



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

February 17, 2023 at 7:30 a.m.

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

Committee Members Present:

Mayor Overson
Council Member Hull

Mayor Stevenson
Mayor Dahle

Committee Members Absent:

Mayor Silvestrini

Staff:

Chief Burchett
CLO Roberts
CFO Hill

Kiley Day
Cyndee Young
Brandon Dodge, Local 1696

Guests:

Aaron Whitehead
AC Dern
AC Robinson
Anthony Widdison
Battalion 13
Bill Brass
Brian Roberts
Bryan Case
Cal Ricotta
Calogero Ricotta
Chad Simons
Dan Brown
Debbie Cigarroa

Embret Fossum
Erica Langenfass
Jared Henderson
Kate Turnbaugh
Kelly Bird
Kendall Perry
Kenneth Aldridge
Kiyoshi Young
Lana Burningham
Lee Ascarte
Lindsey Flygare
Local 1696
Nate Bogenschutz

Nile Easton
Patrick Costin
Richard Rich
Riley Pilgrim
Ryan Love
Shelli Fowlks
Station 251
Steve Prokopis
Steve Schaugaard
Tish Buroker
Tom Westmoreland
Zach Robinson

Call to Order

Meeting called to order by Chair Dahle at 7:50 a.m.

Public Comments

None

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

Minutes Approval

Mayor Overson moved to approve the minutes from the March 30, 2022 Benefits & Compensation Committee Meeting as submitted

Mayor Stevenson 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
 - ◆ UFA is running well and has always run better than the other SelectHealth groups
 - ◆ SelectHealth made their initial renewal release and has stated that trending this year is 9.5%
 - ◆ Since UFA doesn't usually fit within the normal SelectHealth trending, Gallagher is running their own model based on UFA's historical claims
 - ◆ SelectHealth did grant UFA a renewal of 8.9%, but Gallagher still has issues and feels this is high
 - ◆ Mayor Dahle stated that since UFA typically runs below the trend, SelectHealth has been capturing premiums in excess of the claims by 15%, so how do they justify 9%
 - ◆ Michelle Morris agrees that they are trying to fit UFA into their model and adding the 10% trending, this is the initial step and Gallagher continues to work on it
 - ◆ Gallagher feels that 0 would be great, but even with a few points they would be comfortable
 - ◆ Mayor Dahle agrees that 0 would be best
 - Mayor Dahle reminded the Committee that UFA employees are always informed about the importance of controlling health care costs
 - If UFA runs 15% below premium rate year after year, 0 would be fair
 - ◆ Michelle agrees, and stated that Gallagher is working on data to support the request
 - ◆ Mayor Dahle also feels that if SelectHealth returns with 3-5%, there may be the question of going to market
 - There is usually apprehension about going to market as it is difficult for employees and most prefer SelectHealth
 - Mayor Overson agreed that while change is difficult, some questions may need to be asked
 - Mayor Stevenson agreed as well
 - ◆ Mayor Dahle clarified that anything over 2% will go to bid, it would be irresponsible not to with the trending for UFA

Sworn Market Wage Review – HR Director Day/Chief Burchett

- ◆ Chief Burchett reminded the Committee that the Board adopted a Top 3 Model for sworn employees compared to 15 other fire departments in the area
- ◆ HR annually conducts comparisons to allow for surgically reviewing each rank
- ◆ This effort has become a huge benefit with recruiting and retention efforts
- ◆ Chief Burchett explained that there were some big increases valley-wide this past year, with the total proposed increase for all sworn employees to just over \$1M
 - ◆ Chief Burchett went on to explain some comparisons made with the EMT/AEMT ranks and some adjustments made to allow for better comparison with other agencies
 - ◆ Also discussed was the PM1 and PM2 specialty and the potential compression, but Chief Burchett does not want to react too quickly and feels this compression will self-correct
 - ◆ Chief also reminded the Committee that the BC rank is difficult to compare across agencies so 16% between Captain and BC was initiated last budget year

Civilian Compensation – HR Director Day/Chief Burchett

- ◆ Annually HR samples all of the civilian employees for comparison
- ◆ This last year, 34 of the 68 positions will be reclassified for a higher pay grade
- ◆ \$89,482 for the changes
- ◆ These positions all received updated job descriptions from all Division Leaders and Managers

- ◆ Chief Burchett reminded the Committee that he has mentioned the Top 3rd model for civilians as is done with the sworn (Sworn is Top 3)
 - ◆ This has been a huge benefit with recruitment and retention on the sworn side and feels the same value would be realized on the civilian side
 - ◆ We want the civilians to know we value them and their dedication and would like consideration for this proposal
 - ◆ To do this for the coming year would be \$220,000 to get to Top 3rd
 - ◆ If we continue with midpoint comparisons as is currently done, there will be an \$89,000 increase
 - ◆ Chief Burchett is unsure where this will fit, but wants it considered for discussion for the next meeting
 - ◆ Mayor Overson asked for clarification; Top 3 or Top 3rd, Chief Burchett clarified that there are so many positions, it would be Top 3rd
- ◆ Mayor Dahle reminded the Committee that there will be another chance to discuss this further as there is another Benefits & Compensation Meeting before the Finance Committee meets, just digest all this information for now
 - ◆ At the March 30 meeting more discussion will take place and a firm proposal from SelectHealth will have been received, which will help establish some guidance as to the maximum target for the municipalities

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

- ◆ CFO Hill presented a chart outlining the member fee costs at 3, 4, and 5% CPI for the coming year
- ◆ Other charts followed that show the costs per rank
- ◆ The current CPI for the West from December to December is 6.2%
- ◆ Mayor Dahle asked for a 5-year chart showing what market adjustments and CPI/COLA's have been given in the past
 - ◆ It will be a balancing act with inflation and tax increases
 - ◆ The Mayor realizes the sworn outpaced the civilians and now the civilians are out of position
 - ◆ CFO Hill has a document in the budget book that gives a high level 5-year pay overview that can easily be expanded to more detail and he will provide this at the next meeting
 - ◆ Mayor Overson agreed that with hard data it helps justify and make the hard decisions
 - ◆ CFO Hill stated that Page 252 in the budget document is the high-level snapshot of these items

VEBA Contribution – Chief Burchett/Local 1696 President Dodge

- ◆ Local President Dodge provided the history on VEBA and explained the importance for FF's who usually retire at the average age of 52 and the need to utilize these funds to fill the cost of insurance in this gap until 63 (the average URS retirement age)
- ◆ The national trend is to fund VEBA at 3%, UFA currently funds VEBA at 2%
- ◆ The ask is to fund VEBA the additional 1% for a total of 3% going forward
- ◆ Chief Burchett clarified that the 2% is currently included in the wage comparisons presented today
- ◆ Chief Burchett explained how important the additional 1% can be for a 25-year FF as it would make a \$50,000-\$60,000 difference in funds once retired
- ◆ The additional 1% for all employees is \$412,000 and a 0.66% member fee
- ◆ \$824,000 is currently allotted for VEBA in the budget
- ◆ Mayor Dahle pointed out that eventually the municipalities will get to what we think we can afford for the members and refer back to UFA to determine the prioritization
 - ◆ Benefits & Comp aims to propose a realistic number to the Finance Committee who will then further determine what to finally present to the Board
- ◆ Chief Burchett's intent was to present the numbers and options for a greater understanding of the process and in preparation for discussions at the council level
- ◆ Mayor Stevenson asked if UFSA is going out for a tax increase in the coming year it makes sense to have all these numbers, but is curious as to how this will affect the tax increase

- ◆ CFO Hill will gather information that shows how decisions for the UFA Board will affect UFSA and the taxation
- ◆ CFO Hill also reminded the Committee that there is 5% in the UFSA budget for a member fee increase
- ◆ As a reminder, the main source of funding for UFSA is taxation

Change to Overtime Board Policy – Chief Burchett

- ◆ Chief Burchett presented a memo requesting a change to the Overtime Board Policy as this is a benefit related topic
- ◆ The change would relate to how sick time is considered when calculating overtime
- ◆ This policy was changed with COVID wherein all leave is considered time worked so any additional time worked would be overtime with Operations
- ◆ Sick leave should be a safety net and calls for sick time have increased over the years
- ◆ This is affecting the minimum staffing budget, already this line item is overspent and there is still much of the year remaining
- ◆ Chief Burchett feels this is a way to slow that down, if approved, this will save \$10,000-\$12,000 per month in overtime
- ◆ Holiday and vacation will remain considered time worked as Chief wants to encourage those who are able and willing to work, this is also a huge benefit and Chief wants to leave it as is
- ◆ Local President Dodge supports this decision, sick leave is very important for the organization as everyone will utilize it at some point or may points throughout their career
 - ◆ Personnel need this protection, this is not a benefit loss, but a retention of benefits for long term future need
- ◆ Chief explained that he looked to tighten up the Sick Leave Policy, but feels the policy is in a good place
- ◆ What Chief Burchett is proposing continues to offer the holiday and vacation benefit
- ◆ Remembering that this policy was originally changed to address COVID, it is the right thing to do
- ◆ Mayor Stevenson inquired as to why the increase of sick from Local President Dodges view
 - ◆ Employees went through a lot during COVID, they continued to work, the workforce was available
 - ◆ There is some pandemic fatigue and an increase in mental health needs
 - ◆ The local supports this policy change
- ◆ CFO Hill has a spreadsheet wherein the variables can be added to get a better idea of costs and results of these decisions
- ◆ Mayor Dahle will work with the Board at the next two meetings prior to the next Benefits & Compensation Committee Meeting to get some guidance in terms of where the municipalities are in their budget processes
 - ◆ This will help get an idea of what Benefits & Compensation has to work with
- ◆ Mayor Dahle is optimistic Gallagher will get SelectHealth at 0, 1.62% market start at 3% COLA and leave VEBA flat will at least provide a starting point
 - ◆ It will then be up to the Finance Committee to take the capital replacement piece and bring a recommendation to the Board
- ◆ Mayor Stevenson reiterated that a plug and play spreadsheet would be valuable as UFSA members will be looking at their piece as well

Closed Session

None

Adjournment

Mayor Stevenson moved to adjourn the February 17, 2023 Benefits & Compensation Committee Meeting
Mayor Dahle seconded the motion
All voted in favor, none opposed