



## **UNIFIED FIRE AUTHORITY BOARD COMPENSATION & BENEFITS COMMITTEE MINUTES**

Thursday, March 29, 2018 at 8:00 a.m.

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### In Attendance:

- |                          |                                      |
|--------------------------|--------------------------------------|
| ✓ Chair Dahle            | ✓ AC Higgs                           |
| ✓ Chief Petersen         | ✓ AC Andrus                          |
| ✓ Councilmember Bush     | ✓ CLO Roberts CFO Hill               |
| ✓ Mayor Hale             | ✓ IAFF Local 1696 – Cliff Burningham |
| ✓ Mayor Overson          | ✓ Arriann Woolf                      |
| ✓ Councilmember Bowen    | ✓ Calogero Ricotta                   |
| ✓ Councilmember Ferguson | ✓ Kate Turnbaugh                     |
| ✓ Mayor Silvestrini      | ✓ Talsan Schulzke                    |
| ✓ Councilmember Stewart  | ✓ Michelle Morse – AJG               |
| ✓ AC Ziolkowski          | ✓ Jake Turley – AJG                  |
| ✓ AC Watson              | ✓ Clerk Roper                        |

Call to Order – Chair Dahle at 8:04 a.m.

### Public Comment

No Public Comments

### November 17, 2017 Minute Approval

Motion to approve the February 16, 2018 UFA Compensation & Benefits meeting minutes by Mayor Peterson, 2<sup>nd</sup> by Mayor Hale, all approved

### Update from Gallagher Benefits regarding current health benefit utilization and forecast for 18-19 renewal

Michelle Morse and Jake Turley from Gallagher reviewed the claims experience and analysis of recommendations. Chair Dahle noted that the health premium was expected to come in at 11.8% as stated in the previous meeting. Morse stated that the projection is going to be lower and that the projection was based on past year claims that have been higher in past years which was the cause of the expected higher renewal rate. Currently to renew as is would be an 8.5% increase. Turley stated they are aggressively pursuing a lower rate around 7.7%. Turley reviewed other options to be considered that are at a lower rate. Chair Dahle stated that the high deductible plan would be something to address long term and asked if the plan was adjusted what the cost savings would be. Mayor Peterson suggested looking at other agencies are providing to see if it's comparable. Cal Ricotta stated that the premium for the family plan was review in comparison with other agencies. Arriann Woolf stated that UFA pays less as an employer compared to other agencies. Chief Petersen stated that it's a good year to keep the current plan but explore other options over time. The employees would appreciate not changing the plan but look at other options over the next 6 to 8 months.

Turley reviewed a new plan called Select Care Share that shifts from a fee for service to a fee for value. The plan would bonus doctors and hospitals for patients being healthy rather than for service. Chair Dahle feels it would be important to look at this option over the next 9 months. Mayor Peterson asked about set procedural costs. Turley stated that Select Health did put caps on some procedures and that physicians will make more money with this program. Councilman Stewart asked if employees can look to see if their doctors are part of this program and that some people have out of state children that still need to be covered. Also suggested a survey for employees to see what works best for them to determine what course to take now. Chief Petersen stated that the committee would need to commit to

more meetings to make this happen as this isn't a decision that can be made right now. Turley recommended taking a year to review all options which will give the committee the opportunity to see what the renewals are for the next year. Chair Dahle recommended keeping the current package with the 8.5% increase. Jake Turley stated he will continue to negotiate to try to get less than 8%.

#### Reviewed historical wages, benefits and comparable wage charts

Chief Petersen review the updated wage chart and proposed moving the Firefighters starting at P9 to P11. Reviewed the Benefits and Compensation concepts and discussed the increases to each member city.

Cliff Burningham expressed appreciation for the fire fighters and providing him with the opportunity to speak on behalf of labor and the fire fighters. Discussed how UFA fell behind due to the lack of COLA funding. In the past the COLA and market adjustments were bundled together. Would like to see COLA be at 2.1%. Tier 2 is a concern which is being seen in recruiting. Would like to see UFA in the number 3 spot.

Chief Petersen fully supports a wage increase and discussed the importance of Tier 2 benefits and market adjustments. Chief Petersen explained the onetime cost to bring all Tier 2 current to date of hire. The current Tier 2 plan isn't going to give us the chance to get people off the engines at 55-60 years old. Chair Dahle stated that the big issue is the increased cost for all of these three items to the member cities. Supports the 1-2.1% COLA increase but Tier 2 needs to have more conversation with the Finance Committee before moving forward. Need to look for a funding plan for the Tier 2 and then review for next year. Chair Dahle asked for a motion for the recommendation to prioritize the COLA, Tier 2 and Market Adjustment to be presented to the Board.

Mayor Peterson motioned to vote on a recommendation for prioritization as follows:

#1 – COLA at 2.1%

#2 – Market Adjustment at .4%

#3 – Tier 2 Sworn and Civilians at .39%

Seconded by Mayor Overson, all approved, none opposed.

Mayor Silvestrini stated that he felt the Market Adjustment should be item #3 and the Tier 2 be #2 in prioritization.

Chief Petersen reviewed the entry firefighter from P9 to P11 plan. Arriann Woolf discussed paramedic recruitment and pay. Chair Dahle asked what the financial impact will be. Chief Petersen stated that with those retiring, 3 individuals to move but will not impact the current budget. Cliff Burningham stated it will be a discussion point but good to make us more competitive.

Mayor Hale – departed at 9:15am

Councilmember Stewart & Mayor Silvestrini departed at 9:30am (not part of required quorum)

Chief Petersen as for a motion to move entry firefighters from P9 to P11 and add to the consent agenda at the next board meeting.

Motion by Councilman Ferguson, seconded by Councilwoman Bush, all approved, none opposed.

#### Possible Closed Session

None Required

#### Adjournment

Motion to adjourn the March 29, 2018 UFA Compensation & Benefits Committee Meeting by Councilmember Ferguson, 2<sup>nd</sup> by Mayor Peterson, all approved