



MINUTES
THE TOWN OF INDIAN RIVER SHORES
6001 State Road A1A, Indian River Shores, FL 32963

SPECIAL CALLED COUNCIL MEETING
Collective Bargaining
Tuesday, February 9, 2016
10:00 a.m.

PRESENT: Brian M. Barefoot, Mayor
Gerard A. Weick, Vice Mayor
Richard M. Haverland, Councilman
Michael B. Ochsner, Councilman
Thomas F. Slater, Councilman

COLLECTIVE BARGAINING UNIT: Sgt. Bart Crosby, Chairman; Kip Benham, Sergeant; Mike Benoit, PSO; Rick Villars, Fire-Medic; Nick Voglio, Representing IUPA Attorney

STAFF PRESENT: Robert Stabe, Town Manager Laura Aldrich, Town Clerk
Chester Clem, Town Attorney Rich Rosell, PSD Chief
Shawn Hoyt, Public Safety Sergeant

RESIDENTS: Jerry Solin, Police-Fire Pension Board; Steve Coley, Chuck Lyon, J.C. "Hap" Schroeder, John McCord and Jim & Betsy Crawford, John's Island

1. **Call to Order**

- a. Pledge of Allegiance
- b. Invocation – Councilman Slater
- c. Roll Call – Town Clerk

The meeting was called to order by Mayor Barefoot at 10:18 a.m. following a brief delay while waiting for a member. The Pledge of Allegiance and invocation were recited and the roll call is as reflected above.

2. **Discussion of Purpose:** *The purpose of the special called meeting is to allow discussion between the Town Council and the Collective bargaining Unit in order to gain a clear understanding of the goals of each team.*

3. **Union Presentation**

Sergeant Crosby read a 2.5 page negotiation letter dated February 9 and signed by a total of 14 Public Safety Officers, which is made **Attachment 1** to these minutes. It covered the results of contract negotiations of union contracts in Vero Beach Police Department and Indian River County Fire Rescue, comparing them with the requested terms of the Town's PSD. The St. Lucie Fire Department was also used comparatively. Sgt. Crosby surmised that better officers go to better paying departments.

The Union proposal was also read and included in the offer, with all 1 items and sub-items read.

4. **Open Question and Answer Session between the Collective Bargaining Unit and Council**

Vice Mayor Weick asked that each of the bargaining units have the opportunity to identify themselves. **PSO Mike Benoit**, a newly hired officer of 18 months, said before coming to work for the Town he spent seven (7) years with Jacksonville Fire Rescue and four (4) years in the Davis County Sheriff's Office as a K-9 Handler, so he came in triple certified. **PSO Rick Villars** retired from Indian River County Fire Rescue with 30 years as a paramedic in Florida, including 12 years flight paramedic with Holmes Regional Hospital in Melbourne, and holds several certifications. PSO Villars said he chose to come and work for the Town. Sgt. Crosby added that PSO Villars was also a per diem officer for several years prior to working full time for the Town. **Sgt. Crosby** introduced himself next, as the Union President and the Chairman of the Police-Fire Pension Board. He worked for St. Lucie County for (x #) years and for Indian River Medical Center

Please note: The Town of Indian River Shores does not routinely keep verbatim minutes. Any party interested in such an appeal relating to any decision made by the Council with respect to any matter considered at this meeting is responsible to record the meeting and include the testimony and evidence upon which the appeal is to be based.

as a transport paramedic for six (6) years before coming to work for the Town. **Attorney Nick Voglio** said he is a retired New York City police officer who then graduated from law school and is involved in various legal capacities. **Sgt. Kip Benham** said he served in Palm Bay for nine (9) years, the City of Orlando for nine (9) years, and has 27 years of experience as a firefighter. He has been on several teams (hazardous materials, confined space, HAZMAT) and brings a lot of experience with him. Generally, the officers have not come here to gain experience, they bring it here. That's what makes them good at their jobs, they are already good when come.

Sgt. Crosby said he left St. Lucie County because at the time, he could make more money working for the Town. He took a \$3,000 per year pay cut to come here, and 18 months later was well above where he would have been in St. Lucie County. Now, 19 years later, that is no longer the case.

Gerard Weick, Dick Haverland, Mike Ochsner, Tom Slater and Brian Barefoot then introduced themselves.

Mayor Barefoot asked about the difference of hours worked, and "Kelly day" and "Garcia Pay" were explained to the Council as getting days off with pay rather than earning extra pay, which in the Town is compensation at half the rate on a 21 day rolling cycle with no time off, up to a maximum of \$1,000 or \$1,500 during this three week period. Other departments instead of working the 56 hours per week give them 4 hours off, so after enough hours accrue they just get a day off with pay. Some departments give 3, 5 or 20 Kelly days. The Town's PSO work more hours to get the pay because it's at a lower rate for Garcia pay. Others get to spend 420 hours more with their family. Mayor Barefoot recapped that their base salaries are the same, but in order for the Town's officers to get to that salary, they have to work 420 hours more, which Sgt. Crosby affirmed.

Mayor Barefoot said in looking at the response to the Town's last offer, there are only two apparent differences, item 1 is fixed by step rather than by COLA, and the other difference is swapping 175/185 proceeds for extra benefits. The only point that was not included in the Town's last offer is a new one for COLA in retirement in this offer. Out of 11 things we only have a difference with salary and retirement COLA, which Sgt. Crosby added also health insurance and sick leave incentive. They discussed the sick leave incentive, which the Mayor thought they didn't want, and Sgt. Crosby clarified they just wanted to be able to choose how many hours of leave to take.

Councilman Haverland said a lot of the analysis is based on St. Lucie County, and where the Vero Beach and Indian River Fire Rescue is currently was not discussed. In both of those cases, the salary levels are lower than ours. He asked Sgt. Crosby if he is aware if there have been any material changes in the past three (3) years to the St. Lucie contract, and Sgt. Crosby said they just negotiated a new contract effective October 1, 2015. Sgt. Crosby said he believes it may have been when the pension contribution went down. Councilman Haverland asked how many people have left here and went to St. Lucie County, and Sgt. Crosby said the only people who have left within the past three years were those who were newly hired and those who retired. The one new hire we lost went to State Fire Marshal office. Councilman Haverland said if there haven't been any major changes and we haven't lost any to St. Lucie County, what makes them think officers will leave now. PSO Benoit said they have been told from the time they interviewed it would be better when the negotiations conclude, and any of the new hires could go anywhere else in the state if it is not getting better. He wants to stay, but is supporting a young family. Fire-Medic Villars and Sgt. Benham said they simply want to keep up with other departments. Councilman Haverland said no one argues that they are not terrific in what they do, and they (the Council) want to make sure that they are compensated competitively in order to hire and retain the best people. He continued that he spent half an hour this morning on the phone with Buddy Emerson in St. Lucie County checking some things out, and found that they have 11 steps, and then they are frozen. The first step doesn't begin until the second year, and they froze the steps for 4 years in the last 6 years. So someone who was a step 2 was still there in step 2 four years later. They have 365 firefighters, and only pay a limited number of paramedics. He did not deem it to be comparable.

Mr. Voglio said it is comparable if they are looking at it from the standpoint of compensation. Vice Mayor Weick asked if increases are on the base salary only or every respect, and Mr. Crosby said every respect. If this is addressing statement #1, Mr. Voglio continued, the Unit proposed increases of 3% per

year in 2015 and 2016 and 3.5% in 2017. This 3, 3, and 3.5 is consistent with Vero Beach, who just negotiated 4%, and Indian River Sheriff's just received 3%. So they are consistent if not a little less. Councilman Haverland asked if maybe he would like to go back to their pay scale, because their absolute pay is significantly less. They are not triple certified, Fire Medic Villars noted. Mr. Voglio echoed that having police, firefighters and EMT certified employees offer a significant savings to the Town, and the raises are similar with what others around Town have received. Triple certification is a tremendous skill set; it takes a unique person to have this certification. The \$5,400 annual increase was noted by the Councilman before Mr. Voglio said if the Town had to hire a separate person to fill another function like fire or EMT, it would cost significantly more. They believe the 3% for two years and 3.5% is in line with the area.

Discussion about COLA and step raises ensued, and the difference between step salaries and Town employees' salaries were briefly discussed before Mayor Barefoot brought the discussion back to the question of adding more money in the pocket of the officers, and that many of the changes offered with the contract benefit all Town employees. The Council has made concessions like going back to just one 27-step plan and reducing the pension contribution from 13% to 9% has helped to keep everyone "whole." The Council has done a fair amount to increase the cash flow for newer staff, and not so much for the employees with longevity. He asked what would make tenured employees feel that they have been treated more fairly and are not taking a hit. Sgt. Crosby said the older employees understood they would take some kind of hit in order to bring the newer employees in to part of a unified group. The last offer of \$1,000 pay increase to an older employee is nowhere near a commensurate 3% pay increase. For instance, a COLA in retirement would go a long way as an incentive for a tenured employee, Sgt. Crosby speculated. Mayor Barefoot said they don't like the idea of COLAs because they are compounded, but did like differentiating by step increases at a fixed dollar amount. He asked if it would be philosophically acceptable as it could be changed every year, and called a longevity bonus or whatever. Sgt. Crosby said he would have to look at the numbers. He said in St. Lucie County, the officers get a COLA, and a STEP, and at 20 years get a longevity bonus of \$8,000. If he were there today, he would be getting \$20,000 more than he makes here, \$87,000, even if it were frozen.

Mayor Barefoot said the City of Vero Beach is basically a bankrupt plan, they have a huge unfunded liability in both health care and pension. We're trying to keep from putting our Town, our residents, in such condition. Obviously salaries are important, they pay the bills. Twenty years down the road they can have a significant impact. Some assumptions in the Pension plan are not realistic, Mayor Barefoot added. They will not get into asset allocation at this meeting. They understand the need for cash flow, and the young officers at the lower end of the pay scale that needed to be addressed, and also cover long term implications. Sgt. Crosby added that other agencies top out higher than the Town does at 20 years, 13, or 11 years. Paramedic certification is \$6,000 or \$7,000 per year, and St. Lucie County is \$20,000. Mr. Voglio added the pension contribution here is significantly more than anyone else in the area. The proposed pay increase is a modest 3% and others are at 4%. The Town's PSO's contribute more out of their pocket for pensions. so they are lowering the expectation for a pay increase.

Councilman Haverland stated he believes it is important when talking about pensions to also consider the supplemental plan 175/185 discussed, which when added to the regular plan yields a far superior plan for an average benefit. Sgt. Crosby said they offered to give up their funds for the 175/185 supplemental plan in return for an average benefit, and Councilman Haverland said he would take it, and will give 3% benefit without a COLA. Sgt. Crosby said 60% of other agencies do get a COLA, and the reply was that 40% do not. The Councilman cited five elements of compensation: working conditions, salary, pension, vacation, and medical benefits, and there is no one with better working conditions, or salaries compared to Vero Beach, Sebastian and Fellsmere and St. Lucie, where they start at \$32,000. They disagreed on the salary comparison to the Vero Beach Police Department, which was just provided, before the Mayor said it was like comparing apples and oranges, and invited comments from others.

Councilman Slater said he would like for the Council to take this information back and work on the numbers more, desiring to make sure they can take care of this and its overall impact in the future especially in regards to the pension. They seem to be agreeing all but two of the major issues.

Sgt. Crosby said with the pension and ongoing costs, the 175/185 is currently \$180,000 which pays for a dramatic part of the pension once the errors of the past are caught up. He added that for every employee that enters the DROP plan, the Town will save \$35,000 - \$40,000 year. Councilman Slater mentioned the 175/185 plan funding level changes, which Sgt. Crosby said they are assuming that risk now by being told it (makes the Town's pension) is "far superior plan" and are being offered a 2% multiplier because of it. Sgt. Crosby said if it doesn't disappear, which is unlikely as it has been in place since 1950, it is likely to go up. Councilman Haverland said it has gone up 2% per year on average, as it is based on home and car insurance values, and should continue to increase because of inflation. Sgt. Crosby offered to renegotiate salaries or other benefits if this plan changes +/- 5%.

Councilman Slater said that everything has been explained very clearly, and they now need to have a shade meeting. Officer Villars said they currently take home 60% of their pay while surrounding area departments take home 70% of their pay. The Town's PSD is a great group of employees who continue to work as hard as they can to save lives, put out fires and keep the streets safe, and they want the Town to have the best service possible. They are not asking for more than anybody; even though they are triple certified and no one else is, all they ask is for average pay and benefits. They are here because they want to be here.

Mr. Voglio said it is highly unusual to have a bargaining session with the Council members and Mayor, and truly is not the proper protocol in the event there is an impasse; he agreed to this because they really want to get this deal done. With Indian River County and Vero Beach, he said he negotiated for significantly more, and the 3% they are asking for is very reasonable. He respectfully requested that the Council take this into consideration at their shade meeting.

Discussion concerning the liability of replacing quality employees with lesser quality employees as our contract becomes less comparable, hiring officers capable of making sound decisions rather than the ones who are not desirable by any other agencies, and the cost of employee turnover followed.

Sgt. Villars said he loves coming to work, working for Chief Rosell and the respect he has brought to the department, the Town Manager and everyone working for the Town and the residents make him appreciate the opportunity to work here.

Vice Mayor Weick asked if there has been a percentage increase on the salary or each step historically, and Sgt. Crosby said historically it has been a percentage on each step. The Vice Mayor then asked if they were offering the entirety of the 175/185 money, or just enough to cover the benefits. Mr. Voglio said they were trying to add COLA and increased benefits to even it out. The members can give up any portion, Sgt. Crosby clarified. There was much discussion about this. If they could give up something and cover the cost, why would the Council not allow that, Sgt. Crosby asked.

5. Adjournment

Mayor Barefoot asked for further questions or comments from the Council and the audience. Sgt. Hoyt was in the audience, and added that in response to the Town PSO's earning a higher amount at retirement, no matter what the salary, he still paid 9% during his career for his pension which was an expanding amount, so in essence he has paid for his retirement.

The meeting was adjourned at 11:16 a.m.

Respectfully submitted,

(Approved by the Town Council at the 2-25-16 meeting)

/s

Laura Aldrich, Town Clerk