



Conor Baldwin
Chief Financial Officer

MEMORANDUM

TO: Eileen Donoghue, City Manager *EID*

FROM: Conor Baldwin, Chief Financial Officer *[Signature]*

DATE: January 23, 2020

CC: Mary Callery, Human Relations Director

SUBJECT: **MOTION RESPONSE: Motion 9.4 of 1/21/20 – by C. Conway –** Req. City Mgr. Provide Update Regarding Employee Incentive Program Offered By The City.

After approval by the City Council of a motion made by Councilor Conway in the early months of FY2020, the Administration provided a report to the Council on comparable programs and an existing City Ordinance (Chapter 56, Article IV) which could be reinvigorated to accomplish the primary objective of the motion. A vote was put forth on the Council agenda to transfer \$25,000 from the City Manager's contingency into a new budget account in the Human Relations Department to serve as "seed" money for awards to be granted to successful savings ideas submitted by city employees.

Since that time, the finance team has met to create the necessary forms and internal process to revive the program and has distributed information to Department Heads in the city to inform employees of the incentive program. At a leadership meeting with city Department Heads last calendar year, the City Manager informed the group of the opportunity and asked that department leaders begin to solicit ideas from their employees. The City Manager's Office has since started to receive ideas from employees; with one in particular that has significant savings potential of approximately \$10,000, annually. However, according to the Ordinance, the suggestion board must first be appointed by the City Manager, with City Council confirmation. Those appointments shall be put forth to the Council on the January 28th agenda, consisting of the CFO, HR Director, and Director of the Lowell Plan/ LDFC, who will represent the business community of Lowell.

Once the board is populated, the city can further solicit requests and, if the current batch of suggestions is successful, it is likely that the level of interest from the City of Lowell employee base will increase, significantly.

Please do not hesitate to let me know if there are any questions.