- ✗ Councilmember Ferguson

Staff:

- ✓ Chief Petersen
- ✓ CLO Roberts
- ✓ CFO Hill
- ✓ Arriann Woolf
- ✓ Sylvia Cardenas
- ✓ Cyndee Young
- ✓ Cal Ricotta

Guests:

- ✓ AC Higgs
- ✓ AC Watson
- ✓ Bill Brass
- ✓ Darren Park, Local 1696
- ✓ District Chief McBride
- ✓ Division Chief Case
- ✓ Division Chief Mecham
- ✓ Jake Turley-Gallagher
- ✓ Kate Turnbaugh
- ✓ Kiyoshi Young
- ✓ Lana Burningham
- ✓ Mayor Silvestrini
- ✓ Michelle Morse-Gallagher
- ✓ Rebecca Norfleet-Gallagher
- ✓ Valerie Greensides

Meeting called to order by Chair Dahle at 3:05 p.m.

Public Comments

None

Minutes Approval

Mayor Overson moved to approve the minutes from the July 26, 2018, November 19, 2018 and February 5, 2019 Benefits and Compensation Committee Meeting as submitted

Mayor Peterson seconded the motion

All in favor, none opposed

Budget Update – Chief Petersen

- ◆ Reviewed the status of the draft proposed budget and the impact on the member fee
- ◆ The proposed budget was built with the savings gathered by the support services review, sale of surplus equipment and apparatus, outsourcing of IT, etc.

Consideration for Converting 2 Part-Time Receptionist Positions in Emergency Management to 1 Full-Time Allocation

- ◆ This is a budget neutral request
- ◆ 2 Part-Time allocations will be combined to create one FTE, SLCO budget resides within our budget so they absorb the cost beginning July 1, 2019
- ◆ Chief Petersen has brought this before the Committee and will again for the Board because it involves a FTE request

Mayor Silvestrini moved to approve recommendation to the Board to convert two Part-Time Receptionist positions to one Full-Time Receptionist position in Emergency Management

Mayor Hale seconded the motion

All in favor, none opposed

Sworn Employees Wage Increase for FY19/20

- ◆ Reviewed options to determine an increase to recommend to the Board for inclusion in the proposed budget
- ◆ A worksheet was created to allowed direct equation of the impact of the various options
- ◆ This is a good time to address the pay and a good time to make headway with it
 - ◆ With variables such as new growth for UFSA (~4.5%), surplus sales, non-capital expenditures, economy, manageable insurance payments, etc., it is a good time to make strides toward Top 3
 - ◆ This decision will have consequences across the board for communities and anything above 5% causes alarm
 - ◆ Mayor Peterson stated it may take some time to get to the Top 3, and the consensus of the Committee was around 4%
 - ◆ Mayor Overson believes Option 4 not an option, Mayor Silvestrini agrees and feels that this is an opportunity to make a dent in the Top 3 commitment
- ◆ May not get to Top 3 this year, an increase about 4.5% may be higher than we want to see, but may be doable and moves us into a better position of significant movement
- ◆ Mayor Dahle stressed to the committee that when considering a proposal for the Board, be realistic so as not to force the Board to start over
 - ◆ Reminded the Committee that while they have made a lot of headway in the market with regard to offerings for UFA, the Board put a policy statement in place to target the Top 3 positions, not the top 3rd, so that is what we are shooting for
 - ◆ It is important to analyze how much of an increase your communities can handle, realizing that it will spill over to other services, corresponding pressures will follow
 - ◆ How aggressive does this Committee feel they should be addressing the issues presented by UFA and how to return to councils asking for them to support this request
 - ◆ Felt Option 3a was the best compromise
 - ◆ The Committee acknowledges that for just a 1% increase we have an opportunity to make a huge jump in the market (comparing 1a and 3c), however, this would be hard to take back to councils and would put the Mayors and Councilmembers in a difficult position
 - ◆ Happy to present the two options to the Finance Committee
- ◆ Labor 1696 Presentation
 - ◆ Darren Park read a prepared statement thanking the Committee and Board for all their help in championing for employees and requesting Option 1c (10.7% employee increase/6.14% member increase)
 - ◆ It was recommended that this statement be presented again at the Finance Committee Meeting

- ◆ Chief Petersen
 - ◆ Reminded the Committee that growth money is there and is still coming and helps everyone regardless of whether part of UFSA or not
 - ◆ The Committee needs to take UFA to a spot where we can do the best we can with the money we have
 - ◆ Also restructured the capital plan and pushed it back one year so that there is no new capital funding plan for next year, this allows room for Deferred Cost and UFA is prepared for this next year
 - ◆ Option 3a is the cheapest option in the pool
 - ◆ Chief Petersen will build a proposed budget for the Finance Committee with Option 3a, but share that B&C Committee wished to compare and discuss the impact of converting to Option 1c
 - ◆ Don't want to lose the point where UFA is more expensive than what the communities want us to be, they need to see UFA for the value they need
 - ◆ Reiterated that the Board wants nice, confident people, but how fast we get to Top 3 is unknown
 - ◆ The Board is getting the opportunity to make a big impact due to all the focus and energy into priorities throughout UFA
- ◆ Everyone agreed that Option 3a was a comfortable stretch

Mayor Silvestrini moved to recommend to the Board a primary selection of Option 3a, with an alternate secondary selection of Option 1c for inclusion in the proposed budget for FY19/20

Mayor Hale seconded the motion

All in favor, none opposed

Civilian Employee Wage Increase for FY19/20

- ◆ Consider a cost of living increase of 2% to include in the proposed budget for FY19/20
- ◆ Civilian employees are currently at market
- ◆ Consider the recommendations from the HR classification review of selected positions to include in the proposed budget for FY19/20

Mayor Peterson moved to approve a 2% COLA increase for civilian employees and the recommendations identified in the HR classification review for inclusion in the proposed budget for FY19/20

Councilmember Bowen seconded the motion

All in favor, none opposed

Voting complete, Mayor Overson left the meeting

- ◆ Mayor Peterson asked for clarification of the Option 3a, 7.7% description
 - ◆ Chief Petersen clarified how the steps are reached
- ◆ Chief Petersen wants to reinforce the fact that the commitment to the employees has not gone unnoticed by the employees
 - ◆ The willingness for the Committee to stretch the envelope and trust that UFA will continue to budget as efficiently and effectively as we possibly can and to ensure that the monies provided will be spent in the absolute right place is noted
 - ◆ Every request brought to the budget process, and denied by Chief Petersen, was community based and about improving the level of service, not about a bunch of toys or items that do not make a difference
 - ◆ Chief was very impressed with the energy and focus of the Divisions throughout the budget process

Health Insurance – Gallagher

- ◆ Health Insurance Renewal Update and Claims Discussion
 - ◆ SelectHealth released an 8.1% increase

- This was due in part to a large (over \$600,000) one-time claim
- ♦ Gallagher looked at the data differently and negotiated down to 3.5%
 - This was more of a calculation difference, not pressure to concede
- ♦ Mayor Silvestrini inquired as to why they made this concession
 - Will they raise the rates next year?
 - Gallagher is confident that SelectHealth did not make any concessions that will come back to bite us next year
- ♦ Critical Trending Data was reviewed
- ♦ Mayor Dahle questioned the possibility of a Share Program
 - ♦ There are pros/cons, some mandatory items on a share as well
 - ♦ A network disruption for care, providers, facilities, etc., of 10-15% can be expected
 - ♦ Mayor Dahle stated that this discussion may help offset the cost to get to Top 3, but all employees would have to buy in
 - ♦ Arriann Woolf mentioned that Local 1696 now has a dedicated, ongoing Benefits & Compensation group who is very proactive and could begin conversation to entertain and explore this idea
 - ♦ Local 1696 stated they are onboard with this idea
- ♦ Voluntary Benefits (Supplemental Insurance) Program Proposal
 - ♦ First time this has been offered to UFA employees
 - ♦ Local 1696 has requested something like this for years
 - ♦ No cost to UFA, great value to employees
 - ♦ Chose to offer Identity Theft and Critical Illness Hospital Plan

Continued Discussion on Sworn Pay Options

- ♦ Chief Petersen Option 3a and 3c concept
 - ♦ What it means
 - **3a**
 - 2% for everyone
 - Step 9 and up get 4.8%
 - Step 12 get 7.7%
 - Number of employees effected: 106 receive 2%, 53 receive 4.8%, 261 receive 7.7%
 - **3c**
 - 2% for everyone
 - Step 5 and 9 get 4.8%
 - Step get 12 7.7%
 - Number of employees effected: 63 receive 2%, 43 receive 4.8%, 314 receive 7.7%
 - ♦ If choosing Option 3c this year, the bite is bigger, but next year the nut is smaller
 - ♦ Also by choosing Option 3c this year, it is a \$169,000 savings
 - ♦ 4.87% is the same as 4.54% in dialogue, it is a more cost effective move
 - ♦ Mayor Peterson suggests Chief Petersen present this point to either the Finance or Board
 - Mayor Silvestrini suggests presenting this to the Board
 - ♦ Mayor Dahle requested to preview the presentation prior to Chief Petersen presenting to the Board

No Closed Session

Adjournment

No quorum to adjourn