

# **A Report And Recommendations**

## **To The HFCA Board**

- **Public Safety Employee Recruitment and Retention Review**
- **Employee Drug and Alcohol Abuse Policy**
- **Employee Medical Benefits Policy**
- **Recreation Employee Salary, Recruitment and Retention Review**
- **All Employees Compensation Survey Review**

**Prepared By:**

**The Human Resources Ad hoc Committee**

**For The HFCA Board Meeting - January 19, 2008**

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## **Section I. Mission**

On June 16, 2007, at its regularly scheduled meeting, and in subsequent oral directives, the HFCA Board re-convened the Human Resources Ad hoc Committee and gave it the following missions:

1. To examine ways to improve recruitment and retention of Public Safety personnel. These analyses were to be considered an integral part of the Community Manager's recommendation to the Board regarding the full range of Public Safety Human Resources issues.
2. To examine whether the current Employee Handbook and Safety Program Drug and Alcohol Abuse Policy is sufficient, or whether it should be modified or expanded.
3. To examine employee medical benefits to determine whether the current plan serves the best interests of employees and employer alike, or whether changes are needed.
4. To examine Recreation/Cultural Arts salaries , recruitment and retention policies to determine whether changes should be recommended
5. To review the compensation cost analysis that was completed in June, 2006, to determine whether the data, and conclusions drawn, are still current.

## **Section II. Process**

### **Identifying Informational Needs**

The Board authorized the Ad hoc Committee to invite the Chair of the Public Health, Safety and Security Committee, other committee chairs, community members, or persons with particular expertise, to provide information and counsel in any discussions deemed relevant by the Committee.

### **Recommendations**

Recommendations covering each issue are included in the appropriate section of the document. An Executive Summary collects all recommendations in a single source on pages 14, 15, 16, 17, at the end of the document.

**Section III. Specific Subject Review**

**Task 1. Public Safety– Employee Recruitment and Retention Review**

**Public Safety Department Overview**

- The Public Safety Department’s proposed budget for 2008 is \$1,042,770, or 17% of the proposed HFCA operating expense of \$6,107,100.
- Staff expenses account for \$887,370, or 85% of total expense for this department.
- Anticipated departmental income of \$52,800 will partially offset this expense.
- As of this writing, the Staff of 34 members consists of the following categories of personnel:

Public Safety Chief (1) , Assistant Chief (1)	Sergeants (2), Investigator (1)
Patrol officers (8)	Communications and Access Administrator (1)
Dispatchers (3 full -time and 3 part -time)	Gate Guards (4 full-time and 10 part-time)

**Retention Issues and Analysis**

Because there is concern about turnover among Public Safety employees, the Community Manager has provided a three year analysis of all Public Safety employee exit interviews. A total of thirty-five employees resigned, one of whom declined to respond to queries about the reasons. Four others were terminated or denied re-employment during the three-year period, for a total turnover of thirty-nine.

<u>Category</u>	<u># Staff</u>	<u>FT/PT</u>	<u># Turnover*</u>
Chief, Asst. Chief	2		0
Sergeants / Investigator	3		0
Patrol Officers	8		15
Communication and Access Administrator	1		0
Dispatchers	6		2
Gate Officers	14		18
Total Departmental Turnover	34		35

\*Not including four terminations and denied applications for renewed employment

The only job category that had an excessive rate of turnover was patrol officers (because of the nature of the job, the high rate of turnover among gate officers would not be considered excessive). Although there were only eight patrol officers (and the equivalent of five full and part timers were in service for more than the three year period), total turnover was still fifteen. Only one of the fifteen turnovers took another job in the same category of work.; one retired, and three resigned after poor performance or poor attendance, or were terminated. For this reason, the committee looked more closely at the data to determine if they could provide new learning and improved retention in the future.

<u>Reasons for Leaving,</u>	<u>#</u>
Other employment, not public safety or police work	4
Didn't like job, supervisor conflict	2
Family issues	2
Medical reasons	1
Outside business obligation	1
Took a job at the Pike County Sheriff's Department	1
<b>Sub total</b>	<b>11</b>
Returned to school	1
Retired	1
<b>Sub Total</b>	<b>2</b>
Resigned, record of poor attendance or performance	2
<b>Sub Total</b>	<b>2</b>
<b>Grand Total</b>	<b>15</b>

**Summary Findings**

In the summer of 2006, the Human Resources Ad hoc Committee reported to the Board that certain categories of HFCA employees were paid at below prevailing rates. This situation has not changed significantly. Although pay scale was not specifically stated as a reason for resignations, it should be noted that the jobs to which employees were migrating paid at least as much, or more, than HFCA Public Safety rates.

The Committee believes that unmet job expectations, coupled with pay scale deficiencies, were the primary causes of high turnover.

## **Recommendations**

The Committee recommends a three-step process to improve Public Safety Employee Retention.

1. Expand both full-time and part-time recruitment efforts to include former or retired police officers and/or retired military personnel, whose experience will have prepared them for the realities of the public safety work experience.
2. Establish additional entry level job categories and pay rates, based on relevant experience and skills, specifically, to attract and retain people who are already experienced in areas related to public safety.
3. Upgrade base hourly rates for current employees, on a priority basis, if and where appropriate, to be competitive in the market place.

## **Task 2. Employee Drug and Alcohol Abuse Policy**

### **Overview**

The HFCA Employee Handbook and Safety Program contains a clearly stated policy regarding on-the-job drug and /or alcohol abuse, and off-site use that results in on-the-job impairment. It can be found in the Employee Handbook Section 8., Personnel Policies, 8.6 a). Every employee is required to read and sign a document (EH1) that attests to his / her understanding, and adherence to, all policies contained in the Employee Handbook and Safety Program. A new signature is required each time the Employee Handbook and Safety Program is updated.

In addition, The Safety Program portion of the document, Section 3, Safety Rules (3.1, General Rules; 3.2; Disciplinary Program; 3, Alcohol and Drug Policies and Procedures; 3.4, Facility Work Rules), makes it plain that infraction of these policies will result in immediate termination of employment. HFCA specifically states the right to immediate inspection for suspected cause, and / or to conduct unannounced searches in Association facilities and property. The EH1 document includes acknowledgment and understanding of this policy and procedures.

There are no commonwealth or other regulations that require pre-employment drug /alcohol testing prior to employment, although some municipalities and major corporations have instituted such policies.

HFCA does not do pre-employment substance testing as a condition of employment.

The number of documented cases of drug or alcohol abuse while on the job, or off-site abuse resulting in impairment on-the-job, has always been rare and continues to be so.

### **The Issues**

The Public Health, Safety and Security Committee has recommended to the HFCA Board that pre-employment drug testing and on-the-job random drug and alcohol testing should become a condition of employment for all employees. The HFCA Board has asked the Human Resources Ad hoc Committee to review the current Drug and Alcohol Policy and to recommend whether it is adequate, or whether modifications should be made.

### **Analysis**

- HFCA attorneys were asked to determine what the legal implications of an expanded drug and alcohol policy might be.
- HFCA insurance carriers were asked to determine what effect an expanded drug and alcohol policy might have on rates.
- The Community Manager, and staff, contacted a number of other private communities to determine whether they have drug and alcohol abuse policies, and if so what they are. They were also asked about implementation procedures and costs.
- Pike County Commissioners were asked the same questions related to County employees.

## **Summary Findings**

1. **Young & Haros, Attorneys for HFCA**, stated that there is a clear basis for testing employees with sensitive jobs, and that such testing protects a compelling interest in the community. They also stated that pre-employment testing is common, that because random testing is potentially more intrusive it is usually safer to tie random post-employment testing to situations where there is a reasonable suspicion of drug use or an accident / event, facilitating the need for an immediate test. Young & Haros cautioned about the importance of maintaining confidentiality of any testing results and the importance of it being done in a non discriminatory manner.

**(The letter, in its entirety, dated August 3, 2007, is on file at the HFCA office.)**

2. **Engle-Hambright & Davies, Insurance Agents for HFCA**, stated that an expanded HFCA Drug policy would have little or no impact on costs of insurance, unless there is a worker's compensation injury problem that can be directly tied to drug use.

**(This email communication, in its entirety, dated July 30, 2007, is on file at the HFCA office.)**

3. **HFCA Community Manager, Mike Sibio, queried five nearby private communities.**

- One, Arrowhead Lake, does not have a drug and/or alcohol policy in effect.
- Three require all employees to submit to pre-employment, random, and reasonable cause event testing.
  - A Pocono Country Place
  - Big Bass lake
  - Saw Creek Estates
- One, Penn Estates , does no pre-employment testing. Submission to random testing, or testing for cause, and searches of vehicles and possessions is in effect for all employees.

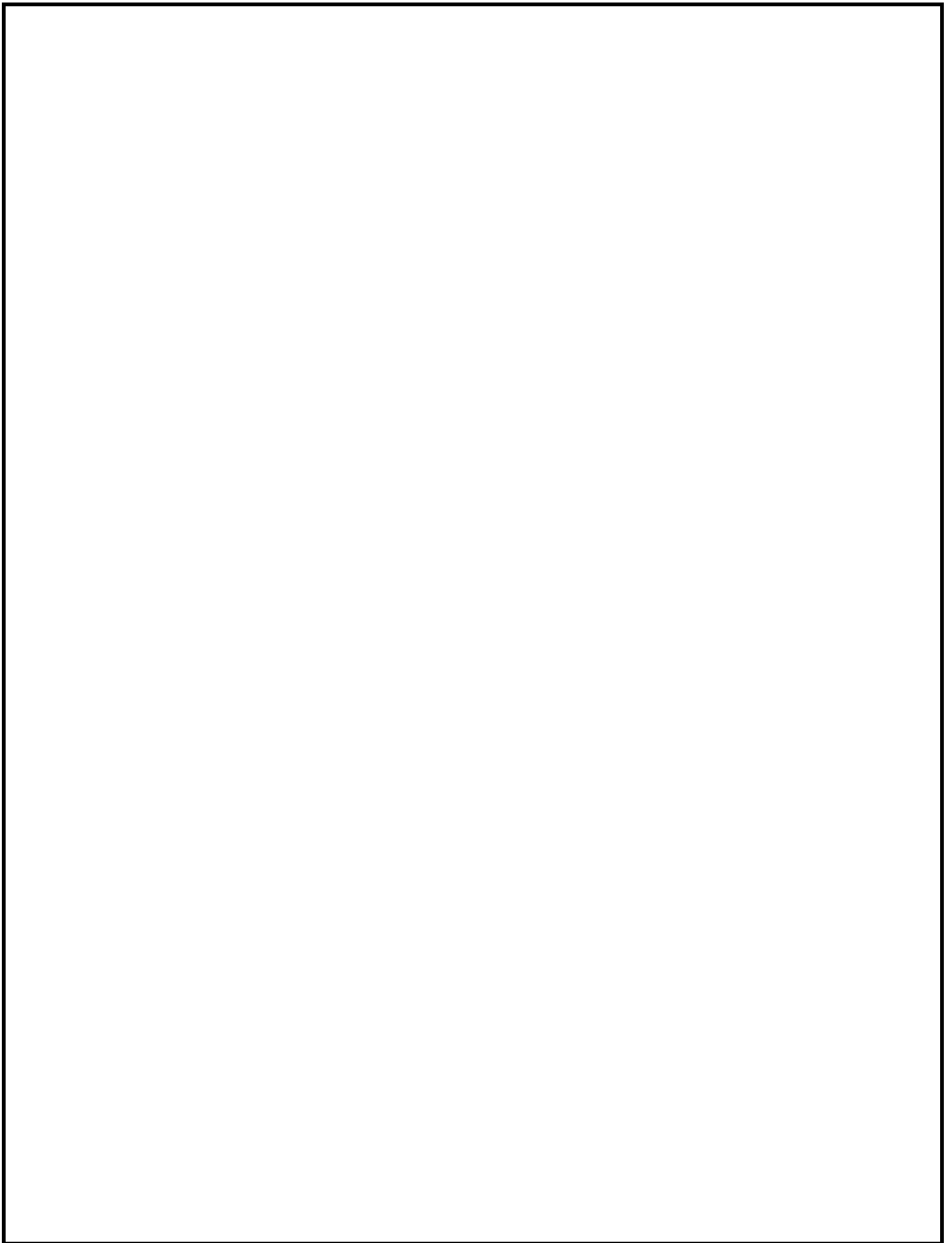
**(Responses, in their entirety, are on file at the HFCA office.)**

4. **Pike County Commissioner, Richard Caridi**, who is also former Warden at the Pike County Correctional Facility, informed Committee members, in an oral interview, that:
  - Every Pike County employee is subject to pre-employment testing.
  - All law enforcement officers at the correctional facility, the Warden, clerical staff, and the Pike County sheriff are subject to random testing.
  - All CDL drivers must submit to annual testing as a condition of receiving and maintaining their license.
  - Other County employees are not tested again after they pass the pre-employment test.

## **Recommendations**

After a careful review of the HFCA Employee Handbook and Safety Program, legal and insurance opinions, policies at peer group organizations, and in Pike County government, the Committee makes the following recommendations.

1. Prospective employees who are in job categories deemed to have responsibility for the safety and welfare of others should be subject to pre-employment testing, and to all other conditions contained in the HFCA Employee Handbook and Safety Program. These categories are deemed to be personnel authorized by HFCA to carry fire arms, and personnel responsible for heavy equipment operation (CDL licensed employees).
2. All other employees should continue to be subject to the conditions of the HFCA Handbook and Safety Program, as they are now.
3. There should be no expanded testing for employees who are not deemed to have responsibility for the safety and welfare of others as defined in point #1, unless recommended at a future time by the Community Manager.
4. The Employee Handbook and Safety Program document should be updated to reflect this amended policy.



**Task 3. Employee Medical Benefits**

**Overview**

At HFCA, medical benefits (Health Insurance) are an important part of the employment package offered to full-time employees. The HFCA Board has signaled its intention to continue to offer these benefits, but has tasked the committee with examining them to determine whether there is a way to maintain them at or near current levels within a framework that contains costs.

**Current Health Insurance Plan Options**

Health Insurance is an option that is available to all full-time employees, their spouses and children. A waiting period of ninety days applies for start of coverage to all newly hired full-time employees. At the present time, HFCA pays 90% of the premium cost, or 85% for family coverage. This is subject to change at the discretion of HFCA.

Part-time employees who have been employed by HFCA year round for a minimum of two consecutive calendar years are eligible to purchase health insurance, at full cost to the employee.

Premiums are paid by payroll deduction. In case of an unpaid personal leave of absence pursuant to Employee Handbook, Section 7-8, the employee is required to contribute to their monthly insurance premiums.

**HFCA Health Insurance Costs –2008 Projected Costs And An Historical Perspective**

In 2008, medical benefits in their present form are budgeted at \$441,530. This excludes Water Company employees. This represents 17.8% of total staff expenses, excluding Water Company employees. . A five year history shows that medical expenses are a growing share of total staff expenses despite cost containment measures.

*2003	11.0%	3-tier drug formulary
*2004	12.8%	
*2005	13.8%	
*2006	14.0%	Increased co-pays, drugs
**2007	14.6%	
** 2008	17.8%	Proposed by BCBS If no change in coverage

**\*Actual \*\* Budgeted Source: HFCA Records**

## Issues

There are five significant issues that affect HFCA medical care costs and coverage.

1. Over the past few years, Employee Medical Plans have been the subject of much scrutiny and change in U.S. companies, both large and small. The reason for this is that costs have escalated to the point that many organizations find it unaffordable to continue to provide these benefits to their employees. HFCA is not immune to this condition.
2. Medical malpractice costs in Pennsylvania are among the highest in U.S. This has affected health care costs, and sometimes availability, at every level in this Commonwealth.
3. Pike County is located along the New York / New Jersey borders. Although there are many hospitals within a 75 mile radius, there are only three that serve Pike County directly, and are considered local. They are:
  - Bon Secours Hospital (located in Port Jervis, NY)
  - Newton Hospital (located in Newton, NJ, & Wellness Urgent Care Center in Milford, PA)
  - Wayne Memorial Hospital (located in Wayne County, PA)
4. There are only two major providers of health insurance with a substantial network of medical providers in the Pike County area. They are Blue Cross of Northeastern Pennsylvania and Geisinger.
5. Geisinger coverage in New York or New Jersey, where some of HFCA employees receive their care, is still spotty.

## Analysis / Negotiating Climate

- The Committee met several times with Blue Cross representatives and explored many Blue Cross Blue Shield Plan Options, ranging from low cost / reduced benefits and higher deductibles, to higher cost / unchanged benefits, and compromises in between.
- During this period, there were HFCA employees who described hardships caused by their belief that there would be denial of coverage occasioned by a change to another carrier. They stated that they would be willing to pay more for their coverage in the current plan.
- Despite these comments from employees, the Committee felt it was prudent to examine Geisinger options again to determine whether any aspects of their plan and costs had changed materially, and if their service area had expanded in such a way that it could provide medical coverage for all employees.
- Upon examination it became apparent that although Geisinger cost structure has increased and is now comparable to that of Blue Cross Blue Shield their level of service in our area is still not comparable, or commensurate with cost.

**The most important finding was that the goals of continued employee coverage at current levels ,and cost containment at no more than present levels, are mutually exclusive.**

## **Recommendations**

### **Already Accepted**

1. During the annual HFCA budgeting process the committee recommended, and the board agreed to, continuation of the contract with Blue Cross Blue Shield for one more year, with no major change in employee benefits.
2. The committee recommended, and the board accepted, a policy change to take effect beginning in 2009, and becoming fully implemented in 2012.. This will encourage employees to move from the more expensive PPO plan to the HMO plan, thus helping to contain premium costs for themselves and HFCA. This will be accomplished by making employees who choose the more expensive PPO plan responsible for an increasing share of the cost over a four year period. At the end of the four year period the HMO plan will be sole basis for HFCA cost sharing. PPO recipients will be responsible for the full cost of their plan beyond what HFCA would pay for the HMO plan.
3. The committee recommended and the board accepted, that new hires should pay at the same rate as is in effect for current employees, both for HMO and PPO plans.

### **Proposed**

1. The committee commends management for its vigorous and continuous employee educational efforts and recommends that they be continued, with specific programs that will target PPO participants with maximum opportunity for understanding and considering their future options under the new board policy.
2. The committee recommends that employees who have chosen to be covered by more than one plan(such as spousal dual coverage) be educated to understand that this is often counter-productive, in terms of higher cost without increased benefits. These employees should be encouraged to disengage from one of their plans, and be given the opportunity for shared savings if they opt out of the HFCA plan.
3. The committee recommends that in view of the unsettled health care climate, nationally, state-wide, and specifically in the Northeast PA vendor capability arena, the review of this subject should be on an annual basis for the next several years, or until such time as there is marketplace stability. It may be useful to have an independent outside consultant to help guide HFCA in the process.
4. The committee recommends that the HFCA board continue its policy of providing employee medical benefits that are as generous as possible within the confines of cost realities.

## **Task 4. Recreation Employees Salary, Recruitment and Retention Policy Review**

### **Departmental Overview**

The departmental expense, including programs, but excluding Day Camp, is approximately \$907,326 or almost 15% of the total HFCA 2008 operating expenses. The Day Camp program is designed to be self sustaining, so that income and expenses are offsetting. The income offset derived from all other recreational/cultural arts programs is anticipated to be \$108,100.

The 2008 estimated Recreation staff expense, excluding Day Camp, is \$601,616, almost 18% of total HFCA payroll costs. The department has 16 job categories, including a variety of full-time, year-round part-time, seasonal and occasional employment opportunities.

### **The Issues**

1. The Recreation Committee has asked that the recruitment process, including wage scales in general, and particularly for several seasonal senior positions, should be examined to determine whether there are ways to improve it so as to attract better qualified personnel.
2. A few seasonal leadership occupations have been difficult to fill during the past few seasons. The Recreation Committee is concerned about this issue.

### **Analysis**

There are very few comparable payroll data available for review. This is because of wide variances in job descriptions and responsibilities at comparable organizations, as well as reluctance to share data. It should be noted that HFCA shared its data in a mostly unsuccessful effort to foster reciprocity. The job classification information from the U.S. Department of Labor was also not useful. Nonetheless, sufficient information was obtained to say that pay ranges for HFCA recreational employees are fairly and competitively paid, with the notable exception of three job categories, including one full-time and two seasonal senior categories. (In the interest of employee confidentiality, these data are in the Community Manager's care, available on an as needed basis.)

1. In depth discussion and a review of past HFCA policies yielded the impression that recruitment practices have become less aggressive in recent years, particularly in the more senior positions. This suggests the opportunity for improved recruitment techniques.
2. Lifeguards are permitted to be licensed and to work at age 15. While they are competent in life saving skills, they are frequently unable to command the needed respect from adult members and guests. Moreover, their work ethic is sometimes not yet fully developed. Their skills and maturity develop over several years of employment, but there is the need for oversight by senior status employees during the transitional period.
3. Geography and travel distances limit the available job pool. This is especially true for younger seasonal employees.
4. Because there is greater competition than was once the case, there is a need for more extensive recruitment efforts that will tap recently unexplored areas.

## **Recommendations**

1. Increase the pay scale for the three employee job categories that are currently less than competitive.
2. Bring the full-time position up to par at the earliest time possible, based on the Community Manager's assessment and recommendation.
3. Increased wages for the two seasonal categories would be offset by increased income, at least in part. These should be addressed in time for the 2008 season.
4. Modify the age / experience ratio among lifeguards so that there are slightly more senior level and slightly fewer entry level positions.
5. Re-institute the practice of recruiting from outside the immediate geographic area, including, but not limited to, college students who are physical education majors, employed and retired scholastic coaches, and summer transplants who are employed in warmer climates during the winter months.
6. Offer incentives to a limited number of seasonal employees that would include on-site HFCA housing, in exchange for a signed commitment to successfully complete their contractual obligation.
7. Offer a college, or other educational, stipend upon successful completion of their contractual obligation, along with letters of recommendation for scholarship opportunities, etc.
8. Provide a sign-on bonus for those who are deemed to be of extra value in the following year.
9. All future-based incentive programs would take effect at the end of the then current contracted employment period, and would be based on satisfactory workplace performance during that period.

### **Task 5. All Employees Compensation Survey Review**

The Committee reviewed the All employees Compensation Survey that was prepared as part of the recommendation to the Board dated May 23, 2006, updated August 31, 2006, Exhibit E. The purpose was to determine whether there were material changes in the information presented at that time that might affect wage considerations during the 2008 budgeting process.

There is no material difference in the information presented at that time.

- Federal, state and regional reference points have not yet been updated.
- Even allowing for merit increases, HFCA salary levels by job category have not increased materially since the 2006 Report.

### **Recommendations**

1. The Committee recommends that the information contained in Exhibit E, in the report dated May 20, 2006, updated August 31, 2006, continue to be used as a reference point, with the Community Manager's specific knowledge used as the determining factor.
2. The Committee continues to recommend that pay scale deficiencies identified at that time should be rectified at the earliest opportunity, again using the Community Manager's specific knowledge as the determining factor.
3. The Committee recommends implementation of a policy that would require analysis of the benefits of increased overtime for current employees vs. hiring additional employees prior to future hires.
4. The Committee recommends that part-time rather than full-time employees be hired when feasible.

**Section IV. Management Summary Recommendations**

**The committee has addressed the five tasks assigned by the HFCA Board and offers 27 recommendations summarized as follows:**

<b><u>SUBJECT</u></b>	<b><u># RECOMMENDATIONS</u></b>
<b><u>TASK 1. PUBLIC SAFETY EMPLOYEE RECRUITMENT AND RETENTION REVIEW</u></b>	<b>3</b>
<b><u>TASK 2. EMPLOYEE DRUG AND ALCOHOL ABUSE POLICY</u></b>	<b>4</b>
<b><u>TASK 3. EMPLOYEE MEDICAL BENEFITS</u></b>	<b>7</b>
<b><u>TASK 4. RECREATION EMPLOYEE SALARY, RECRUITMENT AND RETENTION POLICY REVIEW</u></b>	<b>9</b>
<b><u>TASK 5. ALL EMPLOYEES COMPENSATION SURVEY REVIEW</u></b>	<b>4</b>
<b>TOTAL # RECOMMENDATIONS</b>	<b>27</b>

**DETAIL FOLLOWS**

## DETAILED RECOMMENDATIONS

### TASK 1. PUBLIC SAFETY EMPLOYEE RECRUITMENT AND RETENTION REVIEW

1. EXPAND BOTH FULL TIME AND PART TIME RECRUITMENT EFFORTS TO INCLUDE FORMER OR RETIRED POLICE OFFICERS AND/OR RETIRED MILITARY PERSONNEL, WHOSE EXPERIENCE WILL HAVE PREPARED THEM FOR THE REALITIES OF THE PUBLIC SAFETY WORK EXPERIENCE.
2. ESTABLISH ADDITIONAL ENTRY LEVEL JOB CATEGORIES AND PAY RATES, BASED ON RELEVANT EXPERIENCE AND SKILLS, SPECIFICALLY, TO ATTRACT AND RETAIN PEOPLE WHO ARE ALREADY EXPERIENCED IN AREAS RELATED TO PUBLIC SAFETY.
3. UPGRADE BASE HOURLY RATES FOR CURRENT EMPLOYEES, IF AND WHERE APPROPRIATE, TO BE COMPETITIVE IN THE MARKET PLACE.

### TASK 2. EMPLOYEE DRUG AND ALCOHOL ABUSE POLICY

1. PROSPECTIVE EMPLOYEES WHO ARE IN JOB CATEGORIES DEEMED TO HAVE RESPONSIBILITY FOR THE SAFETY AND WELFARE OF OTHERS SHOULD BE SUBJECT TO PRE-EMPLOYMENT TESTING, AND TO ALL OTHER CONDITIONS CONTAINED IN THE HFCA EMPLOYEE HANDBOOK AND SAFETY PROGRAM. THESE CATEGORIES ARE DEEMED TO BE PERSONNEL AUTHORIZED BY HFCA TO CARRY FIRE ARMS, AND PERSONNEL RESPONSIBLE FOR HEAVY EQUIPMENT OPERATION (CDL LICENSED EMPLOYEES).
2. ALL OTHER EMPLOYEES SHOULD CONTINUE TO BE SUBJECT TO THE CONDITIONS OF THE HFCA HANDBOOK AND SAFETY PROGRAM, AS THEY ARE NOW.
3. THERE SHOULD BE NO EXPANDED TESTING FOR EMPLOYEES WHO ARE NOT DEEMED TO HAVE RESPONSIBILITY FOR THE SAFETY AND WELFARE OF OTHERS AS DEFINED IN POINT #1, UNLESS RECOMMENDED AT A FUTURE TIME BY THE COMMUNITY MANAGER.
4. THE EMPLOYEE HANDBOOK AND SAFETY PROGRAM DOCUMENT SHOULD BE UPDATED TO REFLECT THIS AMENDED POLICY.

### TASK 3. EMPLOYEE MEDICAL BENEFITS - ALREADY ACCEPTED BY THE BOARD

1. DURING THE ANNUAL HFCA BUDGETING PROCESS THE COMMITTEE RECOMMENDED, AND THE BOARD AGREED TO CONTINUE THE ANNUAL CONTRACT WITH BLUE CROSS BLUE SHIELD FOR ONE MORE YEAR, WITH NO MAJOR CHANGE IN EMPLOYEE BENEFITS.
2. THE COMMITTEE RECOMMENDED, AND THE BOARD ACCEPTED, A POLICY CHANGE TO TAKE EFFECT IN 2009. THIS WILL ENCOURAGE EMPLOYEES TO MOVE FROM THE MORE EXPENSIVE PPO PLAN TO THE HMO PLAN, THUS HELPING TO CONTAIN COSTS FOR THEMSELVES AND HFCA. THIS WILL BE ACCOMPLISHED BY MAKING EMPLOYEES WHO CHOOSE THE MORE EXPENSIVE PPO PLAN RESPONSIBLE FOR AN INCREASING SHARE OF THE COST OVER A FOUR YEAR PERIOD. AT THE END OF THE FOUR YEAR PERIOD THE HMO PLAN WILL BE SOLE BASIS FOR HFCA COST SHARING. PPO RECIPIENTS WILL BE RESPONSIBLE FOR THE FULL COST OF THEIR PLAN, BEYOND WHAT HFCA PAYS FOR THE HMO PLAN.

**TASK 3. EMPLOYEE MEDICAL BENEFITS ALREADY ACCEPTED BY THE BOARD (CONTINUED)**

3. **THE COMMITTEE RECOMMENDED, AND THE BOARD ACCEPTED, THAT NEW HIRES SHOULD PAY AT THE SAME RATE AS IS IN EFFECT FOR CURRENT EMPLOYEES, BOTH FOR HMO AND PPO PLANS.**

**PROPOSED**

1. **THE COMMITTEE COMMENDS MANAGEMENT FOR ITS VIGOROUS AND CONTINUOUS EMPLOYEE EDUCATIONAL EFFORTS AND RECOMMENDS THAT THEY BE CONTINUED, WITH SPECIFIC PROGRAMS THAT WILL TARGET PPO PARTICIPANTS WITH MAXIMUM OPPORTUNITY FOR UNDERSTANDING AND CONSIDERING THEIR FUTURE OPTIONS UNDER THE NEW BOARD POLICY.**
2. **THE COMMITTEE RECOMMENDS THAT EMPLOYEES WHO HAVE CHOSEN TO BE COVERED BY MORE THAN ONE PLAN(SUCH AS SPOUSAL DUAL COVERAGE) BE EDUCATED TO UNDERSTAND THAT THIS IS OFTEN COUNTER-PRODUCTIVE, IN TERMS OF HIGHER COST WITHOUT INCREASED BENEFITS. THESE EMPLOYEES SHOULD BE ENCOURAGED TO DISENGAGE FROM ONE OF THEIR PLANS, AND BE GIVEN THE OPPORTUNITY FOR SHARED SAVINGS IF THEY OPT OUT OF THE HFCA PLAN.**
3. **THE COMMITTEE RECOMMENDS THAT IN VIEW OF THE UNSETTLED HEALTH CARE CLIMATE, NATIONALLY, STATE-WIDE, AND SPECIFICALLY IN THE NORTHEAST PA VENDOR CAPABILITY ARENA, THE REVIEW OF THIS SUBJECT SHOULD BE ON AN ANNUAL BASIS FOR THE NEXT SEVERAL YEARS, OR UNTIL SUCH TIME AS THERE IS MARKETPLACE STABILITY. IT MAY BE USEFUL TO HAVE AN INDEPENDENT OUTSIDE CONSULTANT TO HELP GUIDE HFCA IN THE PROCESS.**
4. **THE COMMITTEE RECOMMENDS THAT THE HFCA BOARD CONTINUE ITS POLICY OF PROVIDING EMPLOYEE MEDICAL BENEFITS THAT ARE AS GENEROUS AS POSSIBLE WITHIN THE CONFINES OF COST REALITIES.**

**TASK 4. RECREATION EMPLOYEE SALARY, RECRUITMENT, RETENTION AND POLICY REVIEW**

1. **INCREASE THE PAY SCALE FOR THE THREE EMPLOYEE JOB CATEGORIES THAT ARE CURRENTLY LESS THAN COMPETITIVE.**
2. **BRING THE FULL TIME POSITION UP TO PAR AT THE EARLIEST TIME POSSIBLE, BASED ON THE COMMUNITY MANAGER'S ASSESSMENT AND RECOMMENDATION.**
3. **INCREASED WAGES FOR THE TWO SEASONAL CATEGORIES WOULD BE OFFSET BY INCREASED INCOME, AT LEAST IN PART. THESE SHOULD BE ADDRESSED IN TIME FOR THE 2008 SEASON.**
4. **MODIFY THE AGE / EXPERIENCE RATIO AMONG LIFEGUARDS SO THAT THERE ARE SLIGHTLY MORE SENIOR LEVEL AND SLIGHTLY FEWER ENTRY LEVEL POSITIONS.**
5. **RE-INSTITUTE THE PRACTICE OF RECRUITING FROM OUTSIDE THE IMMEDIATE GEOGRAPHIC AREA, INCLUDING, BUT NOT LIMITED TO, COLLEGE STUDENTS WHO ARE PHYSICAL EDUCATION MAJORS, EMPLOYED AND RETIRED SCHOLASTIC COACHES, SUMMER TRANSPLANTS WHO ARE EMPLOYED IN WARMER CLIMATES DURING THE WINTER MONTHS.**
6. **OFFER INCENTIVES TO A LIMITED NUMBER OF SEASONAL EMPLOYEES THAT WOULD INCLUDE ON SITE HFCA HOUSING, IN EXCHANGE FOR A SIGNED COMMITMENT TO SUCCESSFULLY COMPLETE THEIR CONTRACTUAL OBLIGATION.**

**TASK 4. RECREATION EMPLOYEE SALARY, RECRUITMENT, RETENTION AND POLICY REVIEW (continued)**

7. **OFFER A COLLEGE, OR OTHER EDUCATIONAL STIPEND, UPON SUCCESSFUL COMPLETION OF THEIR CONTRACTUAL OBLIGATION, ALONG WITH LETTERS OF RECOMMENDATION FOR SCHOLARSHIP OPPORTUNITIES, ETC.**
8. **PROVIDE A SIGN ON BONUS FOR THOSE WHO ARE DEEMED TO BE OF EXTRA VALUE IN THE FOLLOWING YEAR.**
9. **ALL FUTURE BASED INCENTIVE PROGRAMS WOULD TAKE EFFECT AT THE END OF THE THEN CURRENT CONTRACTED EMPLOYMENT PERIOD, AND WOULD BE BASED ON SATISFACTORY WORKPLACE PERFORMANCE DURING THAT PERIOD.**

**TASK 5. ALL EMPLOYEES COMPENSATION SURVEY REVIEW**

1. **THE COMMITTEE RECOMMENDS THAT THE INFORMATION CONTAINED IN EXHIBIT E, IN THE REPORT DATED MAY 20, 2006, UPDATED AUGUST 31, 2006, CONTINUE TO BE USED AS A REFERENCE POINT, WITH THE COMMUNITY MANAGER'S SPECIFIC KNOWLEDGE USED AS THE DETERMINING FACTOR.**
2. **THE COMMITTEE CONTINUES TO RECOMMEND THAT PAY SCALE DEFICIENCIES IDENTIFIED AT THAT TIME SHOULD BE RECTIFIED AT THE EARLIEST OPPORTUNITY, AGAIN USING THE COMMUNITY MANAGER'S SPECIFIC KNOWLEDGE AS THE DETERMINING FACTOR.**
3. **THE COMMITTEE RECOMMENDS IMPLEMENTATION OF A POLICY THAT WOULD REQUIRE ANALYSIS OF THE BENEFITS OF INCREASED OVERTIME FOR CURRENT EMPLOYEES VS. HIRING ADDITIONAL EMPLOYEES PRIOR TO FUTURE HIRES.**
4. **THE COMMITTEE RECOMMENDS THAT PART TIME RATHER THAN FULL TIME EMPLOYEES BE HIRED WHEN FEASIBLE.**

**SECTION V.**

1. **UPON HFCA BOARD ACCEPTANCE OF THIS REPORT, THE COMMITTEE RECOMMENDS THAT IT BE ADJOURNED UNTIL FURTHER NOTICE, AND THAT ITS REPORT BE MADE AVAILABLE TO ALL HFCA MEMBERS TO THE EXTENT POSSIBLE, CONSISTENT WITH THE NEED TO PROTECT EMPLOYEE PRIVACY.**

**Committee Members:**

Ed Davis, Charlie Eible, Ed Jaffe, George McDonald, Lee Oakes, Pat Quinn, and current board members, Bill Stratemeier and Michael Zibrin.

**Staff Assistance Provided By:**

Mike Sibio, Dorisann Mooring, Jill Thatcher, and others as needed.