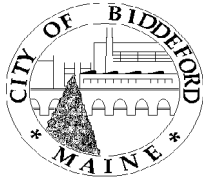


City of Biddeford
Personnel Committee
May 17, 2022 4:00 PM 205 Main Street

- 1. Call to Order**
- 2. Acceptance of Minutes**
 - 2.1. Minutes from February 15, 2022
[2-15-22 Minutes.doc](#)
 - 2.2. Minutes from March 29, 2022
[3-29-22 Minutes.doc](#)
- 3. Discussion**
 - 3.1. Four Day Work Week
[4 Day Workweek Brief.docx](#)
[CM 4 day week memo.pdf](#)
 - 3.2. Aging Nonunion Pay scale
[Aging Payscale Brief.docx](#)
- 4. Other Business**
- 5. Adjourn**



PERSONNEL COMMITTEE MEETING

Tuesday February
Human Resources Department

3 PM
Minutes

ITEM 1 **Call to order**

Chair Councilor Norman Belanger called the meeting to order at 4:00 PM with Councilors Scott Whitting and William Emhiser present. Also present were City Manager James Bennett, Diana DePaolo, Human Resource Director, and Hillary Owens, Human Resources Specialist. Councilor Doris Ortiz was absent.

ITEM 2 **Acceptance of Minutes**

Minutes from prior meeting were approved.

ITEM 3 **Discussion**

3.1 Goal Setting

Human Resource Director, Diana DePaolo gave rationale and explanation for the policy and non-policy driven goals for the Human Resource department for the coming year.

Areas of focus suggested by Councilors Emhiser and Belanger, with Councilor Belanger requesting a 6 month check-in on non-policy driven goals.

ITEM 5 **Adjourn**

Motion to adjourn 4:35 PM

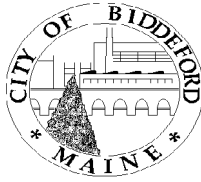
Personnel Committee Members:

Councilor Norman Belanger, Chair

Councilor Scott Whitting

Councilor Doris Ortiz

Councilor William Emhiser



PERSONNEL COMMITTEE MEETING

Tuesday March 29, 2022
Human Resources Department

4 PM
Minutes

ITEM 1 Call to order

Chair Councilor Norman Belanger called the meeting to order at 4:00 PM with Councilors Doris Ortiz and William Emhiser present. Also present were City Manager James Bennett and Diana DePaolo, Human Resource Director. Councilor Scott Whiting was absent.

ITEM 2 Acceptance of Minutes

No minutes submitted- minutes from February will be submitted at next meeting.

ITEM 3 Discussion

3.1 Creation of Deputy Recreation Director position

Motion to create the position as a level 15 position on the pay scales by Councilor Belanger and passed unanimously

3.2 Elevating Deputy Assessor

Motion to move Deputy Assessor position to level 17 on the pay scales made by Councilor Belanger and passed unanimously

3.3 Aging Payscales

Discussion of aging the nonunion pay scales 4.5%; discussion of moving nonunion positions to a four day work week and the effect of that on FY23 COLA

ITEM 4 Adjourn

Motion to adjourn

Personnel Committee Members:

Councilor Norman Belanger, Chair
Councilor Scott Whiting
Councilor Doris Ortiz
Councilor William Emhiser



Personnel Committee

Meeting Date: Tuesday, May 17, 2021

Meeting Time: 4pm

Agenda Item No: 3.1

Item Description: Four Day Workweek

Submitted by: Diana DePaolo

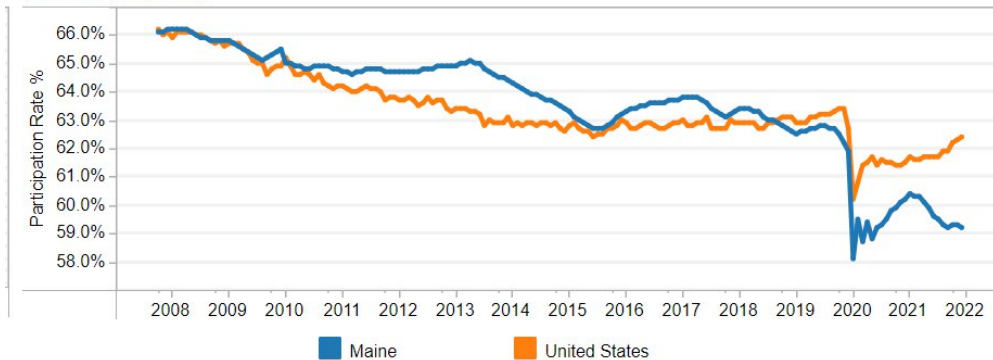
Executive Summary:

Employee hours were slightly altered during the pandemic. It had a very positive impact on employees and morale and it is overwhelmingly requested by staff to continue to make changes to assist with work-life balance. Additionally, the labor market has shifted dramatically. We must make changes to retain our staff and recruit the best candidates. To this end, we are proposing a four day work week which is widely supported by staff. Significant research indicates mostly positive impacts when moving to four day work weeks, often citing increased employee wellness and satisfaction with no negative effect on productivity.

Detailed Review:

Recent years have produced a drastic shift in the labor market. The amount of people engaged in the labor market has dropped significantly since 2018-2019 according to the Bureau of Labor Statistics.

Labor Force Participation Rate
(seasonally adjusted)



Recruiting seasoned, quality employees who will be able to provide the administration and services that the citizens of Biddeford need is becoming increasingly difficult. Wages across all occupations have increased substantially. In Maine, the average wage was \$42,803 in 2019, \$47,838 in 2020 and the current average is now \$58,015. Our wages are not increasing at a rate that is keeping up with

the state average. Private businesses now offer very similar, if not better, benefit packages as the City, an area where we previously had an advantage to make up for our lower wages.

Additionally, it is imperative to retain our current staff. Turnover is extremely costly. According to Gallup:

- The annual overall turnover rate in the U.S. in 2017 was 26.3%, based on the Bureau of Labor Statistics.
- The cost of replacing an individual employee can range from one-half to two times the employee's annual salary -- and that's a conservative estimate.
- So, a 100-person organization that provides an average salary of \$50,000 could have turnover and replacement costs of approximately \$660,000 to \$2.6 million per year.

The BBC recently did a story on the shift to a four day work week. Their article stated:

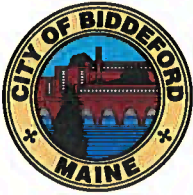
“Since the pandemic brought unprecedented change to the world of work, there’s been considerable discussion around the four-day workweek. Touted as a panacea for burnout and work stress, businesses and even governments have been experimenting with the idea; preliminary results suggest potential benefits include better work-life balance and improved wellbeing – at no cost to employee productivity.”

Most of the studies coming out regarding this work schedule cite over and over that employees are able to make up for the change by being more organized and efficient, showing no negative impact on productivity. In an article by Forbes, they outline the consistent theme found in the research:

“In 2019, Microsoft Japan tested reducing the workweek by one day, which led to a 40% boost in productivity. Not only that but Andrew Barnes, founder of the New Zealand company Perpetual Garden, tried the same experiment. In the end, his employees were happier and more productive. That’s because they are working smarter, not harder. Researchers in Iceland have also found that a four-day workweek without a pay cut improved workers' well-being and productivity. For four years, researchers tracked 2,500 employees who reduced their workweek to 35-36 hours. They discovered that ‘worker well-being dramatically increased across a range of indicators, from perceived stress and burnout to health and work-life balance.’ At the same time, employee productivity remained the same or improved.”

We have a proposal for a four day work week. The details are explained in the City Manager’s memo.

City of Biddeford, Maine



The Office of
City Manager

James A. Bennett

Email: jbennett@biddefordmaine.org

MEMORANDUM

TO:	Personnel Committee
FROM:	James A. Bennett, City Manager
DATE:	May 13, 2022
RE:	Non-Union Work Hours

Contained within is the recommendations for changes to the non-union work hours. As the committee is aware, over the last several months, staff leadership has been exploring the changing employment market conditions. I believe those conditions are widely understood. If I was to summarize the employee market place, it would be stated simply. Quality employees' have almost unlimited opportunities to choose where they would like to be employed.

Studies continue to support that non-monetary factors are more important in job satisfaction than the pay. This assumes that the pay is competitive in the first place. I shared that a \$5.00 per hour adjustment in pay would impact the budgets by at least \$3.5 million, in excess of \$1.00 on the tax rate. Given the other pressures on the budget, simply trying to compete for employees based on money does not seem to be an obtainable strategy.

The recommendation to change the non-union work hours is an initial step in moving the City of Biddeford further on the work place of choice spectrum. The recommendation is designed to accommodate the varied of services the City provides. While it is driven by the goal of making the work place more attractive, serving the public continues to be a high priority.

While not totally inclusive of all factors, the following were considered in developing the recommendations:

1. The vast majority of services are now available online. During the peak of the uncertainty of COVID, the City operated nearly 100% without any face to face interaction. This primarily was done by online services. I should note that in years past, a major concern was the ability to buy beach passes. Until recently, that service was exclusively available by in person only. That now has also has an automated option.
2. Some of the staff have jobs that require nearly 100% interaction with customers that present themselves physically in the office.
3. Some of the staff serve various Boards, Committees and Commissions that meet outside of the normal City Hall staff.
4. Some staff is expected to be on call after hours/weekends, mostly on a rotating basis.
5. Expansion of service hours availability (meaning times of the day) is often cited as desired. Historical practice when applies shows little usage. This is the case in other communities as well.
6. Earlier studies of comparable communities show that the majority of City Hall employees are working less than a 40 hour work week.
7. Any change to the work week should try to be cost neutral.

205 Main Street

Biddeford, ME 04005

Phone: 207.284.9313

Fax 207.571.0678

*The City of Biddeford is an equal opportunity provider. To file a complaint, write to
Diana Depaolo, Human Resource Director, 205 Main Street Biddeford, ME 04005, or call (207) 286-0593.*

The specific recommendation is to move forward with the following changes to the non-union work force.

For City Hall:

1. City hall hours (open to the public) would change to:
 - a. Monday 7 am to 5 pm
 - b. Tuesday 7 am to 5 pm
 - c. Wednesday 8 am to 4 pm
 - d. Thursday 8 am to 4 pm
 - e. Friday, office closed
2. Hourly employees would be paid based on a forty-hour workweek.
3. Employees will be expected to work at least 36 per week; essentially the above hours the public office will be open. If you work those hours, you will be paid for a 40 hour work week. If you have to work between 36 and 40 hours because of work demands that week, you will still only be paid for a 40 hour work week. Any hours worked less than 36 hours will be reduced from the 40 hour normal pay.
4. Employees will now receive a paid lunch period of no more than 30 minutes.
5. Vacation and sick days will be charged based on the amount of hours for that day. If an employee takes a full week off and would like to receive the full forty hours of compensation for the week, they will be charged 40 hours of vacation time; 36 hours for each of the four days plus the 4 hours to bring the pay to the forty hours.
6. Each employee will turn in the actual hours work each week; i.e. employee worked 37.5 hours, they would report 37.5 hours. The pay would be 40 hours.
7. Each year, beginning the first pay period of the budget year (July 1), actual hours worked less than the 40 hours will be recorded as negative comp time. Any employee that works over 40 hours will be recorded as 1.5 hours of comp time for each hour worked.
 - a. At the end of the budget year, any positive time that is owed to an employee will be paid out at the employees' current hourly rate; all negative comp time on the books will be reset to zero.
8. Each department head, subject to approval, will have the flexibility to accommodate any existing employees that have existing conflicts (such as daycare issues) that would prevent any employee from being in the office during the hours that City Hall is open *to the degree we can and still provide the expected services to the City*. These special adjustments will be done through a sign agreement that will cease when the existing conflict no longer exists. In addition, any current employee that has a change in their family status in the future that would create a conflict may request an adjustment. Said adjustment would be considered favorability, subject to the existing needs of the City and the current practices that are in place at the time of the request. Any new employees will not be granted any special accommodations.

For non-union employees that work outside of City Hall, I will work with the Department Head to make similar adjustments to their work expectations.

The process to arrive at this recommendation included:

1. A general meeting with all City employees to discuss and seek feedback on a potential four day work week.
2. A survey of the employees following the general meeting. Employees had the opportunity to provide their feedback anonymously if so desired.
3. Based on the first two steps, Brian, Diana and I developed the above suggested change. This was submitted to the staff with the opportunity to provide additional feedback.
 - a. The feedback was predominately positive. Concerns that were expressed fell into two categories. First, there remains significant interest in both the work at home and flex scheduling alternatives. Staff was told at the beginning of the process that both those options are under consideration. However, it would not be considered until after the work hours issued was resolved. That decision was driven by two factors. First, not all employees are employed in assignments that allows the same opportunities. Second, the specifics of any such plan is highly dependent on the work hours.
 - b. The second feedback came from the employees that have to be on call and/or cover meetings outside of City Hall hours. These employees use the extra hours they work (over 40) to get additional time off through the accumulation with comp time or be paid overtime. The work expectation of 36 hours and getting paid 40 has great potential to reduce those opportunities.

I believe the committee would benefit from understanding one of the changes that were made in this recommendation from the original thinking. In other communities, when the employees have been reduced from 40 to a lower number, the hourly wage has been increased so the employees' weekly gross remains the same. In the beginning, this was a likely suggestion.

However, it would fail to meet the goal of being cost neutral. For those employees that are required to work outside of the normal City Hall hours, the extra hours worked between the 36 expected and 40 would result in additional cost to the City. Hence, the recommendation was changed as presented. Essentially, the proposal is equal to the change the hourly pay model, without increasing the cost. In addition, it creates an incentive for those employees to be more efficient in order to enjoy the 36 hour work expectations.

If the Committee agrees with the proposed change, I suggest that we would implement the change the week of June 13 at the earliest and the week of July 4 at the latest, in order to provide some notice to the community.

The change in the hours of City Hall will need approval by the entire City Council. The balance of the changes are within the authority of the committee.

Finally, while I am asking you to 'age' the pay plan by 4.5% for FY23, if this change to hours is approved, I am leaning towards recommending a 3% adjustment to wages for the hourly employees and a 4% for the salaried employees.

I believe this is a very balanced approach to the issue. Having longer hours two days a week will address those that desire to do in person service but are limited by the current hours. I believe the Monday 7 am to 8 expansion will be very popular. At the same time, historical use of these extra hours has proved to be low. I strongly believe this change will have no real negative impact of customer service, increase productivity and morale and assistance in employee retention and recruitment.

I will be in attendance at your meeting to address any concerns or questions. I encourage you to reach out prior to the meeting if you need any further information as well.



Personnel Committee

Meeting Date: Tuesday, May 17, 2021

Meeting Time: 4pm

Agenda Item No: 3.2

Item Description: Aging Nonunion Pay Scale

Submitted by: Diana DePaolo

Executive Summary:

Every year we must age the pay scale to reflect inflation/cost of living increases so that the wages remain current and relevant.

Detailed Review:

The nonunion pay scale in the employee handbook needs to be "aged" to reflect cost of living increases. The change to this scale has no impact on any employee's current wage. It is simply to keep the scale up to date with the market, annually. Effective January 1st of this year, the Federal Government increased social security general benefits by 5.9% based solely on the Consumer Price Index. The Consumer Price Index rose 6.8 percent from November 2020 to November 2021, the largest 12-month increase since the period ending June 1982. We are recommending a 4.5% increase to the scale at this time, as the cost of living has increased significantly.