

COMMITTEE ON HUMAN RESOURCES/INSURANCE

September 7, 2021 at 6:15 PM

Chairman Stewart called the meeting to order.

The Clerk called the roll.

Present: Aldermen Stewart, Cavanaugh, Roy

Absent: Aldermen Hirschman, Barry

Messrs.: K. Ferguson, Mayor Craig, A. Aldenburg, T. Kitchens

1. HR Reports submitted by Kathleen Ferguson, Human Resources Director:
 - Position Summary Report
 - Summary of Arbitrations/Grievances
 - Vacancy Requisition Requests and Approvals
 - Sapphire SmartShopper Report*(Note: Provided for informational purposes only; no action is required.)*
2. Communication from the HR Director regarding the City's ordinances related to initial probationary period and advancement within pay ranges.
(Note: Provided for informational purposes only; no action is required.)

Kathy Ferguson, Human Resources Director, stated there is the six-month probation period for employees that work for the city. After six months they go to step 2. The police officers take a test, get hired and start at step 1 technically. Should certain people get paid more than others in a position because the others worked for the city and already received a six-month probation? That is how the whole Yarger Decker system works in the city. We have some Administrative Assistant II's that came in as that position at step 1. Some of them may have been Administrative Assistant I's and applied for the position so they are not going to get another probation period as they already received one. There are some discrepancies in the same pay grade. It is a one-time probation period.

Alderman Cavanaugh asked if I am at 4-5 months in that probationary period and I get that new position and I haven't received that step will I have to restart my probationary period.

Ms. Ferguson replied yes you would start a new probationary period.

Alderman Cavanaugh asked so you wouldn't receive that step.

Ms. Ferguson answered right. You would start a new probationary period. You all voted to use vacation and sick time in that period where as before you had to wait to use sick time. You did not pass probation so you have to start over.

Alderman Cavanaugh asked so essentially it could be up to an 11-month period where you are on probation.

Ms. Ferguson replied right but those folks most likely received a 10% raise because they applied for a job that was higher. They kind of forgo that 3% step increase because they applied for that 10% promotion increase.

Alderman Cavanaugh asked so the people who came in five months after them would still be at the same pay. If I have five months and get a new position and I start a new probation period of six months, everyone that came in after me would be...

Ms. Ferguson stated everyone would still have a six-month probation period.

Alderman Cavanaugh stated but the pay, the pay would be...

Ms. Ferguson stated they would get it at that point because they passed the probation. That is where they would be the same as all the other police officers. We have had seven or eight who have done this in the past so they did not get the six month. We do have

current police officers, dispatchers, and record specialists that got their probationary increase when they were in the previous position. They became police officers and six months later they did not get a probationary increase. That is just how Yarger Decker works because they got their six-month increase with their previous job.

Alderman Cavanaugh stated I think we need to be more inviting to employment within the city. What are we down in the police force, 21 total? I can't support this as we really need to look at this. I understand Yager Decker but we are in a very competitive market and if we want people to stay we need to enhance what we have. We need to do everything we can to keep these employees and not make it easy for them to leave.

Alderman Roy stated this affects the entire city not just the police department correct. So if you work at Public Works and go to the Fire Department it would be the same?

Ms. Ferguson replied correct.

Alderman Roy stated we also have other problems. When you get promoted to a higher rank you will get another raise on your 5-year anniversary correct?

Ms. Ferguson replied yes; longevity.

Alderman Roy stated you will end up getting paid more than Lieutenant or Captain. There are a lot of different things like that in the Yager Decker.

Ms. Ferguson stated there are directors who make less than their assistant directors. They did not get their 10% going up the chain. That is how Yarger Decker works.

Alderman Cavanaugh stated I think there are a lot of things to change. How many open positions at the DPW?

Ms. Ferguson stated I am not sure. We were talking about the compensation study and they lost six laborers just since July 1.

Alderman Cavanaugh replied I think every department is down employees. For us to attract people, we really have to honor their commitment to stay here. We are getting beaten up by everyone else.

Alderman Roy asked in order to correct that, in order to change that, will we have to negotiate that.

Ms. Ferguson responded some of the unions have already negotiated it out in exchange for something else. Not every employee has a six-month probationary increase. Some have negotiated them out but other departments and non-affiliates still have it. That is a problem. You can take any position, and I am using an Administrative Assistant as an example because throughout the city, their salaries are different.

Alderman Roy stated that is exactly what Yager Decker was supposed to take care of.

Ms. Ferguson stated we have dispatchers at police and if they decide they want to go to a lateral same grade job at Fire, they will make less money. According to their union contract, they have different COLA's and we used to have one scale. We now have seven or eight. For some reason some unions have higher ones. It is supposed to be a cost of living increase and we all live in New England. We are trying to get it back so it's equal.

3. Communication from the HR Director regarding hiring and compensation issues.
(Note: Provided for informational purposes only; no action is required.)

Chairman Stewart stated as we've just heard both hiring and retention is a major challenge not just for the city but the country. We are hearing it all over. Director

Ferguson would you mind discussing a little bit what was in your communication for the benefit of those present.

Ms. Ferguson stated I just wanted to let you know the Human Resources Department is starting up educational retirement meetings. This is to educate people because people are confused about Medicare and what's the next step. We have it for Fire, Police, Non-Affiliates and we have had over 60 people sign up. It is an indication that we have incredible institutional knowledge and our workforce is getting older. They are beginning to look at retirement and we need to think about replacing those positions. Yager Decker is great about scoring experience, education, and supervisory elements of a position but it doesn't take into consideration what the market possesses. When we look at a Civil Engineer III, we are losing them because the private sector can offer bonuses and more pay per hour. When someone says they need a three or four dollars an hour raise, as a good talented employee they are going to the private sector and there is nothing in Yager Decker we can offer them. We can't say we will jump you up to step 10 because we think you are important. That is what the private sector is doing. There are things we are trying to work out in HR. The benefits of working for the city are on the web page. Two weeks' vacation is an issue. There is a lot of flexibility out there that we are competing with. We are working with colleges and universities and they are offering 15% discounts for new people and staff. There are 20% discounts from Granite State College and Franklin Pierce. We tried the Student Loan Repayment program that never got funded. It was something we tried to use to entice new talented people to come work here. Retention is huge. The private sector will steal them. I think it's sad that we can't come up with \$3 an hour to say you are worth it. It costs money to train a new person. Maybe it's the schedule. Not many municipalities are open until 5 PM. This is just a discussion that I wanted to bring to your attention first and foremost for the department heads to not only keep our employees but find new ones.

Chairman Stewart stated like they say in sales, it's easier to keep an existing customer than it is to get a new customer. I think it definitely carries over. Departments across the

city are having these challenges; some more than others. This is a real issue and I appreciate you taking the initiative here. Compensation and benefits are huge; compensation is the number one question people are going to ask. I really appreciate you looking at the whole spectrum of benefits up to and including flexibility. Sometimes they may not need a financial impact to become very meaningful.

Ms. Ferguson stated young people don't think about the pension. They do not think they will be here long term. You hear two to three-year turnover. If there was a match at 10-12% into a 457B that's going to be more advantageous to them as employers will do a 2-3% and up to 6% match. The city could save on the pension side and offer something that they can have and take with them. I am just trying to think outside the box because the pension is 35% of a person's yearly income; it is very expensive. If you did have a younger person saying they would rather take 10-12% of their yearly income versus 35% and throw it into a 457B, it would be interesting to see if that would be something that would entice and/or retain some employees. We just need to be all thinking of retaining and hiring good people

Alderman Cavanaugh replied I agree 100%. The thing that worries me is that 30-40 years from now, if you look at a pension for people working here, 100% of the people working here are in the pension. What is the percentage of people in a 457B? 35-40% is the industry standard?

Ms. Ferguson stated it's voluntary.

Alderman Cavanaugh stated that sounds dangerous to me. We have got to help people and sell it.

Ms. Ferguson stated the younger generation isn't even thinking retirement.

Alderman Cavanaugh stated that is what I'm saying. They aren't even thinking about a 457. Maybe sell that more too and push them to get involved in that.

Ms. Ferguson stated the pension is a requirement. At least it's a retirement plan.

Chairman Stewart stated I think that is what we have to do. As great a benefit as the pension is, I can tell you I work with young people and their issues in my day job. A lot of young people are not thinking about being somewhere in five years to say nothing of 30 years. It just seems that for young people, some are on their parent's health insurance until the age of 26 they don't even think of health insurance. To be able to appeal to them, we need a broad range of options while doing our best to educate our employees and potential employees on what a great deal working for the city can be.

Alderman Roy stated if it's either a pension or a 457B, if they drop out of the pension then the funding for the pension will not be there. It will continue to raise the unfunded portion of the pension. That is an issue we need to think about. We can't just abandon that.

Ms. Ferguson stated this is just a discussion.

Chairman Stewart stated this is very complex and complicated. Things affect everything else. The things we discuss are often very difficult. If it was easy it would have been solved already. Thank you for really taking the initiative and making this a focus of your tenure thus far.

Ms. Ferguson stated one other thought is to allow directors to hire steps 1-5. They have to provide a letter to me that I then send it to the mayor and it needs to be approved currently. It's very time consuming and we may lose that employee. It would be nice if they could just offer those positions at those levels. That's just another thought.

Alderman Cavanaugh stated imagine allowing a director to run their department.

Chairman Stewart stated this is how the private sector operates. Often times they can move quickly.

Ms. Ferguson stated we have a lot of red tape. Often times quicker action can make for some very advantageous hires.

4. Request from Mayor Joyce Craig to update the current class specifications for the Economic Development Director and the Marketing & Retention Specialist, and change the job title for the Marketing & Retention Specialist to Business Liaison.

Chairman Stewart stated I know I am more than happy to make a motion to approve this. It is something I am very excited to see coming to the forefront as I know the city has been without an Economic Director and indeed an entire department for too long now. Curious to here if anyone has any comments.

Alderman Roy asked we still have the director position in the budget correct.

Joyce Craig, Mayor, replied it is funded through ARPA funds. It has not been funded for 2-3 years. It was incorporated when the Board approved the use of those funds.

Alderman Roy asked will these be the funds coming from the feds.

Mayor Craig replied correct.

*On motion by **Alderman Stewart**, duly seconded by **Alderman Cavanaugh**, it was voted to approve.*

5. Communication from Allen Aldenburg, Police Chief, requesting the addition of one (1) Police Community Program Coordinator, grade 19, to his complement.

Chairman Stewart stated I am curious to know if this is a sworn position.

Allen Aldenburg, Police Chief, replied no it is a civilian position.

Alderman Roy asked how this position was going to be funded.

Chief Aldenburg stated through the ARPA funds.

Alderman Roy stated I ask this because when grants come into the Police Department there are usually strings attached such as having the employee for the term of the grant and then an additional year.

Chief Aldenburg stated that is not relevant here.

*On motion by **Alderman Cavanaugh**, duly seconded by **Alderman Roy**, it was voted to approve.*

6. Communication from Sharon Wickens, Finance Officer, requesting the elimination of one (1) Financial Analyst I, grade 19, and the addition of one (1) Financial Analyst II, grade 22.

Alderman Roy stated that I just want to say within the communication it does state that it is within their budget and already funded.

*On motion by **Alderman Cavanaugh**, duly seconded by **Alderman Roy**, it was voted to approve.*

7. Communication from Ted Kitchens, Airport Director, requesting the following changes to his complement:
- Eliminate one (1) vacant LAN Administrator (2195) grade 21
 - Add one (1) Server Administrator (2194) grade 21
 - Eliminate one (1) vacant Administrative Assistant II (1060) grade 13
 - Add one (1) Property and Contract Coordinator (3126) grade 17

Alderman Roy asked is this already in their budget and is it covered.

Alderman Cavanaugh asked is this because you can't get it filled.

Ted Kitchens, Airport Director, asked which position.

Alderman Cavanaugh answered either or.

Mr. Kitchens replied the Administrator position is just a change. When we hired the Assistant Airport Director for IT, I asked him to do a management review looking for critical skills gaps. He identified a need for additional systems administration and project management work load. This is really a change to position the organization better to meet our needs. As far as the property and contract coordinator, that is really to just build additional capabilities within the department. I am having hiring issues also. In fact, I just told Director Ferguson that I lost an employee for \$3 an hour working Monday through Friday and not having to push snow at 2 in the morning. It is tough out there.

Alderman Cavanaugh stated you are doing a great job. There are a lot of great things happening over there.

*On motion by **Alderman Roy**, duly seconded by **Alderman Cavanaugh** it was voted to approve.*

TABLED ITEM

8. Communication from Alderman Roy recommending the hiring of an independent firm to evaluate the Fire Department.
(Note: Tabled 1/5/2021; referred to the HR Committee by the BMA on 12/15/2020).

This item remained on the table.

*There being no further business, on motion by **Alderman Roy**, duly seconded by **Alderman Cavanaugh**, it was voted to adjourn.*

A True Record. Attest.

A handwritten signature in black ink, appearing to read "Matthew Normand". The signature is fluid and cursive, with a long horizontal stroke at the end.

Clerk of Committee