

**Organizational Synergy & Human Resources Committee  
Jan. 29, 2008 Meeting**

**Draft Minutes**

Members Present: Dave Damer, Committee Chairman  
Timothy Griswold (by telephone)

CRRA Management Present: Thomas Kirk, President  
James Bolduc, Chief Financial Officer  
Chris Hyfield, Human Resources Manager  
Moirra Kenney, Secretary to the Board/Paralegal

Chairman Damer called the meeting to order at 8:34 a.m. and noted that there was a quorum.

**1. APPROVAL OF MINUTES OF THE NOV. 20, 2008, ORGANIZATIONAL SYNERGY & HUMAN RESOURCES COMMITTEE MEETING**

Chairman Damer requested a motion to approve the minutes of the Nov. 20, 2008, Organizational Synergy & Human Resources Committee meeting. Director Griswold made the motion, which was seconded by Chairman Damer.

The motion to approve the minutes was approved unanimously.

**2. REVIEW AND DISCUSS EMPLOYEE SEVERANCE POLICY**

Mr. Hyfield said the nature CRRA is changing and that as a result an eventual reduction in staff is probable. He explained there is no formal severance policy on the books. Mr. Hyfield said CRRA had the ability to enter into separation agreements with individual employees after termination. He said that these situations were handled on a case by case basis.

Mr. Hyfield said that this proposed policy formalizes a severance policy and still allows for individual separation agreements if the circumstances warrant. He explained he reviewed the policies of other public agencies and quasi-publics prior to creating the draft before the Committee. Mr. Hyfield said that in his opinion a set policy is preferable to case by case situations.

Director Griswold asked if the employees are generally considered employees at will. Mr. Kirk replied yes.

Chairman Damer asked Mr. Hyfield what comparable agencies he contacted while performing his research. Mr. Hyfield said that he had contacted the Human Resources Managers of the quasi-public agencies that he has relationships with; Connecticut Lottery, Connecticut

Development Authority, Connecticut Innovations, Connecticut Health and Educational Facilities Authority, Connecticut Higher Education Supplemental Loan Authority, and the Connecticut Housing Finance Authority.

Mr. Hyfield said that the Connecticut Lottery provides severance on a case by case basis with separation agreements. He explained the Connecticut Development Authority has put in a severance policy per the requirement of a state audit. Mr. Hyfield said that Connecticut Innovations has a severance policy. He said that the Director of the Connecticut Health and Educational Facilities Authority was not aware of a policy and that employees were paid unless they resigned. Mr. Hyfield said Connecticut Higher Education Supplemental Loan Authority had not responded and that the Connecticut Housing Finance Authority does not have a stand alone policy and has done individual severance agreements in the past.

Chairman Damer said concerning the calculation method all employees receive a two month minimum which then steps up two weeks for every year of service. He explained that this is unusual as far as his experience goes and that the policies were typically universal. Mr. Hyfield said that this proposal is not typical of quasi-publics. He said companies offer a fixed amount and/or a variable and fixed amount.

Mr. Kirk said that management's proposal takes into account that in the private sector there is the understanding that it will take a significantly longer period of time to find similar employment for those making higher salaries. He explained the plan was divided into three categories to recognize this fact. Mr. Kirk said that although seniority is often important for severance, management couldn't justify it in this case and that only a portion of seniority impact remains in the model.

The Committee undertook a substantial discussion on how to best model this severance policy.

Chairman Damer asked management if they would consider still differentiating but making the aggregation the same with a two month minimum and two weeks of service for every year of service for all three categories but make them sum to different maximums. He said the current proposal has a base pay at a maximum of 26 weeks for all three categories. Mr. Hyfield said that the proposal was based on the 26 week maximums of the other quasi's that he researched.

Director Griswold asked if there had been any thought on paying the severance on a monthly basis until the employee secures new employment. Mr. Kirk said that this option was not considered due to the administrative burden associated with its usage. He explained it may also encourage former employees to use the severance to its full capacity versus seeking out new employment promptly.

Director Griswold pointed out that on the opposing side that a former employee may find work quickly and receive the double benefit of CRRA's severance in addition to that of a new position. Mr. Hyfield and Mr. Kirk said there is a chance that this may occur.

Mr. Bolduc said that given the work and dedication provided by CRRA's staff that the proposal is not exorbitant. He explained that given the current economy that it is important to provide these highly-skilled employees with this provision as they look for work assuming, they are able to find work in the area and do not need to resort to full relocation. Mr. Bolduc said that these are important factors considering 50 percent of our employees have less than six year's experience they may walk away with little severance, leaving CRRA in a difficult position, unable to fully perform our job.

Chairman Damer said that his thought was not necessarily to eliminate the two months minimum but to provide two weeks for every year of service with different maximums based on management levels (which still recognizes longevity.)

Mr. Kirk explained it was management's intention to have this policy in place prior to a critical examination of CRRA as an organization and to have this policy as a floor benefit. He explained that a voluntary employment reduction program necessarily more generous than this proposal may also be brought to the Board.

Director Griswold asked if part-time staff is being offered this proposal as well. Mr. Kirk said that the answer was yes. He explained that management intends to make use of part-time positions to save costs. Mr. Kirk said that management would not want to exclude part-time employees because it is an important tool to get all necessary work done. Mr. Hyfield added that in addition several employees from the Stratford museum have been made aware of the creation of this policy proposal and that the Stratford garbage museum will most likely be closing.

Mr. Hyfield explained that CRRA's part-time employees put in a minimum of 25 hour a week up to a max of 30 hours a week. He said for benefits purposes they are considered full time after consistently hitting 30 hours a week. Mr. Bolduc said that should be added to the definition of part-time regular employees.

Director Griswold asked Mr. Hyfield at what point does CRRA contribute benefits for the part-time workers. Mr. Hyfield explained 25 hour a week part-timers get health insurance and the 401K contribution however it is at a significantly higher contribution percentage rate and is only available for the employee and does not extend to their spouses or family.

Director Griswold asked how many part-time employees are between 25-30 hours. Mr. Bolduc said that subsequent to the recent headcount reductions, there are 6 employees, 100 percent of which are the educators at the garbage museums. Mr. Hyfield said that only one of the 6 employees eligible at this level utilizes the health insurance.

The Committee agreed that the calculation of service by year be changed to anything over six months will be rounded up to a year versus the current proposal.

Mr. Hyfield said that these proposals have been approved by legal and will be returned for a final review pending all changes and amendments.

Chairman Damer asked if an example should accompany the statement under the additional provisions "upon approval of the Board separation pay may be increased to

compensate for individual situations”. Mr. Hyfield said that he would leave that for flexibility of the Board as any number of circumstances may arise. Mr. Kirk said for example the ability to continue to keep a key management employee on for completion of a project.

Chairman Damer said that regarding moving an employee to another position that a choice should not be given between a position of equivalent level and the severance policy. He suggested making it CRRA’s ability to offer severance or suggest the move to another position. Management said that it would explore this option.

The Committee discussed the necessity of ensuring that funds have been set aside to cover these policy suggestions.

### **3. MERIT INCREASES**

The Committee discussed the possibility of merit increases given the current economic difficulties at length. Mr. Kirk said that the staff has provided exceptional performance this year but given the current economic difficulties CRRA may be subject to criticism by providing merit increases. He said that the other quasi have already given their staffs an increase.

Mr. Kirk suggested several alternatives to providing a flat merit increase to the Committee which was discussed at length.

The Committee agreed to continue discussing this topic at their next meeting.

### **4. ADJOURNMENT**

Chairman Damer requested a motion to adjourn the meeting. The motion made by Director Griswold and seconded by Chairman Damer was approved unanimously.

The meeting was adjourned at 9:25 a.m.

Respectfully submitted,

Moira Kenney  
Secretary to the Board/Paralegal