

Town of Swanzey, New Hampshire
Personnel Policy Review Committee
Meeting – August 20, 2014
Swanzey Police Station, 34 Eaton Road, Swanzey, NH

Present at Meeting: The meeting was called to order by Human Resources and Services Coordinator Edna Coates at 1:58 p.m. at the Swanzey Police Station. Present were Human Resources and Services Coordinator Edna Coates, Swanzey resident Michael Goldschmidt, Resident Care Giver III Donna Allen, Public Works employee Ann Bedaw, and Bookkeeper Theresa Lounder.

Absent: Chief of Police Thomas DeAngelis, Town Administrator Shane O’Keefe

Others Present:

No others were present at the meeting.

Minutes:

Louder advised the Committee that O’Keefe wanted to review the minutes prior to them being made available. O’Keefe had made some suggestions, and some of the revisions did not save properly. The footer should have “Review” inserted, the second line of the first paragraph under “New Business” should read “Board of Selectmen”, and the date in the same line should have a comma after the 23 in place of the period.

- Meeting minutes of June 18, 2014 – **motion** was made by Louder to accept the meeting minutes as revised. The motion was seconded by Bedaw. All in favor. **Motion passed.**

Louder distributed a copy of the draft minutes for the July 16 meeting (which was cancelled) that had been sent to O’Keefe, explaining that she had received no response. Louder felt it was important to have something that documented that the meeting was cancelled since the June 18 minutes had listed the next meeting as being in July.

- Meeting minutes of July 16, 2014 – **motion** was made by Coates to accept the meeting minutes as written. The motion was seconded by Allen. All in favor. **Motion passed.**

New Business:

Coates introduced newly appointed member Michael Goldschmidt. Goldschmidt was appointed the previous evening by the Board of Selectmen and does not yet have fully executed appointment papers. Goldschmidt spoke about himself, noting his experience with personnel while he served for 22 years in the Navy, his educational background, and his interests.

Introductions were made by the other members stating their name and position. Goldschmidt inquired about the residencies of the members. Three of the seven members live in Swanzey.

Old Business:

Coates opened discussion on the progress members had made since the last meeting. Most members felt that it was overwhelming to have so much of the policy reviewed. Allen stated that she got halfway through the current personnel policy. Louder stated that it didn’t seem to be all that much at the last meeting but the benefits portion is a significant portion of the policy when considering all benefits, not

just Workers' Compensation and FMLA. Many members had begun with the current personnel policy and made notes regarding ideas for what should be changed, what was good, and what seemed contradictory.

Allen asked if Workers' Compensation (WC) was similar in all types of businesses. Coates noted issues with that section of the Town's current policy. There are several typographical errors. Employees are instructed to submit paperwork to the Finance Office, which needs to be updated. Coates then referenced Chapter 24.1.4, which states that employees may not use sick leave to supplement WC benefits. However, the Town's practice has been to allow it as the WC payments are sent directly to the employee from the WC carrier. Employees use their leave time in order to receive payment from the Town, which allows them to pay their share of insurance premiums and other required deductions (such as child support) through regular payroll deduction instead of making payment to the Town or the other entities. Coates also pointed out that most employees, when out on WC, have applied for – and in most cases – been eligible for FMLA, which does allow paid leave to be used in conjunction with WC. Lounder inquired about any legal requirements with use of paid leave and WC pay. Coates had contacted the legal department at the New Hampshire Municipal Association (NHMA) and was informed that there was nothing that specifically stated that employees were not permitted to use their paid leave to supplement any type of disability pay (WC, short-term disability, etc).

Goldschmidt asked about the consequences of allowing the use of paid leave with WC. Coates pointed out that she did not see it as a bad thing because if an employee is out for a length of time and has a pool of earned leave that is not being used, that employee could possibly end up with significantly more time off than another employee who wasn't out of work. Lounder also pointed out that allowing the employee to receive payment through the Town eliminates having to contact the employee and request payment for their share of the insurance premium regularly deducted. Coates mentioned that employees are also aware of the time they are allowed to make payment and if they continuously make payment at the last moment, it can become a burden to ensure all premiums are paid on time and coverage continues without any interruptions. Goldschmidt asked if the employees could be required to use their earned leave time; since the employer is allowed to require it, it is something to consider as we move forward with proposed changes.

Bedaw mentioned the discussion from the June meeting about pay for time worked and the issue of having paid leave time be included in the amount of hours worked prior to being eligible for overtime. Bedaw noted that the bottom of page 5 of the current personnel policy reads that the employee is only paid for time worked. Some Department of Public Works receive overtime after eight (8) hours in the day; the current personnel policy is after 40 hours. Public Works employees and emergency service workers could be called out for a significant number of consecutive hours (such as for a bad storm) and should not be penalized if earned leave is used during the pay period. Bedaw believes this could be written to be department specific.

Because Goldschmidt was not present at the June meeting, Coates explained that the discussion was more about overtime pay than leave time. An example Coates gave was that an employee worked ten hours on Monday, used paid leave for the other four days (32 hours), and ended up with two hours of overtime when the employee only worked ten hours for the week. Coates did not believe that it was appropriate for an employee who only worked ten hours during the week and received overtime when another employee worked 42 hours without leave and also received the same number of overtime hours.

Louder pointed out that the first paragraph on page 6 which states “For regular full time employees, leave hours, including holiday, floating holiday, paid time off (unless subject to conversion policy), vacation, sick leave or other types of paid leave, shall be included in hours worked for the purpose of calculating whether overtime shall be paid.” If an employee uses paid leave, it is considered hours worked, since the employee would be working if not taking vacation, out sick, or if it wasn’t a holiday.

Bedaw also pointed out that the two hour minimum for being called back to work is also not being practiced in the Public Works Department. Coates pointed out that this is the law and needs to be followed. Bedaw gave the example that if a tree came down during a storm, it may only take a half hour to clear the public hazard area, and the rest of the job could be completed during the next day’s regular hours. Goldschmidt pointed out that the employees must be educated so that the employees doing the work know the policy, not just rely on someone else. Louder asked for clarification regarding whether this was hours worked directly before or after a regular shift or if it was at another time. It is dependent upon Mother Nature; a salt run is typically at least two hours and plowing is five hours (without a cleanup round). Goldschmidt pointed out that the policy states that if the employees were at home and got called back, the employees should be getting paid for two hours.

Bedaw returned to the original issue of having to make up the leave time if it is taken out of the calculation for overtime. Employees who are out sick get paid for being sick, but are deprived of their overtime pay. Goldschmidt suggested that there be a special provision for employees who work more than 16 hours in a row. Bedaw wants to ensure leave hours are included in time worked or it will be detrimental to the employees. Coates believes the issue is how “hours worked” is perceived. Allen asked if these two paragraphs had remained the same while other parts have been changed; Louder confirmed that there had been no changes to these two paragraphs during her tenure.

Allen continued the discussion by pointing out that she understood Bedaw’s view on the issue, but she feels it is unfair for one employee to work one day and have the rest of the week off, another employee works all week with no time off, and they receive the same amount of overtime hours. Perhaps the stipulation should be that if an employee knows additional hours will be worked that week (to cover a shift, for example) and chooses to take time off, it should be with the understanding that those leave hours will not be included in their regular hours. It was again stated that this portion of the policy could be amended to be more department specific. Louder suggested that if an employee knows ahead of time that there will be overtime and still wants to take leave time, the employee may only end up with forty hours for the week. Louder gave the example of working 35 hours through Thursday and only being allowed to use 5 hours for Friday instead of the regular number of daily hours.

Coates pointed out that too many exceptions to the policy will create issues with payroll processing. Goldschmidt wants to make sure there is a balance so that employees don’t feel alienated. Coates again stated that she does not feel that it is fair for an employee who actually, physically works sixty hours to receive twenty hours of overtime and another employee in a different department actually, physically works thirty hours and still can end up with twenty hours of overtime. Goldschmidt proposed making it seasonal, where circumstances would require the additional hours. Bedaw does not want to create an environment where employees won’t answer the phone because they were sick on Monday and know they won’t receive overtime if they go in. Louder brought up the opposite, where employees are sick and should be home, but come to work anyway because they feel they need to be there.

Coates said that it is very rare for an employer to include sick time and vacation time in hours worked. Goldschmidt agreed, but admitted that he had not worked with companies that deal with Public Works

or snow clearing. He asked how commercial companies dealt with it. Bedaw pointed out that private companies can go home and rest for a few days after being at work for a long period of time. Louder stated that private companies are also being paid more than government employees and wondered if the policy was written as it was as a compensation perk. Goldschmidt talked of the trade-off between wages and benefits and how the balance has changed.

Coates mentioned that some employees take advantage of the policy, where the employee knows they have worked a number of hours but decides to call out sick because they know they will get overtime regardless of them being at work or not. Coates suggested tabling this matter for this meeting and researching how other towns and businesses deal with leave time and overtime. Goldschmidt also wants to see how this affects the department head's ability to lead, making sure it is not crippling leadership.

Allen brought up employees who take time off, but then seem to always end up working more hours than they should because others have called out or taken time off. Goldschmidt wants to look at the entire compensation policy, as his experience is that hourly employees did not receive benefits such as insurance or paid leave. Bedaw spoke about how for many years, town employees did not have benefits and it takes a certain type of person to be dedicated not only to the Town but also to the job.

Coates stated that this issue is being tabled for this meeting and the assignment for the next meeting is to research paid leave (whether it's included or not included in the calculation of hours worked in order to determine overtime hours).

Louder explained that employees receive either floating holidays or paid time off, but not both. Paid time off was established for departments who have employees on duty 24 hours each day, 7 days each week (such as Police and the Carpenter Home) and the employee doesn't always get a holiday off. Coates finds it confusing to remember all of the various types of paid leave. Louder pointed out Finance only sees the time sheets submitted for processing, and can only rely on the employee and department supervisor to ensure accuracy. Payroll is processed based on what is on the time sheet. Finance staff is not at the various departments and can't verify that every employee is being honest about time worked or leave time taken.

Goldschmidt asked if having paid leave be included in the hours worked calculation had been a problem in the past and if it was something employees had been abusing. Coates said that the Town Administrator brought it up during the June meeting. She believes the issue is the massive amounts of overtime. Louder believes it was directed specifically at one department receiving overtime. Goldschmidt proposed actually looking at the numbers, seeing what the massive amount of overtime is and the circumstances behind it. Goldschmidt stated that the overtime could be for legitimate reasons or it could be employees playing the system. Coates asked if we should look at the dollar amounts or the employees and the number of hours. Goldschmidt proposed finding out which departments are working the most overtime, finding out if it's for a legitimate reason, and seeing what the effects are. Goldschmidt would like to see if it is one or two people who are working massive amounts of overtime or if it is a large group of people. Louder asked about the reasons behind the overtime if it turned out to be one or two employees. Louder mentioned that it could be due to insufficient staffing or the people being hired are not qualified for the position. Coates stated that some employees simply have too much on their plate. Allen talked about employees calling out and needing people to cover those shifts. Coates wants to know if part of the issue is the policy or the management. Goldschmidt wants to make sure the Committee doesn't turn management issues into policy issues. If it is determined to be a

management issue, then management needs to be corrected or changed. Goldschmidt wants to find a balance between finding and keeping good, dedicated people and not making it such a burden on the taxpayer.

Discussion regarding the inclusion of leave hours with regular hours and how overtime is calculated was tabled until the next meeting in order to further research how other towns are handling paid leave.

Goldschmidt asked if there was a separate hiring policy. Coates talked of how there are many things that need to be added to the policy, but the Committee thought we needed to get the basic core policy updated and then add in all of the other policies, including nepotism. Goldschmidt also asked about a conflict of interest policy. Coates discussed how some of the policies were adopted separately from the personnel policy and those needed to be included in the new document.

Goldschmidt wants to make sure there are policies on hiring. Coates talked of the evaluation policy and discipline policy mentioned during the June meeting. Louder would like to have a complaint policy. Coates wanted to make sure employees followed the chain of command. Allen discussed the chain of command for complaints at the Carpenter Home.

Goldschmidt would like provide the personnel policy to new hires before the conditional offer is signed, feeling that there should be no surprises once the person starts working, and they need to be well informed in order to do that. Louder explained that the personnel policy was usually discussed with new hires at the time they complete the necessary paperwork (W-4, I-9, etc), where the employee was told the basics. The employee was always told that it was their copy and if they had any questions to contact us. Coates again stated how most of the current policy doesn't pertain to part-time employees; most of the people hired are for part-time positions.

Coates discussed how she had written many policies in the past, but never by committee. She wonders about how any decisions will end up being made. Goldschmidt pointed out that the Committee isn't making the decisions, just the recommendations. It will be very unlikely that there will be unanimous votes. Coates brought up putting time limits on recommendations. The Committee received no time table from the Board of Selectmen, but work still needs to be done.

Allen asked about meeting more often than once per month. Coates proposed meeting every other week for a time. Goldschmidt stated that the Committee should look at the items that are covered in the current policy, note what we think needs to be covered that isn't currently included, be sure all the items in the policy need to be there, and then review the policy section by section. Coates confirmed that this method is what she was planning, starting at page 1 and moving through the policy. The Committee members agreed to this plan of action.

For the next meeting: Committee members will individually review the Town's current personnel policy and be ready to discuss proposed changes. Coates, with assistance from the Finance Office, will work on putting overtime information together for Committee members. Coates will look at the policies of other towns and how they are handling paid leave.

Next scheduled meeting: September 3, 2014 at 2:00 p.m. at the Swanzey Police Station.

Adjournment:

Louder **moved** to adjourn the meeting, Allen seconded, and all were in favor. **Motion passed.**
Adjournment occurred at 3:05 p.m.

Respectfully submitted,

Theresa V. Louder, Bookkeeper

Approved on October 2, 2014