



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

February 14, 2022 at 2:00 p.m.

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This meeting was held both in-person and electronically via ZOOM.

**Committee Members Present:**

Mayor Dahle

Mayor Silvestrini

**Committee Members Absent:**

Council Member Stewart

Mayor Overson

**Staff:**

Chief Petersen

CLO Roberts

CFO Hill

Kiley Day

Cyndee Young

Kiyoshi Young, Local 1696

**Guests:**

AC Burchett

AC Higgs

AC Pilgrim

Aaron Lance

Aaron Whitehead

Anthony Widdison

Cal Ricotta

Chris Bankowski

Dan Brown

David Chipman, Public

Debbie Cigarroa

Dustin Dern

Jared Henderson, Herriman

Kate Turnbaugh

Kathleen Bailey, Copperton

Lana Burningham

Larson Wood

Marcus Stevenson, Midvale

Micayla Dinkel

Michael Conn

Michelle Morse, Gallagher

Mike Bagley

Mike Weichers, CWH

Nate Bogenschutz

Nile Easton

Patrick Costin

Paul Story

Rebecca Norfleet, Gallagher

Roger Bourke, Alta

Ryan Love

Shelli Fowlks

Station 121

Station 125

Station126

Wade Russell

Zach Robinson

Call to Order

Meeting called to order by Chair Dahle 2:10 p.m.

Public Comments

None

Public comment was made available live and with a posted email address

Minutes Approval

Mayor Weichers moved to approve the minutes from the March 25, 2021 Benefits & Compensation Committee Meeting Minutes as submitted  
Council Member Bailey seconded the motion  
All in favor, none opposed

Health Insurance Review and Forecast – HR Director Day/Gallagher

- ◆ Michelle Morris presented the current status of insurance with SelectHealth
  - ◆ The plan is running well
  - ◆ 87.4% loss ratio
  - ◆ UFA is running lower than what is trending
  - ◆ Renewal projection by Gallagher is a 4.2% increase
    - ◆ Have seen an increase in specialty medicine prescriptions and higher prescription costs overall than in the past
  - ◆ Medical trending is 7.6% higher than in past years, although, this is not being seen with UFA
- ◆ Mayor Dahle inquired as to the justification for the 4% increase if we are at 87.4%
  - ◆ Prescriptions and large claimants are how Gallagher projected this percentage
    - New drug costs are contributing to the increase in prescription drug costs
    - Michelle noted that UFA, as a self-funded entity is not allowed to receive the rebates offered for new drugs, SelectHealth accepts those rebates
  - ◆ Mayor Dales asked if there was an opportunity to bring this rate down
    - Michelle stated that the analysts continue to work on data
    - As part of the increase, SelectHealth does consider; administration costs, the medical trending, and large claimant pooling points
    - They look at incurred and occurred, while Gallagher looks at paid basis
  - ◆ Mayor Weichers asked to review the increases from previous years
    - This information was included in the packet and was reviewed
  - ◆ Gallagher feels there is an opportunity to bring the rate down
  - ◆ Chief Petersen presented some percentages and the affect to costs:
    - A 6% increase to UFA is about a \$336,000 increase and a 6% increase to employees 20% contribution portion
    - 4.2% brings it down to \$235,000
    - The target of 3% resulting in \$168,000 is the target, that is the goal
    - Chief also reminded everyone that in years past; the initial percentages were 10-12% and they were reduced significantly
      - UFA has always been below the benchmark, is a better risk benefit than other members
  - ◆ Mayor Dahle stated that another large piece is what the employees think about SelectHealth
    - Labor President Quinn stated that in general employees are happy
  - ◆ Mayor Dahle directed Michelle to have SelectHealth sharpen their pencils
    - He does not feel it is right to go to market if employees like the plan and the rate is good, with no intention to move coverage
    - If SelectHealth can get the rate down, there will be no need to go to market
    - Chief Petersen agreed; UFA has been good for them as well, this has been a good partnership for all involved
    - Mayor Weichers asked as to where the initial rate target came from
      - There is no science to it, it was just a rate to begin constructing the budget around
  - ◆ Mayor Dahle pointed out that UFA has other large challenges, and it is the responsibility of the committee to look at every piece and make sure rates are as competitive as possible based on the 87.4% Loss Ratio
  - ◆ A directed by the committee; Gallagher will continue work with SelectHealth
  - ◆ PEHP Dental has given a verbal of 1%, although nothing formal as of yet

Cost of Living Adjustment (CPI) Review – Chief Petersen/CFO Hill

- ◆ With discussions last September the target was a 5.5% Member Fee and CPI was 5.4%
  - The CPI 2021 number December to December average was 7% for all cities and 8.6% for the Mountain West
  - The 2021 January to January average has risen to 7.5% for all cities and 9% Mountain West
- ◆ Chief Petersen discussed how a 3% COLA would have resulted in a 5.5% Member Fee
  - Some increases would be seen in transport revenue and a 1% drop in Tier 1 URS rate
- ◆ With the new CPI percentages, many of the initiatives for the budget this year will now need to be excluded
- ◆ The focus now is to hold on to market
  - A 5% COLA requires a 7.2% Member Fee increase
  - In order to continue to hold the Top 3, a 7% COLA is necessary, which results in a 9% Member Fee
- ◆ Last Year; a portion of the COLA was placed into a VEBA account
- ◆ Chief Petersen stated that if 7% isn't considered, holding market will become a challenge
- ◆ Chief asked that this be considered and taken back to the councils for discussion
- ◆ Getting behind the progress made thus far is Chief Petersen's worry
- ◆ Keeping kind competent people in everybody's living room and retaining those employees is the focus
  - HR Director Day will keep up with what cities are doing with regard to the CPI for their employees as well
- ◆ Chief Petersen stated that the committee needs to look at 5% minimum, but have more serious consideration of moving to 7%
- ◆ Mayor Weichers mentioned what CWH is looking at to deal with the CPI, and all agreed that the comparable aspect is what the cities are going to rely on
- ◆ More will be known at the March 30 meeting
- ◆ Chief Petersen is advocating for 7% to remain in market position, with a caveat that HR Director Day will gauge other entities
  - ◆ By the end of March, this percentage can increase or decrease depending on what others are doing
  - ◆ Chief reminded that you never fully keep up with CPI once it exceeds 3%, but cautions about getting behind on the market

#### Civilian Market Comparison and Adjustments – HR Director Day

- ◆ The HR Division reviewed 61 civilian classifications within UFA
- ◆ It was found that 29 of those were below market
- ◆ The annual review for civilians was neglected up until now
  - ◆ HR now has a system in place going forward to review these jobs annually
- ◆ Chief Petersen explained how this is part of the Strategic Plan
- ◆ The total cost for these corrections is \$50,000
  - ◆ Most positions will see a 3% increase, as they were only 1 grade off
  - ◆ Those at 6% were greater than 1 grade off
- ◆ These adjustments have been included into the 5.5% starting point CPI
- ◆ Mayor Weichers inquired as to where this data is collected
  - ◆ HR Director Day stated that TechNet is the tool that most cities participate in
- ◆ Mayor Dahle pointed out that UFA is part of a global problem between the public and private sector
  - ◆ With the current climate with trouble hiring and retention; the need to remain competitive is where the focus needs to be to retain good people
  - ◆ If that is what needs to be done, do it
- ◆ Chief Petersen wanted to present the idea, while not for consideration today, of aiming for a Top 3 for civilians
  - ◆ This cost would be another \$120,000 to hit the Top 3 for all civilians
  - ◆ This would be something to chip away at annually
  - ◆ This would be easier if the opportunity arose to make a bigger jump as this isn't as much money as was addressed when moving sworn personnel to the Top 3

- ◆ Chief Petersen asked that the committee ponder the idea for future conversation

#### Sworn Market Wage Review – HR Director Day

- ◆ The chart comparing sworn wages was presented
- ◆ Most positions did well in comparisons
- ◆ HR Director Day found that while researching the Battalion Chief Market, there were many challenges
  - ◆ UFA Battalion Chiefs are non-exempt positions that earn overtime
  - ◆ They supervise more employees and stations, but conduct less administrative work
  - ◆ This has resulted in challenges when comparing this rank
  - ◆ There is currently a reasonable 16% gap between Captain and BC
  - ◆ It is being proposed to maintain this gap going forward due to the inability to adequately compare this rank
  - ◆ Comparing Captain to Captain is doable, and provides a gauge with which to measure wages
  - ◆ There is no cost to this declaration, this is just information on the maintenance of this rank's wages
- ◆ Chief Petersen stated that by doing this, the interest for Captains to promote to BC is maintained
  - ◆ The goal is to make sure personnel are motivated to promote, but not motivated by wages only
- ◆ Overall, there is a slight increase overall in maintaining market for sworn, \$286,000
  - ◆ Chief Petersen also pointed out the compression beginning between FF AEMT and Engineer/Specialist
  - ◆ FF EMT wages are increasing within the valley faster than Engineer/Specialist
  - ◆ In order to remedy this compression; Chief Petersen proposed to bump Engineer/Specialist 1 to 95% of Specialist 2

#### Assistant Chief Pay Steps – Chief Petersen

- ◆ The Assistant Chief rank is currently using a 3-step process to meet the top step
- ◆ Some compression has begun with the Operations Chief rank
- ◆ Chief Petersen is proposing reducing this to a 1 or 2-step process, this wouldn't result in any cost today
- ◆ Mayor Dahle asked as to why an AC would not automatically step into the top step
  - ◆ The 3-step process was implemented when correction of the past AC issues was taking place
  - ◆ There is no longer the value as was 5-years ago
  - ◆ Mayor Dahle stated that pay should just be pay, agreeing with this proposal to make it one step
- ◆ Mayor Dahle summarized his focus going forward
  - ◆ Gallagher will continue to work on the health insurance rates, with the worst-case scenario being 3%
  - ◆ Expecting URS will be down 1%, saving \$227,000 in Tier 1
  - ◆ Tier 2 increased, but results in reduction amounts into deferred
  - ◆ \$50,000 for Civilian Market for 29 employees out of position
  - ◆ \$286,000 for Sworn Market of various surgically applied changes rather than across the board increases
  - ◆ The real issue being the CPI, the Board must determine how aggressive they want to be
  - ◆ Mayor Dahle asked that Board Members return to their councils to relay a sense of where they are landing
  - ◆ The goal being a realistic recommendation to the Finance Committee
- ◆ Chief Petersen suggested 2% of the CPI be delayed until January to offset the costs as was done last year
  - ◆ The pause at that time was worthwhile with a contribution to VEBA for all employees
  - ◆ Mayor Dahle stated that it's just a budget decision for the Board, it is up to the membership how they wish to receive it

#### Closed Session

None

Adjournment

Mayor Silvestrini moved to adjourn the February 14, 2022 Benefits & Compensation Committee Meeting

Mayor Weichers seconded the motion

All voted in favor, none opposed