

COMMITTEE ON HUMAN RESOURCES/INSURANCE

October 19, 1999

5:45 PM

Chairman Sysyn called the meeting to order.

The Clerk called the roll.

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

Messrs: D. Miller, M. Hobson, M. McCarthy, H. Tawney

Chairman Sysyn addressed Item 3 of the agenda:

Presentation by Debra Miller, Citizens Bank, relative to Fannie Mae (Employer Assisted Housing).

Ms. Miller stated thanks for allowing me to come and do a presentation this. It will be a brief presentation. What the presentation is pretty much about, I think you have it in your packet already, is an opportunity for Citizens Bank, the City of Manchester and Fannie Mae to partnership in a program to help employees buy homes in the City of Manchester. So it would more in the form of a grant to employees who are looking to purchase a home, but it would have to be targeted for the City of Manchester. I know for us, we are looking for further our lending, especially for the low to moderate income people and for the low and moderate income geography which doesn't necessarily mean that the money targeted from the City would have to go that way, but our money would have to target that way. What we would propose to do is match dollar for dollar loans to your employees who want to purchase in the City of Manchester up to \$1,400. If the City would put in say \$1,000, we would match it up to \$1,400.

Mr. Hobson asked could you also explain Fannie Mae's role in this as well.

Ms. Miller answered Fannie Mae's role is, well first of all they purchase pretty much all of our mortgages. We would originate the first mortgage from your employee and Fannie Mae would be the buyer of the mortgage. They would also put together any documentation...they do this for other corporations across the United States. They also do this for different municipalities across the country as well. They have the documents that they can set-up so this won't be a big deal for you to put together. That is the role that they play in all of this. Most of the role is between the City and Citizen's Bank.

Mr. Hobson stated what I thought I would like to do is Suzanne Marzi from Fannie Mae was not able to make it tonight. She has a training video, which covers, I think, all of the highlights of this program and it will take less than five minutes. I also want to recognize Bill Jabjiniak who actually brought this to my attention through some of his work that he does in the City with the Planning Department. Can I role the video?

The video was played.

Alderman O'Neil stated in a couple of different places it talks about targeted neighborhoods. Are those defined? If not, how would they be defined?

Ms. Miller replied for us, our dollar would definitely match for either targeted neighborhoods or targeted groups of people like low to moderate income people or low to moderate income groups defined in Manchester.

Mr. Hobson stated what we discussed at our meeting...Debra called and asked me if I would meet with her based on some information through Bill and then we met. I was definitely intrigued by the idea. I spoke with the Mayor about it and Debra met with the Mayor. The Mayor felt that it definitely had merit and he wanted the Committee to review it. What we talked about and we didn't define it, was low to moderate income employees and housing could be anywhere in Manchester. We didn't necessarily say that it had to be just a targeted neighborhood. We were more concerned about providing it as a benefit for people at a certain economic threshold rather than a neighborhood. The Mayor said what a nice win to have an employee live here and pay taxes and participate and it certainly generates a different kind of enthusiasm.

Alderman O'Neil asked so where somebody could buy a home would be anywhere in the City.

Ms. Miller answered that is correct.

Alderman O'Neil stated well on a couple of pages it talks about targeted and I know we have an Enterprise that stops at Union Street and we have other districts. So it is low to moderate income employees who are going to buy a home anywhere in the City of Manchester.

Ms. Miller replied the other thing that can happen to from our funding is that if they buy in a low to moderate income neighborhood, the income part can be waived.

Alderman O'Neil stated it is a win-win then. There is a City match on this?

Mr. Hobson replied we would definitely have to look at that.

Alderman O'Neil asked so we would have to budget some money, \$25,000-\$50,000.

Mr. Hobson stated we would have to look at some different...and that is really what I am going to ask you to do tonight.

Alderman O'Neil asked how do we determine...you know 35 employees apply for this program. I notice in there is indicates a maximum of 25.

Ms. Miller answered because you haven't budgeted for this in your current budget, it might be a good idea to make a decision how much money you could afford and then make it a pilot program and see what the interest is and follow it up the next year.

Alderman O'Neil replied that still doesn't answer what happens if 35 employees...

Ms. Miller responded if you limit the number the first year and it goes well you can fund it for the next year.

Alderman O'Neil asked does that number of 25 employees come from you folks, come from the bank.

Ms. Miller answered no really, no.

Alderman O'Neil asked so if we wanted to commit more money to it, we could do more than 20.

Ms. Miller answered yes.

Mr. Hobson stated on the funding sources, Bill and I and Bob will get together and talk about where some resources could be for the City to pull this together since this was not a budgeted item. I just thought it was exciting. I wanted Debra to get in here and lay it out in front of you and hopefully gain your support that you think it is a good idea and more or less direct me to try to work with them to find some funding.

Alderman O'Neil asked are the Aldermen excluded from this.

Mr. Hobson answered you are an employee. We would have to check out your income.

Alderman O'Neil moved to have the Human Resources Director work with the Planning Department to find some money to fund this program. 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:

Ordinances:

"Amending Section 33.025 (Compensation of Positions) of Ordinances of the City of Manchester."

"Amending Section 33.060 Standby Duty of the Code of Ordinances of the City of Manchester by deleting same and replacing it with a new Section 33.060 Standby Duty."

Mr. Hobson stated the 33.025, the first amendment, that is just creating compensation of positions that you already did as a group anyway for the Airport Director position.

Alderman O'Neil asked how does that affect the discussion we had about department heads and taking a look at that.

Mr. Hobson answered it doesn't affect it negatively at all. It is still on the table. The second session, we sent out a document on the Code of Ordinances on Standby pay. This came to us, frankly, because of questions about the Year 2000. What are we going to do, who is going to be on standby and who is not across the City. Folks asked us to take a look at this. I called Floyd Decker. It was not looked at in the Decker study at all. We worked on it internally and sent it out to department heads. After we sent you the document that you see in the packet, we got two calls from department heads coming up with some pretty good ideas. I revised it and we highlighted it in pink for you and this is the ordinance that we would like you to consider this evening. We changed the amount for level parity throughout the City for all departments and we also changed the amount because in the Water Works and Public Works Department, there are groups of employees where we would end up having unfairness or no parity again. We have one person working overtime next to a person who would be making less. We just said that if we have non-affiliated people and people in collective bargaining agreements and they both get called on stand-by, they make the same amount of pay in the same department.

Alderman O'Neil moved to approve the ordinance. Alderman Pinard duly seconded the motion. Chairman Sysyn called for a vote. There being none opposed, the motion carried.

Mr. Hobson stated Maureen McCarthy is here tonight and she has to go to the CIP meeting at 6 PM. She has something that she would like to give to the members of the Committee.

Ms. McCarthy stated this is actually an employee handbook. We spent a long time working on it. As you read through it, you find that there is a very strong message as to employees. On the cover it says, "You are our most important resource." The vision of Manchester is in the beginning of the book and we really stress the importance of the employee's involvement in their individual job, their department and also as part of the City as an entity. It is really trying to create a very strong message out there of a collaborative work force.

Clerk Bernier asked in regards to gifts, if you recall we agreed that we were going to use \$25 because what happens is in Vital Records, the funeral directors buy chocolates and flowers around the holidays. Will that be a problem?

Ms. McCarthy answered we had some advice from the City Solicitor's Office to actually not put a dollar amount in there but if issues come up we will look at them on a case by case basis.

Mr. Hobson stated T-shirts, candy and stuff like that is not an issue. What we are concerned about with gifts are taking a trip on behalf of some vendor, etc. That is really what we are concerned about. I want to thank Maureen and recognize her for all of the work she has done. Frank is here and this was part of the original Yarger Decker project and it has been brought to a conclusion. You are getting a different kind of bound, fancier copy. The employees will actually get a three-hole punch copy that will look just like that and as we make amendments and changes we will send them the page and they will be able to put it in. We will make an annual program of this and updating it yearly.

Chairman Sysyn addressed Item 5 of the agenda:

Proposed Final Organizational Chart for Highway (Building Maintenance Division).

On motion of Alderman Shea, duly seconded by Alderman O'Neil, it was voted to approve the organizational chart.

Chairman Sysyn addressed Item 6 of the agenda:

Communication from the Chief of Police requesting that the Police Department be allowed to follow past practice by starting certified officers off at a rate of pay that is comparable to their individual experience.

On motion of Alderman Shea, duly seconded by Alderman Pinard, it was voted to approve this request.

Chairman Sysyn addressed Item 7 of the agenda:

Request for leave of absence by Pauline Desmarais (School District) until at least April 1, 2000 during which time she will be responsible for full premium insurance payments.

On motion of Alderman Pinard, duly seconded by Alderman Shea, it was voted to approve this request.

Chairman Sysyn addressed Item 8 & 9 of the agenda:

Communication from David Crespo, Corporate Account Manager for Bell Atlantic Mobile seeking authorization to insert a letter with City employee's paychecks detailing a new program for all state and municipal employees with special pricing on service and equipment.

Communication from William Trombly, President of Trombly Enterprises, Inc. wishing to offer City employees five cents off their daily fuel oil cash price.

Mr. Hobson stated what we have done with Bell Atlantic, during my history and the City Clerk may know more, but US Cellular and Bell Atlantic as companies have made donations to the City and the School District in terms of equipment and funds. So we have done payroll stuffers for both of those companies in the past. It is now, frankly, getting a bit out of hand. We are getting information from three, four or five vendors a month asking us to approach you about putting a statement stuffer in. They are all good businesses. They are all reputable people. It is every place from Wal-Mart to Sam's Club to Trombly Fuel. It is getting a tad bit out of control for us. I am not sure if we want to be treating our employees like they are a marketing database.

Alderman O'Neil stated I certainly respect that it gets out of control, but might we want to consider something like once or twice a year having some type of employee fair to do this. You know you could make the businesses secure the site. Could you work on that? It is just a suggestion. There are some great opportunities for employees, but this particular way can get out of control.

Alderman Klock replied going on with Alderman O'Neil's theory, maybe a coupon booklet or something that could be handed out twice a year or something. This is ridiculous.

Clerk Bernier stated you are absolutely right. Maybe the Committee can sell the list of employees so they can solicit the employees that they are after. Sell the employee list and make some revenue.

Mr. Hobson replied don't get me wrong, the employees like getting some of this material. Our concern is when we want to reach every employee in the City with something that is really important about W-2's or payroll or Union information, that is how we do it. We send it into their payroll. If we start making it look like it is Papa Gino's pizza coupons, it is going to get watered down and stuff is going to get lost.

Alderman O'Neil stated there are some good suggestions for alternatives to putting it in their paychecks. Maybe you folks can take a look at this issue and come back at a future meeting.

Clerk Bernier stated there is a cost involved.

Alderman O'Neil replied there shouldn't be any cost to us.

Clerk Bernier stated delivery and their time putting it in their checks.

Alderman O'Neil replied not in their checks. I am saying if we took Memorial High School on a Saturday morning and we got a list of the vendors who want to do business with City employees and say April 1 is going to be the day we are going to do it. Maybe we charge them a basic fee to cover the cost of the custodians or whatever. Almost like a trade show.

Alderman Pinard stated why couldn't each department do their own.

Alderman O'Neil replied it is better if you hit them all at the same time, not each department. That can get wacky. You still have 26 departments or something.

Alderman Klock asked don't we have blood bank drives and stuff like that the City puts on.

Mr. Hobson answered it depends. The answer is yes. Howard and I are going to be doing health fairs starting this Spring twice a year so this could be a perfect time where we could, as part of the health fair, have any vendor come and set-up their tables. It won't be until spring. I am not complaining about these two individuals. You have one more coming to the full Board and I am not complaining about that person either. It is just that at some point in time your employees are going to say what are you doing to us.

Alderman O'Neil asked do we want to pass these two.

Alderman Shea answered no.

Alderman O'Neil stated but with the oil one, come spring time it is not going to be that great of a deal.

Alderman Shea replied but if we allow him, why can't Halle or Bellemore Oil come in.

Alderman O'Neil moved to receive and file Items 8 and 9.

Alderman Klock stated when you receive and file that doesn't mean you have done anything. I think that we should take action on what we want to do tonight and not just receive and file.

Alderman Shea replied but we are going receive and file these and then set up something.

Alderman Klock responded right but from this point on we are not going to accept any other offers like this at our meetings. We should make a motion to do that and Mr. Hobson can look at other options.

Chairman Sysyn asked do you want to take these two and make them the last ones before your health fair.

Alderman Shea answered what do you mean make them the last two.

Chairman Sysyn asked is there another one coming before the full Board.

Mr. Hobson answered yes.

Alderman O'Neil asked this health fair is for City employees.

Chairman Sysyn answered we could send them a letter.

Alderman O'Neil moved to refer Items 8 and 9 to the Human Resources Department to be considered with the health fair that is being considered for the spring of 2000; and further that all future requests be referred to the Human Resources Department. Alderman Shea duly seconded the motion.

Alderman Klock stated I am opposed to it. I think we should just stop it and have Mark come up with a plan.

Mr. Hobson replied I am comfortable with what everybody has talked about and I know what I need to do. I appreciate your help because you don't want to be negative to these people. ITT Hartford is probably going to pick up the cost of everything for our employee handbooks because they do business for us. They said to us, send us the bill. So we can do all of the copying and all of the printing and they will pay the bill for us. On one hand, you want to keep a good rapport and I certainly don't want to upset anybody. On the other hand, even my own employees are saying to me what are you doing.

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

Chairman Sysyn addressed Item 10 of the agenda:

Pre-employment Exam Policy submitted by the Human Resources Director.

Mr. Hobson stated the reason why you are seeing this is because we had a problem with employees who interacted with children who said they didn't want to go for a pre-employment physical and the City pays for it and we said it is a part of your employment with the City of Manchester and then we found out, through historians, Hugh Moran and Wilbur Jenkins that in fact it had never been a policy that was ever approved by you as a Board. It had only been sitting in the world of Human Resources management I guess. We took it out, dusted it off, put it in 1999 and would like you to approve it because we need to know if we have cases of TB or any other issues.

Alderman Shea asked does the employee pay or do we pay.

Mr. Hobson answered we pay.

Alderman Shea asked but if they want a second opinion, they pay.

Mr. Hobson answered right.

Alderman Pinard moved to approve the policy.

Alderman Klock asked is this for all employees.

Mr. Hobson answered yes.

Alderman O'Neil asked does that include the School District.

Mr. Hobson yes but after January 1 they may go their own way. I think I can talk to the Superintendent about this.

Alderman Klock duly seconded the motion. Chairman Sysyn called for a vote. There being none opposed, the motion carried.

Chairman Sysyn addressed Item 11 of the agenda:

Sexual Harassment Policy submitted by the Human Resources Director.

On motion of Alderman Shea, duly seconded by Alderman Klock, it was voted to approve this policy.

Alderman O'Neil asked with regards to sexual harassment, are we doing training.

Mr. Hobson answered no, but I want to.

Alderman O'Neil stated I am not limiting it to sexual harassment, but interviewing for promotions you and I have talked about. There have been some situations out there that could leave us wide open or some discrimination.

Mr. Hobson replied it has begun this month. We will have a training calendar for you in the beginning of November. This is one of the things we did not have a revised policy or checklist for and we had people in our office work on it. I got some input from department heads. I am very happy with it. I think it is fair and I think people like Leo will be happy with having training for supervisors, etc. I think it will be well received by people and I certainly appreciate your support.

Chairman Sysyn addressed Item 12 of the agenda:

New hire and termination reports for the month of August, 1999 from the Human Resources Director submitted for informational purposes.

On motion of Alderman Shea, duly seconded by Alderman O'Neil, it was voted to accept the reports.

TABLED ITEMS

13. Report of the Committee on Human Resources/Insurance recommending that the Organization and Management Development Proposal submitted by Yarger Decker & McDonald, Inc., in an amount not to exceed \$189,000 be approved.
(Tabled 6/29/99 until January, 2000.)

This item remained on the table.

14. Communication from the Human Resources Director relative to the structure and status of department head and deputy department head positions in the Yarger Decker pay grade allocation.
(Tabled 9/7/99)

This item remained on the table.

Alderman O'Neil stated how do we adjust Decker when and I will be very specific about this, as a group Police Officers, even though I believe that Floyd based on information he had at the time made great corrections with regards to paying our Police Officers we still have high turnover. It appears to be continuing and I believe, for the most part, it is money driven. I will just use an example. Shortly after we accepted the Yarger Decker Study, Nashua gave a 6% raise and in recent months gave a 2% with another 2% to follow six months from that date. How do we, if we need to, at one point we continuously had eight or ten vacancies there and that is still not healthy...how can we address that? How do you take a look at that and it is the only one I am aware of at this point. We have seen on and off with nurses once in awhile but in my opinion we are not remaining competitive for Police Officers and we are going to continue to lose them to other states or local communities. I believe it is mainly pay driven.

Alderman Shea asked how many vacancies are there at the Police Station. Are there 8 or 10?

Mr. Hobson answered we had 12 911 dispatcher vacancies for almost 10 months, which was a problem because it took officers off the street and put them in the room. Then we had no more than 11, I believe it was 11 police officer openings and we filled 7. Now we are back up to 6 because two more have left.

Alderman O'Neil stated I came up with 8 because I saw it in the Commission report.

Mr. Hobson replied it is under 10 but it is a problem because it causes stress on the whole system; recruiting, their operation, not enough people on the streets, not enough people covering, if somebody goes out on sick leave it tears at their fiber. We are trying to address that issue in negotiations.

Alderman O'Neil stated but there are points assigned to every job in the City, Floyd assigned points based on information he had at the time. Could it be that we need to and off the top of my head I don't know what the criteria is to reach points or to get a number rating but I would imagine pay because he surveyed bigger cities, smaller cities, private industry to try to come up with a number. You must be able to adjust that at some point. My personal opinion is that I don't think it is a negotiated thing. Maybe it is.

Mr. Hobson replied it could be both. The reason I say we are dealing with it through negotiations is because we are talking about their officers and their placement of their steps. They have two grades, Grade 18 and 19. They are talking to the Chief about how those grades work and how the steps work. They are looking at it in terms of round dollars. What you are absolutely correct about is I come back and tell you that the market is changing on Airport Directors or the Public Works Direction has taken on X or Police Officers. That is the document that I gave you on how you factor point a position. There is no question that you can look at the positions like 911, Firefighters, Police Officers, anybody to do with safety and you will see that there is market creep as the economy is good. Fewer people want to be a Police Officer, a Teacher or a Firefighter in a strong economy. They just go to those jobs less and it becomes a recruiting problem for us. I think that is when you respond with changing the pay grade and you change the grade to 19 or 17 or whatever and that puts them on a higher level.

Alderman Shea asked we don't always have people leaving though. There were two guys that came in, right?

Mr. Hobson answered we have been able to recruit and we would certainly be a whole lot more competitive if we could go to the Decker rates and have their contracts ratified.

Alderman Shea stated but the two people we approved tonight were experienced. I would say that obviously pay is important, but there might be other factors why people are leaving. In other words, if a person is working 20 years in the Police Department they might decide that they want to pick up their pension and move

on. Many of them do that. Teachers work 40 years or 35, but if a guy works 10 years in the City and gets an offer to go to the FBI or somewhere else, that is an improvement as well. I think there are many factors. We probably have to have the Chief come in and explain why people leave. I am sure that the reason you tend to track is a decent salary, but I think when they gain experience they might want to just move on.

Alderman O'Neil stated at one point and I am pretty sure this is accurate, we had like 6 or 8 current Manchester police officers on the list at the Nashua Police Department.

Mr. Hobson stated we do exit interviews.

Alderman Shea asked what is the difference between somebody, in other words let's say that an officer works five years in Manchester and then goes to Nashua to work. Is it a \$10,000 raise, is it \$6,000?

Alderman O'Neil answered it is significant in Nashua. I know that.

Mr. Hobson stated it is about \$6,000 or \$7,000. I don't worry about people with 20 or 25 years. I worry about people with 3-5 years experience. You pay serious money to train them and then they leave.

Alderman O'Neil stated it might be a little more than five years, but it is certainly under 10. For some reason, once they reach 10 it doesn't work out financially for them to move.

Mr. Tawney stated I wanted to bring up the exit interviews that we started doing and that will tell us a lot. With that information, we can plan our strategy. Until the Union gets on board with Decker, there is \$3,000 or \$4,000 they are leaving on the table there that these new employees aren't getting.

Alderman O'Neil stated the problem is that we cannot, none of us at this table can control the negotiations. Negotiations with them, in all honesty, we have the police supervisors coming in tonight. We can't control that. The problem is not going away and it is only going to continue. I understand there are people looking at Salem. These people, a lot of these people, still own homes in Manchester. They are not moving because they dislike Manchester. It is no different than an electrician. If my current employer is paying me \$12/hour and the market today says I can go out and make \$16 or \$17 an hour, I am going with the person paying \$16 or \$17.

Mr. Tawney replied the problem is that a mandatory issue of bargaining is pay.

Alderman O'Neil stated but the grade isn't a bargaining issue.

Mr. Hobson replied if we change their grade, they have to accept it. Not that they wouldn't.

Alderman O'Neil stated this was going on 10 years ago when I served on the Board. I think the police officer situation kind of drove finally doing Decker. There were a lot of other reasons to do it, but as soon as we accepted it, it kind of brought us...I sat with Floyd one night at the Merrimack and he explained it to a couple of police officers and when he explained it, it made sense. The problem was that Nashua a short time later gave a 6% pay raise and threw everything we did right out the window.

Alderman Shea asked how many policemen does Nashua have.

Mr. Hobson answered I think they have approximately 60 less.

Alderman Pinard asked is there any way you can get the wage scale from Nashua and Salem and other communities.

Mr. Hobson answered I have it.

Alderman Pinard asked can you give us a copy and we can discuss it from there.

Alderman O'Neil stated it is not getting any better. I certainly agree with you. I am optimistic that the Patrolmen's Association will settle sometime soon and hopefully that will improve.

Mr. Hobson stated public safety salaries are an issue and we need to be aware.

Alderman O'Neil stated I would like to know the last time we lost a City firefighter to another department. It very rarely happens here with firefighters.

Mr. Hobson replied something that happens with firefighters is there is a tremendous camaraderie and morale in the way that they approach business and life and working together in teams as opposed to being a single person out there on their own doing their thing. It is an amazing...having seen it now for the last two years, I am amazed by it. They are tough on each other.

Alderman O'Neil stated it seems to be consistent with police officers...I remember a couple of different times we had problems with nurses. We seem to have that under control a little bit. We had some time so I just threw it out there.

Mr. Hobson asked do you want payroll information on police and fire.

Alderman O'Neil answered I don't think we need information on the Fire Department because there doesn't seem to be a problem there.

Mr. Hobson stated I will pull together as much information as I can from the original Decker report.

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

A True Record. Attest.

Clerk of Committee