COMMITTEE ON HUMAN RESOURCES/INSURANCE

October 5, 2009 **5:00 PM**

Chairman Gatsas called the meeting to order.

The Clerk called the roll.

Present: Aldermen Gatsas Shea, Lopez, Garrity and Pinard

Messrs: T. Soucy, J. Gile, T. Clark, A. Humphrey, R. Robidas, J. Angell

Chairman Gatsas addressed item 3 of the agenda:

3. List of arbitration cases to be submitted by the Human Resources Director, if available.

Chairman Gatsas stated it is my understanding that they are not available this evening, but they will go out under cover for tomorrow night's meeting and we will see them for informational purposes on every HR agenda without discussion so everyone can see them. If we want to discuss them then we have to go into non-public. I would prefer to see them listed and have people call the HR director and have their own discussions.

On motion of Alderman Lopez, duly seconded by Alderman Shea, it was voted to receive and file the list of arbitration cases.

Chairman Gatsas addressed item 4 of the agenda:

4. Communication from Timothy Soucy, Public Health Director, submitting requests for an increase in High School Nurse hours and an increasing to the complement of School and Community Health Nurses.

On motion of Alderman Pinard, duly seconded by Alderman Garrity, it was voted to discuss this item.

Mr. Tim Soucy, Health Department Director, stated what you have before you are three requests. In the high schools we currently have an RN and a LPN. The RNs are 40 hours per week and the LPNs are 35 hours per week. What we are seeing is an increase in the

need for service. Our high school nurses see at times over 100 kids per day, necessitating the two nurses. What's happening is when the LPN's shift is up, they are leaving because they fulfilled their 35 hours per week. We worked with the School District this year to add an additional $5,000 so the money is already in the appropriation to increase the LPNs by half an hour each day. As you also know, the hours of the high schools change this year so they get out at 2:40 PM instead of 2:30 PM. With the nurses leaving, even thought there is still an RN there, if there is an office full of kids it is causing some conflict on our end. This would add a half hour per day for the three LPNs in the three high schools at a cost of little over $5,000 total for the year for the three of them and that's already in the School District and the City's appropriation.

On motion of Alderman Pinard, duly seconded Alderman Shea, it was voted approve the request to increase school nurse hours.

Mr. Soucy stated the second item is to place a school nurse at the Manchester School of Technology. Believe it or not that school has never had a school nurse. There has been an increased concern because of the type of work they do there in automotive and construction and we've talked about it for many years, but it has never come to fruition. This year we included that position on both the City and the School District side. The School District is in favor of having this position and has funded it. This funding will increase the nursing complement by one. It is in the School District's appropriation and it has been accounted for so we will have a permanent school nurse at the School of Technology.

Chairman Gatsas asked is this a direct pass through?

Mr. Soucy replied correct.

Alderman Garrity asked what currently happens if there is a need for a school nurse at MST?

Mr. Soucy replied they call 911.

On motion of Alderman Shea, duly seconded by Alderman Pinard, it was voted to confirm the position of a school nurse at the Manchester School of Technology.

Mr. Soucy stated the third item is looking to increase our community health nurse complement by one. We've received some stimulus funding. It was accepted by CIP last week under CIP 214310 and the amount is $115,892. This is two year funding that will fund a new community health nurse to focus on immunizations for both seasonal flu and H1N1 and standard childhood and adult immunizations. It is a two year commitment and there is no commitment for the City to pick up the position so it would be a limited term

position for two years that is grant funded. However, I need the authorization to increase the complement by one.

On motion of Alderman Garrity, duly seconded by Alderman Pinard, it was voted to approve the increase of the School and Community Health Nurse complement by one.

Chairman Gatsas addressed item 5 of the agenda:

5. Communication from Jane Gile, Human Resources Director, submitting a revised Class Specification 2060-21 for the Internal Audit Manager requesting a change in title to 2061-21 Independent City Auditor.

On motion of Alderman Lopez, duly seconded by Alderman Shea, it was voted to approve the title change.

Chairman Gatsas addressed item 6 of the agenda:

6. Communication from Jane Gile, Human Resources Director, submitting a revised Class Specification for the School Nurse I position changing from a Grade 16 to a Grade 17. It has been approved that the school nurses without degrees be placed in this grade.

On motion of Alderman Pinard, duly seconded by Alderman Shea, it was voted to approve the revised class specification.

Alderman Lopez stated I noticed that it mentions graduated with associate's degree. Is that someone with just experience? They don't have to have a degree?

Ms. Jane Gile, Human Resources Director, replied this is a classification School Nurse I that was not used by the City in the past. This classification will now accommodate school nurses that do not have a bachelor's degree. This is the classification for a School Nurse I. School Nurse II is a different classification. Those are the degreed nurses that are in the same category as the community health nurses. This was something that was approved at the last meeting and it is more of a housekeeping to make sure that the classification duly reflects what was voted on last time.

Alderman Lopez asked how does the School Department look at this? Are they going to be able to hire these people without the certification?

Ms. Gile replied they are already in place. Yes, we have school nurses who do not have bachelor's degrees and they were previously in the same category or the same classification as bachelor level nurses.

Alderman Lopez asked someone who is grade 17 and has to have a degree, how long do they have to work for experience…and they are going to be equal to someone who went to get that degree?

Ms. Gile stated that's not true.

Mr. Soucy stated the School Nurse I position is an associate's degree plus experience. The School Nurse II position is a bachelor's degree plus experience. The difference between the two grades is the level of education. This was approved by HR and the full Board back in July.

Alderman Lopez asked what's the cost?

Mr. Soucy replied there is no cost. It is a housekeeping item.

On motion of Alderman Pinard, duly seconded by Alderman Shea, it was voted to approve the School Nurse specification change.

Chairman Gatsas addressed item 7 of the agenda:

7. Communication from Jane Gile, Human Resources Director, submitting a review and report of Observation #4 - On Call Pay, from the Internal City Auditor's audit report of the Office of Youth Services.

On motion of Alderman Garrity, duly seconded by Alderman Shea, it was voted to discuss this item.

Chairman Gatsas stated I got a call from Mr. Boldin about a half hour ago. His son was injured so he had to go home to take him to the doctors so that's why he isn't here before us. I think Jane is capable of answering any questions we may have.

Alderman Garrity asked this is for the substance abuse hotline?

Ms. Gile replied that's correct.

Alderman Garrity asked how does it currently work without compensation?

Ms. Gile replied they are being compensated currently at $210 per week for the time that they provide coverage for the hotline. It is a three week rotation. The difficulty that had come to light as part of the internal auditor's report was that there was no authorization from the Board or we could not find any trail that it was previously authorized. It is housekeeping.

On motion of Alderman Lopez, duly seconded by Alderman Pinard, it was voted to approve the clarification of on-call pay.

Alderman Shea asked does the auditor's report substantiate that these people are doing positive work in terms of people who are in difficulties?

Ms. Gile replied I think in the body of my report it did say that there were 20 calls in a 24 week period, which is about six months. My understanding is that the hotline is more informational and referral based. They do not have to respond physically to anyone who might be experiencing some difficulties. It is more of a referral type situation and it is available to all people in the area.

Alderman Shea stated I read through it, but I wasn't quite sure. Do they work weekends as well as evenings? How are the hours broken down?

Ms. Gile replied it is basically off-hours coverage for the hotline so if someone works a regular work day there is coverage after hours for people who feel the need to reach out through the hotline.

Alderman Shea asked if someone were to work from 8:00 AM to 5:00 PM these people would be available from that time until the following morning? The understanding I got was that they would be available at all time. Someone would call someone else and they would refer them or they would call them directly.

Ms. Gile replied yes, that's pretty much how it works. They would carry a pager so they would be available. It doesn't restrict their movements at all because the pager would allow you to go to a sporting event, church or dinner, and the pager would be available for them to return the phone call.

Alderman Shea stated it is an available service in case of an emergency so these people would be able to respond and give someone the right kind of information or lead them to the right agency.

Ms. Gile replied that's correct.

Alderman Lopez asked an ordinance change will be forthcoming, is that correct?

Ms. Gile replied no, we do not need an ordinance change in order to do this. It just needs a vote of the Board. It is not required.

Alderman Lopez asked why is that, Tom?

Mr. Tom Clark, City Solicitor, replied I think the Board has the authority to authorize the department to do on-call pay. You could have an ordinance if you wanted to, but it is not technically required.

Chairman Gatsas asked why don't we get one to clean it up and make sure it's complete?

Alderman Lopez stated we don't want to run into trouble down the road when we can't find any documentation.

Mr. Clark stated my office will work with HR to put together an ordinance.

On motion of Alderman Shea, duly seconded by Alderman Pinard, it was voted to direct the City Solicitor to draft an ordinance for the on-call pay.

Mr. Clark asked do you want the ordinance for tomorrow night's meeting or will the next meeting be okay?

Chairman Gatsas replied the next meeting will be alright.

Chairman Gatsas addressed item 8 of the agenda:

8. Communication from Jane Gile, Human Resources Director, recommending the City implements a self-directed investment option for its Hartford 457 Deferred Compensation Plan.

On motion of Alderman Garrity, duly seconded by Alderman Lopez, it was voted to discuss this item.

Ms. Gile stated we've had some requests by participants in our 457 plan, especially when the market wasn't doing so well. They wanted the availability to be able to invest part of their 457 account in a different self-directed account where they would be responsible for making investments. These investments would go into an account. The employee would be charged an annual fee to participate in the program and they may be charged other fees associated with any transactions. Amy Humphrey is here with Hartford to further explain the program if there are further questions.

Ms. Amy Humphrey, Hartford, stated I'm responsible for the Hartford's 457 Program with the City. As Jane indicated we had requests from participants to add this to expand the investment options that are offered. Typically, we've discovered that there is less than 1% usage of it. However, it is a useful tool for those who are looking for additional investments above and beyond the core menu that we have to offer.

Chairman Gatsas asked you can't offer those without coming to the Board?

Ms. Humphrey replied I'm not sure on the City's protocol on that.

Chairman Gatsas stated the problem that I have is that I don't want this Board looking like we're making recommendations for employees to make investment changes in 457s. I think that is something that is between the employee and the Hartford.

Mr. Clark stated the 457 plan was set up to an RP process. We went out many years ago and Hartford was selected. We have a contract with Hartford to administer retirement funds through the HR Department. That original fee contract had never contemplated the employee being able to control the investments. This is something that has developed since then. Back then the employee had a choice of only what Hartford offered. Now we're expanding it beyond that at some employee's request. In my opinion it was proper to bring it to the Board. When we shrink funds or change investment choices we don't come back to the Board for those.

Chairman Gatsas stated my concern is that as a Board we are allowing someone to get into a different sort of investment than what the original proposal was. If for some reason someone wants to step up their percentage of risk, I don't want this Board looking like we've participated in allowing that from a legal point of view. If someone invests $100,000 in a very risky proposal that wasn't offered before and now someone comes back to the Board and accuses us because they lost their money…Are we at risk?

Mr. Clark replied I don't believe that we are at risk because it is the employees' choice, but I understand your point.

Ms. Humphrey stated that's the hottest item of debate with respect to that topic. Some groups are comfortable with making this decision and some groups would prefer not to be involved.

Chairman Gatsas stated I can tell you that this Committee member is not too comfortable with making that recommendation.

Mr. Clark stated this was more of a hot topic back when the market was fluctuating. I don't believe that people are pushing for it anymore so if you wanted to receive and file it, that would be sufficient.

Alderman Ouellette stated I think that if it is spelt out clearly that the employee understands that when they move their money around in a retirement account that the risk is there. I know that at the Post Office we have several options to choose from. Some are very safe and others have a great amount of risk. I think if the Board makes a statement one way or another, they are talking about the risk involved, but on the other side, if they move their money into a riskier account and make more money I think it is the risk of the employee.

Chairman Gatsas stated when this fund was started it was started with certain funds, not very risky funds.

Alderman Ouellette stated the same thing with ours, but they have added riskier funds as time went on. We used to only have three funds to choose from and now we have eight or nine. Some are international stocks that you can buy into, which is what I am investing in right now. It is riskier, but I'm in it for the long haul. I'm not going to retire in five or ten years. That's something I've looked at and made a decision based upon what's best for me. I don't see it as a risk for this Board.

Alderman Shea asked could someone invest in this kind of option without necessarily having the approval of the Human Resource Committee?

Ms. Humphrey replied absolutely. The way the program is structured is we have what's called a core menu of options and right now there are 70 or so investment options available that range from a fixed interest rate up to international type stocks. Typically in the deferred comp world that core menu covers all of the key asset categories so someone has the opportunity to be diversified. Again, what ends up happening is you typically have a group of savvy investors who are looking for more than your standard asset categories, something specialized for example. That's where the self-directed piece comes in. They would be opting out of the core menu and instead investing in the universe of stocks available under Charles Schwab. Again, signing a disclosure agreement stating that they understand that there are risks and they are responsible for it. It becomes their choice.

Alderman Shea asked they may invest in this without necessarily this Committee making any recommendation whatsoever?

Ms. Humphrey replied as long as the City process is okay with that, then yes.

Alderman Lopez asked if Schwab's personal choice account…if I had money in Hartford and I went to them, could I withdraw my money and put it in their account?

Ms. Humphrey replied no, you would be restricted to being able to move 50% of your account balance over there, specifically so that someone couldn't lose all of their retirement savings. You would be able to move 50% of your current balance over to Schwab to invest as you would see appropriate. It is called self-directed because there would be no assistance with that.

Alderman Lopez asked you would get a stipend of $50 per year per client?

Ms. Humphrey replied correct.

Alderman Lopez asked if I went to you could I put more than 50%?

Ms. Humphrey replied if you went to Hartford you can put all your money in the core Hartford funds. You first have to come through Hartford's core accounts. You have to be a participant with Hartford first and from there you would have the option to move up to half of your account balance over to Schwab if you choose.

Alderman Lopez asked what do you charge now to maintain a retirement account?

Ms. Humphrey replied the retirement accounts are strictly charged the underlying mutual fund charges. There is no per head charges or anything for the Hartford core investments. The $50 charge for the Schwab is different and it is because of the additional administration that Hartford does with the people who are moving over to Schwab for the paperwork.

Alderman Lopez asked is there a time limit if I took 50% and gave you $50 to put it into Schwab to put it back?

Ms. Humphrey replied no. Once you go over to Schwab, depending on what investment choice you pick, you are then invested in that investment option. If there are any fees in the Schwab assessed as that Schwab choice or any restrictions, you would be subject to that at Schwab.

Alderman Lopez asked do you advise the client of all these different options?

Ms. Humphrey replied what we would do is advise the clients that the self-directed is an option, but it would be open to the person. What we would explain to them is the ins and outs. We have a comprehensive document that talks about what they can and can't do, the limits on the amounts, the fees associated with it, and we indicated that they are on their own. They can't call Hartford seeking advice. They are making the investment decisions on their own.

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

Chairman Gatsas addressed item 9 of the agenda:

9. Communication from Jane Gile, Human Resources Director, recommending the City enter into a fiduciary partnership program and advisory services agreement with Mesirow Financial Investment Management, Inc. This agreement will in affect provide the necessary indemnification required by Mesirow.

On motion of Aldermen Garrity, duly seconded by Alderman Lopez, it was voted to discuss this item.

Ms. Gile stated it is interesting to hear Alderman Ouellette talk about his retirement plan because the City currently has 71 funds that employees can invest in. That is an exorbitant amount of funds. They are the experts. They will assist the City with evaluating and analyzing those funds so that eventually we will have a core group of funds that are good producers. They will do the analysis, they will do the evaluation and hopefully we'll be able to whittle the 71 down to a more manageable amount of funds. Again, this is at no cost to the City. They are contracted with the Hartford and they will provide this service to us should the Board believe that it is a good idea. Amy can further elaborate on this.

Chairman Gatsas asked how do you get your compensation?

Ms. Humphrey replied it comes from the underlying mutual fund charges. A component of the underlying mutual fund charges is shared back with the Hartford. It is typically referred to as revenue sharing.

Chairman Gatsas asked what is that percentage?

Ms. Humphrey replied it varies by investment option. I could certainly get you the percentage breakdown if you'd like.

Chairman Gatsas asked is there a way we can negotiate a single rate for all funds?

Ms. Humphrey replied I can check into that for you.

Alderman Garrity stated you said there was no cost to the City. Basically, they are going to help employees choose funds?

Ms. Gile replied it is more for the City's fiduciary responsibility for the funds that we do offer. We're not the experts in terms of fund selection. What this will provide is an expert look at the funds that we have and make recommendations relative to the funds that we currently offer to employees. As I said there are 71 funds, which is a huge amount.

Alderman Garrity asked is the recommendation going to go to your staff?

Ms. Humphrey replied it would go directly to the 457 Deferred Compensation Committee for action. I think the key to this whole thing is that Mesirow provides investment advice at the fund level. They do the due diligence of the investment options to continue to ensure that they are appropriate because sometimes things happen with the investments and they may no longer be appropriate. I think the real benefit comes in to the City is that they are willing to act as co-fiduciary on that advise. I think that's the key. In the past we have been hesitant to make changes to the investment options here out of the fiduciary concern and the liability. By bringing forth a co-fiduciary option on that, we were hoping to take some of those concerns off the plate so we could work with the investment lineup.

Alderman Shea asked how would the City benefit? Financially, from a more secure way of having investment protected?

Ms. Gile replied if you really want to look at it in that way, I think the participants would have better choices in terms of making those selections for their investment. Right now they can make their decisions in terms of where they want the money to go, but some of those funds may not be the best places to put your money at this point in time.

Alderman Shea stated if someone wants to go and invest money, in a sense his way of investing is to make sure that he is going to get something back. How is this going to differ after this study is done vis-à-vis now when that isn't in effect? What benefit is it?

Ms. Gile stated he will still be making his weekly payroll deductions for getting into the plan and making those contributions to his 457. I think the difference is that we're going to have eyes that are looking at these investments that are able to look at the fund managers. They will analyze the return on the accounts, how they are doing, projections for the future and so forth. These are experts who are going to be looking at those accounts. We don't have the time to be able to determine which funds should or should not be offered to employees.

Alderman Shea asked who is going to tell the employee that the investment is not smart? Is he on his own even though this is going to be done?

Ms. Humphrey replied the easiest way to think of Mesirow is as an investment consultant. The benefits that they bring forth to the City would be to provide advice to the 457 Committee with respect to those investment options. For example, American Century Ultra Fund would be run though all of their screening processes and numbers and at the end of the day they would come back with a comprehensive review based on five different criteria. Let's assume it fails. It would then tell us the reasons why it failed and their recommendations for the investment options. They could continue to watch it for a six month period. At the end of that, if nothing has turned around, they may recommend that the City no longer offers American Century Ultra to its participants. At that point, we would then work with the City and get a communication out to the participants who are invested in that fund to let them know that there is concerns over the fund and it is no longer going to be offered as a certain date and here is a suitable replacement for that option for their consideration.

Alderman Shea stated the way I perceive what you are saying is a general rather than a particular recommendation. It covers the full sway but it doesn't necessarily say to the individual that they are taking a risk. They present this information for him to peruse in order for him to assess whether he wants to stay in that fund or not.

Ms. Humphrey stated it is presented to the City and then for the participant level, you're right. They are not giving investment advice at the participant level. We have a representative that works with people and helps them with their portfolio at that level. That person would conduct educational meetings about the changes and the things they should know and meet individually with people.

Chairman Gatsas stated there are 72 funds right now that individuals have the opportunity to look at. Are all of those currently being used?

Ms. Gile replied no.

Chairman Gatsas asked what you are looking to do is weed that down from 71 to 15?

Ms. Humphrey replied yes. It is a much more workable number.

Chairman Gatsas stated there are people invested in those funds. There is probably a get-out-of-the-fund charge.

Ms. Humphrey stated no, there isn't.

Chairman Gatsas stated I don't see that in the document.

Ms. Humphrey stated I can get you documentation for that.

Chairman Gatsas stated I would like to get all the documentation together to make sure there are no charges from employees moving money out of the fund, no fiduciary responsibility to the City and if we narrow it down from 71 fund to 20 funds that an expert is doing it even though we have to propose moving forward with this. I'd like to see that any of those funds we try to negotiate have a flat fee for all funds, rather than leaving them as a percentage because obviously some of the funds are pretty lucrative and moving those funds out of there could be a very costly item for the participants. I would like to see something to come forward that manages the costs and tells us what those costs are going to be so that at that point we understand what we are looking at.

Alderman Lopez asked who are the financial people looking at this document? Section 4, page 5, the limitation liability: I have never see such stand out…would our retirement office look at this since they are financial people? There are a lot of things in here that aren't spelled out.

Ms. Gile replied Tom has reviewed the document.

Mr. Clark stated I have reviewed the document. The section that you are referring to is standard in the majority of contracts, especially contracts that we sign with the City. Most companies disclaim any warranties.

Alderman Lopez asked we don't get our retirement branch involved in looking at this for advice?

Ms. Gile asked which retirement are you talking about?

Alderman Lopez replied the City Retirement.

Ms. Gile stated this is separate.

Alderman Pinard asked should the Finance Officer be involved in this?

Chairman Gatsas replied let's get all the information first.

On motion of Alderman Garrity, duly seconded by Alderman Pinard, it was voted to table this item while more information is gathered by Amy Humphrey of Hartford Life.

Chairman Gatsas addressed item 10 of the agenda:

10. Communication from Dave Connare, President of the MPPA and Peter Bartlett, President of the MAPS, requesting that the Manchester Police Department be authorized to bill vendors that are required to hire extra police details an additional $2.00/hr. in order to offset recent legislative changes.

On motion of Alderman Pinard, duly seconded by Alderman Lopez, it was voted to approve the request from the Manchester Police Department.

Mr. Clark stated that item is an amendment changing the collective bargaining agreement. The language will have to be ratified by both the union and the Board.

TABLED ITEMS

11. Communication from Ronald Robidas, Security Manager, regarding Identity Theft Awareness Training Program.
(Note: Referred by the Board of Mayor and Aldermen on 4/07/09. Identity Theft Policy was approved on 7/7/09. Item tabled on 7/7/09 awaiting more information.)

On motion of Alderman Garrity, duly seconded by Alderman Shea, it was voted to remove this item from the table.

Chairman Gatsas asked Red, do you have something to say about item 11?

Mr. Ronald Robidas, Security Manager, replied the Clerk just passed out a letter that provides the information that the Committee had requested in July.

Chairman Gatsas stated one of them doesn't cost us anything and the other costs $799 and $499 the second year.

Mr. Robidas replied in addition to the initial training cost. The initial training costs are $99 for 25 people at a time. The second one is for non-financial institutions. They provide a one year fee to belong to the program, which is a license of $12.95 for an individual. We arrived at that figure because we are a non-financial institution, but we have receipts in excess of $6.5 million. They have their fees broken down on a structure. The third one is the perimeter security that is $2.50 per person. They have a minimum charge of $2,500. The fourth one was the presentation that we had made a few months back to the Board. To bring the Committee up to speed, the Federal Trade Commission delayed the implementation of fines until November. They were originally suppose to

take effect on August 1st and they delayed them on July 31st. Now they have been delayed until November 1st of this year.

Chairman Gatsas asked how much are those fines?

Mr. Robidas replied that's to be determined by the Federal Trade Commission if there is a violation. They delay the imposing of the fines until November 1st to allow people to be in full compliance. Basically, the financial institutions are in compliance and have been for a period of time. The last time we were here we discussed the fact that there were only two departments that immediately needed to be addressed. However, to bring to the Committee's attention as stated in the letter, this goes beyond the red flag for these two agencies. The City is exploring the possibility of using and accepting over the counter credit cards. We've been working very closely with Jennie Angell in Info Systems. She is handling that portion. If the City does decide to go that route, it becomes a much broader and more expansive effort for the City because the payment card industry will require red flag training as part of their requirements for us to offer that service. We are now talking a couple dozen people from the two departments. If we go down that route of accepting the credit cards, we're going to be speaking of several hundred people that will have to be trained and red flagged. That's per requirement from the payment card industry. We're dealing beyond just today.

Chairman Gatsas asked what is your recommendation to this Committee?

Mr. Robidas replied my recommendation would be that we would ask to go with the prepaid legal services. There is no cost to the City and that fits within our budget.

Alderman Garrity asked are prepaid legal services going to be allowed to solicit City employees like we talked about last time?

Mr. Robidas replied you could call it a solicitation. It is a 50 minute program about the red flag. Ten minutes is the optional period if the employees wish to provide or maintain their services. I would like to point out to the Committee that it's not something the City has never done. We do offer those services, not through prepaid legal services, however, but we allow credit unions and we allow some insurances to be presented to employees as options. It's nothing that hasn't been done to the City employees before.

Alderman Shea asked are the 24 people who would be involved with the Finance Office and the Tax Collector?

Mr. Robidas replied no, actually it would be the people at the Environmental Protection Division and the Water Department. The way the law reads, it is like we are providing a service and charging folks for that service later on, then we are required to follow the Federal Trade Commission and the red flag.

Alderman Shea asked the ones that need this training are the Water Works employees?

Mr. Robidas replied yes, and the Environmental Protection Division employees.

Alderman Shea asked these are Enterprise people?

Mr. Robidas replied that's correct. They provide a service then charge folks later.

Alderman Shea asked if it were adopted in other areas then you're saying that it would be several hundred employees?

Mr. Robidas replied yes. Again, from our understanding and dealings with Jennie Angell, I believe the City is interested in accepted credit card payments over the counter through various departments.

Alderman Shea asked what other departments would possibly be involved besides the Tax Collector?

Mr. Robidas replied there would be a number of departments. We'd have anyone who would accept credit cards: Tax Collector, City Clerk's Office, Assessors, and the Parking Division. All of these folks that offer services now, people would then be able to come in, if the Board of Mayor and Aldermen decided, to choose to pay for those services with a credit card whereas now we only accept check or cash. In the event we go that route and accept credit cards then it is not the Federal Trade Commission and it is part of the payment card industry that will require as part of their basis for us to participate in the program.

Alderman Shea asked at that time we would pay for those services?

Mr. Robidas replied at that time we would be required to include training for all the additional other folks at a cost. That's why we are recommending the fourth option, which is at no cost to the City.

Alderman Shea asked regardless of how many people?

Mr. Robidas replied that's correct.

Ms. Jennie Angell, Information Systems, stated we have a committee of all the departments that are involved. It is includes Finance, Kevin Buckley, and utilities. There are a number of data security issues that we're dealing with because of a lot of new regulations. It is not just red flag regulations. There are payment card industry regulations and network security regulations. The red flag was sent to you because it was a time

sensitive resolution that we had to comply with. What we are trying to do is put together policies that will cover all of these regulations. We will bring this forward to you together. There will be additional training. Some of that training we will be able to do in house when we get further along. Right now, because of the utilities there is a deadline to make sure they are complying with red flag training. We will be bringing another cohesive plan covering the rest of the plan to you at a later date.

Alderman Lopez asked you agree with this recommendation?

Ms. Angell replied for the utilities.

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

Mr. Robidas asked may we address one other issue for housekeeping purposes down the road?
Ms. Angell stated what we discussed before we got the red flag policy that was brought to you for approval, was having a payment card industry security policy and a network security policy. What we were going to propose was instead of having this policy and another and another which would get very confusing, we wanted to present these together and move them over to the Committee on Administration and Information Systems because what we are talking about is data security.

Chairman Gatsas stated when you send that in to the Board on the agenda they can make a decision where it is going. That's not for us to decide right now.

Ms. Angell stated I'm just giving you a head's up because that's what we were talking about doing.

12. Discussion relative to the guidelines of the Bright Ideas Evaluation Committee awards.
(Note: Referred from the Board of Mayor and Aldermen on 9/16/08; The Committee has requested members of the Quality Council to appear at the next meeting to discuss the issue further; Tabled 11/12/08.)
(Revisions attached submitted by the Quality Council on 4/24/09.)

This item remained on the table.

13. Communication from Jane E. Gile, Human Resources Director, recommending that the Committee upgrade the part-time parking control officer from a salary grade 10 to a salary grade 11; and upgrade the reserve police officer from a salary grade 18 to a salary grade 19.
(Note: The Committee has requested additional information from Human Resources on this item; Tabled 8/5/08. Communication from Chief Mara regarding Reserve Officers was received and filed on November 24, 2008.)

On motion of Alderman Lopez, duly seconded by Alderman Shea, it was voted to remove this item from the table.

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

14. Recommendation from Thomas Clark, City Solicitor, regarding Section 33.011 Retired Employees; Policy on Rehiring, if available.
(Tabled 8/5/08)

On motion of Alderman Lopez, duly seconded by Alderman Shea, it was voted to remove this item from the table.

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

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

A True Record. Attest.

Clerk of Committee