

COMMITTEE ON HUMAN RESOURCES/INSURANCE

November 16, 1999

6:15 PM

Chairman Sysyn called the meeting to order.

The Clerk called the roll.

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

Absent: F. Thomas, M. Hobson, H. Tawney, Solicitor Clark, R. Robidas
D. Muller

Chairman Sysyn addressed Item 3 of the agenda:

Communication from the Public Works Director submitting a proposal to eliminate the financial administrator's position and create a second business service officer position in the Administration Division.

Alderman O'Neil moved the item for discussion. Alderman Pinard duly seconded the motion.

Mr. Thomas stated as noted in my correspondence that is in the agenda, our Public Works Administrator position that in the past headed up the Administration Division is vacant because Tina Parsons has taken a position a full-time position as head of Aggregation. As a result, we have that position vacant again. For the last year or more, that position has gone through a lot of turmoil. There was an Administrator who retired and the position went vacant for awhile. We filled the position with an employee who quite frankly didn't work out and we had to let that employee go. The position was filled with Tina Parsons working on both Aggregation and Administration in that division. Quite frankly, the majority of time was spent on the Aggregation issue. During the budget process last year, we got permission to break that off and create a separate head of Aggregation, which Tina Parsons has moved into. In order to eliminate the turmoil and put some stability back into that position, instead of going through the process and going outside and trying to find someone with HTE experience and experience in Public Works operations, I felt that we had the raw talent in-house. Unfortunately, the talent that we have in-house doesn't really fit the bill of a Public Works Financial Administrator and that is the reason why I am proposing to divide the operations into two. We have one Business Services Officer now and we would be creating a second one and filling that new Business Services Officer position from within.

There is a logical break in the operations. Right now, the existing Business Services Officer, Mr. Lynch, spends 99% of his time now on personnel issues and payroll issues so from the organizational chart in your agenda you will see that on the left hand side the Business Services Officer in light would be the existing one and he would be responsible for payroll and the time keeping process, customer service which involves insurance claims, accident claims, worker's compensation and everything dealing with personnel. The new Business Service Officer position would take over the financial functions in the office. Without a clear-cut head, those two Business Service Officers would report directly to either myself or the Deputy Public Works Director. It would be our intent over the next few years or whatever it takes to use the new Employee Development Process and promoting that these two Business Service Officers go back to school, acquire some additional training and maybe in the future I will come back to this Committee and say that I have a good candidate for that Public Works Administrative position, but for now I feel that we can carry on our operations quite nicely with these two positions. It is not a change in complement and actually it is saving our operating budget just a little bit because the Business Service Officer position is a lower pay grade.

Alderman Shea asked does Tina still work for you.

Mr. Thomas answered yes, she does.

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

Chairman Sysyn addressed Item 4 of the agenda:

Communication from the Human Resources Director requesting distribution to employees and/or posting citywide of information from Peter Jay of Redman's Automotive Center.

Alderman Shea stated I thought we discussed this at the previous meeting and we were going to have Mark take care of these things.

Deputy Clerk Johnson noted that the report was accepted by the Board to send everything to the HR Director.

Mr. Hobson stated the logic we discussed at the last meeting was that we are getting more and more of these requests and employees are getting confused about the amount of things being attached to their payroll. Some of the things they are not even reading and just throwing away. We decided to give all of our vendors an opportunity to send to all of our employees two times a year at a benefit fair

that Human Resources will hold. We are looking to hold the first one in very early Spring or late Winter, February or March and the next one we will hold in October. I knew that Mr. Jay's document was on the table. We knew last month that it was coming in so we will take this and I think we have four or five others and we will submit to all of them information about our benefits fair, allow them to set-up and we will hold it at a City facility, probably a high school where there is parking and let them know what they need to do and how they need to do it. That was the mentality and everyone at this level agreed to it and everybody on the Board of Mayor and Aldermen agreed to it and now we have to tell the vendors who are writing to us what we are going to be doing.

On motion of Alderman Shea, duly seconded by Alderman Pinard, it was voted to refer this item to Human Resources.

Alderman O'Neil asked we are definitely going to have these fairs, correct.

Mr. Hobson answered yes.

Alderman O'Neil asked and we are definitely going to have them twice a year.

Mr. Hobson answered yes.

Chairman Sysyn addressed Item 5 of the agenda:

Discussion relative to the life insurance proposals submitted to the Human Resources Department on November 15, 1999.

Mr. Tawney handed out a memo in regards to the bids that were received from our brokers of record. We have four that were previously qualified as brokers. We went to them and asked for proposals for insurance coverage for life insurance and accidental death and dismemberment which was budgeted in the FY2000 budget. The companies responded and there is a listing of the insurance companies. This is a very generic product. You will see the rates that have been provided to us. All appeared qualified. I have checked with the State and they all have the ratings under the AFS rating system. Preliminarily, we look to award the proposal to the low bidder. We will continue to check it out and when we are satisfied, we will provide you with the information.

Alderman O'Neil asked can you explain that rating system.

Mr. Tawney answered the exact wording I would like to get for you. The B+ is very good. An A++ is excellent and I can't remember the exact wording that they used for the A and A- ratings.

Alderman O'Neil asked what does it mean. What does AM best rating mean? What does Guardian Life have over Standard Insurance?

Solicitor Clark stated Best is a company that rates insurance companies. They look at their assets, number of subscribers they have and they take a combination of their whole business practice and come up with a rating.

Mr. Hobson stated it is mostly based on financial stability and the amount of folks they have in their pool and their ability to meet our customer needs. Where we got the bid, I just want to make a couple of quick points. We budgeted \$100,000 for the product. Obviously we want to try to come in at something that is certainly lower than that and we are looking at all City employees – those that are affiliated and non-affiliated and we will use the State system and this is a hand-off really between the Solicitor's Office and Harry Ntapalis over to our office who used to do this. This is the first time that we have gone out to bid using these rating systems, etc., just so you know that.

Alderman O'Neil asked is it a bid or is it a proposal, meaning do we have to award it to the low bidder.

Mr. Hobson answered no we don't have to award it to the lowest bidder.

Alderman O'Neil stated this may be not easy to do, but for me and maybe for the Committee, I just see that Guardian Life...I don't know at that rating what they can offer that Harley & Lowe can't.

Mr. Hobson replied we will get you some more information about how the rating system works. Our goal was to bring it to you by tonight's meeting so that you understand what we are doing and we need to roll it up for the employees for January.

Alderman Shea asked who did we have before.

Mr. Hobson answered no one. We self-insured.

Alderman Shea asked so basically we are going out to bid now rather than self-insure.

Mr. Hobson answered yes.

Alderman Shea asked how much did it cost us per year to self-insure.

Mr. Hobson answered it was based on the number of deaths that occurred. We are doing this as an insurance that we are going to be able to offer the employees. As you recall, this came out in the Decker study. We are going to be able to talk to the employees so they can buy more insurance at their own cost for themselves.

Alderman Shea asked so you really don't know how much money.

Mr. Hobson answered we budgeted \$100,000 based on past practice. I think we spiked it \$125,000 one year and we had lows of \$45,000 if everyone stayed healthy and alive.

Alderman O'Neil asked is that only full-time employees or is it part-time also.

Mr. Hobson answered we are bringing in some information next month about part-time benefits and from what I understand they have the opportunity to participate in this.

Alderman Shea asked when will this go into effect.

Mr. Hobson answered January.

Chairman Sysyn addressed Item 6 of the agenda:

New hire and termination reports for the months of September and October, 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 receive and file this item.

TABLED ITEMS

7. 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.

8. 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.

NEW BUSINESS

Mr. Robidas' request relative to vacation and sick leave benefits.

Mr. Hobson stated there is one other piece of information that I want you to have from the City Solicitor's Office. I am not sure if you received this earlier in the day. It is from Daniel Muller.

Mr. Hobson stated for your information, Solicitor Clark and Mr. Muller are here and Mr. Robidas is here, as well.

Alderman Shea stated I would like Mr. Robidas to state his case.

Mr. Robidas stated as you received in the packet in the letter dated October 29 that I addressed to Mr. Hobson regarding an issue that we have been discussing since back in July, actually prior to July, when the position was posted within the City, I applied for that position as well as several other City employees. I was put through the process and then I was selected for the position back on June 29, 1999. Prior to coming over, I sat down with Mr. Hobson and we discussed a variety of issues, including a salary and benefits package. In our discussion was the fact that I was transferring over from the Police Department and the fact that I would be receiving some compensation from the Police Department as contractually obligated upon the completion of so many years of service and that was a separation from the NH Retirement System. The agreement that we had at that time was the fact that I would be carrying about 300 hours of sick leave with me and my vacation time. As part of our contractual agreement with the NH Association of Police Supervisors, we are paid on separation from the Police Department. Now it says leaving for any reason according to the Article of the contract, which is in your packet. It is Article 15.3 and it says, "when a supervisor terminates his/her employment with the Manchester Police Department for any reasons, he/she shall be compensated for all earned vacation time" so those are contractual agreements. The agreement was, as well, as you folks are well aware, there was a 1% cut which took place in the final budget process. Each department was cut an additional 1%. Mr. Hobson and I has discussed that previously and we discussed the fact of probably taking some time off and getting compensated during the course of the year to help off-set that 1%, which is something that I

agreed to. Something I proposed at the time was to take it off at the beginning and make life a lot easier and we came up with a July 19 reporting date. The concern was not the pay issue for that two and a half-week period because I was agreeing to offset that 1% during the course of the year at some point in time. It could be several days at a time or a week at a time and we would arrive at an agreement when we would do that. I suggested the July 1 date saying I could just take it off at the beginning and have it primarily as a summer vacation period, but what I was really concerned about was carrying over my benefits during that time period as well. I was assured that my benefits would be carried. I would refer to that just as a point regarding Atty. Muller's note of July 21 when it says that I theoretically was not employed until July 19 by the City of Manchester. The agreement that we had was that I would be employed by July 1, transferring over from the Police Department on July 1, but taking an unpaid leave of absence to offset that 1% until July 19 which would offset the 1% that the Human Resource Department was cut, as well as everyone else. I would also ask you to refer to a memo that came from the Human Resources Department dated July 1. It is from Christine Martinsen to the City Solicitor's Office. This dealt with different issues. One was an employee that had left and retired from the Police Department, separated service for approximately five or six months and then returned to service. In paragraph 2 of her memo to the City Solicitor's Office in dealing with my particular situation, in the third sentence it said there is no break in service regarding my position moving from the Police Department to the Human Resources Department. What I would like to make clear is the fact that there really never was a separation of service. When I left the Police Department, these were things that I was entitled to contractually; benefits I was entitled to receive contractually without having to separate service from the City of Manchester. It was never a retirement from the Police Department. There was never an interruption in service nor was there ever a resignation of service from the City of Manchester. It was a separation from the NH Retirement System and this is something that I discussed with the NH Retirement System prior to my conversation with Mr. Hobson regarding my separation of service, specifically if I was to be offered this position that I applied for. The only stipulation from the NH Retirement Service was that I no longer participate in either a Group 2 or a Group 1 classified position. Group 2 primarily is police officers and firefighters and Group 1 takes in primarily educators. As long as I didn't participate in a classified position in Group 1 or Group 2, there was absolutely no affect on my retirement package. I was entitled to what I was entitled to receive contractually and I was entitled to receive what I was entitled to by State statute as well. I am approaching, actually at the completion of this month, 24 years of service with the City of Manchester and I find it really difficult to understand how transferring from the Police Department and gaining the benefits I was entitled to by contract and transferring to the Human Resource Department and by taking a pre-arranged leave of absence to offset a budget issue would all of the sudden constitute separation of service whereas that leave of

absence could have been taken at any point of time during the year because it was just a matter of justifying the 1% that had to be made up at some point in time. Again with my conversations with Mr. Hobson in the beginning, we agreed that I would have approximately 300 hours. We also agreed and he stipulated up front if you carry these 300 hours obviously at some point in time if you leave the City again, we are not going to pay you again for those 300 hours because you are being compensated 640 hours from your contracted, which I stipulated and agreed to. Fair is fair. I wouldn't expect to be paid for the balance, which would exceed the 640, which I was already compensated for but that was sick leave time that I earned, as well as vacation time that I was entitled to under the collective bargaining agreement. Therefore, my request to you folks is that I be allowed to continue accruing my vacation time and allowed to continue my balance of sick leave, which was time accrued with my service to the City.

Alderman Shea asked did you retire from the Police Department. Did you submit a letter of retirement?

Mr. Robidas answered no, Sir, I did not.

Alderman Shea asked you did not submit a letter of retirement.

Mr. Robidas answered absolutely not.

Alderman Shea asked when you left, what did you do.

Mr. Robidas answered I transferred here and the only papers I had to file were with the NH Retirement System, which were filed several months in advance and you can have a 30 day extension. The Police Department was e-mailed as well, which was in your packet. I believe it is the third page in. The Police Department was aware that I had applied for this position and they supported me in applying for this position. There was an e-mail that they were sent on June 29 to inform them that I was selected for the position. They were aware that I had applied and again they supported me in applying for the position, which was being created.

Alderman Shea stated I retired from the School Department. That is the only way I get benefits from State Retirement. How can you transfer and not be retired?

Mr. Robidas replied I am only retired, Alderman, from the NH Retirement System. I am not required to separate service from the City from the NH Retirement System. All I am required to do is no longer serve in the capacity of a Group 2 or Group 1 classified position.

Alderman Shea stated you are confusing me. In other words, I didn't have to retire to get my benefits? I could transfer over as an Alderman? I work for the City too.

Mr. Robidas replied I sat and discussed this with the Retirement System for those issues we needed to resolve because one way or another I didn't want to have a negative impact on the retirement. When I sat down with them the only thing they said was that I could not work in Group 2 classified which are Police or Fire or Group 1 classified, which are primarily educators. You can do anything else you want for the City. It is not an issue as long as you do not do Group 2 or Group 1.

Alderman Shea asked when you went to the Chief of Police and you said look I am taking a job down at City Hall as a security person you said I am not retiring from the Police Department, I am not submitting a letter, you told them that you were just going to transfer and he said that is okay.

Mr. Robidas answered that is correct. They were aware that I was applying for this position all along. Actually, he was quite pleased that I was able to wrap it up so quickly. It made it accommodating for him because he was doing promotions at the time and he said I don't want to push you out the door, you are obviously welcome to be here as long as want to be here, but it makes it a lot easier for me if you let me know if you get the position.

Alderman Shea asked, Solicitor Clark, is there any documentation that he retired.

Solicitor Clark answered he is collecting retirement pay from the State. That is a system that the City contributes into and you are only entitled to collect it when you retire from your job. I disagree with Red on a couple of things he has pointed out. Dan Muller here has done most of the research. Red said that he was selected for the job on June 29. As you recall, we didn't get a letter from the Human Resources Department until July 1 asking about issues and we pointed out to them that they can't hire anybody until they publish it. It wasn't published until sometime in July and the position was not filled until July 19. The position was not filled, ask Mark. He told the Board that the position was not filled.

Mr. Hobson stated we went through the posting and the hiring process and I don't remember the exact date.

Solicitor Clark stated that he believed the posting was on July 12.

Mr. Hobson replied we did go through a posting process. We also told the Board that as a result of some of the changes that were going on in Yarger Decker we were now required to post this publicly, which we did.

Solicitor Clark responded it had nothing to do with Yarger Decker. It had to do with the Ordinance.

Mr. Hobson replied right, it had to do with the Ordinance and the vacancies. We were told we were wrong and we admitted we were wrong so we did post the job and we went through the hiring process and selected Mr. Robidas. We are very glad we selected Mr. Robidas. On another point and I feel slightly stuck in the middle here because I am certainly trying to support everybody, but the primary issue from my perspective is that there is confusion in the system for folks who are moving from Police, Fire and School that are part of the classification system that is the State Retirement. We have two different retirement systems and because of that we sometimes tend to treat people who are transferring differently. The contract information is not clear. In the school system and I was there for three years and witnessed several people who were educational assistants, part of the City's classified system, part of the City's retirement system...

Solicitor Clark interjected before we get off base on some other issues, can we just finish this one.

Mr. Hobson replied I thought you had finished. I'm sorry.

Solicitor Clark stated I wanted to point out that under the contract with the Police Supervisors, it is a contract with the City, it is not a contract with the Police Department and it says you are paid your benefits upon termination. He received his benefits upon termination. You don't terminate from a department, you terminate from the City. He received his benefits as of June 30. This position was not filled until July 19. Red says that he was on leave of absence but there is no one here that can approve that leave of absence without going through the Board of Mayor and Aldermen. If you have an unpaid leave of absence, it has to get approved by the Board. That didn't happen. There was a break in service here. He collected his benefits under vacation and sick leave pay, was paid off and this is not against Red, it is the same thing we would do for any employee. If you come back and get rehired and join the system, you are a new employee.

Chairman Sysyn asked are there others that this would apply to.

Mr. Hobson stated I would like to finish my point.

Alderman O'Neil asked would he have had the right to freeze his pension with the State and not take it and transfer into the City. Would that have been a continuation of service?

Solicitor Clark answered I believe he could have done that if the system allowed him too.

Mr. Tawney stated under the State system, you don't even have to terminate your employee. If you have the required hours or years of service with the State system, all you have to do is drop your hours to below 35 hours a week and you are eligible to retire under the State system, maintain your employment with whatever agency (State, local or county) and continue to work. You just can't work more than 35 hours.

Chairman Sysyn asked and you are carrying your benefits to that agency.

Mr. Tawney answered you could carry the same benefits and draw your retirement and draw your salary for 35 hours or 34 hours. As long as you don't work more than 35 hours. That is the break point for the State Retirement System.

Mr. Hobson stated the point I was making earlier is that if you are an employee and you are moving from one system to another system and you are covered by contracts spelled out quite easily, if you are an employee that is covered by a contract and then moving to positions that aren't covered by contract, it really wasn't very clear to folks and that is the reason why we wrote that letter that Chris Martinsen, Howard and myself wrote that letter and said to the City attorney we need help, this is happening more often. We had a teacher that is moving to Parks & Recreation. We have a retired police officer that wants to be a dispatcher. We have a retired teacher that wants to be a school secretary. This is happening all over the place. We need help.

Alderman O'Neil asked what happened with the teacher who is now working for Parks & Recreation.

Mr. Hobson answered we got this letter from Mr. Muller that clarified it for us, quite frankly, and we have been treating everyone the same way. Mr. Robidas' contention was that he was concerned that he is an employee of the City and he is transferring from one department to another department and why is he being "penalized" in terms of some of these other benefits. The City Solicitor has basically said that when you accept a retirement check from the system that the City contributes to, you are terminating your employee on Phase I and you are starting over again on Phase II as a probationary person. If you were to give Mr. Robidas what he is asking for, we need to talk about the fact and it should be obvious that we might have other people that we need to look at and we would need to grandfather them in or treat them in a similar way if their cases are similar. Then, I think, you need to direct me to move forward with Mr. Muller and Mr. Clark so we have some very clearer regulations for people to follow. This letter is

good from Mr. Muller. It is not a regulation. It is something that we are going to have to rely on, but it is not necessarily a regulation for us to follow and give to employees. That is my perspective.

Alderman O'Neil asked, Tom or Dan, legally could we do this.

Mr. Muller asked could we do what.

Alderman O'Neil asked could we grant Mr. Robidas his request legally.

Mr. Muller answered I don't think you can. As Tom stated it is our opinion that he is a probationary employee. As a probationary employee and entry-level employee the only thing that can be adjusted...there is a mechanism for adjusting initial pay under the Ordinance but there is no mechanism for adjusting the benefits package.

Alderman O'Neil asked so this would not be legal to do this in the opinion of the Solicitor's Office.

Mr. Muller answered correct.

Alderman Shea moved to deny the request.

Alderman O'Neil stated Mr. Robidas, I certainly understand your predicament but if legally we can't do it, we can't do it.

Mr. Robidas replied if I may reiterate again...

Alderman O'Neil interjected I understand your dates and that stuff, but the dates don't matter here. Either you retired or you didn't retire from the State Retirement System. That is what I understand the lawyers to be saying.

Mr. Robidas stated that is correct, from the State Retirement System.

Solicitor Clark stated he is collecting a check from the State Retirement System. He terminated his employment with the Police Department in order to receive his vacation and sick leave benefits. When you terminate your employment with the department, you terminate your employment with the City. If you terminate for any reason from a department, you are terminated.

Mr. Robidas stated I respectfully disagree for a moment. He said if you separate for any reason. This was a transfer from one department to another department in addition to, as Mr. Tawney correctly pointed out, you are not required to separate even from the Retirement System to receive your benefits. Separating from the NH Retirement System is not separating from the City of Manchester.

Solicitor Clark stated I didn't say that you had to separate from the Retirement System. I said that you received your vacation and sick leave benefits. You terminated your employment and got your pay. It says in your contract that when you get your maximum, the rest is wiped out.

Mr. Robidas replied if you separate from service.

Alderman O'Neil duly seconded the motion. Chairman Sysyn called for a vote on the motion. There being none opposed, the motion carried.

Deputy Clerk Johnson stated we have an additional item of new business and that is the A-STEP presentation from the Human Resources Director.

Chairman Sysyn stated we just got the letter on that one now.

Mr. Hobson replied actually you got the letter on November 4.

Chairman Sysyn stated well we didn't see it. Is anybody familiar with this?

Mr. Hobson stated this is actually fairly simply and fairly straightforward. Alderman O'Neil brought his final report for us to see. The A-STEPs have been in place and talked about. What we have done is we have gone through with the department heads, with the Union leaders, with the project Oversight Committee, the Board of Mayor and Aldermen has already seen similar language in all of the contracts that have been before them and what we have done now is finalized the document for you to accept. We want to give it to the City Clerk so they can promulgate it properly if I am using that term appropriately. I have a brief handout that I can do for you if you want. If it is not necessary, I don't need to do that.

Alderman O'Neil stated when I was reading this and it talks about many department head's Masters Degrees, that is to get the A-STEP. That is not a requirement to apply for the job.

Mr. Hobson stated one every position you would see something like this that would say here is what it takes to the get the jobs. It takes these qualifying issues. Then to get the A-STEP you have to go beyond that and you need to get that degree or this X, Y and Z.

Chairman Sysyn asked what if you came in with that degree.

Mr. Hobson answered you can only get the A-STEP after your probationary period is over with.

Chairman Sysyn stated say that I have a Masters Degree that you are saying I could work on.

Mr. Hobson replied after your probationary period you can apply. It doesn't mean you automatically get it. You have to apply for it.

Alderman O'Neil stated my concern is and I am just going to use the Fire Department as an example, current requirement minimum education is an Associate's Degree and it talks about that for the Deputy Chiefs. Do all of these people have Associate's Degrees? That is what I am getting at. If I read this, it is saying they have to have it to be in that job.

Mr. Hobson replied remember that what we said was we are setting current minimum requirements now. Obviously, we hired most of these people so the new people coming in must have these requirements or a combination that satisfies what is going on in the department. If they don't, they can't get the job. Mr. Thomas gave you a perfect example of what we were going through. He had some folks that applied for that job as Administrator and they didn't have the requirements. He really wanted to fill it in house so we went to the BSO where people had the requirements and he wants to build-up through the EDP process, which is a good thing to do.

Alderman O'Neil stated my concern is a lot of our upper management people in the City wouldn't have their jobs if we followed this.

Mr. Hobson replied that is why we are going to this on the people that we want to hire.

Alderman O'Neil stated if all of the sudden tomorrow we have three Deputy Chiefs retire at the Fire Department, we don't have anyone that can meet that qualification who can fill those positions.

Mr. Hobson replied I hope so. What we are doing, if I can address that, what we are doing is I believe I sent out a notice to you earlier this month about the relationship we are building with UNH-Manchester and we are bringing all of our managers and supervisors through a training process so they get the degrees that they need and they get the training they need.

Alderman O'Neil stated my concern is this whole thing with Decker is going to take years for it to work through and I am concerned and I think we are accepting this...Bills on Second Reading has already accepted and it is a report to the full Board tonight but my concern is that we are not giving ourselves any flexibility here that when it comes to Associates Degree and I am just using the Fire Department as an example, that if for some reason Joe Kane retired tomorrow we maybe have to get down to a Fire Lieutenant before we find someone who meets the education requirement. Unfortunately, people in those 20 years with the fire service it was never a requirement. Do you follow me? I am not taking a shot. I think it is good and I think it is good down the road. My problem is if something happens tomorrow or in the next year or two years.

Mr. Hobson replied in all of these class specifications it talks about the fact that an acceptable combination of the above is allowed. Let's say that I have got 25 years of experience and I have an Associate's Degree and I have some of these other things but the position you want for a department head, you want a Master's Degree or a Bachelor's Degree. You can certainly..."any combination of experience and training, which provides the knowledge, skills and abilities necessary to perform the work". That is in all of the class specifications.

Alderman O'Neil stated I don't see that language here and that is what concerns me.

Mr. Hobson replied that is because those are the A-STEPS. What the A-STEPS are saying is that is the current required education and that is the current additional requirements. If you are going to go from there to there to get you're A-STEP, you have to have those other pieces. The Ordinance adoption that you are doing tonight is what I just read to you from Howard. That is right from the book that you have.

Deputy Clerk Johnson asked can't we just take those and put them in here. It is saying the same thing. That would be consistent.

Alderman O'Neil answered my concern is I look here and I am using the Fire Chief and I am not picking on him but it says current required minimum education is an Associate's Degree. That is a surprise to me because I don't believe our current Fire Chief has one. I don't think the previous Fire Chief's had Associate's

Degrees either. Do we want to encourage people to get further education? I know that the Fire Department is taking full advantage of the classes that are being offered. All I am saying is this is going to take years. It could be five years or ten years for this system to kick-in and have us start seeing the benefits of it. I see it here; I just don't see it here.

Mr. Hobson replied that is because on this A-STEP booklet, the A-STEP is just giving you a snapshot of what the current position is. This document that you are accepting tonight for other pieces under the Ordinance, this has all of the information about all of the class specifications. We have a copy of that in the City Clerk's Office. It is 2,000 pages long. Every single position in the City has this and it is also on our computer system. I guess I can assure you that when we go to hire we look at class specifications. I don't look at what it takes to get an A-STEP. If I have a Fire Chief opening and that Fire Chief candidate has 25 years of experience and X, Y and Z, that is an equivalent combination.

Alderman O'Neil responded okay. I just get concerned because it doesn't say that in here.

Deputy Clerk Johnson stated it would be less confusing if they were all standard.

Mr. Hobson replied it is fine. Decker is trying to give you less paper, basically.

Alderman O'Neil stated just that line in here would clarify. Again, 10 years from now if we are all sitting here and if we are there is a problem but hopefully we are talking about fire chiefs with Bachelor's Degrees and Master's Degrees but I think this system is going to take time to work its way out.

Chairman Sysyn stated please make sure that wording is in with our final piece.

Alderman Shea asked why do people need a degree. Why does Yarger Decker figure that a degree is helpful? What is the rationale for that? Not that I am opposed to it, but why was it inserted there?

Mr. Hobson answered he broke that down as part of class specifications that we approve that say here is what I am looking for in your required knowledge, skills and abilities.

Alderman Shea asked is this required in other fire departments.

Mr. Hobson answered sure.

Alderman Shea stated I would rather have a firefighter that knows how to fight a fire rather than knows how to read a book that tells him how to fight a fire.

Mr. Hobson replied I would imagine that for a firefighter to get an Associate's Degree...I have a Bachelor's Degree in Criminal Justice. We had to go through training to become a police officer. I would imagine that many of the people that we hire...this is coming from a former principal of a school? How am I supposed to defend why people should get educated? How could they not be better employees if we bring them through a program?

Alderman Shea responded I am not saying that you shouldn't bring them through a program, I am saying...what I am asking is what does an Associate's Degree in Fire Science do. What is the purpose of it? That is what I am saying. In other words, I don't understand why they need an Associate's Degree in that rather than something else. If Joe Kane or Mark Driscoll...why would they be better getting a degree in Administration and supervision other than in...

Mr. Hobson interjected they could.

Alderman Shea asked is that what they are getting here when you say an Associate's Degree in Fire Science.

Alderman O'Neil stated actually I was on the wrong job. The Fire Chief's says Master's Degree in Fire Science.

Alderman Shea asked what is Fire Science. I have never heard of that. What is it? I never heard of a degree in Fire Science, never.

Alderman O'Neil answered actually the technical school in Laconia has one.

Alderman Shea asked so they give Master's Degrees.

Mr. Hobson stated the School of Technology in the State and also most major universities have different degree programs in things like public safety, fire science, criminal justice and those types of things.

Alderman O'Neil stated I will be honest, I have never heard of Fire Science. I know some of the people working on Bachelor's Degrees are actually getting them in public administration or something.

Mr. Hobson stated if I could go through the presentation, I could pretty much explain to you how this works.

Alderman O'Neil replied I am not disagreeing with what you are saying, I am just saying that is not what it says in Decker's book.

Deputy Clerk Johnson stated if you are going to have this as just a snapshot for A-STEP purposes, if the papers get and I am thinking like a Clerk here, if the papers get separated somebody is going to mistake this as the 1060 Class Specification. If we can have it say A-STEP or something in that top box, maybe that would help clarify. I am sure Mr. Decker can come up with something.

Mr. Hobson replied well we bought it so it is ours now. We will do it. Each class specification has the title and what the job does, principal functions, then it has required knowledge, skills and abilities and then it has the required education that Alderman O'Neil was talking about and then it talks about these required other pieces that he has for every individual job. You might have something for Administrative Assistant, you might have something for an educational assistant, you might have something for a Fire Chief. Each job, he broke down individual pieces. The A-STEPs are those things that go beyond that. The A-STEPs are not just what is required to do the job, it is above and beyond that. If you have been in the job for 25 years and you don't have what is required to do the job, than obviously you are not going to be able to get an A-STEP until you fulfill all of those things and then get to the A-STEP. On Page 2, the knowledge, skills and abilities are those things that are related to your duties and responsibilities and they are additional. They have to bring added value. They have to bring something to the table that is unique. They have to bring some kind of a certification that I know you folks have nationally.

Deputy Clerk Johnson replied we have a State and an International.

Mr. Hobson stated there are 33 pay grades in our classification plan and each one has a separate interval. Then there are 13 pay steps at 3% intervals and that is one of the questions that Alderman Shea was asking today in terms of how you go up to A-STEP. The A-STEPs are in between. The A-STEPs for example...a grade 10A is 3.5% greater than Grade 10. That is in the pay plan itself. If we go to page 4, the A-STEP component includes all of the things that are qualifying and are additional and it says right on there this is qualifying, that is qualifying and it says it for each job. There is some subjectivity here because the A-STEPs must add value to the position, the department and the City and it is the department head and the City policymakers, you, who are deciding what is adding value. Adding value implies that you are going beyond what is expected now. Finally, over on the last two pages, page 5 and page 6, here is how the A-STEP process works. You come to a point in time when the employee and supervisor get together and develop the EDP, which Mr. Thomas was talking about, the Employee Development Plan.

The department head approves it and it goes to Human Resources. We bring the whole thing to the Board of Mayor and Aldermen. The language gets approved either through policy or through the contracts and finally on the last page, page 6, we get to the point where the employee gets the A-STEP and it ceases when the employee leaves the position. The new employees aren't bequeathed to be an A-STEP. If Carol gets an A-STEP for a national certification and she gets promoted, the person taking her job doesn't automatically get it. They have to go through the process just like Carol did. The requirements may be upgraded as necessary based on the changing needs of the City. Mr. Decker recommends that you update these things every three years. That probably makes sense. The only piece that I guess I am concerned about when we talk about trying to make sure that we assume a combination of experience and things are going to work is that I do not want to see this thing become a way to get people an easy raise. That this just becomes some dujour or flavor of the month where everybody goes for it so they can get their easy 3.5%. It will become a joke. It will be killing the goose that laid the golden egg. People will think that is ridiculous and I don't want that to happen. I want the requirements to be difficult, but achievable. I want people to feel like when they have done it, they have gone through something that is important that has helped their life and their job. The very last page has a sample of one position, Administrative Assistant II and we used that for all of the department heads and the employees and we said here is what it looks like. Here is what the formal education means, the additional training means, the additional skills means.

Alderman O'Neil stated what I am concerned about is the current minimum requirements for the job. I just happened to look at the City Clerk. It says "any equivalent combination of experience and training." I don't know why he didn't do that for every job.

Mr. Hobson replied we will.

Alderman O'Neil responded that is my whole thing.

Mr. Hobson stated we will fix the documentation.

Alderman O'Neil replied it just locks us in and we may have an ideal candidate within our system. That is my hang up.

Alderman Shea asked is Step A equivalent or in addition to a performance evaluation increase. In other words we talked today about someone who does an exceptional job, right. He works for the Health Department. That person gets a 3% raise, gets a cost of living, and they are an exceptional worker, they get another 3% in cash and then they go to Step A and they get another 3% because they have fulfilled certain requirements.

Mr. Hobson answered it certainly isn't anything that is going to happen like that.

Alderman Shea asked could that happen.

Mr. Hobson answered yes. Next year, after this gets adopted, you could have employees who go through their yearly evaluation and the department head says that they have done exceptional work so they get 3% merit, 3% in cash for that year and then let's also say that during that year they finished getting their CPA and they submitted all of the proper forms and have been approved for that position and a CPA gives them a Grade 21A instead of a Grade 21 then they could get another 3.5%.

Alderman Shea asked and a cost of living, right.

Mr. Hobson answered the cost of living would only be in Year 2 and Year 3 after you folks approve it. The non-affiliates are not getting the cost of living until we approve it through the same process that you are going through for the contracted people and obviously we want you to do the same thing for the non-affiliates that you are doing for the contracted people. Cost of living doesn't change. It doesn't change for me because I am a plumber versus a department head. Cost of living is cost of living.

Alderman Shea asked it is conceivable that someone could get a 9% increase.

Mr. Hobson answered under that circumstance, absolutely, 9.5%.

Alderman O'Neil stated I don't want to keep beating this thing, but I take it this position is in your department, Payroll Coordinator. This says minimum education graduation with an Associate's Degree in Accounting. There may be somebody in your department that as we get into a lot of cases...I know that Frank has this where people fill in so they gain a lot of job experience. You know what I am saying? I just notice on and off he puts in any combination.

Mr. Hobson replied I would like to say that it was some kind of a computer issue, but I have no idea.

Alderman O'Neil stated I just saw the Planning Director and he has any combination there, but if you opened up City Solicitor or Human Resource Director there isn't. I am just looking for the flexibility to get the right people for the job. That is what I am looking for.

Mr. Hobson replied I have no problem with that and we do that off of the class specifications. This is a supplementary document only for the A-STEPs. That is all that it is.

Chairman Sysyn asked we would need a motion to recommend this to the full Board, right.

Mr. Hobson answered correct.

Deputy Clerk Johnson stated the Committee can recommend approval of the A-STEP. I am not sure, I will have to research as to whether or not an ordinance is required. I don't think the A-STEP is going to require an ordinance change.

Solicitor Clark replied I will talk to you and Mark about that. I am not sure.

Deputy Clerk Johnson stated if the Committee wants to proceed with it, you would have to approve it here for recommendation to the full Board.

Alderman O'Neil asked Alderman Shea why he voted against it in Bills on Second Reading.

Alderman Shea answered that is a separate issue. This is a new issue that he is bringing up tonight. That wasn't part of what you brought up at Bills on Second Reading was it?

Mr. Hobson replied no.

Alderman Shea stated the reason I brought it up at Bills on Second Reading was because I don't understand all of the implications so I don't vote on anything unless I understand fully everything. That is why. There were some loose ends. I did talk to Mark today about different things and he clarified certain points. There are certain points that I don't agree on and I will bring them up. One of the points that I don't agree on is, Alderman O'Neil, say you make \$70,000 a year and Alderman Sysyn you make \$20,000 a year. You get a performance objective of 3%. 3% of \$70,000 is how much? \$2,100. 3% of \$20,000 is \$600. That isn't fair. That isn't fair. I don't care how you word it. He gets a cash bonus, the one that is making \$70,000 and this one gets \$600. They are both doing exceptional jobs. I don't agree with that. If they are both doing exceptional work, it should be the same amount. Whether it is \$1,000 or \$1,500 or \$2,000 but they should get the same. Exceptional is exceptional whether you are at the bottom or top of the ladder. I mentioned that to Mark. I don't think it is fair. The people at the top

rung are getting triple what the people at the bottom rung are getting and that is not fair.

Alderman O'Neil moved to approve the A-STEP with the change to add "any combination of experience and training, which provides the knowledge, skills and abilities necessary to perform the work" to all job classifications. Alderman Pinard duly seconded the motion.

Alderman Shea stated if that insertion is put in, that is okay in terms of what...

Chairman Sysyn replied we are all in agreement with that.

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

Alderman O'Neil stated I know that tonight we have an issue that is being referred to this Committee, but to start a little bit ahead, is there a travel policy. It seems very inconsistent. It is being referred to the Committee, but it seems lousy. We have different sets of standards and that is lousy. I am wondering if we have anything in writing.

Solicitor Clark replied I believe there is a travel policy.

Deputy Clerk Johnson stated there is a travel policy that was adopted by the Board.

Alderman O'Neil asked for as much advance information as possible before the next meeting on this topic. There seems to be some inconsistencies throughout the City. We may need to start enforcing something.

Deputy Clerk Johnson stated the issue that he is asking about is not part of the travel policy.

Alderman O'Neil replied it is not travel, but it is management labor.

Chairman Sysyn asked could we have more clarification.

Alderman Shea stated his concern is the fact that if it is a labor management and there are seven people from management and one from labor, the scales are tipped one way.

Chairman Sysyn stated he has come before this Committee previously on this issue.

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

A True Record. Attest.

Clerk of Committee