

1 times since we've had this discussion about health  
2 insurance, what exactly has those wellness  
3 benefits, I think it was 30 or 40 thousand dollars,  
4 were utilized for, since we had this conversation  
5 last year? And nobody probably knows it, and I'm  
6 not even really going to expect an answer from it.  
7 But, you know, to that point of Councilman  
8 Lawson's, I thought it would have been a great idea  
9 to do an on-site, you know, nurse practitioner, or  
10 at least a couple nurse practitioners, to come  
11 during working hours throughout the week. And at  
12 least that would almost address those primary care  
13 concerns.

14 Because if you're looking at the medical  
15 utilization, it's surprising to see that the  
16 medical utilization is exponentially increased in  
17 terms of pharmacy and medical. In fact, primary  
18 care visits have went down.

19 So, you know, I think it's important there's  
20 an overall health wellness perspective, to have  
21 gymnasiums. But, you know, from the standpoint of  
22 even, you know, I guess some of the requirements  
23 from our members in public safety and the  
24 collective bargaining unit and the random  
25 screenings that they have to go through. But what

1 it appears is that we're looking at cancers, cancer  
2 treatment, obviously medical, but the typical  
3 services that you would come to think from medical  
4 insurance is not what we're seeing the increase in.

5 But my question that I'm going to ask is,  
6 does anybody have those numbers on how many of our  
7 members that participated in this Aetna plan are  
8 actually employee only and how many are employee  
9 plus one or employee plus family? How many that  
10 we're actually outright paying for, that the City  
11 (audio interference). And even on that note, also  
12 retirees; which I believe they pay the entire  
13 portion, correct?

14 CITY MANAGER EVANS: That is correct.

15 COUNCILPERSON McCOY: Does anybody know how  
16 many employees that we pay for?

17 CITY MANAGER EVANS: What was the question  
18 again, Councilman? You're -- there was a little  
19 bit of feedback.

20 COUNCILPERSON McCOY: I was interested in  
21 finding out how many employees only do we have on  
22 our current plan?

23 CITY MANAGER EVANS: I believe the Gehring  
24 Group may have that. Christian, can you speak to  
25 that?

1 MR. BERGSTROM: Yes. So there are currently  
2 around 525 total employees enrolled in the health  
3 plan. And -- let me just pull up my calculator.  
4 And 335 are employee only coverage.

5 COUNCILPERSON McCOY: Okay. So --

6 MR. BERGSTROM: 112 families, and 65 have  
7 plus one.

8 COUNCILPERSON McCOY: How many retirees?

9 MR. BERGSTROM: That is not broken out.  
10 That's included in that amount.

11 We can get reporting from Aetna, that we can  
12 get back to you on, that would show where those  
13 claims are, are occurring, if it's in the employee  
14 population or the dependent population.

15 But when I do look at your -- I review your  
16 large claims, and a majority of the large claims  
17 are from employees, not dependents.

18 COUNCILPERSON McCOY: Okay. So if I can kind  
19 of just step back to where we were. I know what  
20 our FTE was for '19, '20. But how many actual -- I  
21 guess this is the total amount then, what is  
22 elected. Let's see. Do you have the total -- 10,  
23 12, 7, 9 --

24 MR. BERGSTROM: And those figures do include  
25 the CRA.

1 COUNCILPERSON McCOY: Right. So that's 402,  
2 is what I calculated, those numbers that you gave  
3 me. But is there any incremental or marginal cost?  
4 Because what I just totalled, 335, 112 and 65, is  
5 402. I have a number of 529. Is that what this  
6 plan is based on, 525 employees? Is it based on  
7 FTE?

8 MR. BERGSTROM: Yes.

9 COUNCILPERSON McCOY: Is there any  
10 incremental cost savings as, you know, as we add  
11 more employees?

12 CITY MANAGER EVANS: As we reduce employees?

13 COUNCILPERSON McCOY: No, no. So, for  
14 instance, if we had a labor workforce of FTEs of  
15 700, would that -- I mean, because we have more  
16 employees on the plan, would that necessarily  
17 reduce the cost per member?

18 CITY MANAGER EVANS: It depends on claims to  
19 premium ratio. If you had 700 healthy employees  
20 that didn't utilize the plan, then we would see our  
21 numbers go down. But what happens is, you have a  
22 segment of our population that does have those --  
23 some chronic illnesses, so it all depends on the  
24 actuarial science and, you know, they look and they  
25 calculate those numbers.

1           COUNCILPERSON McCOY: Well, I'm only asking  
2 because, obviously, there should be a cost savings  
3 if you had a group of 10 compared to a group of  
4 300. And I'm just wondering where that's at. And  
5 how many of those individuals of the 525 FTEs  
6 belong to the CRA.

7           CITY MANAGER EVANS: We can certainly get  
8 that breakdown.

9           And Councilman, to your point, one of the  
10 things we discussed on the staff level is to say,  
11 okay, what if we put together a plan that allowed  
12 for individuals to opt out of our health insurance  
13 and we would pay them \$100 per pay if they opted  
14 out into another group plan, so maybe their spouse.  
15 Well, the challenge is the individuals that  
16 invariably would opt out are probably those that  
17 are healthy. And then if they opt into another  
18 plan, that plan benefits; and then we have a  
19 situation where based on our employee populations,  
20 the numbers go up. So you don't really benefit as  
21 it relates to the modification.

22           So we've looked at other situations and  
23 circumstances, how to, you know, tamper down those  
24 increases.

25           But Ms. Jackson from Aetna can kind of give

1 us a good perspective on what's being seen in the  
2 industry, and how challenging this has been for a  
3 lot of government entities, and what the industry  
4 is moving towards.

5 MS. JACKSON: Yes. Good evening. Thank you  
6 so much for allowing us to be here tonight. And we  
7 certainly appreciate your business, and we  
8 appreciate the opportunity to partner with the City  
9 of Riviera Beach.

10 You know, like the City Manager said, it is  
11 correct, when you offer or give employees the  
12 opportunity to opt out of our plan, then you run  
13 the risk of a healthier person taking the option to  
14 maybe take the money and enroll in their spouse's  
15 plan or not enroll in a plan at all. And so you  
16 always run that risk of what is the mix of  
17 membership that you're going to have. Are you  
18 going to have more women? Are you going to have  
19 more men? Are you going to have younger people?  
20 Are you going to have older people?

21 And then in municipalities, the unique thing  
22 about a municipality is most people stay and work  
23 for you a long time. Which is great. Which means  
24 they get older. And as we get older, we have  
25 health challenges.

1           But there are positives as well. Because you  
2 want to keep your employees, you want to give them  
3 rich benefits.

4           So as Councilman Lawson mentioned, you just  
5 can't keep absorbing the cost, I agree. So then  
6 what you have to do is explore avenues of how are  
7 we going to mitigate this cost? Are we going to  
8 reap benefits? Are we going to absorb some of the  
9 costs? And there's not just one magic bullet. You  
10 have to look at all of those things.

11           And so that's what I believe Christian was  
12 presenting tonight, was options of how to mitigate  
13 some of that cost. Will the City absorb most of it  
14 for the employees because they want their employees  
15 to enjoy rich benefits? On the other end they said  
16 we've got to try and tweak some of these benefits  
17 which are rich. And while they still are great  
18 benefits for your employees to enjoy, it's a way of  
19 spreading the cost without straining the City's  
20 budget and without putting too much on the employee  
21 as well.

22           Another thing that the City Manager mentioned  
23 is exploring the wellness initiatives. And while  
24 it's not going to change things immediately, it is  
25 something that you have to keep working at, you

1 have to keep bringing on initiatives, along with  
2 us, to give your employees incentives to live a  
3 healthy lifestyle, a better lifestyle, whatever is  
4 healthy for them.

5 While they may have comorbidities such as  
6 high blood pressure, diabetes, these are illnesses  
7 that you can live with and have a good lifestyle.  
8 And so you want them to take their drugs, you want  
9 them to remain outside of the hospital; and that's  
10 where the wellness fund comes in, to try and  
11 partner with these employees and help them to live  
12 a healthier life. While they're not going to be  
13 cured of that, they don't have to be as sick and  
14 end up in the hospital, which will increase your  
15 costs.

16 CITY MANAGER EVANS: And Councilman, and  
17 members of the Council, I'm actually drafting the  
18 elements associated with a wellness initiative,  
19 that we're going to look to release here probably  
20 by the end of the week, that speaks to some of the  
21 things that were discussed on this. Because I  
22 have -- there's approximately \$29,000 that HR has  
23 communicated to me that is available for the  
24 remainder of this fiscal year. So I'm definitely  
25 going to look to create a program that we can pay



1 in advance for employees to go get personal  
2 training, or what have you, to attend, you know,  
3 any of the local gyms in our community. And we  
4 would facilitate that, and then we would want to  
5 roster back as far as their attendance, et cetera,  
6 to, you know, track how active our employees are.  
7 It's, of course, being, you know, conscientious of  
8 the environment that we're in now as well.

9 So, note, nothing is off the table. But we  
10 know we have to do something, because we can't  
11 continue to sustain these types of increases.

12 MS. AGUIRRE: Council and City Manager, this  
13 is Cathy Aguirre; and I am the Market Head for  
14 Public and Labor for Aetna. And we are honored to  
15 be a partner. And I do want to make some  
16 additional comments. And we do appreciate your  
17 business.

18 And the last couple years have been  
19 challenging because we have seen your claims cost  
20 spike, we have been subsidizing your claims, and we  
21 do need to partner together to see what we can do  
22 to get folks more actively engaged and get in front  
23 of the member before they get sick. So from a high  
24 dollar claim perspective we are managing those  
25 patients. We need to work with the members to get

1           them to see the doctor before it becomes  
2           challenging. While you've had a lot of cancers,  
3           you've had a lot of conditions that are not normal  
4           in a group of your size. Typically, as Gehring  
5           said, it's four; and you all have a higher increase  
6           than the norm. So we need to actively -- and we  
7           are actively engaged, and so is Gehring, in  
8           deploying whatever resources you need to educate  
9           your employees and to create the incentives  
10          necessary to get them to a doctor quickly before it  
11          becomes a challenge.

12                 And I -- you know, what the City Manager has  
13                 said is so important, to get people engaged in  
14                 their nutrition, in their activity, in their  
15                 health. There's a lot of obesity, comorbidities.  
16                 It's more than the cancers. The cancers, you can't  
17                 control after you've been diagnosed. But if you  
18                 find them early, at stage one, you can control the  
19                 cost.

20                 So we're here as partners to work together.  
21                 And we're here to continue to invest in your  
22                 population. If you need additional resources than  
23                 what we've already provided, we're here and open to  
24                 provide them.

25                 So I just wanted to share that and thank you

1 for your business. And we're open for suggestions.  
2 We're open to giving you suggestions, to working  
3 with Gehring and the staff to help folks engage and  
4 be healthier.

5 CITY MANAGER EVANS: And Madam Chair, you  
6 know, to that point, I can tell you, and I had  
7 conversations with representatives from Aetna, they  
8 are trying to steer our employees to make informed  
9 decisions. Unfortunately, our employees don't pick  
10 up the call or return the phone call; and that is  
11 probably about 40 to 50 percent of the problem that  
12 we have in addressing the escalating cost, is that  
13 when information is being attempted to be provided  
14 and the insurance provider is reaching out to say  
15 you may want to consider X, Y or Z, or consider a  
16 second opinion or what have you, we're getting  
17 little to no response back from the employees. And  
18 so that's why we're having some of the situations.

19 So now as you insert more consumerism into  
20 the situation, now that there is quote, unquote,  
21 more skin in the game, they're more likely to shop  
22 around and to listen to the advice and guidance  
23 that's being provided by other entities.

24 But we do have a significant problem with  
25 employees not listening or picking up the phone

1 when those types of calls are being made on  
2 situations that in some cases can avoid, you know,  
3 thousands of dollars of costs to the plan.

4 CHAIR BOTEL: Thank you.

5 I think Ms. Lanier had a question.

6 And Mr. McCoy, could you turn your mic off  
7 when you're typing?

8 COUNCILPERSON McCOY: That's not me,  
9 actually. I just turned it on.

10 CHAIR BOTEL: You looked like you were  
11 typing. Okay.

12 COUNCILPERSON McCOY: Someone is typing, and  
13 I can't hear.

14 CHAIR BOTEL: I thought it was you. I can't  
15 see any other mic on. So it must be someone who is  
16 not, who is not on the screen. So would somebody  
17 turn off their mic if they're typing.

18 Ms. Lanier.

19 COUNCILPERSON LANIER: I just wanted to make  
20 a comment in regards to having the conversation  
21 about, you know, thinking about going out for  
22 another bid for the City. I don't think that that  
23 would be good for the City, given that we have  
24 triple the amount of catastrophic claims. We have  
25 an exorbitant amount of illnesses among employees.

1 And going back out to try and find something lower,  
2 I'm afraid it will be higher given the fact that  
3 we're in the middle of a pandemic.

4 Secondly, as we're talking about wellness  
5 issues, we can, we can do -- I agree with my  
6 colleagues in some of the suggestions that they  
7 made about the different types of wellness  
8 programs. We have the City's -- the CRA has the --  
9 and the City has, I think, their money for the Sow  
10 and Grow program, which is our, you know, growing  
11 your own vegetables. And that also can be offered  
12 to City employees.

13 We have, you know, free access to beaches in  
14 the City, which means that that's, you know, good  
15 walking and good exercise, for a program that can  
16 quickly be put together.

17 And also, you know, I know that Mr. Evans  
18 said that, you know, towards the end of the week he  
19 will be providing some outline of what they are  
20 going to do. But, you know, looking at -- you  
21 know, you don't have to reinvent the wheel, looking  
22 at bench practices and looking at other  
23 municipalities and other corporations who have  
24 successfully moved their employees from health --  
25 from bad health to good health. You know, they

1 have even awards for corporations who do that. So  
2 there are, you know, materials and programs that  
3 are out there, that we can mirror to be able to do  
4 the same thing with our workforce.

5 CHAIR BOTEL: Thank you.

6 Mr. McCoy. And then Ms. Miller-Anderson.

7 COUNCILPERSON McCOY: Thank you, Madam Chair.

8 I heard the date of August -- late August.  
9 Was that for us to solidify a plan? Maybe,  
10 Ms. Whittingham, was that you that said August  
11 28th?

12 MS. WHITTINGHAM: We are targeting August  
13 24th through the 28th to conduct your open  
14 enrollment. That is considering this is approved  
15 on August 19th, at that commission meeting.

16 COUNCILPERSON McCOY: Okay. So we're looking  
17 at a 19 percent increase if we stay at the current  
18 plan. And then 15.9 percent increase if we adopt  
19 what's being proposed here. You know, Members, I  
20 think I --

21 CITY MANAGER EVANS: Councilman, it's 8.99  
22 percent increase.

23 COUNCILPERSON McCOY: Where did I get 19  
24 percent? I thought I seen that on the first slide.

25 CITY MANAGER EVANS: 19 percent was when we

1 went and we -- when we got from 30, we went to 19.  
2 Then there was discussions that we went to 15. And  
3 then we ultimately got it down to 8.99 percent.

4 COUNCILPERSON McCOY: Okay. But, Mr. Evans,  
5 I guess -- so let me back up. That's provided if  
6 we opt into this new plan that's being proposed  
7 today, the 8.99 --

8 CITY MANAGER EVANS: That's correct.

9 COUNCILPERSON McCOY: Yeah. So that --  
10 particularly, I don't care for that plan. I, I,  
11 I -- you know, what we're essentially doing,  
12 Members, is we're just shifting the cost on to our  
13 employees. While it's 8.9 percent, but there's a  
14 proposal -- which, you know, we haven't even  
15 got hashed out how that's going to work. That is  
16 going -- which I think is -- I'm not going to touch  
17 on too much, but it's irrelevant to -- or it's not  
18 germane, I should say, to exactly this  
19 conversation, but wages haven't increased at that  
20 same proportion. And, you know, I really hate to  
21 be given two weeks to try to figure out a way for  
22 us to really strategically figure out what in the  
23 budget we don't need.

24 Because I can tell you one thing, we've been  
25 in COVID now since March, so that's close to six

1 months, and just like every other business in the  
2 private sector, we're starting to realize perhaps  
3 we didn't need that job in the beginning, or we  
4 didn't need to take on that service in the  
5 beginning, because we're still finding a way to  
6 operate and provide our core services.

7 But I don't want to necessarily water down  
8 what we offer to our employees by making them pay  
9 more for now pushing everybody into a high  
10 deductible plan or buying up into the co-pay plan.  
11 That's just not something that I particularly like.  
12 Being that, you know, this discussion, I would have  
13 rather had much sooner.

14 Because I think that there are some things  
15 that we can cut. But I don't want the very people  
16 who -- many of the members -- actually, all of the  
17 members on this Board, except for me, decided that  
18 we weren't significant enough to have COVID-19  
19 pandemic pay, but now we're going to turn around  
20 and increase the health insurance premiums, or  
21 force them to go into a plan.

22 So, you know, with only two weeks left, we're  
23 kind of leaving us no option. But I would like to  
24 see how we can really put our heads together and  
25 figure out what needs not to work because, you



1 know, again, these are the same people that because  
2 of their collective bargaining agreements weren't  
3 provided pandemic pay. And I don't think that this  
4 is -- I mean, we're doing what we have to do  
5 because of -- we're doing what we have to do  
6 because of the current situation.

7 But if we stay at this current plan, that  
8 would be a 1.3 million dollar increase. We spent  
9 that much in six months, in just pandemic pay costs  
10 alone; and much of which went toward salaries.

11 So, Members, I'm just asking you to think a  
12 little bit more before you begin to consider just  
13 going along with what's being proposed. I would  
14 like to give our employees -- if we can't always  
15 give them a three percent every year, or a cost of  
16 living adjustment every time we turn around, we  
17 should be able to at least look and see where we  
18 can kind of trim the fat in some programs that  
19 perhaps are obsolete or are better suited, you  
20 know, in another avenue.

21 But I don't want to sacrifice on health  
22 insurance, especially now; every employee, all 525  
23 FTEs, know the importance of it just because of  
24 where we are in COVID-19. And I just don't support  
25 it in its current form. And I think that there's

1 more that we can do to work on this.

2 CHAIR BOTEL: Thank you, Mr. McCoy.

3 Ms. Miller-Anderson and then Ms. Lanier.

4 COUNCILPERSON MILLER-ANDERSON: Well, I think  
5 it's a perfect time for us to keep those things in  
6 mind as we go along with the budgeting. Maybe  
7 there is something that we can cut out as we're  
8 moving along. Because, like I said before, I  
9 really do not like that other option. It really  
10 puts a burden on the employees, in terms of what  
11 they have to pay out of their pocket. And I don't  
12 agree with that part, for sure.

13 So as we're moving along in the budget  
14 process, I mean this is the perfect time to  
15 identify some of those things we can probably do  
16 without, so that we don't have to pass the costs  
17 off to the employees.

18 I don't, I don't support having to do that.  
19 I do understand, though, that this is probably not  
20 the time to try to go back out. But I just, you  
21 know, I don't like being put in a position where  
22 I'm being forced into the situation only because  
23 it's -- I mean, this is where we are right now, and  
24 we know that if we went out that no one would  
25 probably want to pick us up. Or if they did, it

1 would be just as high. So I understand that as  
2 well.

3 But I think this is the time now to really  
4 consider and think hard about what we're putting in  
5 the budget for different departments and for  
6 different items. Maybe there are some line items  
7 we need to cut out, you know, so that we're not  
8 having to pass that cost. So this -- I think this  
9 is the perfect time to try to figure this out.

10 I mean, I agree, two weeks may not be a whole  
11 long time, but we do have these budget meetings  
12 coming up, so we just really need to have a plan  
13 and think about what we're doing as we're moving  
14 along, so that we don't spend a whole lot of time  
15 and can get it done in the next couple weeks. I  
16 think we can do it, we just need to really focus.

17 CHAIR BOTEL: Thank you.

18 Ms. Lanier.

19 COUNCILPERSON LANIER: I agree with my  
20 colleagues in terms of looking to see how we can  
21 make it easier on our employees. I'm just afraid  
22 that, you know, going out to do another bid will  
23 definitely disrupt coverage of insurance and  
24 possibly even have increased costs.

25 But on the other hand, Colleagues, the CRA

1 still owes us some money, so we need to look at  
2 that as well. We need -- if people are going to  
3 look at trying to be able to make sure that  
4 employees are not taking the brunt of these costs,  
5 then there is monies that are there that we can  
6 look to help them with. But I just don't want to  
7 be in a position where we are either trying to go  
8 back out to bid or we may have a situation where we  
9 disrupt insurance coverage for our employees. But  
10 I certainly agree with looking at other ways in  
11 which we can ease the burden for employees.

12 And I don't think that -- and I would not  
13 agree to make that decision tonight to move  
14 forward. I think that we need to look at how we  
15 could do that.

16 CHAIR BOTEL: Thank you.

17 Mayor Felder. And then I think Mr. Evans  
18 wants to say something.

19 MAYOR FELDER: Okay. Mr. Evans, so if we do  
20 nothing with the policy, the City has to front the  
21 1.3 million?

22 CITY MANAGER EVANS: Yes, sir.

23 MAYOR FELDER: Okay. So as the colleagues  
24 say, do you see any way in the upcoming budget that  
25 1.3 could be cut from other areas so that this

1 doesn't have to fall on the employees?

2 COUNCILPERSON LANIER: Yes.

3 CITY MANAGER EVANS: With regards to reducing  
4 that 1.3 million dollars, and just to provide a  
5 little bit of context, the money that was loaned to  
6 the CRA was 10 million dollars, and that came from  
7 the insurance fund. So there was a fund that  
8 was -- that had cash, and so in the event that the  
9 City is to collect that revenue, that would go back  
10 into replenishing that fund; and then premiums  
11 could be paid out of that and to help reduce the  
12 actual cost for the plan.

13 However, the one challenge that we have, if  
14 we don't make systematic changes to the plan  
15 design, the cost will continue to go up. And then  
16 it becomes a situation where we are probably one of  
17 the few employers that don't have employees  
18 contribute for single coverage, whether it's 3  
19 percent or 1 percent or what have you. That's very  
20 rare.

21 The other side of it is, one of the things  
22 you could look at doing is Aetna has seeded a  
23 thousand dollars per family and five hundred for  
24 individuals. We can look as a city as to say we  
25 can seed some monies for the employees as well, to

1 have it to where all their out-of-pocket costs with  
2 the plan design changes, families may get 2,000 and  
3 individuals may get 1,000, and then once they hit  
4 that out-of-pocket max, then in essence they go to  
5 the co-pay situation. So there's ways to possibly  
6 make some changes; we're just going to have to  
7 bring some other options to the table.

8 But if we were to look to absorb that one  
9 million dollars, that is going to adversely impact  
10 our ability to -- there are certain operations and  
11 functions that will lose personnel, because we have  
12 every year for the last couple of years have seen  
13 the increase in health insurance. And so we have  
14 to do plan design changes to be able to stem the  
15 tide, because these plans -- we're not even close  
16 to what industry standards are, we're -- 80 percent  
17 is where we would want to be.

18 MAYOR FELDER: Madam Chair.

19 CHAIR BOTTEL: Yes.

20 MAYOR FELDER: So you say the 10 million  
21 dollar fund from the CRA, is it possible to pull  
22 the 1.3 from that? Or is it there?

23 CITY MANAGER EVANS: The CRA has deferred  
24 payment and hasn't made any payment to the City as  
25 it relates to that. We did anticipate budgeting

1 that money into fiscal year 2020 to start the  
2 process of reimbursing the City. But that money  
3 would be utilized to offset the cost associated  
4 with the health insurance.

5 Now, does it take it down in its entirety?  
6 And how that works, I'd have to, you know, work out  
7 with Mr. Sherman, as far as what the numbers would  
8 look like. But as it stands right now, that money  
9 would have to go back into the same exact fund in  
10 which it was taken from.

11 MAYOR FELDER: Okay. Thank you.

12 CHAIR BOTEL: Commissioner Miller-Anderson.  
13 Your microphone.

14 COUNCILPERSON MILLER-ANDERSON: I was saying,  
15 Lawson, was he next? Or no?

16 CHAIR BOTEL: Oh. I'm sorry. Councilman  
17 Lawson, you're next.

18 VICE CHAIR LAWSON: I think it was actually  
19 Councilman McCoy, and myself, and then  
20 Ms. Miller-Anderson.

21 CHAIR BOTEL: Okay. Thank you. Go ahead.

22 COUNCILPERSON McCOY: Thank you, Madam Chair.

23 And, you know, to that point, there is a lot  
24 more comprehensive discussion that has to be made  
25 aside from all of our insurance professionals on

1 the line.

2 But, you know, one of the things I want to  
3 point out is what was important in our analogy.  
4 Obviously, Mr. Evans, if you're going to propose a  
5 proffer, something like us providing those  
6 incentives is -- I guess when I was taking notes I  
7 was trying to figure out, and this is something  
8 that I would have asked that perhaps Aetna or the  
9 agent of record come back and tell us, you know, of  
10 that 402 that we currently have that's receiving  
11 coverage, at least for this current fiscal year,  
12 the number of employees like that have these high  
13 dollar claim amounts -- because on average I can  
14 only imagine that this is going to be a handful out  
15 of 402 -- and I'm just really speculating the  
16 numbers, shooting from the hip here -- we'd be  
17 lucky if we have probably 30 percent or maybe 30  
18 percent of those employees that are really driving  
19 those costs that high. I don't generally see that  
20 we have that many employees that are running  
21 this -- basically, this cost to premium ratio that  
22 high.

23 So proposing something like that sounds good  
24 but if it's only a small amount or small population  
25 of the group, then how does that really benefit us



1 by adding an incentive when -- and I guess the  
2 tough part is trying to word it in then the small  
3 population that tends to get more medical treatment  
4 than, you know, the remaining 60 or 70 percent.

5 CITY MANAGER EVANS: Well -- and I would have  
6 to defer to Christian and Ms. Jackson, but the  
7 reason that we were able to reduce the cost from  
8 originally 30 percent down to 8.9 percent is really  
9 predicated on the plan design changes and more  
10 consumerism being inserted into the process.  
11 Because we have a situation, like we have the  
12 comorbidities, we have the high dollar claims  
13 amount, we have a situation where our employees are  
14 not responsive when they are being attempted to be  
15 coached on those issues. And so if we don't make  
16 some changes, invariably we're going to find  
17 ourselves next year talking about another 1.5  
18 percent increase. And so it's going to -- and we  
19 are seeing local governments -- some local  
20 governments only offer a high deductible health  
21 plan and that's it, because of the cost for all the  
22 other buy-up elements.

23 So I would defer to the representative from  
24 Aetna and Christian from the Gehring Group to talk  
25 about those elements.

1 MR. BERGSTROM: Well, sir, those plan design  
2 changes --

3 MS. JACKSON: Go ahead, Christian. I'm  
4 sorry.

5 MR. BERGSTROM: Those plan design changes  
6 were made in a thoughtful manner, is that those  
7 plan design changes are only going to impact those  
8 that are the high dollar utilizers in the plan,  
9 versus those that are the low dollar, less frequent  
10 users of the plan. So -- which is a majority.

11 So, as we saw, a majority of the claims are,  
12 are not being -- a majority of the people are  
13 incurring the least amount of claims. So there's  
14 very few people that are incurring the majority of  
15 the claims. So those were those individuals that  
16 we're impacting with these, with these changes.

17 MS. JACKSON: And also, when you make benefit  
18 changes you're predicting -- you're trying to do  
19 behavior changes, you're trying to catch these  
20 people in the sweet spot. So like Christian  
21 mentioned, the ones who are giving most of the  
22 costs at 20 percent, that are costing 80 percent of  
23 the cost, driving 80 percent of the cost, you want  
24 to share a little back out-of-pocket, push a little  
25 bit on them. But at the same time, you now want to

1           incentivize those who are not sick yet to have  
2           better steerage and choosing a lower cost setting,  
3           maybe having healthier habits; and so you're trying  
4           to catch these members before they get too sick.

5           When you talk about high cost claimants,  
6           people who have cancer, they need radiation, they  
7           need the high cost drugs, so they're not wasting,  
8           wasting money. However, the best way to do that is  
9           to try and manage them on one end; and then on the  
10          other end, when you have the healthier employees  
11          you want to try and mitigate them from getting  
12          sicker by helping them to go get their visits at  
13          the -- their physicals each year, take their drugs  
14          to make sure they stay out of the hospital. So  
15          benefit changes are meant to steer people into  
16          making better choices, but at the same time it's to  
17          share the cost with those who are costing the plan  
18          more.

19                CHAIR BOTEL:  Anyone else?

20                COUNCILPERSON McCOY:  Madam Chair.

21                CHAIR BOTEL:  Go ahead.  Who is talking?  
22          McCoy?

23                COUNCILPERSON McCOY:  I just wanted to know  
24          where we go from here, Madam Chair.

25                CITY MANAGER EVANS:  Madam Chair, the intent

1 behind staff is to obviously to share the elements  
2 associated with this. We hear the concern and the  
3 comments with regards to what the Board has  
4 articulated. We can look to be prepared to have  
5 the follow-up discussion with the Board again at  
6 your next regular meeting. Not maybe bringing  
7 something for you to execute but maybe something to  
8 have additional conversation, with additional  
9 documentation, to help provide a clearer picture on  
10 the plan design, how it would work and who would be  
11 impacted.

12 And then we can look to take it, take it from  
13 there based on the direction the Board provides to  
14 staff; as well as looking at what the fiscal impact  
15 would be if the City was to absorb the additional  
16 costs and not do any plan design changes or  
17 modifications.

18 CHAIR BOTEL: Thank you. Is this --

19 COUNCILPERSON McCOY: Madam Chair.

20 CHAIR BOTEL: Yes. Last thing.

21 COUNCILPERSON McCOY: So, Councilwoman  
22 Lanier, I don't know that there's necessarily a  
23 parallel or a relation between going back out to  
24 bid and the cost increasing. Obviously, at this  
25 point it's an industry trend. I mean, that kind

1 of, in my opinion, doesn't necessarily -- I don't  
2 think that that was accurate.

3 And Mr. Evans mentioned that we're probably  
4 one of the only ones that don't require much buy-in  
5 by employees; and that's partly because we failed  
6 with cost of living adjustments. And also, what  
7 are the other things, the compensation study  
8 adjustment. And pay increases -- and a lot of  
9 these people are still, you know, fighting after 22  
10 years, and they're probably making 40 to 45  
11 thousand dollars less than some of our peer  
12 organizations. And I've seen that twice just this  
13 month alone. So that, I think, is what separates  
14 us and why we should really take a critical look.  
15 Because if we can't always offer a pay increase, at  
16 least I want to have benefits or at least our  
17 employees to feel confident that they have a solid  
18 plan and it's not going to cost them, you know,  
19 additional 10, 12 percent of their gross income to  
20 support a family plan every year.

21 And that's all I have.

22 CHAIR BOTEL: Thank you.

23 Mr. Evans, if there's nothing else, I think  
24 we can move on.

25 CITY MANAGER EVANS: Thank you, folks from

1 the Gehring Group, and Ms. Jackson from Aetna, and  
2 those that are on the line, we're going to go ahead  
3 and transition into the budget --

4 VICE CHAIR LAWSON: Sorry. Mr. Evans, I  
5 apologize. Just a quick interruption.

6 Madam Chair, we had myself, comments, and  
7 then I believe Ms. Miller-Anderson. And last  
8 minute, I believe Ms. Lanier just raised her hand  
9 as well. So --

10 CHAIR BOTTEL: Oh. I'm sorry. Go ahead. I  
11 thought we were done. Go ahead, Mr. Lawson.

12 VICE CHAIR LAWSON: No problem. Thank you,  
13 Madam Chair.

14 Mr. Evans -- or actually, I'm not sure if  
15 Ms. Jackson or who would be able to answer this.  
16 But are the costs based on the FTE counts or the  
17 actual physical number of bodies on premises?

18 CITY MANAGER EVANS: The cost is predicated  
19 on claims to premium ratio, as well as FTEs. But  
20 also, if you reduce your FTE count and, you know,  
21 you have individuals that have high dollar claims,  
22 you're going to find a situation where you may see  
23 your costs actually go up, depending on the  
24 situation. Is that correct, Ms. Jackson?

25 MS. JACKSON: Yes, it is. And it's also

1 based on -- there's another component there, which  
2 is utilization. Which is what drives what your  
3 initial rate is. And then based on the number of  
4 employees you have enrolled in the plan, is how you  
5 spread the increase out.

6 So Mr. Evans is correct, depending on who  
7 actually stays -- if you have a bunch of healthy  
8 employees who leave off, and you have sick people  
9 remaining, your costs could still go up. But  
10 your -- you know, so all of those play a part in  
11 how you come up with the cost of what -- how the  
12 increase comes about.

13 VICE CHAIR LAWSON: So, if we could,  
14 Mr. Evans, incorporate just the cost based upon --  
15 I know there's going to be some positions that are  
16 going to be eliminated from this budget cycle. I'm  
17 not sure how many. Do you have an idea of how many  
18 we're talking about of eliminating positions from  
19 this next budget?

20 CITY MANAGER EVANS: The number will be  
21 shared in the next presentation. And I believe it  
22 is 46.

23 COUNCILPERSON McCOY: My calculation was 85  
24 yesterday, based on the FTE count that was  
25 provided.

1 CITY MANAGER EVANS: No, it's 46, because  
2 probably the -- when you look at the benefits  
3 associated with it -- and I'll explain that in the  
4 next presentation.

5 VICE CHAIR LAWSON: So -- and then I guess my  
6 question would be, would this factor into our  
7 costs? And what would our costs be with these 46  
8 eliminated positions; and if that would be  
9 beneficial? And that would kind of help make the  
10 determination if we need to go back out for a bid  
11 or not. So, if we could have that information as  
12 well.

13 CITY MANAGER EVANS: Yes, we can certainly  
14 provide that information. But you'll see that most  
15 of the positions are vacant so, you know, there may  
16 be, you know, some recalculations as it relates to  
17 the numbers; but I don't anticipate it reducing the  
18 cost any -- you know, by a large amount.

19 But I think we are paying close to --  
20 Christian, based on the plan that we have right  
21 now, aren't we paying close to, I think, a thousand  
22 dollars per employee per month?

23 MR. BERGSTROM: You're paying \$950 per  
24 employee per month.

25 CITY MANAGER EVANS: So in some cases we have



1 situations where we're paying more for health  
2 insurance than maybe even some employees make in  
3 their paycheck.

4 VICE CHAIR LAWSON: Thank you, Mr. Evans.

5 CHAIR BOTEL: Councilwoman Miller-Anderson,  
6 did you have a question?

7 COUNCILPERSON MILLER-ANDERSON: Yes.

8 Mr. Evans or Mr. Gude, have we reached out to the  
9 employees -- like, I know you send out a lot of  
10 e-mails; and I can, for one, say a lot of times I  
11 don't always read them all, so I miss some things.  
12 I'm talking about coming from your department,  
13 because they're informative, but there is a lot.  
14 But do we reach out to the people and actually have  
15 a conversation with them in terms of, you know,  
16 what their costs are -- I know Mr. Evans said that  
17 Aetna tried to reach out to them. But, you know,  
18 it's a little different coming from the inside, if  
19 we're able to like -- I don't know. Are we able to  
20 do like a one-on-one counseling; or at least  
21 provide Aetna an opportunity to say, hey, can we --  
22 pre-COVID -- come to the office? But now, just  
23 being able to give that one-on-one counseling,  
24 sometimes I don't think people -- you have a card,  
25 you go to the doctor, you go to get your

1 prescription, and you don't really think about, you  
2 know, what you're doing, you just do it; but if  
3 it's really brought to you, sometimes you might  
4 think twice.

5 CITY MANAGER EVANS: Yeah. And I would defer  
6 to Mr. Gude to speak on that.

7 But I think the other side, about having  
8 Aetna call, it's so personal that sometimes, you  
9 know, they prefer to talk to somebody that's  
10 outside of the agency versus -- but, Mr. Gude, if  
11 you can speak to what you do in your particular  
12 office.

13 MR. GUDE: I could also say that, I guess,  
14 basically one of the benefits of me working with  
15 the agency is I do have that one-on-one contact and  
16 I kind of know the posts of the people, our staff  
17 members. So a lot of times if they do have claim  
18 issues, or if they're trying to figure out what  
19 plan would be the best plan, or what route would be  
20 the best route, I work with them.

21 And then we have Juan, from Aetna, he comes  
22 out twice a month. So a lot of times we do set up  
23 a lot of one-on-one interviews -- not interviews,  
24 but one-on-one counseling sessions, to try to  
25 assist the members when they do know they're either

1 currently going to have a high surgery, or  
2 something like that, or either they're just looking  
3 to get healthier.

4 COUNCILPERSON MILLER-ANDERSON: And have we  
5 seen where that has been impactful? It hasn't made  
6 a difference or a decrease in anything?

7 MR. GUDE: I can see within the last year --  
8 and that's since we switched over to the high  
9 deductible plan, the direction -- because the high  
10 deductible plan is more of a consumer driven, so  
11 the calls have gone up because a lot of times the  
12 employees want to be informed before they make a  
13 decision; rather, if they're going to have an  
14 outpatient procedure or if they're going to go to a  
15 hospital. So I can say on this end -- and if you  
16 look at our plans, I believe it has helped us out a  
17 lot.

18 COUNCILPERSON MILLER-ANDERSON: Okay. All  
19 right. I was just wondering if, you know, there  
20 was more that we could do in terms of the education  
21 piece, to kind of help people, you know, hey,  
22 you're getting to this point, maybe you want to  
23 look at doing this or -- you know, other than  
24 having a healthy lifestyle.

25 MR. GUDE: Pre-COVID, we had -- and we were

1           partnering with Aetna this year -- we had a very  
2           aggressive wellness plan that we were working on.  
3           And we even had set up, we were going to have a  
4           wellness committee and every department was going  
5           to have their own little wellness coach. That was  
6           pre, you know, the pandemic. But, you know, after  
7           the pandemic subsides, we'll get right back to it.  
8           But that's the goal.

9           With the high deductible plans, it's going to  
10          be a two to three year, you know, goal to get the  
11          group healthy again. It's not -- you know, there's  
12          no magic elixer that's just going to happen  
13          overnight.

14          But just what you're saying, they're going to  
15          have to do the counseling. And with the  
16          partnership with Aetna, it should be -- we should  
17          be able to lower it.

18          COUNCILPERSON MILLER-ANDERSON: Okay. Thank  
19          you.

20          CHAIR BOTEL: Mr. McCoy.

21          COUNCILPERSON McCOY: Just one word for  
22          thought. Austerity.

23          That's all I have.

24          CHAIR BOTEL: Any other questions?

25          Ms. Lanier, go ahead.

1 COUNCILPERSON LANIER: Yeah. I just wanted  
2 to briefly say that, Mr. McCoy, you made an  
3 allusion to when I talked about if we go out to bid  
4 we could -- there could likely be an increase in  
5 cost anyway. And that's what I meant. I didn't  
6 say there was a correlation between the two. I  
7 said if we make the effort to go out to bid, that  
8 we can very well have increased costs based on our  
9 high, high cost of individuals who are sick.

10 We are in the middle of a pandemic. We have  
11 catastrophic claims at three times the normal  
12 amount. And that if we make that effort to go out,  
13 I'm not saying that we don't, or we don't have to,  
14 or that we can or not, I'm just saying that we  
15 still run the risk of higher cost.

16 COUNCILPERSON McCOY: There's no risk. I've  
17 never purchased for a car a sticker price, you can  
18 always negotiate; and especially with the internet.

19 COUNCILPERSON LANIER: Well, it's, it's -- I  
20 mean, you know what, Mr. McCoy, it's just like if  
21 you got, if you got car insurance and you keep  
22 having accidents, and you say my insurance carrier,  
23 I mean, Allstate, just keep -- you know, my premium  
24 is so high. You think I'm going to go get  
25 something different? It's going to be about the

1 same amount. And it might higher. Because this  
2 happened to me before.

3 COUNCILPERSON McCOY: Right. But we still  
4 have the 8.99 percent that's on the table. So it  
5 doesn't hurt us that our agent of record --

6 COUNCILPERSON LANIER: I did not, I did not  
7 say that. I did not say that we could not go out.  
8 I said that we still run the risk of it being  
9 higher.

10 COUNCILPERSON McCOY: Of what? We have the  
11 8.99 percent --

12 COUNCILPERSON LANIER: Of it being higher.

13 COUNCILPERSON McCOY: And if it's higher, we  
14 can always revert back to the 8.99 percent, is all  
15 I'm saying.

16 CHAIR BOTEL: Is there anything else pressing  
17 that we can --

18 COUNCILPERSON McCOY: You know, it is  
19 pressing. One last thing. I hate to say I told  
20 you so, but I told you so. And that's all I got.

21 I wish I could really (audio interference)  
22 but, really, this is what I tried to caution the  
23 members on three, maybe four months ago, when we  
24 thought it was okay to approve a policy -- well,  
25 actually, we didn't approve a policy but we now

1 basically unbudgeted -- spent 1.6 million dollars,  
2 and now we're sitting here trying to figure out and  
3 gamble and roll the dice with our employees'  
4 health. So, you know --

5 COUNCILPERSON LANIER: No. Mr. -- and I'll  
6 say this, Mr. McCoy. Sorry. I didn't mean to  
7 interrupt you. But what I will say is that there's  
8 10 million dollars sitting at the CRA, and while  
9 we're crying about higher rates, there's money over  
10 there that we can also use to be able to make up  
11 some of the difference. So, that is it.

12 CITY MANAGER EVANS: And Madam Chair, a point  
13 of clarity with regards to the pandemic. That was  
14 funded from existing budgetary funds in the fiscal  
15 year 2020 budget. So the insurance increase is  
16 predicated on actuarial (audio interference) and  
17 based on plan utilization and plan design; that's  
18 where the costs come from.

19 COUNCILPERSON McCOY: Oh, gosh. No. So now  
20 we really got to debate this, right? Because if it  
21 was in the existing budget for positions that  
22 weren't filled, you know what happens at 9/30, that  
23 money rolls over to the next fiscal year. So,  
24 obviously, there were positions that were vacant.  
25 But my point is that we have to look, going

1 forward -- obviously, the pandemic is still going  
2 on. In fact, we're probably not even a quarter or  
3 a third of the way in; and we're going to have more  
4 costs, we're going to have more people actually  
5 being diagnosed.

6 But now we threw away 1.6 million dollars in  
7 the first five months, and we're here at this  
8 point.

9 And, you know, it's not a popular subject.  
10 And I can say, I'm not a fair weather politician  
11 who cares about what people think. I just am  
12 convicted by my conscience in doing the right  
13 thing. And I just think that had we been a little  
14 more conscientious in our decisions, we wouldn't  
15 have so much heartburn about whether or not we  
16 increase it on employees that make \$25,000 a year  
17 and then asking them to pay more for their health  
18 insurance.

19 So, that's all I have. And I yield back.

20 CHAIR BOTEL: Can we move on to the next  
21 subject now, if there is no other question?

22 Okay. Thank you.

23 Mr. Evans.

24 CITY MANAGER EVANS: Yes. I'm loading up the  
25 PowerPoint right now, as we speak.



1           Okay.

2           COUNCILPERSON MILLER-ANDERSON: Madam Chair,  
3 I have a question.

4           CHAIR BOTEL: I'm sorry. Yes.

5           COUNCILPERSON MILLER-ANDERSON: This second  
6 part that we're doing, is this the one that has 116  
7 slides? We're doing all this tonight?

8           CITY MANAGER EVANS: We're just going to try  
9 to get through fire tonight.

10          COUNCILPERSON MILLER-ANDERSON: Okay. Thank  
11 you. All right.

12          CHAIR BOTEL: Good question.

13          MS. WHITTINGHAM: Is it okay for the Gehring  
14 Group to drop off?

15          CHAIR BOTEL: Yes. And thank you, Gehring  
16 Group, for being here for an hour and 17 -- well,  
17 it's more than that. Whatever. Thank you. Good  
18 night.

19          CITY MANAGER EVANS: Well, Madam Chair,  
20 Members of the Council, this is a continuation of  
21 our presentation as it relates to the fiscal year  
22 2020-2021 budget.

23          Brief overview, then we'll go into City  
24 overview, go into departmental review budget  
25 calendar, and question and answer. But we're going

1 to just stick to the fire department today.

2 So this is the slide that we shared with  
3 you-all earlier, to look at the historical millage  
4 rate, millage rate versus the linear line, showing  
5 that the millage rate has in fact decreased since  
6 2009 -- or 1999 to 2020. But the taxable values in  
7 the City has gone up 295 percent.

8 This is the chart that we look at as it  
9 relates to FTEs. And I wanted to point this out,  
10 actual FTEs and budgeted FTEs. So if you look from  
11 fiscal year 2016, we had 134 budgeted FTEs, where  
12 you actually had 108. And so this is where you'll  
13 see the difference and the deviations.

14 Here in fiscal year 20 -- 2020, we had 500  
15 FTEs; and, actually, positions filled, 425 FTEs.

16 In 2021 the number with the proposed  
17 reductions is 456.5 FTEs, and that's across all  
18 funds. So, as you can see, there is those gaps  
19 between what has been requested and positions that  
20 were vacant and have not been filled throughout the  
21 agency.

22 And what we also are going to do in  
23 subsequent budget cycles, that as attrition occurs  
24 in the organization, we would look to make  
25 modifications to possibly reduce those numbers.

1           So this is the FTE position summary by  
2           department. This is the changes per the department  
3           wholistically. For the general fund departments  
4           you can see that in FY 2019-2020, it was a -- 500  
5           was the complement, and that's going to go to  
6           456.5, with a reduction of 43.5. And then when you  
7           incorporate the other funds, you have a reduction  
8           of three persons, which brings your entire staffing  
9           complement across your enterprise fund, the  
10          government entity, at 526 and 50.

11          The chart that I showed you spoke to,  
12          specifically, to the general fund, where you saw  
13          the numbers that were reduced.

14          Moving into the next slide. And I think it's  
15          important for us to reiterate the point that 60  
16          percent of the revenue collected by the City is ad  
17          valorem revenue. That is property taxes. That's a  
18          large portion of the revenue.

19          But some of the challenges that we  
20          experienced as a result of the pandemic are a  
21          437,000 dollar reduction in intergovernmental  
22          revenue. But that's collected, that's collected  
23          from the state.

24          In our revenue sharing, you can see our  
25          investments earnings, we, you know, lost 56 percent

1 or \$325,000. And then miscellaneous revenues, you  
2 lost 10 percent. So the impact to the City was  
3 great with regards to those particular items, which  
4 got us into the point where we were in that budget  
5 shortfall of 1.9 million dollars, but was able to  
6 provide a balanced budget for the Board to  
7 consider.

8 The budget from fiscal year -- for the  
9 general fund, from fiscal year 2019-2020, is going  
10 from 77 million to 81 million; and it's an increase  
11 of approximately 4.69 percent.

12 This is the breakdown as it relates to the  
13 revenue projection, similar to what you saw  
14 yesterday. Property tax revenue being the lion's  
15 share; and the other revenue streams that the City  
16 collects, charges for fees or for services, which  
17 being another bulk of the revenue, general revenue  
18 that's collected.

19 When we look at our expenditures as it  
20 relates to departments, you can see a bulk of your  
21 expenditures are related to public safety, 19.1  
22 percent; and PD, 27.86 percent. And then this  
23 breaks down all the other departments throughout  
24 the City and as well as transfer to debt service.

25 So going into the overview, the composition

1 of the organization, of course, the residents of  
2 the community, property owners and businesses, are  
3 on the top of the pyramid there. You have the City  
4 Council, the City Council in the City of Riviera  
5 Beach.

6 Whoa. I don't know what happened there. Let  
7 me go back. My apologies for that.

8 All right. So this is the org chart. It  
9 speaks to the four specific sectors. Just for the  
10 purposes of this org chart, administration, which  
11 includes finance, city clerk's office, human  
12 resources, procurement, information technology,  
13 public safety, it's police and fire,  
14 infrastructure, public works, development services,  
15 and utility district, and culture and recreation,  
16 parks and recreation, library, and the marina.

17 This is a projected expenditures for 2021 by  
18 department. So it goes from your police  
19 department, your largest department, to your  
20 smallest departments, would be procurement and the  
21 city clerk's office. So that's the expenditure  
22 amounts for your general fund departments.

23 And then we're going to get into a department  
24 overview. And at this time I'm going to turn the  
25 presentation over to Chief Curd. And Chief, you

1 should have full control over the presentation.

2 CHIEF CURD: Thank you, Mr. Evans.

3 Good evening, Council.

4 Can everyone hear me okay?

5 CHAIR BOTEL: Yes.

6 CHIEF CURD: Great. Thank you.

7 I want to be respectful of your time, but at  
8 the same time I also need to make sure that I  
9 articulate some very important points, if there's  
10 going to be decisions made by the Council over the  
11 next couple of weeks that are going to set the  
12 trajectory for fire rescue over the next 20 years.  
13 So I want to make sure that we go through this  
14 information.

15 While I go through it as fast as possible, I  
16 do (no audio). And these points here were a  
17 culmination of different presentations that have  
18 occurred over the last year.

19 Mr. Evans --

20 CHAIR BOTEL: Ms. Miller-Anderson --

21 CHIEF CURD: -- you have the control.

22 CHAIR BOTEL: Ms. Miller-Anderson might be  
23 having a question, or trouble.

24 COUNCILPERSON MILLER-ANDERSON: Well, I'm not  
25 having trouble.

1 Chief Curd is having trouble with his volume  
2 so -- (all talking at once).

3 It's going on mute and cutting out.

4 CHAIR BOTEL: It was coming in and out.

5 And I also was wondering if Walter might be  
6 able to take the rest of us off camera so folks can  
7 focus on Chief Curd.

8 COUNCILPERSON MILLER-ANDERSON: No, we keep  
9 everybody on here, make sure everybody stays on.  
10 People disappear when we don't show it.

11 It holds us all accountable.

12 CHAIR BOTEL: All right. No, forget it,  
13 Walter.

14 CITY MANAGER EVANS: Chief, is that you  
15 controlling it?

16 CHIEF CURD: It's not quite allowing me to  
17 get that full control. If you can take me back to  
18 the beginning, I think I've been able to work it  
19 out.

20 CITY MANAGER EVANS: Yeah, I think if you  
21 just hit the arrow, the space bar, that may -- let  
22 me get you to the top. There we go.

23 CHIEF CURD: That's fine. Yup. Thank you.

24 So, basically, what we're looking at here is  
25 a culmination of presentations that have been made

1 going back to December. And, actually, some of  
2 these conversations have been had since Mr. Evans'  
3 tenure here; the first time with Chief Duren trying  
4 to move the organization in the right direction to  
5 come into compliance with some federal standards.

6 These are the basic four services: Fire,  
7 EMS, ocean rescue, fire prevention and inspections.  
8 Looking at this year's budget, what we've looked to  
9 do in budget modifications is an addition of three  
10 firefighters to maintain current staffing levels at  
11 station 89. Station 89 on Military Trail was never  
12 a fully staffed station. And after we had some of  
13 our issues with station 88, and movement of crews,  
14 we did recognize that there was some safety  
15 concerns with our firefighters and there was also  
16 some concerns with response times. So with  
17 Mr. Evans' blessing, and fortunately we were able  
18 to utilize monies from our existing budget, we did  
19 increase that station's staffing by three  
20 firefighters.

21 Now, when I say three, I'm only talking about  
22 one more every day, because we do run a 24/72  
23 operation. This allows us to run an engine and a  
24 rescue to provide full service to zone 89, Military  
25 Trail.



1           We've created one executive assistant's  
2 position that was put in last year, Ms. Debonniya  
3 (phonetic) Jones, who has been providing an  
4 exceptional service to fire rescue and we couldn't  
5 be doing what we're doing right now without her.

6           We have looked to reduce the overtime budget.  
7 We do feel that if we can get all of our promotions  
8 in place and we can hire all of the firefighter  
9 vacancies that are needed, we can definitely reduce  
10 overtime. However, our overtime budget is out of  
11 whack this year because of COVID-19. We have a  
12 COVID response vehicle on the road, firefighters  
13 that were participating, and COVID testing, mass  
14 distributions, give-aways. So we're going to look  
15 to try to rein that in a bit. And come October  
16 1st, because of the some of the budget reductions  
17 we will be pulling the COVID response vehicle off  
18 the road, because that is not a staff position;  
19 which was one of the positions that we'll be  
20 talking about throughout this presentation as an  
21 EMS captain.

22           We've also implemented a fire assessment fee  
23 fund, which we're talking about the possibility of  
24 how we're going to be able to fund our organization  
25 moving forward, to provide the service to our

1 community that we feel they deserve. It's not  
2 going to be an easy task. But one of the things  
3 that we do need to understand is our citizens have  
4 a very high demand on our service; and we'll see  
5 that as we go through some of these slides. But  
6 that is an option that we're going to be looking  
7 at, to look at options for additional funding.

8 When we look at our operating budget here to  
9 the right, we've seen our budget from -- change,  
10 going up, simply because of those three firefighter  
11 positions, because of the executive assistant's  
12 position.

13 And we've also built in the funds for  
14 negotiations that are occurring this year. So we  
15 are in the midst of contract negotiations.

16 Our personnel staffing, the FTEs, are  
17 operating as roughly in that same ballpark.

18 Capital has remained in that same ballpark.  
19 But clearly there will be some significant capital  
20 costs when we talk about rebuilding these fire  
21 stations.

22 Our FTEs have gone up by four. That four is  
23 no more than the three firefighters we discussed  
24 and also the executive assistant's position in our  
25 front office.

1           Our goals for FY 2021, I am just going to be  
2           frank, it's going to be to continue to maintain the  
3           same level of service that we've been providing and  
4           to provide facilities for our firefighters. We are  
5           not going to be able to grow. We are not going to  
6           be able to seek accreditation. We are not going to  
7           be able to improve our ISO rating.

8           Three-quarters of our fire stations are  
9           barely inhabitable. No, two of them are barely  
10          inhabitable. One is in a trailer right now. And  
11          we have a fourth station that needs remodeling,  
12          that is approaching 25 years old; and we were just  
13          informed today that have major sewage backup in  
14          that station, the septic tank and the drain field  
15          needs to be replaced at that station. So these are  
16          some of the issues.

17          While the station 89 appears to be a newer  
18          station, that station was built, completed in 1998.  
19          That's a 25-year window. So it's going to need the  
20          same level of care we should have been providing to  
21          our other stations, so it doesn't fall into  
22          disrepair as those have.

23          Capital projects for this upcoming year are  
24          going to be construction of station 88, that is  
25          priority number one in my book; and I believe it is

1 from the information that I've gleaned from Council  
2 on where our direction for our firefighters is.

3 And also replacement of expired fire fighting  
4 bunker gear. We were successful in receiving  
5 \$350,000 in appropriation fundings that were  
6 submitted for a cancer reduction bill.

7 Unfortunately, when that made its way back to  
8 Florida, Governor DeSantis vetoed over two billion  
9 dollars worth of appropriations funding that  
10 included our firefighters bunker gear.

11 So we've actually shifted monies from the  
12 maintenance of station 89 to purchase bunker gear.  
13 So I have the tough decision to determine, do we  
14 replace the roof at station 89 or do I provide the  
15 firefighters with bunker gear that is suitable for  
16 the conditions that they're in. And as of right  
17 now, I've opted to go with the bunker gear needed  
18 for our firefighters.

19 Let me get to the next slide here. Okay.  
20 Moving into this presentation that was given in  
21 December, many of you all either attended the  
22 workshop or, I'm sure, watched that workshop in  
23 early December, that we had at the Clean and Safe  
24 building. These were some of the items that were  
25 discussed. I'm just going to touch over these

1 items and I'm not going to go in-depth. If you'd  
2 like me to, I could, but I'll keep it brief and to  
3 the point.

4 NFPA is the governing body that provides  
5 recommendations for fire departments as it relates  
6 to operations, staffing, tactics and strategies, so  
7 that is definitely something that we want to keep  
8 an eye on.

9 OSHA also provides guidance as it relates to  
10 workplace safety. One of the things that you can  
11 recognize right here is OSHA has what's known as  
12 the two-in two-out rule. So if we have two  
13 firefighters go in the structure, we need to have  
14 two firefighters on the exterior of the structure  
15 in the event that they become incapacitated due to  
16 building collapse or what have you, there is  
17 somebody on the outside to rescue these  
18 individuals.

19 Please understand, we only run two  
20 firefighters on an engine, two firefighters on a  
21 rescue truck. One of those firefighters on the  
22 engine is operating the pump panel. That leaves me  
23 with three firefighters. We don't have enough  
24 firefighters to initiate initial fire attack or  
25 perform initial search and rescue because by OSHA

1 standard we don't meet the two-in two-out rule.

2 I'm here to tell you today that our  
3 firefighters many a times tend to overlook OSHA's  
4 two-in two-out, knowing their backup is around the  
5 corner, and they're going to go in and initiate  
6 that fire attack or make that rescue should it be  
7 needed.

8 NFPA 1710 discusses occupancies and different  
9 types of occupancies. This is very important  
10 because depending upon the type of occupancies that  
11 are within your municipality, that drives the  
12 number of personnel and firefighters you should  
13 have on each unit; and it's clearly a low medium or  
14 high hazard occupancy.

15 Looking at our high hazard occupancies, we  
16 have 53 high-rise structures in our facility -- in  
17 our municipality. We have CSX and FEC railways  
18 that carry God only knows what in the middle of the  
19 night. Amtrak Railways with commuter  
20 transportation. We have an interstate. Three cold  
21 storage facilities. I don't need to read these to  
22 you. But we have power plants, port centers, all  
23 of those are considered high occupancy hazards.

24 High occupancy hazards are also considered  
25 high occupancy list targets. We have the

1 Department of Homeland Security -- and these  
2 facilities have been identified to us by the  
3 federal government on areas that we should pay  
4 particular attention to, that are considered high  
5 risk or valuable targets. So we have the Homeland  
6 Security facility in our city. We have the VA  
7 Hospital. We have the Port of Palm Beach. United  
8 States Coast Guard. And also a military contractor  
9 in Lockheed Martin.

10 Educational facilities in Riviera Beach. In  
11 seven square miles we have quite a few schools in  
12 our municipality. These are high risk targets that  
13 we must be mindful of within our community.

14 Medical facilities in Riviera Beach. We do  
15 have the VA Hospital, Edward J. Healey. We have  
16 assisted living facilities. We have Kindred  
17 Hospital, Palms Edge. You can see that there's  
18 definitely that concern of those medical  
19 facilities.

20 Oddly enough, places of worship are  
21 considered high value targets for people to look to  
22 bring, you know, chaos and mayhem to our community.

23 When we talk about medium hazard occupancies,  
24 these are all of our industrial areas. We have  
25 quite a few of them. Not to mention the Broadway

1 corridor. But these are -- all have been  
2 identified or these zones have all been identified  
3 as medium hazard occupancies.

4 One of the things we talk about in Riviera  
5 Beach is we are a small city with big city  
6 problems. We are going to have to make the  
7 determination who we are and what are we going to  
8 look like moving forward. Are we going to be that  
9 little department that provides a base level  
10 service or are we going to look to provide that  
11 full service to our community moving forward.

12 Historical stopping concern discretions have  
13 been brought to the Council since 1991 with Chief  
14 Wester. He's brought that to Council multiple  
15 times. Chief Perry has brought it to Council.  
16 Chief Duren has brought it to Council. And I'm now  
17 here bringing it to you, addressing these concerns,  
18 which are basically revolving around my  
19 firefighters' safety. And I take that very  
20 personal, when we're talking about their staffing  
21 levels and their safety.

22 ISO. ISO ratings are basically a  
23 classification done by an independent for-profit  
24 organization that determines insurance rates within  
25 our community. We've been very successful in



1 decreasing our ISO rating, which has brought  
2 insurance savings to our community. However, I can  
3 tell you, we have hit the ceiling at class two. We  
4 don't have the facilities nor do we have the  
5 firefighter personnel to be able to achieve class  
6 one rating.

7 At our fire stations, these are basic  
8 staffing models that we have at each one of our  
9 stations. Two engines, two -- or one engine, one  
10 rescue at each station; with two people on an  
11 engine, two people on a rescue.

12 These stations were built in 1972, 1978.  
13 Here station 88 was built in '72, which is now  
14 gone. And we also have station 89 on Military  
15 Trail that was built in 1998. And we have now up  
16 staffed that station to provide an engine and a  
17 rescue complement to our western community.

18 Recommended staffing models by NFPA  
19 standards. They give definitions of occupancies  
20 and different types of hazards that may be  
21 encountered. But our, basically our primary  
22 function is to bring firefighters and equipment to  
23 the scene to put out the fire and save lives.

24 NFPA 5.2311, there in the middle, these  
25 companies shall be stocked with a minimum of four

1 on duty members. I have two. We're at 50 percent  
2 of what they consider the minimum staffing. We do  
3 think we can be functional with three because our  
4 firefighters are exceptional. But you can see what  
5 these standards lay out.

6 And in jurisdictions with tactical hazards or  
7 high hazard occupancies, they're actually asking  
8 for six individuals per truck. So those are some  
9 of those bigger heavier rescue trucks that you see  
10 in other municipalities. We do know some of these  
11 numbers are unrealistic. But we definitely can do  
12 a lot better of a job trying to get to these  
13 numbers than we have been.

14 NFPA 1710 outlines EMS. EMS is going to be a  
15 minimum of two EMTs, two paramedics. While that's  
16 four individuals, we do feel we can get it done  
17 with three.

18 When we look at countywide unit staffing, you  
19 can see Riviera ranks at the bottom. We only have  
20 two people per rescue unit. And on the suppression  
21 unit we have two. And we have the three there  
22 because our aerial truck that does run out of  
23 station 87 does have a third person on that truck.  
24 But you can see all of these other municipalities,  
25 not only are they staffing with three most of the

1 time, their suppression units, their rescue  
2 vehicles are staffed with three, on occasion two.  
3 But even those departments staffed with two will up  
4 staff to three based on individuals being on  
5 vacation.

6 Most municipalities have EMS captains and  
7 rescue lieutenants, except for those smaller  
8 municipalities. So you can see again here we're  
9 kind of on this verge of we're bigger than a small  
10 department but we're smaller than a big department;  
11 and we need to find that happy medium for our  
12 community that we serve.

13 Palm Beach County provides a three engine,  
14 three rescue service to all of these  
15 municipalities. If these municipalities get it, I  
16 don't see why our municipality can't provide it to  
17 our residents.

18 We looked at annual call volume. In the last  
19 nine years we've increased our call volume by 27  
20 percent. We are on pace this year again to run  
21 over 8,000 calls. And with COVID we could be  
22 approaching the 9,000 call mark. We have not  
23 increased significantly or proportionately to the  
24 number of calls that we've increased over a 9-year  
25 window, but we've been able to hold strong with

1           what we have.

2           Looking at our call volume, here we are right  
3           in the middle. We're bigger than Greenacres, we're  
4           bigger than the Town of Palm Beach and North Palm,  
5           but we're not quite Palm Beach Gardens or Boynton.  
6           There has to be a happy middle there. And right  
7           now we are providing services of these one, two and  
8           three station departments when we're truly a four  
9           station department.

10           But one of the things that's really  
11           interesting, and this ties into a slide you-all saw  
12           that Mr. Sherman presented yesterday, is the amount  
13           of money per resident that is charged for public  
14           safety. This is our calls per square mile.  
15           Basically calls per capita. We lead Palm Beach  
16           County in calls per capita. Our community is very  
17           dependent on our services.

18           We just had a very long robust discussion  
19           about health insurance. When I grew up, I grew up  
20           in a community just like Riviera Beach, and if you  
21           had health insurance, where I came from you had one  
22           of those good jobs, one of those good jobs provided  
23           you health insurance. A lot of people in our  
24           community, which is a known fact and something that  
25           we're trying to make better, don't have those good