


SUBJECT: A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY APPROVING A LETTER OF AGREEMENT (LOA) CHANGING EMPLOYEE HEALTHCARE CONTRIBUTION AMOUNTS UNDER ARTICLE 45, SECTION A.2, OF THE 2025-2027 LABOR AGREEMENT WITH THE MATANUSKA-SUSITNA BOROUGH EMPLOYEE ASSOCIATION AND AUTHORIZING THE MANAGER TO SIGN AND EXECUTE SAID LETTER OF AGREEMENT.

AGENDA OF: January 21, 2025

Assembly Action:

Approved under the consent agenda 01/21/25 - EMW

AGENDA ACTION REQUESTED: Present to the Assembly for consideration.

Route To	Signatures
Originator	<div>1 2 / 3 0 / 2 0 2 4</div> <div>X M i c h a e l B r o w n</div> <div>S i g n e d b y : M i k e B r o w n</div>
Finance Director	<div>1 2 / 3 1 / 2 0 2 4</div> <div>X C h e y e n n e H e i n d e l</div> <div>S i g n e d b y : C h e y e n n e H e i n d e l</div>
Borough Attorney	<div>1 2 / 3 1 / 2 0 2 4</div> <div>X N S</div> <div>S i g n e d b y : N i c h o l a s S p i r o p o u l o s</div>
Borough Manager	<div>1 2 / 3 1 / 2 0 2 4</div> <div>X M i c h a e l B r o w n</div> <div>S i g n e d b y : M i k e B r o w n</div>
Borough Clerk	<div>1 2 / 3 1 / 2 0 2 4</div> <div> R e c o v e r a b l e S i g n a t u r e</div> <div>X L o n n i e M c K e c h n i e</div> <div>S i g n e d b y : L o n n i e M c K e c h n i e</div>

ATTACHMENT (S) : Resolution Serial No. 25-008 (2 pp)
Letter of Agreement – Article 45 Insurance (2 pp)
FISCAL NOTE X Yes No

SUMMARY STATEMENT: Attached is a resolution for approving an LOA with the Matanuska-Susitna Borough Employee Association (MSBEA) that adjusts employee healthcare contribution rates under Article 45, Section A.2, of the 2025-2027 Labor Agreement taking effect on July 1, 2025.

Currently, Borough employee contributions represent 18% of the total health plan costs. The proposed adjustments aim to move closer to parity with other public sector plans. For instance, the employee contribution for a comparable health plan offered by the Matanuska-Susitna Borough School District is approximately 12% of the overall premium.

Aligning the Borough's healthcare contributions more closely with public sector benchmarks will aid in recruitment and retention efforts. This adjustment helps to ensure that healthcare contribution rates are not a deterrent for individuals considering employment with the Borough. This adjustment supports a balanced and competitive approach to employee benefits, positioning the Borough to attract and retain qualified personnel.

If approved, the Manager will include these changes in the proposed fiscal year 2026 budget. The proposed contribution rates for the term of the agreement are noted in the following table.

FY26 CONTRIBUTION AMOUNTS						
Tier Coverage	Deductible: \$500 Individual, \$1500 Family		Deductible: \$1500 Individual, \$3000 Family		Deductible: \$3000 Individual, \$6000 Family	
	MED /RX ONLY	MED/RX /DEN/VIS	MED /RX ONLY	MED/RX /DEN/VIS	MED /RX ONLY	MED/RX /DEN/VIS
Employee	\$212	\$226	\$178	\$192	\$145	\$159
Employee and Children	\$320	\$341	\$270	\$291	\$220	\$241
Employee and Spouse	\$423	\$451	\$356	\$384	\$290	\$318
Employee and Family	\$571	\$609	\$481	\$519	\$392	\$430
FY27 CONTRIBUTION AMOUNTS						
Tier Coverage	Deductible: \$500 Individual, \$1500 Family		Deductible: \$1500 Individual, \$3000 Family		Deductible: \$3000 Individual, \$6000 Family	
	MED /RX ONLY	MED/RX /DEN/VIS	MED /RX ONLY	MED/RX /DEN/VIS	MED /RX ONLY	MED/RX /DEN/VIS
Employee	\$228	\$243	\$192	\$207	\$157	\$172
Employee and Children	\$346	\$369	\$292	\$315	\$237	\$260
Employee and Spouse	\$457	\$487	\$385	\$415	\$313	\$343
Employee and Family	\$617	\$658	\$519	\$560	\$423	\$464
FY28 CONTRIBUTION AMOUNTS						
Tier Coverage	Deductible: \$500 Individual, \$1500 Family		Deductible: \$1500 Individual, \$3000 Family		Deductible: \$3000 Individual, \$6000 Family	
	MED /RX ONLY	MED/RX /DEN/VIS	MED /RX ONLY	MED/RX /DEN/VIS	MED /RX ONLY	MED/RX /DEN/VIS
Employee	\$247	\$263	\$208	\$224	\$169	\$185
Employee and Children	\$374	\$399	\$315	\$340	\$256	\$281
Employee and Spouse	\$493	\$526	\$416	\$449	\$338	\$371
Employee and Family	\$665	\$709	\$561	\$605	\$457	\$501


RECOMMENDATION OF ADMINISTRATION: Respectfully request approval.

MATANUSKA-SUSITNA BOROUGH

FISCAL NOTE

Agenda Date: January 21, 2025

SUBJECT: A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY APPROVING A LETTER OF AGREEMENT (LOA) CHANGING EMPLOYEE HEALTHCARE CONTRIBUTION AMOUNTS UNDER ARTICLE 45, SECTION A.2, OF THE 2025-2027 LABOR AGREEMENT WITH THE MATANUSKA-SUSITNA BOROUGH EMPLOYEE ASSOCIATION AND AUTHORIZING THE MANAGER TO SIGN AND EXECUTE SAID LOA.

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT YES NO
AMOUNT REQUESTED *	FUNDING SOURCE Employee Healthcare Contributions
FROM ACCOUNT #	PROJECT
TO ACCOUNT:# 100.xxx.xxx 4xx.xxx	PROJECT #
VERIFIED BY:  Recoverable Signature X Liesel Weiland Signed by: Liesel Weiland	

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous	*					
TOTAL OPERATING	*					

CAPITAL						
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REVENUE						
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FUNDING:

(Thousands of Dollars)

General Fund	*					
State/Federal Funds						
Other						
TOTAL	*					

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary) *Amount depends on actual employee contribution amounts.

APPROVED BY:	<div>1 2 / 3 1 / 2 0 2 4</div> <div>X Cheyenne Heindel</div> <div>Signed by: Cheyenne Heindel</div>
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(insert your legislative numbers here. See Legislation Writing Tips & Tricks for example)

LETTER OF AGREEMENT
between the
MATANUSKA-SUSITNA BOROUGH
and the
MATANUSKA-SUSITNA BOROUGH EMPLOYEES ASSOCIATION

RE: Article 45, Insurance
2025-2027

It is hereby agreed and understood between the parties that Article 45, section A.2., of the January 1, 2025 through December 31, 2027 Collective Bargaining Agreement, shall be modified as set forth below.

2. Employee Contribution

Each employee with a regular work week of at least thirty (30) hours or more will pay the appropriate monthly contribution for the health plan there are enrolled in and the dependent coverage option chosen~~eighteen percent (18%) of the overall medical plan costs, including prescription costs, administrative fees, and stop-loss premium costs incurred the prior plan year.~~ At the employee's option, the employee may pay an additional contribution and receive Dental and Vision coverage. Employees with a regular work week of at least thirty (30) but less than thirty-four (34) hours may elect to purchase Borough provided insurance coverage.

Employee contributions shall be deducted in equal amounts from each employee's paycheck on a bi-weekly basis. Adjustments to employee contributions will be effective on the pay period that includes July 1 of each year.

Following are the monthly contributions for the term of this contract:

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Tier Coverage	Deductible: \$500 Individual, \$1500 Family		Deductible: \$1500 Individual, \$3000 Family		Deductible: \$3000 Individual, \$6000 Family	
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IM 25-025
RS 25-008