

COMMITTEE ON HUMAN RESOURCES/INSURANCE

May 24, 1999

5:00 PM

Chairman Sysyn called the meeting to order.

The Clerk called the roll.

Present: Aldermen Sysyn, Pinard, Shea, O'Neil

Absent: Alderman Klock

Messrs: M. Hobson, F. Decker, S. Adams, H. Tawney, M. McCarthy

Chairman Sysyn addressed Item 5 of the agenda:

Class specification (Airport Security Specialist), new hire, vacancy, and termination reports from the Human Resources Director submitted for informational purposes.

Mr. Hobson stated this is our first new position under the Yarger Decker plan. We received a request from the Airport based on the FAA findings about some enhanced security that they needed to do. You will recall that Fred Testa actually came before us before he left. With all the things that have been happening across the country in the last 60 days, the fact that Manchester is looking at enhanced security is an important matter. This position is specifically to look at Airport security and the fact that they now have over 2,500 badges for various employees and vendors who go through the Airport. This person will be a low level, starting level professional position. We are looking for someone just sort of out of the gate with a two-year or four-year degree. Mr. Adams can also answer some other questions about it. Someone who has perhaps some experience from college in Airport Administration/Aviation. This is predominantly a high level clerical function, low level professional. The person will have to be walking all around the terminal and what we would like to do, as you have seen in the Mayor's budget, is we would like to create a larger umbrella of a security function and this position with Steve Adams would work with that security function wherever that security function lands. Whether it lands in the Solicitor's Office or HR or PBS, I

don't really care. Steve and Fred have talked to me about this position in detail. I think they need it. I think we are putting a fairly equitable pay out there on the streets for it.

Chairman Sysyn asked what is the pay grade for it.

Mr. Hobson answered it is a Grade 14 which is pretty much the beginning of our professional group. The pay is in the high \$20's to low \$30's.

Alderman Shea asked if it under either your department or someone else's, is that what you are saying.

Mr. Hobson answered no. That is what I want to be clear about. This position, this specialist position is full-time at the Airport with Airport funds. The security function that we also want to fund would be funded partially from Enterprise accounts and partially from Federal dollars and partially from the general fund. So the Airport, in addition to this position would also be helping to pay for the City's position. This is one position.

Alderman O'Neil stated I was just reading this and it says, "reviewed by Airport Security Supervisor." Who presently holds that job?

Mr. Adams answered I am.

Alderman Shea asked we are going to vote on this position tonight, is that what we are going to vote on.

Mr. Hobson answered yes.

Alderman Pinar moved to approve the new class specification for the Airport. Alderman O'Neil duly seconded the motion. Chairman Sysyn called for a vote. There being none opposed, the motion carried.

Chairman Sysyn addressed Item 3 of the agenda:

Communication from Deputy City Clerk Johnson Re: Current HR Policy on YDA Appeals.

Deputy Clerk Johnson stated I just handed out three handouts. They are marked Exhibit I, II and III. What we discovered in going through the minutes of the Human Resources Committee is that there was some confusion as to what was physically acted on and what hadn't been acted on in the first instance. The second instance is that the policy that the Board of Mayor and Aldermen adopted

in reality states that all of these things should be going to the Board and not to this Committee directly. They should be going directly from the Steering Committee to the Board is the way it is worded in the policy, but I don't think anybody intends that the Board of Mayor and Aldermen want to sit down and go through each of these. I think everybody is of the agreement that it probably does belong here, but it needs to be proposed to the Board that way and there needs to be a policy change because you aren't following the policy. In addition to that, in reviewing them we discovered that the Advisory Committee actually was only supposed to be for a term of 90 days from the date of adoption, which was November 17 to the best of my recollection. That would have, in essence, expired awhile back. There are still some issues that Mark has been working with them on. As a result of that, I made two suggested motions in the memo that was included in your agenda. In addition to that, there are some things that probably should be done with this and depending on what you decide to do, if you are not going to take an action to ask the Board to change the policy or act as I had requested, than the items acted upon will be referred directly to the Board and we will have to reformat this a little bit to allow the Board to realize that it is not up to them to make the decisions but that it is a final action as it shows here.

Mr. Hobson stated first of all, I want to thank Carol for perceiving this as an issue to be cleared up. I appreciate what she did and how she did it. She was very professional and very thorough. The second thing is that it was never the intention of Floyd or I as we were talking about creating this Appeals Committee with labor and such, it was never the intention for the short-term appeals to be approved by the full Board. It was always to have the Appeals Committee do the grunt work of Human Resources and then you folks to sit through all the details. For larger issues beyond appeals, that is after the appeals process is settled, yes, the full Board should approve positions like it does now. Like this Airport Security Specialist position. You approve it and then you send it to the full Board. So the appeals process, the work was supposed to be done at a lower level, not the full Board and I apologize. Floyd and I didn't catch it, Carol did and we appreciate that.

Chairman Sysyn asked should we keep it here.

Deputy Clerk Johnson answered I think that what I indicated in your memo is that you should recommend to the Board of Mayor and Aldermen in the first instance that the Steering Committee should be continued through July 6 which is the date of the first Board meeting in July, the one that I put on the memo.

Alderman O'Neil asked what is the significance. Why wouldn't we want to continue it beyond that, Carol?

Deputy Clerk Johnson answered my understanding from the Human Resources Director is that pretty much all of the appeals process should be done by July 1. In the event that it is not, it gives you until that first Board meeting to send further direction as to what you want to do. So it keeps the door open, but does put a date of end on it.

Chairman Sysyn stated it should be done in July because the budget has to be done by July 1. We have been working on this long enough.

Deputy Clerk Johnson stated if you want to extend it longer, that is certainly up to you.

Alderman O'Neil stated just looking at the items needing action and tabled items...

Deputy Clerk Johnson replied some of those items needing action, I think...

Chairman Sysyn interjected look at all of these we went through already. We don't really have that many.

Alderman O'Neil moved to recommend to the Board of Mayor and Aldermen that the Project Oversight Committee and appeals process continue through July 6, 1999. Alderman Pinard duly seconded the motion. Chairman Sysyn called for a vote. There being none opposed, the motion carried.

Alderman O'Neil moved to recommend to the Board of Mayor and Aldermen that the action taken by the Committee of Human Resources/Insurance to date be accepted by the Board as final action and that the appeals policy contained in the Yarger Decker findings be changed to read "the Project Oversight Committee shall recommend approval or denial of the appeal to the Committee of Human Resources/Insurance." Alderman Pinard duly seconded the motion. Chairman Sysyn called for a vote. There being none opposed, the motion carried.

Alderman Shea stated what you are saying and what he is recommending is that the appeals will come to us and we will make the recommend as we have in the past and then forward it to the Board for their approval. No? What we say at this level will be it?

Deputy Clerk Johnson replied what you decide at this level will be it unless for some reason you want to refer something to the Board and then, of course, you could.

Alderman Shea asked does that form a precedent with other procedures.

Deputy Clerk Johnson answered no and I did speak to the City Solicitor about this as well. The Committee, I think, when it was acting all along was acting...these appeal processes were in response to a study that the Board enacted and I don't think...you are dealing with personnel matters and there is a question as to whether some of this stuff really should be in the public domain in the first place which is certainly why you don't want to get into the Board level and start arguing about whether somebody is going to be compensated X, Y or Z. That is one of the concerns. This Committee has typically dealt with those kinds of issues. I don't think anybody was questioning whether the HR Committee was kind of overseeing a lot of what was going on with the study and as of July this appeals process is done. You are not changing...if you were saying that you were going to through this process change existing numbers of personnel in a department or create all kinds of new positions, that would be a different story than I certainly and I am sure the Solicitor is aware that has traditionally been a Board action, recommended by HR, but it is a Board action. These are clearly just results of the study. People saying I don't like what they said and the Board felt that there should be an appeals process. When that was explained to the Board, I believe it was the Board's intention at that time that HR was going to deal with that. I don't think that anybody anticipated that you were going to sit down and hash out whether or not someone is going to get \$1 or \$2 more an hour at the Board level. That is just not something that you want to do.

Alderman Shea stated as long as it follows the proper procedure.

Deputy Clerk Johnson replied the City Solicitor saw nothing and he agreed that either you needed to change the policy or this stuff did need to go to the Board and at first he questioned whether or not it would have to be done in non-public and I pointed out that it has been a matter of record up to this time so he said it should stay the way it is now. That was his suggestion.

Deputy Clerk Johnson stated I just want to point out the handouts. Exhibit I tells you what you acted upon and I did that for everybody's benefit so that everybody knows exactly what they did and when they did it. The next is Exhibit II. These are items needing action. Some of these are ones that were actually listed at some point in time as having been acted on but were never physically acted upon by this Committee. I would leave it to Mark as to whether or not he wants to proceed with talking about any of those right now. These are ones that were reported, I believe in the April follow-up as action having been taken and it wasn't.

Mr. Hobson replied I pretty much have these memorized.

Deputy Clerk Johnson responded I didn't know if you wanted to address those and that is certainly up the Chairman of the Committee. The other items are items that are still on the table and I didn't know if there was any reason that anybody wanted to take anything off and deal with them tonight. I just wanted to explain that.

Mr. Hobson stated on Exhibit I there is only one correction and that is on Page 2 of 3. The Airport Superintendents. Those were, if you recall, Fred was going out and coming in and what you did was you did, in fact, freeze the Assistant Directors but the Superintendents, however, you tabled them. I am fairly certain of that. You know why I say that, because they came up at our next Appeals Committee meeting in April.

Deputy Clerk Johnson replied I know they did and we didn't know why that was when we went through. We saw them on the list as coming up, but when we went through the minutes those were part of the freeze action. There was a motion to agree to a certain number on that page. If they want to take it and table it now, that is fine.

Mr. Hobson stated we wanted you to table that because we needed more information from Fred before he left. He got it to us. The Appeals Committee met on it and made a decision that you will see at the next Board meeting. Could you just table those folks?

Deputy Clerk Johnson stated you would need a motion to remove the freeze and table the items.

On motion of Alderman Shea, duly seconded by Alderman Pinard, it was voted to remove the freeze status from the Airport Superintendents and put those items on the table.

Alderman O'Neil asked when will we see the rest of the items that need to be acted on. At the next meeting?

Mr. Hobson answered yes; we will be ready to give you a full report.

Chairman Sysyn stated that should take care of it. We have gone through a heck of a lot more than these. We should be able to clean this up at the next meeting.

Mr. Hobson stated if you like, we could run through...well like I said I pretty much know all of these so we can run through final recommendations on some of these right now and I can tell you which ones are coming in now. What would you like to do?

Chairman Sysyn asked that he go through the list.

Mr. Hobson stated on Exhibit II, Colleen McKean should be brought in next so no action. Dennis Meuse, no action. Sarah Hamel freeze. Steve Tierney next meeting. Don Dunn next meeting. Joe Przybyla next meeting. Bill Prive and Victoria Enghben, next meeting. Michael Houle, the Committee froze. Bill Jabjiniak the Committee froze. Marian O'Connor you see the rest of those as no, freezing the rest and no for David Dydo and Dennis Walsh. Freezing McCarthy and Peter Waligura. The other folks, you see the A-STEPS right straight through the School Department. Susan Brodeur is no. Patricia Kissleburg, Diane Case, and Diane Mullen are frozen. Nancy Crawford is no. All of those have been through the Appeals Committee on at least two occasions and the employees have had an opportunity to come and talk to the Committee if they chose to do so. Those have been hashed around.

Deputy Clerk Johnson stated knowing what I went through to get this information resolved at this point, I have two questions. One is on these freezings. Are these frozen for the year process?

Mr. Hobson replied yes.

Deputy Clerk Johnson stated okay because you have one here that was yes, yes and you are telling them to freeze, right. On Sarah Hamel the Appeal Committee said yes and you are telling them to freeze her, right, or do you want them to table that? I just want to clarify that because sometimes I think those words have been used in error.

Mr. Hobson replied Sarah Hamel, why don't we table that for now and I will check.

Deputy Clerk Johnson stated if you want to go along with what he has just stated on all of that, you can take one motion. If you are freezing, you are doing it for one year, until January.

Alderman O'Neil stated we have had I think two or three of these where department heads...I don't think individual employees and maybe there were individual employees who came in before us but at least some department heads and if we took action tonight it would be inconsistent with what we did in the past. I think we should just take up all this at our next meeting.

Mr. Hobson stated most of the department heads have had direct input on all of these. They still might want to come and lobby to you as the final group.

Alderman O'Neil replied all I am saying is that if we take action tonight it would be inconsistent with how we have handled it in the past and I think we owe the employees and obligation to at least handle everybody the same.

Mr. Hobson responded whatever you want to do is fine with me. We are ready. I think if you took action on these I don't think you would hear a peep from anybody, but I think Alderman O'Neil is correct to just do it all in one meeting.

Alderman Shea asked is there anyone in the City who didn't get a pay raise who didn't appeal. Everyone that didn't get some kind of pay raise appealed, didn't they?

Mr. Hobson answered some employees who did get pay raises appealed.

Alderman Shea asked they wanted more.

Mr. Hobson answered they wanted more.

Alderman Shea asked is there anybody who didn't appeal who didn't get a pay raise.

Mr. Hobson answered I don't know. What I will do just to be clear is I will take all of these from Exhibits II and III and I will give you a narrative that goes along with it like I did the last time telling you what the Appeals Committee recommends and then we will go by this. I have one more sheet that I will review against this just to make sure it is in agreement with your stuff and I have about four or five more names that have to be cleaned up and then we are done. They have to get their names in by a certain date and time so if their names aren't in, we don't go through the process.

Alderman O'Neil stated, Mark, I don't remember this being a problem from the past but you list them by departments but they are not all the same jobs. Is there anyway of putting a column just for what they do and what their job title is?

Deputy Clerk Johnson suggested that since there are only four or five more names, Mark can just send that information to the City Clerk's Office and we will add them to the tables and send the information out under separate cover in advance.

Alderman O'Neil asked, Mr. Decker, some of the employees on there are appealing because they are beyond 35 years. Is there any place where you have done some kind of creative...I mean it is rare to have a City employee for 40 years but we do have some. Is there any place where you have done a cash bonus thing or something?

Mr. Decker replied do you mean for longevity. I think there are jurisdictions that will pay longevity forever. It comes at certain integrals. You take someone who is 18 or 19 years old and 40 years older they are 59. If I joined the City when I was 19 and I had 40 years you might want me for another 5 years. I don't have real problem with that.

Alderman O'Neil stated I don't know that adding another step is the answer to this because I think that the probability of having 40 year employees down the road is slim, but just in this particular case...have you done anything other than adding another step.

Mr. Decker replied no. It is normally just handled as a normal longevity step and in the places I have seen it, it goes beyond 30 years. It has the same affect. The bonus is going to be the same amount. If it is less, you have to ask yourself why. Are you trying to get rid of the old people?

Alderman Shea asked, Mark, the teachers don't get longevity do they.

Mr. Hobson answered their longevity is built into their steps but when they hit their top step, no, they only get cost of living. It has come up as a talking point in union negotiations and I don't think I am violating anything because it was said in an open meeting that they would like us to consider a 40 and 45 year step. We know for a fact that it probably affects less than six people but it might be, for them, a show of good faith that as Floyd says we are not being discriminatory and we do understand that there are people who might get into the City at age 18 and actually stay for 40 or 45 years until retirement. It could happen. Well, it is happening.

Mr. Tawney stated I don't know if you really need to add the step because as people go up in the scale and as they advance, if somebody was hired as a Laborer and stayed as a Laborer for 40 years, yes, he would need extra steps but most people progress. They get more responsibility and as they move up their steps change and we might consider that if you wanted to not change the number of steps but just leave the existing steps and allow those people to have 35 or 40 years extra steps but just not go beyond the extra steps. The steps are not assigned in a year. They are just steps and just pay the existing scale as long as you have room on the existing scale, you can go up for 35 or 40 or 45 years.

Mr. Hobson replied what you do in that case is, and Howard is correct, you don't need to add extra steps to the scale. What you need to do is say that employee has been here for 40 or 45 years and would be eligible for the A-STEP. Right now, you stop at 35 years. They go every 5 years until 35.

Alderman O'Neil asked but am I correct to say that these six people in question under the old system didn't get anything after 25 years right or 28 years.

Mr. Hobson answered one group had 33 and one group had 28.

Alderman O'Neil stated all I am saying is that kind of somehow missed out and they are good, loyal City employees. It is unusual to have somebody for that many years.

Alderman Shea asked how much have they lost in the process.

Mr. Hobson answered they are frozen basically.

Alderman Shea asked so what happens is now they can't aspire to the 30 years.

Mr. Hobson answered they have to stay.

Alderman Shea asked so they have to stay two more years to make 30 and two more to make 35.

Mr. Hobson answered yes and then after that they don't get anything. If they have been here, and we have six of them with over 35 years.

Alderman Shea stated well we should put something in for 40.

Mr. Hobson replied that is what the unions are asking for.

Alderman Shea stated I don't want to undo the harm that has been done, but we should try to reward them. If they want to stay for 40 years, I think we should make provisions for that. Nobody has gained. Some people have lost two over the course of years and you can't undo that. You have teachers or secretaries that haven't gained anything for a great deal of time. I don't know how you are going to do it, but to be fair you have to start considering what to do about them as well. They didn't get pay raises for nine years.

Alderman O'Neil stated we are not talking about pay raises here, we are talking about longevity steps.

Alderman Shea stated I am just talking about the general thing and things that haven't been accomplished.

Alderman O'Neil stated all I asked is, is there a way that...

Chairman Sysyn interjected the unions are looking at that.

Alderman O'Neil replied but none of these people are unionized. They are not part of a collective bargaining agreement.

Mr. Hobson responded two of them are non-affiliated. Two of the people who have specific longevity issues are non-affiliated.

Alderman O'Neil stated if you could give it some thought and talk to Floyd and see if we can come up with something to address it that would be good. I feel like they have been punished. Nothing is intention but I don't think we are going to see a 40-year employee again. One of these guys I think started with the City when he was 16 years old. The fact that he probably lasted a longevity step at his 28th year and he has been here 12 or 14 years beyond that just doesn't seem right.

Mr. Hobson stated if you would like to give us some directive, we would be happy to do that.

Alderman O'Neil moved to have Mr. Hobson and Mr. Decker look into the longevity issue for 40 and 45 years to see if they can come up with some creative way of doing this. Alderman Shea duly seconded the motion. Chairman Sysyn called for a vote. There being none opposed, the motion carried.

Chairman Sysyn addressed Item 4 of the agenda:

Overview by Floyd Decker of Yarger Decker and Associates proposal relative to the employee and organizational development in FY2000 project.

Mr. Hobson stated I want to take 30 seconds to introduce Maureen McCarthy who is our new ADA and Training Coordinator. She has moved back from the School over to the City again. She will be with the City full-time working as a Coordinator of the Americans with Disabilities Act and helping the School Department with their 504 Disabilities issues and working with us on training as well.

Alderman Shea asked is she working in your department, Mark.

Mr. Hobson answered yes.

Mr. Decker stated the purpose of this meeting is to give you a very quick briefing of the proposal that we put in in response to the City's RFP for the management organization study. I wanted to take just a second to give you some context for our proposal and then pass out some forms that we are going to use. How the two other previous projects tie into this is that we worked with you in the past couple of years to give you a classification and pay plan that is externally competitive, internally fair and to develop an employee development and annual performance review system that works on improving City employees knowledge, skills, abilities and performance. Now as a result of that, you have a right to expect certain things with a market competitive pay and benefit structure. You have the right to expect improved work outputs and outcomes, not only from your employees but also from departments in general. I think that as a result of what is going on there is an improved atmosphere between the City and employees that provide you with the unique opportunity to involve them in efforts to improve the quality and the quantity of the City's outputs and outcomes. My experience with them over the past several months is that this is a rather unique opportunity. I think the employees want to do this. They want to begin looking not now at their wages and benefits but they have shown some excitement about talking about how to improve City operations, activities and results. We go all over the country and when you talk to people and ask them what do they want, they talk about a lot of things but this is what most people want. They want a local economy that provides basic jobs for their families and themselves. They want affordable housing, quality schools and colleges, recreation and cultural facilities, good streets and smooth traffic flow, effective law enforcement and efficient emergency rescue or EMT type activities. They want clean air, adequate and safe drinking water. They want their cities to look good and they will tell you that those are the things that really matter to them, not what they do in Washington, D.C. or what is going on at the State Capitol. That is what matters in everybody's daily lives and they want efficient and prudent expenditure of tax dollars at the same time they want reasonable taxes and they want people in City government to let the Democratic and Republican stuff to stay at the door when they are talking about their local community. If you talk to anybody, and I don't care where they are from, when you listen to them talking about what matters to them, that is what matters to them. The other thing is when you think about it they may go and complain to State and Federal officials, but most of them don't look to Federal officials to address those problems because they don't have the perspective or the experience. They may go and complain to their Congressman about you but they know that the Federal official really can't do anything for them. They don't look to the State officials because most people are aware that the State governments really aren't doing anything for local governments. The bottom line is they really kind of look to you to sort it all out for them. Really you are the ones who are held accountable for their performance and so as we go around the country doing classification and compensation studies and performance studies, I got to thinking

what are the common local government problems. These are going to exist not only here but also they are going to exist everywhere in one form or another. There is usually a lack of clear, basic organizational purposes, principles and priorities. As a city grows and changes, those things happen. There is a lack of clear criteria for regulating City services and service levels and how you measure the outcome or the output of what you expect those departments to do. There is not a regular evaluation of the City services, operations and activities in terms of whether activities are necessary, whether they should be funded and whether they are responsible. It seems like a program gets established and just goes on and on and on and nobody sits down and says do we really need it or not. There are also too many department and divisions because of excessive special relations. There is a failure to identify the implication of services or gaps in services in those operations and activities. There are some others. There is often inadequate interdepartmental and interdivisional communications with each other and collaboration across department lines, resulting in inadequate employee training and development and a clear delegation of decision-making authority. Now we are working on the employees' development and training right now in the process that we are working on with the employee development program. Lots of times people get promoted in local government based on the fact that they have been here a long time rather than the fact that they know how to lead and how to lead other employees. A lot of times we have overly detailed operations, policies and procedures and we are just not pushing things down to the lower levels. There was a story in the paper the other day where an employee, they were in an emergency and they had to have a fan of some kind and they didn't have it so the employee simply went down to Staples and bought a fan, a big fan and came back and said I will get reimbursed later, thus doing what you would expect an employee to do in a crisis situation and instead he got called up before authorities and threatened with his job because he didn't follow purchasing procedures. Of course the thing you know about is inadequate revenues and revenue sources which you can generally lay right flat at the doorstep of the State Capitols. So what is the purpose of this study? We want to involve every member of the Board of Aldermen, the Mayor, every single department head and division head, supervisory personnel, and program managers in a comprehensive effort and bargaining unit representatives in an effort to examine all the basic central missions of each department, division and office of the City. Why are we doing this? We are reviewing, in essence, the City's administrative organization and recommending the most efficient, effective and responsive structures to accomplish the most basic missions and responsibilities. We want to review the City's basic administrative and operational policies in each department and make recommendations to achieve new efficiencies. We want to look at the future challenges of the City and discuss ways that we can effectively meet them. We want to look at new policies and procedures in meeting those challenges. We want to identify ways of eliminating overlapping and duplication of services and

community wastes of time and resources and grow in marginal value operations. We want to look at the structural committee organization of the Board of Mayor and Aldermen and recommend ways of improving your policy making and policy oversight responsibilities and all together build a new and improved partnership between the City and the bargaining units for management and labor are both concerned with quality of outcomes and output as well as wages and benefits. That is doable. That is particularly doable in this City at this time. The process is a proposal, if you look at Page 8 there are some compliments of research and data collection. On Page 13 there are extensive interviews with all parties involved and an extensive review and evaluation of the findings and recommendations and presentations of the findings and recommendations directly to you in advance for you to evaluate them, criticize them and sort them through. This is not a kind of process where you hire an expert to come in and tell you what it is. This is something that we are all going to work together on and sort through and there could be some surprises, some nice surprises in terms of what we can find. Now Mark has got, and let me pass these out to you, what we put together gives you an idea of what we are talking about here. The kind of process that we would take each person in this study through and this would include yourselves, this document is divided into about 12 different kinds of questions. The first question, for example, we are going to ask each department on the first page to give us all that information shown on the bottom part of this first page and we are going to thoroughly analyze that. You have seen it before. Then we have a series of questionnaires and they are asking for first, the current external issues and challenges for their department or for the areas in which they are interested. You would be asked these questions too. Secondly, what are the current internal challenges and issues that are going through here. Every member of the Board of Mayor and Aldermen has interests that resulted partially in your running for election for this office. You have concerns and those are broad and both external and internal and what would you recommend be done about it and would that save or cost money.

Alderman Shea asked what do you mean by internal and external.

Mr. Decker answered an external challenge may be the lack of adequate relationships with State government or inadequate funding for certain local government responsibilities. Things outside of the City.

Alderman Shea asked so anything at the State or Federal level would be considered external and internal would be anything related to departments or within the City itself.

Mr. Decker answered right, but an external challenge might be economic downturn. Now the third question and of course you are not limited to the boxes here is what are the future external and internal challenges. The ones we just talked about are firm and ones on the table that you can see but I was thinking I was born in 1940 and here we are at the turn of the century and when I think of the changes that have occurred over the past 50 or 60 years that I have personally seen and some of you are older and some are younger than I. Just think about what is going to happen between now and the year 2050. It probably won't be as high tech and as modern as we think it is going to be and it might not look a whole lot different than it does right now, but the things that are going to happen between now and then and the pressures that are going to be on our successors in local government like the information technology that is coming down the line and instantaneous expectations in the communications, taxpayers may be getting their taxes paid over the Internet instantaneously and there are all kinds of things like that that could speed up the decision-making process that has to be done. There are other things like maybe our kids will have to go to school with personal bodyguards, I don't know. You are going to have challenges that you probably hadn't thought of. In 1960 we didn't think about a lot of the things that we have today. We can't really identify everything, but I would like you to put on your hats and say what do you think are going to be the external and internal challenges of the future and what can we begin working toward today to get the City ready to address them. Number five is internal and external tangible barriers. We have tangible and intangible barriers. Tangible meaning like funding. Intangible would be like poor communication. What are the barriers of carrying out the recommendations that you have in front of you? What would keep you from solving some of those issues? You need to identify what you think those barriers are because obviously if we don't identify the barriers we don't know how to get across them. Number seven is what are the external policies and procedures preventing optimum operations in the City and what are the internal policies and procedures preventing optimum operations. What are we doing to ourselves? Number nine is service duplication and overlaps and gaps. Where are they? What can we do about them? How can we eliminate them? How can we streamline better? Number ten, organization measurement for criteria. Right now we are talking to some people about...lets say that you are talking about the Health Department here and Fred Rusczyk and how do you measure the effectiveness of your Health Department. Well, we need to make sure that every single measurement criteria that you use to measure the operations of the Health Department can be clearly seen by you as policy makers. For example, what is the incidence of contagious diseases? Is the trend going up or going down? The idea is to say as a performance measure we expect food poisoning to be going down rapidly or sharply. Whatever it is now, one of the goals is to reduce food poisoning. You say we got 30 cases of food poisoning last year and the goal is to cut it this year to 15 and next year to 6. Are we achieving that and not, why? You

will be able to help set the measurement criteria for each activity in each department and in each division so that as you are reviewing the results of what you are funding and the results are what you are paying for, there is a clear measurement as to what you are getting back in terms of performance.

Alderman Shea stated in order to make judgments, we have to have statistical data.

Mr. Decker replied sure.

Alderman Shea stated so what you are saying is that before we go into this we have to sit down with different people in these departments to get some kind of data in order to formulate whatever kinds of criteria we want to establish. In other words, for instance in the case you gave us, I wouldn't know how many cases of food poisoning there were unless Fred Rusczyk told me. My proposal may be unrealistic because I may say well I really don't want any of it and he may say well that is kind of crazy because you need to have at least a certain amount of food poisoning I mean you have 100,000 people. Some of these things could probably be a little bit inconsistent. Our expectations might be different than their expectations and their expectations may be predicated upon idealism. There are a lot of different things that go through my mind.

Mr. Decker replied right, well the first thing we want to do is sit down with Fred and say what are the reasonable measurement criteria for the Health Department. What should the Aldermen and Mayor be tracking and we will look at that with you and provide that information to you so you go well our policy is zero tolerance for murder. You can't do that. You have no control if you have three murders in town or if you have two, but you know that if you have 50 you have a problem in town. If there were 50 murders here last year it would be fair to say we want to cut them down and how can we do that. Like in your case with the food poisoning, you don't want to say well we find three cases of food poisoning acceptable, what you simply say is we are striving towards zero but what you will be measuring is are we getting to a certain level or operating at an optimum level. If you only have one or two murders in a town like this a year, that is probably the best you could hope for and you probably reached the best possible level. Maybe some years you have not and in other years you had three. You don't know.

Alderman Shea stated maybe I am off base but my particular thinking runs along the lines of how can we prevent murders. How can we prevent food poisoning? That is where my level of understanding is. Not so much saying a specific number because we can't really control that. In other words, it would be more in the case of what do we have to do so that people who are disabled can find access to buildings rather than how many can't find access. That is all right in terms of

statistical data, but the important thing is not so much how many can but how can we solve the problems in terms of gaining access to different buildings.

Mr. Decker replied we are tracking exactly those issues. If you talk about that and you say that is of interest to you and that is one of the things you want to track, we say to the department heads how can we give Alderman Shea the measurements that he wants to track what is going on and you say to Maureen how can we identify things like that so the Board can track them and how can we determine progress. If she says well and this is theoretical, but if she says only 40% of the public buildings in the area are properly fixed for handicapped access then you can set a goal and say well is it reasonable to assume that next year we can get 10% more.

Alderman Shea asked now if people are to be evaluated on performance, the how is more important than how many. Do you know what I am saying? In other words how are you solving this problem concerning food poisoning, handicapped accessibility or murders or school concepts.

Mr. Decker answered I would come to you as the Chief of Police and say it looks like the robbery rate has gone sky high and you ask why and I am going to tell you why and you are going to say what do you need to bring it back down and we will talk back and forth. We are talking about specifically measurable things so next year you can see how well I did with what you gave me and whether I need more or less. If you say well you got that robbery rate down low but something else went up over here, maybe we need to shift funds from here to here so that we maximize the effectiveness of the funds you are using and from year to year you can make intelligent policy decisions and also monitor what has happened.

Alderman O'Neil stated I am not sure I am getting all of this. What you are saying is you are going to talk to a department, for example a certain department does some type of inspection services so you will ask them what is a realistic number that an inspector should be doing?

Mr. Decker replied well what is the expected output or outcome of your activity. The fact that you did X number of inspections may not be the issue. The issue may be how many buildings did we bring up to code. How many buildings did we get cleaned up?

Alderman O'Neil responded I guess what I see is the departments and rightfully so will always low-ball those numbers to make sure they cover. Do you know what I am saying?

Mr. Decker asked you mean the employees.

Alderman O'Neil answered right.

Mr. Decker stated that is one of the things we need to address in this study is how we can get accurate and reliable data. If needed, you can call other cities like Nashua to check on the numbers.

Alderman O'Neil stated what I am getting at is don't we need, as we did with our employee classification, don't we need how some other communities are doing it for that information.

Mr. Decker replied as we get in with those department heads, we may use some of the benchmarking for controversial items that we run into as a measurement just like we look at salaries in other cities. We may do some benchmarking.

Ms. McCarthy stated we also have in-house information with the employee goals that each employee has developed in conjunction with their department head so there will be information within each department as to what they perceive as their goals and output and measure that in collaboration with this information to see how that balances out.

Alderman O'Neil replied I don't disagree with you, but what I am concerned with is their goals could be low. We need outside information to get what is achievable. That is what my concern is.

Chairman Sysyn stated they will both be working together too.

Alderman O'Neil replied he can only work with the information he is provided.

Chairman Sysyn responded but he will get some information from other communities I would think.

Mr. Decker stated some of the issues we can get it from other communities to ask them. Once you set a program like this in place, then you know what it is you want to measure and then you know what you can ask other communities. We want to get it put in place first and then find out and you may find out from year to year that you may change your measurement. The idea is to get the system in place and then later technology or experience or whatever teaches you that there are other influences.

Alderman O'Neil asked so this is really a multi-step program then.

Mr. Decker answered it ought to be a program where at the end of it the departments can do it themselves and you can do it yourself and you don't need me here.

Mr. Hobson stated that was going to be my point is that we are putting...we are sort of changing a lot of ideas and a lot of cultural issues when you talk about asking the employee for their input and where they can cut costs. There are department heads now speaking very bluntly that do not know how to write a business plan. They have never really been forced into writing goals and a business plan in the way that Floyd is putting this together because we have never asked them to do it that way or if we did it was 10 years ago. I think what is happening is we are going to teach them how to fish so they can keep doing that themselves and Floyd can point to us how to get some of that data and you will see people like Bob MacKenzie and Leon Lafreniere they will have different associations that they can tap into but I think Alderman O'Neil's point is very valid. Where we can measure against other cities our size, we need to going out of the gate and where we have specialties where maybe other places don't do it the way we do it, then we have to have those exceptions but we need better equipped department heads and leadership and that is where you see this really heading.

Mr. Decker stated one example I have recently from a city we were in is the Chief of Police said I want you to check our crime rate against the crime rates of other cities of our size and in the general area and you are going to find that we have a higher crime rate but I also want you to check the numbers of officers that we have per 1,000 population against those others and you will see that we have a higher crime rate because we have a lower number of officers. I said well is the answer a greater number of officers and he said no, now that you look at the statistics of what kinds of crimes they are he said it has to do with shifting the resources he has to different kinds of activities and he said I don't need to match that national figure on the number of officers I need. I need to divide these up into zones and move into different kinds of deployment of my forces. This kind of information may let you make wiser decisions in terms of how you deploy your resources from year to year to attack those things that are on your minds. On the Board of Mayor and Aldermen you are all different people and you all have different interests and you may find that your interest is in one particular area and you are helping focus on that and people may rely on you because that is an area of your expertise and this one may be in a completely different area but if you are both working off the same process and you both know what the other one is doing...I mean it would be mind-boggling for you to try to have all departments in this way but if you served on different committees and one of you is focusing on one thing but you have a common process of what you are looking for and what is fair as a team and how you work it out and what to expect and what to ask the department head for and one of the things we are going to provide you with is a list of measurement

criteria. The International City Management Association puts out a big thick book on the measurement list for different functions of municipal government that you can pick and choose from. We want to make you more powerful in terms of looking at issues, setting policies, setting trends and knowing how to measure it and answer to the public. It is going to be interesting because with the technology they have today, a lot of this; the departments are recording this data already. A lot of it is it never gets from their putting it into their database to you in a form that you can use for a policy making analysis. I can bet you right now that the transit agency that I know you don't govern, but the transit agency can tell you how many people are riding the buses and how many are not. I bet you have the capability in the Highway Department to determine how many cars are going past certain troublesome intersections. We have all kinds of data out there that is not being organized and synthesized in a way that you can use it properly and track it properly and with the new technology we have one of the things we need to talk about is how can all that be brought together and how can she work together to put that information in front of all of you on a regular basis so that you can look at municipal trends from month-to-month or quarter-to-quarter so you can track how effective your decisions are. You may find out that whoops you know one thing that you thought was going to work is not working the way you wanted it to and you have a quick response change.

Alderman Shea stated lets use the Chief of Police or the Police Department. Now the Police Department has an overall goal and as an Alderman I get specific calls about different matters that are very important to my constituency, but the Police Department has their own list of priorities so when somebody calls me up and asks me to intervene, that person, their main priority is getting rid of whatever, a yard sale that goes on day after day, week after week or it is something else. The Chief or the people in the Police Department consider that out of 15 prioritized items the 15th one so now if I as an Alderman say to the Chief of Police or the Police Department look you guys have to start paying attention to details here because if you don't pay attention to details then the overall picture is going to be affected and they may say listen you don't understand what is going on in the City. We have to run here and there for accidents and so forth. These are the difficulties that are going to be encountered when we start somehow if we are not careful micromanaging the Police Department or the other departments.

Chairman Sysyn stated no, I don't want to micromanage any department.

Alderman Shea replied neither do I but I am just saying this is how it works and then you have a constituency in Ward 4 or Ward 6 who are more interested in their particular problems than the Chief of Police is in managing his budget and keeping track of his personnel and how they feel, etc.

Mr. Decker stated this is really great because this kind of discussion we are having is one of the things that we wind up doing when we spend an hour or two with each of you to go through and get your thoughts, your ideas, your concepts of what you want to see come out of this and your concerns. Then we do it several times throughout this process along with the Mayor, each department head and we bring all of these ideas together.

Alderman Shea stated I sat down with the Superintendent of Schools on Monday and I told him I am against the middle school and it went in one ear and out the other. You know what I am saying? This is their decision to make. I am just saying that is the nature of it. I mean a department head isn't really going to listen to Bill Shea as an Alderman. Maybe if Bill Shea were someone else who had seven or eight Aldermen in his corner and could influence a vote that is different.

Chairman Sysyn stated well that is what he is trying to do with this. Get your input and the department head's input and then we will get a summary.

Alderman Shea asked who am I to run the department.

Alderman O'Neil stated this is a great concept. The fact that we even got through the employee classification study was a major step here. To hear about some of the negotiations going on and that the performance appraisal system is not the major issue on the bargaining table, I mean we have come a long way and I think this is just another step. I think it is super. The question I asked Mark before the meeting is where do we fund it. He said it is in his budget, but there is certainly a lot of discussion going around about possibly some cuts in departments over the Mayor's recommended budget and what would that do to this project.

Mr. Hobson replied we get started on the first phase of this project immediately because we have money in the...it is Project Oversight Committee money. You know the...Quality Management Committee money, sorry. There is money in Quality Management left over from its projects to start working on this now, even before the budget goes into place on June 8. That is a limited amount. Then I have asked you for \$12,000 more than what the Quality Management Committee has for next year and that is going to come from three places. Enterprise accounts, Federal funds and the General fund. To answer Alderman O'Neil's question, if my general fund numbers get cut, this project is near and dear to where we need to go with the City so what I would do is I would have to go somewhere else and cut something else and then I would have to go to Bob MacKenzie and CIP funds and get more money out of my CIP funds. If you look through the CIP budget as it is attached to Human Resources, you will see pieces.

Chairman Sysyn asked do you need a motion to go forward with this.

Mr. Hobson answered I sincerely wanted the Committee to buy into this. I don't know what I am asking.

Alderman O'Neil moved to approve the Organization and Management Development Proposal submitted by Yarger Decker & McDonald, Inc., in an amount not to exceed \$189,000. Alderman Shea duly seconded the motion for discussion.

Alderman Shea asked so it is going to cost approximately \$189,000 and be divided among Enterprise, CIP and what else.

Mr. Hobson answered Federal dollars, CDBG money.

Alderman O'Neil asked, Mark, is it possible to get a one-pager on how this, if everything plays out, will break down. I am sure we are going to be asked.

Mr. Hobson asked you want a breakdown on who has what money.

Alderman O'Neil answered yes.

Mr. Hobson replied sure.

Chairman Sysyn called for a vote on the motion. There being none opposed, the motion carried.

There being no further business to come before the Committee, on motion of Alderman O'Neil, duly seconded by Alderman Shea, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee