

COMMITTEE ON HUMAN RESOURCES/INSURANCE

September 20, 2000

5:30 PM

Chairman Lopez called the meeting to order.

The Clerk called the roll.

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

Absent: Alderman Vaillancourt

Messrs: M. Hobson, T. Adams, Lt. Tracy, M. Roche, H. Tawney, D. Muller

Chairman Lopez addressed Item 3 of the agenda:

Ordinance Amendment:

"Amending Sections 33.024, 33.025 and 33.026 (Airport Emergency Worker, Airport Maintenance Worker Seasonal/Temp) of the Code of Ordinances of the City of Manchester."

(HR recommends approval of changes to the class specifications.)

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

Chairman Lopez addressed Item 4 of the agenda:

Request of the Building Commissioner for an unpaid leave of absence of ten (10) days for Paul Houghton which is in accordance with Section 33.076(B) "Special Leave" of the Code of Ordinances.

(HR recommends approval of this item.)

On motion of Alderman Sysyn, duly seconded by Alderman O'Neil, it was voted to approve this request.

Chairman Lopez addressed Item 5 of the agenda:

Request of the Tax Collector to upgrade an Office Assistant, Grade 10 to an Administrative Assistant I, Grade 12.
(HR recommends approval of requested upgrade.)

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

Alderman O'Neil stated I was able to speak to Joan Porter earlier about this. I just wanted to make sure this wasn't a way and I am not accusing the Tax Collector of this but we have seen some departments come in trying to get around Yarger Decker that we put a freeze on and I think Joan explained this well.

On motion of Alderman O'Neil, duly seconded by Alderman Sysyn, it was voted to approve this request.

Chairman Lopez addressed Item 6 of the agenda:

Communication from R. Bruce Gagnon, President of the Teamsters Union Local No. 633 of NH requesting to meet to discuss the issue of vacation accruals for certain affected City employees covered by various collective bargaining agreements.

Mr. Hobson stated Mr. Gagnon is out of state. He called our office and notified us of such. Thomas Adams is the Uniserve Director of the MEA, the teacher's union, and he is also the President of the Coalition of Organized Groups and he is here tonight. Mr. Chairman, I would like to give you an updated handout that is an update to the spreadsheet that you already have in your package. It is just some more information that tweaks and refines what the issue is.

Alderman O'Neil asked this is in our packet, isn't it.

Mr. Hobson answered yes. We just updated the spreadsheet slightly.

Chairman Lopez asked is there a change in the recommendation that you had in the packet.

Mr. Hobson stated if you look at the bottom line of our recommendation, we feel strongly that this matter was very clearly and fairly settled at the bargaining table. We also feel very strongly that if the unions had a severe problem with this, they should have gone through the grievance process. We did meet with the unions on

several occasions and talked about this. We also talked to the Mayor about this. However, over the past few days it has become quite obvious to me because I have been hearing from a number of folks, that people feel this is a policy or past practice matter and they feel that it apparently affects all City employees. I do not recommend that you approve this, but I do ask that if you do change the policy and you do go along with what the request is, that you do it for all employees and that we do it one time, we get it over with, and it goes back to last year, June 30 and nothing carries forward into the future because we can nit-pick each contract to death and it has just got to stop. That is my sentiment and I will be quiet now. If you remember in your package it said there was a draft list of those employees and Mr. Tawney had the ability to go through and give you a more final list and that is what you have now, Sir.

Alderman O'Neil stated there also was included in our packet 26 non-affiliated employees that are affected so this really has nothing to do with contract negotiations.

Mr. Hobson replied all employees were changed by this vacation policy so if we are going to change it for any particular group or person, in my opinion as the HR Director, it should be changed for everybody. What is fair for one is fair for all in my opinion.

Chairman Lopez stated there are some statements made on the issue and I would like to get the opinion adopted by labor leaders and City representatives. This whole issue was agreed to by the unions and you had 30 days to file a grievance and you chose not to do so.

Mr. Adams stated your question, as I understand it, Mr. Lopez, is why didn't we file a grievance right away. The answer to that is that it is my practice and the practice certainly of staff representing labor unions that we ought not to be litigious and simply file grievances at nauseum. We try to resolve problems as they arise and so we had entered into discussions with City representatives and during those discussions there seemed to be some progress being made. Some meetings got cancelled due to conflicts of various people who were to attend the meetings so we didn't see a need to file a grievance since there seemed to be an attitude on the part of the representatives of the City that some people fell through the cracks. That when we were overhauling the whole system there was an adverse impact that nobody had contemplated until after it was over with and it was those people who hit the longevity steps for the upgrades and vacation at essentially two different times so until the City finally told us that they weren't interested in solving this problem with us informally, that was the point where it appeared that we needed to bring this to your attention and that is what we are doing.

Mr. Tracy, current President of the Manchester Association of Police Supervisors, stated I would add that in December of 1999 we did file a grievance and we were asked to hold off because there were going to be some upcoming discussions with the administration and the people from the City to see if we could settle this matter. A few weeks ago I was sent a letter that stated that if we chose to continue with our grievance we could because this matter was not going to be settled through discussions so we have at this time opened our grievance again.

Mr. Roche stated I concur with Mr. Adams and Mr. Tracy as well. We have kept an open dialogue since we first met in mid-February of this year hoping to resolve this and I heard rumors this morning that we had 30 days and the union signed their contract so they essentially agreed to it and that is not the case. There are some unions that still have not signed to date and my union is one of them and this is one of the outstanding issues. By having that open dialogue, the unions have tried to avoid filing a grievance collectively in hopes of resolving and I know I heard the Chief Negotiator awhile back say let them grieve it. I think that is the wrong attitude. The unions are trying to get away from constantly filing grievances when they see some light at the end of the tunnel and we believed that with the open communications and the progress that was being made we were hoping to resolve it prior to having the City and the union spend a lot of money either in arbitration or before the State's Public Employee Relations Board. So, we chose this avenue and hopefully the unions will not have to grieve it like they have to on many other items.

Chairman Lopez replied just to be fair, because you mentioned the Chief Negotiator, David do you have any comment for the record.

Mr. Hodgen stated frankly I expected that Mr. Gagnon would be here tonight. I brought a copy of the grievance procedure from the Police Department Support Staff, which is one of the bargaining units that Mr. Gagnon represents and if you bear with me for a minute, I will review the first sentence of the grievance procedure, which says that a grievance is defined as a claim or dispute arising out of the application or interpretation of this agreement under express provisions of the agreement and shall be processed by following the steps described in this article, so my position is the unions have contracted with us and agreed that these kind of disputes will be processed through the grievance procedure and that is the longstanding tradition in Manchester. I am not opposed to talking to the unions and trying to resolve differences before it goes to arbitration. Frankly, the grievance procedures all have a mechanism for doing exactly that and we settled a lot of grievances but I believe the Human Resources staff feels that what was done at negotiations with regard to vacation accrual was fair. We do not require the unions to agree with that, but the unions and the City have agreed that where they

have these kinds of differences that they will file a grievance and maybe if it isn't resolved some other way, take it to arbitration. Frankly the statute, which requires the City to negotiate with the unions requires all contracts to contain a workable grievance procedure and we have never until recently had such a rash of unions coming directly to the Board of Mayor and Aldermen to resolve grievances instead of using the grievance procedure and as I have said to you before on other issues, I believe that the more the Board of Mayor and Aldermen do this, the more they will do of it in the future and I recommend that the unions should do what they have contracted with us to do and that is file a grievance. As Lt. Tracy has told you, MAPS did file a grievance back in December of 1999. I believe that it was put on hold because there were discussions between the unions and City officials. Those discussions were not fruitful. The unions were told, as I understand it, on May 18 that...I was not there but I was informed that on May 18 members of the Human Resources Department told the unions that were at the meeting that it couldn't be settled and that they should file grievances. As I said, I heard that second hand. I was not there. Still, the bottom line for me is that this is a grievance under all of the different collective bargaining agreements. I will agree with Mr. Roche. I think the unions to some extent have the option to file an unfair labor practice complaint with the Public Employee Labor Relations Board. I personally don't think that is a workable grievance procedure, but that is not my call. I don't believe that this Board should rule on this. I do believe that the grievance procedure should be followed instead.

Chairman Lopez asked you do agree though that once the contract was signed there were negotiations to solve this particular problem and you weren't part of it as the Chief Negotiator.

Mr. Hodgen answered I was part of it some of the time, but not all of the time.

Alderman O'Neil asked, Mark or David, are there 21 non-affiliated employees who are affected by this.

Mr. Hobson answered yes.

Alderman O'Neil asked it originally came out as 26 and the updated one says 21 so how can we sit here and say this has to do with our union contracts. This is an issue for all City employees. It has nothing to do with negotiation.

Mr. Hobson answered I am not trying to be contentious. All I am saying is that...

Alderman O'Neil interjected does this affect non-affiliated employees.

Mr. Hobson answered yes.

Alderman O'Neil asked so does it affect all employees, affiliated and non-affiliated.

Mr. Hobson answered the affiliated employees have a contract and that contract is impacted.

Alderman O'Neil asked wasn't the intent of Yarger Decker and how much money did we pay for that.

Mr. Hobson answered \$201,000.

Alderman O'Neil asked in the budget that was approved in July what was the cost in changes of bringing people up to Decker's recommended levels plus the 3% merit and A-STEPS and all of that. Give me a ballpark? \$100,000? \$1 million? All City employees.

Mr. Hobson answered we have spent, since Yarger Decker has gone into place in 1998, we have increased our Human Resources costs by about \$200,000 a month.

Alderman O'Neil stated so it is fair to say that the City has invested in the Yarger Decker project, correct.

Mr. Hobson replied hugely.

Alderman O'Neil stated I am not going to beat it up because I think it took us in a very positive direction.

Mr. Hobson replied I agree.

Alderman O'Neil stated so we have had these little curves that we hit and somehow got missed. I asked Lt. Tracy and the Sergeant situation at Police got straightened out. We dragged on this issue with longevity with some 20 and 25-year employees at the Highway Department. We dragged that out and then said you should do it through the grievance process and then the grievance has been denied.

Mr. Hobson replied I wasn't aware of that.

Alderman O'Neil stated so we sit here and I hear from the Chief Negotiator there is a grievance procedure and they can file an unfair labor practice. We have millions of dollars invested in this thing. Let's get it right. Everybody here has things to do other than sitting in meetings worrying about unfair labor practices

and grievances. We have had to have special meetings because of problems at the Manchester Transit Authority with regard to grievances. Let's not make that the norm here. Maybe it has been the norm here for a long time, but again I go back to we have hundreds of thousands of dollars invested in our employees right now in trying to make Manchester a better employer. Let's get these things right and let's not sit here and argue that the unions said this and it is a union problem. This issue is not a union problem. It is an employee problem. Let's get it right. Whatever it takes to fix it as soon as possible.

Mr. Hobson responded I will echo those last comments and what I ask is that if this group decides to make a policy change that they understand that in fairness that is my recommendation. That if you are going to make a policy change that in fairness you do it for everyone or else we are going to have another mess on our hands. That is what I ask if it happens.

Alderman O'Neil stated on the non-affiliated we have a department head, a deputy director of a department...

Mr. Hobson interjected and my secretary.

Alderman O'Neil stated this is all around. Let's not say this is a union issue. If we decide to change this as a policy decision, will this happen again?

Mr. Hobson replied no.

Alderman O'Neil responded so all we are doing is fixing something that got missed during Decker; a minor adjustment.

Mr. Tawney stated this issue has been going on for approximately 20 years. As a past practice, whenever anybody reached the anniversary where they would change their accrual rate for vacation, the City would automatically give employees an extra 40 hours. What happened was when I came I saw this was going on and I said well what is the authority for that. The Board of Mayor and Aldermen had never approved it. It was never in any of the union contracts and I said this can't go on without us either incorporating something in the contracts or changing the policy so that the Board knew about this. That is what was the impetus for this change. When we started negotiations, the unions said in order to resolve this they proposed the wording that you see in the union contracts. They said this is the way we want to do it, we want to accrue it a year in advance and that is the way we do it. In the past, if anybody left, died or whatever and they had not reached the date of this change they got nothing. There was no money. There was no nothing paid to anybody. What happened was a few of these people when we changed it and we said okay you are going to accrue it they are saying well hey

I didn't get anything and if it had been accrued I would have got something. Well, that is not the way the system worked and these people on the list that you see is a list of the people that were affected by it. When we changed it, we changed it and it affected all of the people, not just the unions.

Alderman Shea asked how many people did benefit by this. In other words how many weren't denied that extra vacation accrual. We know who didn't because they are grieving it.

Mr. Tawney answered everybody who worked for the City for the past 20 years benefited by this.

Alderman Shea asked but just recently.

Mr. Tawney answered we stopped it.

Mr. Hobson stated we stopped it as of July 1.

Alderman Shea asked but prior to July 1, how many people would have benefited prior to it being stopped.

Mr. Tawney answered every City employee who had been employed for more than five years.

Alderman Shea asked how many City employees are there.

Mr. Hobson answered 1,350.

Alderman Shea asked so minus 98, minus 26 or 21 did not benefit from it. Is that what you are saying?

Mr. Hobson answered Alderman O'Neil is not incorrect when he says that this is part of a Yarger Decker impetus and neither is Howard when he points out to you that there were two halves here. Decker changed the vacation program. Howard brought to the table...he actually came to me and David and said we need to negotiate this change, this past practice has got to stop, let's fix the accrual rate and do it according to the computer system and we did. Then, we learned, which I wrote in the beginning of your packet, that as the contracts were ratified basically rank and file people starting bringing the issue forward so the dialogue began. So, we understand that people were affected after July 1 and we also understand that going forward that is what we said would happen. We also understand that the unions and non-affiliated employees have a problem. Our recommendation still stands and I am hearing loud and clear from you folks that you want to make a

policy change so I just beg you to do it for everybody if you are going to go that way.

Chairman Lopez asked where does the money come from. Do departments eat it?

Mr. Hobson answered yes. It would have to be eaten in all departments and it is mostly, as you saw, soft costs. If Jackie Curtis takes more time off this year, then obviously the impact is that other people in the department do her work. I don't hire anybody to replace her.

Chairman Lopez stated so it is just an administrative cost then.

Mr. Hobson replied yes. It is an administrative cost that we want to make sure gets over and done with.

Alderman Shea asked the Fire Department, though, would have to spend \$20,884. That is what they would have to come up with in order to replace firefighters that would take time off. Is that correct?

Mr. Hobson answered that is correct.

Mr. Tawney stated that is an estimated cost. If somebody took it during a slack period and they had extra people, they may not need to put out all of that money but they are pretty flat out in their vacation time. There are some things that if you are going down the path as it appears we are doing here...there are some people who may be close to their maximum. In other words you only allow them to accrue a certain level of vacation and I would dearly say let's not say that people can keep over their maximum and things like this. Maximum is maximum and has been a policy for years. I would say that if somebody were to come up to the maximum that is it. For places like Fire and Police, it causes scheduling issues because we are throwing additional time out on the table for people to take.

Mr. Hobson stated a follow-up point to Alderman Shea's question is we have spoken with the Police Chief and Fire Chief and we have told them that this is coming up and we have told them that obviously if this passes or a policy changes, they need to do everything they can to not impact service and go over budget so they are aware of it.

Alderman Shea asked if we were to enter into a grievance procedure, does that cost a lot of money.

Mr. Hodgen answered depending upon which avenue was pursued, if it were done as an unfair labor practice complaint, the party that filed which I guess would be one or more of the unions, would have to pay a \$60 filing fee and that would be the end of that. If it went to arbitration, depending on the contract, we might be in what we call loser pays, in other words if the City lost it would pay the arbitrator's bill and if the union lost the union would pay the arbitrator's bill and for a few of the contracts like the Firefighter's contracts, we split the bill so it would be a function of how many cases went to arbitration and who won or lost and how many days the arbitration cases took. There would be a cost, I think, if these things went to arbitration.

Alderman Shea asked conversely, if we were to make a policy change and we were to say to these people okay we agree with what you are saying, there wouldn't be any cost involved other than soft money. Is that what we are saying?

Mr. Hodgen answered I don't agree with that. I think that the Human Resources Department has identified \$22,000 or so of hard cost money in the Fire Department. People have been telling me for months that there is no cost in the Police Department. Maybe everybody else in the City of Manchester believes that, but I do not. Don't tell me that if 35 weeks of vacation is added in the Police Department that they will not have to hire anybody on overtime to replace those folks. I don't believe it. It has been said but I don't believe it.

Alderman Shea asked one person is getting 35 weeks.

Mr. Hodgen answered no. I think collectively in the Patrolmen's Association, as I recall there are 35 weeks total. Now I haven't looked at the new calculations. I don't know if that number is still accurate, but that was an earlier calculation for the number of additional weeks in the Police Department. In other departments, where a person goes on vacation and no one has to be hired to take his or her place then I think it is a soft cost matter and the work isn't done by that person because he or she is on vacation, but we don't have to pay somebody else overtime. The new figures that Howard just gave me, I think, show Fire at \$19,800 and for the Patrolmen's Association \$5,385, Police Department support staff \$185 and those are hard costs and I don't know whether Howard is saying there is a hard cost total.

Alderman Shea asked, David, were you affected by this at all.

Mr. Hodgen answered no. I don't believe so.

Alderman Shea asked in other words you didn't lose any days.

Mr. Hodgen answered my anniversary date falls at the right time or I would be on the list.

Alderman Shea asked so you did benefit from this, correct.

Mr. Hodgen answered the luck of the Irish was with me. I wasn't harmed by it.

Chairman Lopez stated I just want to clear up something in my own mind and maybe Mark, let's go to the Patrolmen's extra vacation for a walk through here to make sure that I completely understand it.

Mr. Hobson replied the good page is actually the one that says requested extra vacation and it has the sum total of everybody. It says Unit, Fire, MPPA, PDSS.

Chairman Lopez responded walk us through it. What does it mean?

Mr. Hobson replied for example, let's do the Fire Department because they are the ones that we are really worried about with the hard cost. The Fire Department has 27 employees that benefit from this. They are going to have about 14 ½ weeks that they are going to have to deal with. Total accrued hours of 569. Those guys will get those hours into their accrual rate and then they will have to take their vacation this year. They will have to take their time. The Fire Chief is going to have to figure out a way to minimize his overtime costs for people to cover when those guys are out. We can't not say that there will be an overtime cost or some kind of a hard cost in Fire. Now what the Chief informed me was that he is up to a pretty full contingency except for a couple of positions so he is in pretty good shape. Better shape than he was two months ago, but nevertheless, he will have an overtime cost. Howard has projected his cost.

Chairman Lopez responded I understand it now. I just want to make sure that if a department head runs short then he is going to have to come back to the Board.

Mr. Hobson replied they will have to come back to contingency I guess.

Alderman O'Neil stated they have nine months to make this up.

Mr. Hobson replied yes.

Alderman O'Neil stated for some reason a \$12 or \$13 million budget at the Fire Department, I think \$19,000 can be made up in nine months. I want to go back to a point that was made for costs for grievances and arbitration and unfair labor practices. What about the time that City employees spend meeting about these things and away from doing their job. Lt. Tracy is President of the Police

Supervisors and not out with the traffic division doing their work. Mike Roche, God forbid the water may stop flowing in the City and I am serious saying this. Time is money. The people who pay the bills expect you to do their jobs, not be sitting and filing grievances and unfair labor practices and all of that stuff. The negotiator and Human Resources, they have other projects they can be working on for the betterment of the employees of this City. So time is money here to the people who pay the bills. Whatever we can do to straighten this out and avoid costs the other way I think is in the best interest of the taxpayers of this City.

Alderman O'Neil moved to approve the policy change for all employees. Alderman Shea duly seconded the motion. Chairman Lopez called for a vote on the motion. There being none opposed, the motion carried.

Chairman Lopez addressed Item 7 of the agenda:

New Hire and Termination listings submitted for informational purposes.

Alderman O'Neil asked why did we have to go to Center Barnstead to find a plumber. The lists are getting a lot better showing Manchester, but I would have to believe that there are plumbers in the City of Manchester.

Mr. Hobson replied I don't have an answer. I have talked about this with department heads. We are doing what you have asked us to do and we are also staying within the law. There are positions that we have difficulty filling. You know that. I have told you that.

Alderman O'Neil responded I saw a lot of police officers on there from Greater Manchester and that is fine. We have a tough time filling the position of police officers but I was surprised when I saw a plumber and we had to go to Center Barnstead to find one.

Mr. Hobson replied I had an HVAC technician open for nine months that we have not filled so it depends on the position, the time, the seasons. Maybe they are all working at the civic center on all of those toilets. I don't know.

On motion of Alderman Shea, duly seconded by Alderman O'Neil, it was voted to receive and file this item.

TABLED ITEMS

8. Class specification for Electrical Inspector.
(HR recommends approval of changes to the three class specifications.)
(Tabled 12/1/99)

Alderman O'Neil moved to remove Item 8 from the table. Alderman Shea duly seconded the motion. Chairman Lopez called for a vote. There being none opposed, the motion carried.

Mr. Hobson stated the Building Commissioner is here. After one of the previous meetings, we followed the instruction or request of the Committee. We went and spoke with...my department worked with Leon and the City Solicitor. We looked at all of the appropriate RSA's, etc. We went to the three employees. We talked to the three employees. We changed all class specifications to reflect the exact same wording for all of the inspectors and everyone seems to be in agreement on this. There is no disharmony on accepting these three class specification changes and it is an administrative move only and not a cost. We would ask that you accept this and put this to bed.

Alderman O'Neil stated the hang up has been the wording with regards to checking licenses and for the record we are allowing them to check licenses in their respective trades.

Mr. Hobson replied it is in all three job specifications. It is on different pages so I can't say it is on this page or that one, but what it says in all three is, "to insure that the intent of the licensing laws of the State of New Hampshire are maintained through confirmation of required license status at the time of permanent issuance and installation inspections" and we have checked on that with the Solicitor's Office and that is the language.

Alderman O'Neil stated as a member of the NH Electrical Licensing Board, with only three inspectors covering the whole state, the State Licensing Board needs as much help as they can get from the local communities whether it be in Manchester where they have specific electrical/mechanical and plumbing inspectors or just a general building inspector in some of the towns. The State needs the help of local people so it is important that the language is in there.

Alderman O'Neil moved to approve the class specification changes. Alderman Shea duly seconded the motion. Chairman Lopez called for a vote. There being none opposed, the motion carried.

10. Ordinance Amendment:

An Ordinance to establish the salary of the Commission of Welfare by amending the Code of Ordinances of the City of Manchester by adding a new section 32.020(d)."

On motion of Alderman O'Neil, duly seconded by Alderman Lopez, it was voted to remove Item 10 from the table.

Mr. Hobson passed out a memo to the Committee members.

Chairman Lopez stated I do want to let the Aldermen know that at the last meeting we had, Ms. Lafond was there and after the meeting she provided me with a document which HR didn't have and that is the document you have of numbers. This document was given to the HR Director and Howard to review with her and this is where we are at today. We have one recommendation from HR and a disagreement from Susan Lafond. This is where we are so I will let Mark go first.

Mr. Hobson stated I am seeing Ms. Lafond's documentation and it is \$57.08 different from our calculations. I defer to her calculations. There is not much of a disagreement there so we will go with Ms. Lafond's numbers. That is not a problem for us.

Ms. Lafond asked which number is that.

Mr. Hobson answered I am looking at your extended difference retroactive. We had said \$4,330.02 and you said \$4,387.10. We will go with your number. That is fine.

Chairman Lopez stated this has been going on and on and the Director and all parties were trying to come to some agreement and I know I promised Susan Lafond that we would bring it up at this meeting because there was some confusion and I would like to look at the Welfare Director and the salaries that she is saying. The way I understand it and Susan you can correct me if I am wrong, is that you want a salary adjustment of \$4,387 and you are willing to accept the final ordinance pay of \$65,806.

Ms. Lafond replied that is what my pay should be as of today at the present salary.

Chairman Lopez stated so to set the stage here, if this Board were to agree to that in the ordinance, you would still want your \$4,387.10. If this Board were to agree to that, where would the money come from?

Ms. Lafond replied the \$4,300 is an open purchase order from last year's budget where I had all of the money to cover the...thinking that it was going to be done last year so that is available for the retroactive.

Chairman Lopez stated when we say retroactive we mean salary adjustment.

Ms. Lafond stated the regular salary is what I had budgeted for.

Alderman O'Neil stated I hope in our discussions here nobody ever takes anything personal. Is that an agreement? I do have to take a little exception to something Howard wrote in a memo and it has to do with comparing the Mayor's position with the Welfare Commissioner. The Mayor's position has a wider scope, greater responsibility and supervises all department heads, which in fact is true but I will ask the question. How many department heads in this City make more money than the Mayor?

Mr. Hobson replied about 75%.

Alderman O'Neil asked how many deputies make more money than the Mayor.

Mr. Hobson answered I don't know that.

Alderman O'Neil asked there are some.

Mr. Hobson answered yes, there are.

Alderman O'Neil stated so I don't know that that is necessarily a fair comparison.

Mr. Hobson replied in defense of my deputy I would say that he was just pointing out the facts and I don't disagree with your assessment.

Alderman O'Neil asked as a department head, it just so happens that she has the most unique job in the City. She is the one department head that is elected by the citizens of this City, but I think we need to treat her, in my opinion, the same way we treat all other department heads and I guess my point is let's not hold because she is elected that she needs to be kept 5% below the Mayor. There are, as you said, 75% or almost 20 department heads that make more money than the Mayor. I think that is how we need to approach this. She is a department head with a unique situation, which is that she is elected.

Chairman Lopez stated the reason all this came about is because the Charter does not address the Welfare Director and the problem that we have and correct me if I am wrong anytime, is that she is an elected official and if she is treated as a department head then the argument came up under the old regime that you are not going to give me an efficiency report because I am an elected individual. So, that is the dilemma that this whole process is in. In trying to solve this, it was referred to our Committee from the full Board as an ordinance to try, and Tom Clark from the City Solicitor's Office is here, to make an ordinance for the Welfare Commissioner so that person would get a salary. In this particular case, \$65,806.88. That would be the Welfare Commissioner's salary. If the Board of Mayor and Aldermen at some time wanted to increase that as well as increase the Mayor, that is okay. This is not the case with the Welfare Commissioner because it is not addressed in the Charter. So, we are in a dilemma. We have two choices. We can continue the way we are and continue arguing back and forth between elected officials and evaluations or we can create the ordinance, give the salary to the Welfare Commissioner if the full Board approves it and that would be the end of it. She would not be on the Decker report for an evaluation for the 3% and all that stuff. In a period of time, as an elected official she would bypass the Mayor's salary and I know what you are saying Alderman O'Neil about a department head, but again you have that administrative problem that we did not address in the Charter. So, I guess we are at a point of where do we go and what do we want to do.

Mr. Hobson stated we are in agreement at this point with setting the Welfare Commissioner's salary by ordinance. I have no problem at all with the salary that was discussed, the \$65,806. That is fine. What would have to be discussed, not maybe at this level, is just where that salary adjustment money would come from. The way we set-up the payroll and benefits budget for this year, it would all hit the Welfare Department payroll budget now. So, whatever is due it would hit now. The Finance Department closes the books on past years so what we would probably have to do after this meeting is take care of that detail with the Finance Department to figure out exactly how the salary adjustment funds would be delivered. As it is now, it would come from the Welfare Department budget.

Ms. Lafond stated yes.

Chairman Lopez asked the City Solicitor about the ordinance.

Mr. Muller answered with respect to the Welfare Commissioner, there is no salary set by the Charter right now.

Alderman Shea asked when an ordinance is put into practice does that ordinance cover for the present term or does it cover in the future.

Mr. Muller answered that is purely a policy issue until the ordinance is changed. Obviously, the Board could change it and amend the ordinance in the future if they so desired. This is truly a policy decision all the way around but once it is set and the ordinance is established, that is the ordinance until it is otherwise changed.

Alderman Shea asked if, for instance, at the next meeting Dan O'Neil says that Mayor Baines should get \$100,000 a year, would that go into effect.

Mr. Muller answered my memory on the Mayor's salary is that there may be a limitation on the time you can change. I would have to review that.

Chairman Lopez stated I can answer that particular question. If we increase the Mayor's salary, it doesn't take effect until the next term as well as the Aldermen.

Alderman Shea asked would that apply to the Welfare Commissioner.

Chairman Lopez answered no. The way I understand the ordinance, it could be effective this year, July 2000 because that is where it is or the Aldermen could make it a policy and say effective next term. If the Aldermen do that, then the dilemma between whatever is negotiated here would be carried on for another nine months and it would be a higher salary. It would be higher than \$65,000 if we said, for example, we are going to make this effective if we decide to do this the year 2002. Now, from this period until 2002 she is still in a dilemma here. Does she continue to get her step increase and who is going to evaluate her and she doesn't want to be evaluated. We still have this problem that lingers on and that \$65,000 now becomes \$67,000 because of the increases in Yarger Decker. Is that true or not, Mr. Hobson?

Mr. Hobson replied I was trying to follow some of your stuff and I was also reading at the same time. The answer to the last part of the question is yes. When the Decker study was done, the position was in the Decker study. Right or wrong, good or bad, it was. On the other hand, the Charter and the ordinances were saying one thing and the Decker report was saying something else so what you are trying to do, I think, is put that to rest and I have talked to Tom Clark about this and that is that you set the Welfare Commissioner's salary by an ordinance period at an amount that you agree to and then if you want to change that amount in the future you can. The Mayor is the CEO of the organization and he deals with all department heads and the Welfare Commissioner is included. That is an administrative thing. All I know that you are really doing here according to my conversation with Dan and Tom is you are setting the salary at a rate that the Board wants to and that way Ms. Lafond's position is not involved at all with the Decker study. You are taking it out of Decker.

Chairman Lopez stated she only wants, from what I understand, what she is entitled to and should have got and that is \$65,806.88. Is that correct?

Ms. LaFond replied yes. Mr. Lopez had offered that as a solution to this crazy situation and I had agreed that I thought it should be capped and then it went to Tom Clark to see how the ordinance or Charter or whatever would play in this. It is something that I had agreed to. It was supposed to have taken effect July 1 of this year.

Alderman Shea stated my own thinking is that before we work out all of these details are we going to recommend that an ordinance be passed to set her salary or are we going to have somebody draft something from the Solicitor's Office.

Chairman Lopez replied there is an ordinance in your packet.

Mr. Hobson stated you have a draft and the draft would have to be cleaned up with the City Clerk's Office.

Alderman O'Neil stated the numbers don't agree.

Alderman Shea stated the only thing is there is a difference. If the ordinance were to take effect by July 1 and the ordinance that we passed is in October or November, that has to be resolved as well doesn't it?

Ms. Lafond stated it doesn't make any difference whether it is July 1 or not, Alderman Shea. That is just what it was supposed to have been originally.

Alderman Shea stated that would make a difference as far as you would be concerned. I am saying if it were to be in effect July 1 you would get retroactive to July 1. If it becomes effective in November and your salary becomes \$65,000 in November, you wouldn't get whatever difference it would be so I am not sure.

Ms. Lafond asked why not.

Alderman Shea answered because like I said before the ordinance is set in November so it isn't in effect in July.

Chairman Lopez stated let me refer to the City Solicitor. Can the ordinance be set for July 1?

Mr. Muller replied obviously the Board can make it so it is technically effective that date. It would essentially involve some type of back pay as a practical matter. Obviously as a legal...it wouldn't go into effect until the Board passed it, but the Board can essentially give effect back to July 1 if they so desire.

Chairman Lopez stated the way I understand it, it would be \$65,806 starting July 1 and you would absorb that all in your budget.

Ms. Lafond responded yes.

Alderman Shea stated I am confused. We are not calling that retroactive pay, we are calling it what?

Chairman Lopez replied salary adjustment.

Alderman O'Neil stated so we are talking about two separate issues here. One is that there is an agreement on the amount of \$4,387.10. We would need to take an action on that amount, correct, as the salary adjustment number or do we just go to the \$65,806.88 with the effective date of July 1 and that will take care of everything?

Mr. Hobson replied yes.

Alderman O'Neil asked should we put a time period for this to be adjusted.

Chairman Lopez stated I think that the Aldermen can increase the Mayor's salary and the Aldermen would be able to increase the Welfare Commissioner's salary at any time. I know what you are saying. If we could put something in the ordinance to effect that anytime the Aldermen would increase the Welfare Commissioner's salary it won't take effect until the following election. Is that what we are speaking of or did I misinterpret it?

Alderman Sysyn asked when you were on the Charter Commission, nobody thought about this.

Chairman Lopez answered no. Surprisingly she slipped through the rings.

Ms. Lafond stated if you had another Charter change, would that address it.

Chairman Lopez replied you could do it as a Charter change, but the recommendation was to do it as an ordinance from the City Solicitor now. The next Charter change, they should address it, yes.

Alderman O'Neil stated it seems like we are just putting out a fire and not resolving the situation and that is what is kind of throwing me. We are just temporarily taking care of this. This is forever going to be an issue isn't it?

Alderman Sysyn replied no. You are setting the salary now.

Alderman O'Neil stated but as we saw for many years here when the Mayor was making \$40,000...this is an issue for the Mayor as well as far as I am concerned. Until there is another Charter revision, the Mayor's salary is locked at \$70,000.

Mr. Hobson replied \$68,000. You can change the Mayor's salary and the Aldermen's salary. It would just go into effect in the next election. The Charter has no stipulations in there and there are no issues with that position.

Alderman O'Neil responded is there light at the end of the tunnel.

Mr. Hobson stated that position is changed by ordinance and what we had done and you disagree with us and we understand, but we calculated \$64,600 and we calculated a difference of \$4,340 and Ms. Lafond comes up with \$4,387 and I am not going to have heartburn over \$57. You are stating that you want to adjust it to \$65,806. Again, we want it to be clear that it is put into an ordinance and the position is no longer part of the Decker compliment because that is where the problem is.

Ms. Lafond stated I didn't think it was ever part of the Decker study.

Mr. Hobson replied I won't argue whether Ms. Lafond knew it or not. It was there and it was in all of the documentation.

Mayor Baines stated I met with the Commissioner shortly after I assumed office, I think it was in February sometime and we talked about correcting a situation that we feel is not a good situation when you are dealing with an elected official - the process that was established and Tom Clark was involved during those meetings. It was our agreement that the salary needed to be set independent of the regular personnel process and that is what we started to do and put that in place. We feel that it needs to be done by ordinance and that is a good way to establish it. That can be revisited by the Board of Mayor and Aldermen as it would deal with all elected officials. You deal with your salaries. You deal with the Mayor's salary. You deal with the Commissioner of Welfare's salary. That is a process. It doesn't need a Charter revision to deal with it. I think it makes a cleaner process for the elected officials. I don't believe it should be associated with Yarger Decker to be honest with you. The Mayor's salary is certainly not set by Yarger Decker. It was set by the Charter Commissioner and I don't believe the Commissioner of

Welfare's position should be tied to Yarger Decker. It should be dealt with by the policy makers – the Board of Mayor and Aldermen as it decided the salaries of any elected officials in City government. That is my position. I support this. The numbers that you are talking about are obviously your decision. We came up with a number that we thought would be fair to address it. I support this change of making it a set salary.

Alderman Shea stated realizing that Ms. Lafond is an elected official, who in essence would control the Welfare Department other than she. In other words, who does she answer to?

Mayor Baines replied the Mayor.

Ms. Lafond stated I answer to the voters as well.

Mayor Baines stated all department heads report to the Mayor. That is the way the Charter is set-up. That would not change. However, in essence she is evaluated by the voters. That is the greatest evaluation of all as you are with your performance. It puts it in that kind of a realm, but she will continue to report to the Mayor as the Charter requires for all department heads. That was a change that we made in the last Charter and she falls in that same category.

Alderman Sysyn moved to approve the ordinance establishing the salary of the Commissioner of Welfare at \$65,806.88.

Alderman Shea asked are we doing two things. Are we giving her a salary and then giving her \$4,387 in addition to that?

Chairman Lopez answered there has to be a salary adjustment.

Mr. Hobson stated if you just go back to July 1, administratively we will take care of the rest. If the salary you want is \$65,806.88...

Alderman O'Neil interjected that includes the adjustment.

Mr. Hobson replied right. We are off \$50 in the adjustment and we are not going to quibble about that.

Chairman Lopez asked do you agree with that, Susan.

Ms. Lafond answered yes.

Alderman O'Neil duly seconded the motion.

Alderman Shea asked would the City Solicitor come up with an ordinance to be presented to the Board at our next meeting.

Chairman Lopez answered yes. It would be presented to the Board in October with the number of \$65,806.88.

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

On motion of Alderman O'Neil, duly seconded by Alderman Shea, it was voted to remove Item 9 from the table.

9. Communication from Alderman Pariseau requesting a review of the recent increase in medical insurance payments (17.7%) as it pertains to retired City employees having to pay this out of their pensions.

Mr. Hobson stated this was a letter received from Alderman Pariseau stating that retirees were concerned about the amount of their medical insurance increases. The 17.7% insurance increase was for all employees and all retirees so we were all affected by that and any elected officials who chose to take health insurance are also affected by it as well. Our recommendation is the City Retirement Board and the Executive Director are reviewing options and proposals for the health care subsidy for retirees in both our new and old systems. Howard is assigned to the project from our office. My recommendation is for the Board of Mayor and Aldermen to allow and support the Board's research process at this time. You really don't need to take any action.

On motion of Alderman O'Neil, duly seconded by Alderman Sysyn, it was voted to report to the Board that the Retirement Board and Human Resources are researching this request.

On motion of Alderman Shea, duly seconded by Alderman O'Neil, it was voted to remove Item 11 from the table.

11. RFQ for Health Insurance Audit.

On motion of Alderman O'Neil, duly seconded by Alderman Shea, it was voted to receive and file this item.

On motion of Alderman O'Neil, duly seconded by Alderman Shea, it was voted to remove Item 12 from the table.

12. Drug and Alcohol Policy submitted by HR.

Mr. Hobson stated this is two separate items. There is the Drug Free Work Place Act that the Board accepted and received at the last meeting and then there is the Drug and Alcohol Policy that has to come back to you in a separate action.

On motion of Alderman O'Neil, duly seconded by Alderman Sysyn, it was voted to receive and file this item.

On motion of Alderman O'Neil, duly seconded by Alderman Shea, it was voted to remove Item 13 from the table.

13. Residency Policy submitted by HR.

On motion of Alderman O'Neil, duly seconded by Alderman Sysyn, it was voted to receive and file this item.

Clerk Bernier noted that Alderman Vaillancourt wished to be recorded in opposition to any salary increases or upgrading of any position.

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

A True Record. Attest.

Clerk of Committee