

MANAGEMENT SERVICES COMMITTEE
McHenry County Government – Administration Building
667 Ware Road
Woodstock, IL 60098

MINUTES OF TUESDAY, SEPTEMBER 23, 2008

Chairman Hill called the Management Services Committee meeting to order at 8:30 a.m. The following members present: Chairman Tina Hill; Marie Chmiel; Mary Donner; Mary Lou Zierer; and Yvonne Barnes. Barbara Wheeler arrived at 8:40a.m. Pete Merkel was absent. Also in attendance: Tom Sullivan, IT; Cathy Link, Purchasing; Adam Lehmann, Administrator Intern; John Labaj, Deputy County Administrator; John Hadley, Facilities Management; and Ralph Sarbaugh, Associate County Administrator-Finance.

Tina Hill, Chairman	
Yvonne Barnes	Marie Chmiel
Mary L. Donner	Pete Merkel
Barbara Wheeler	Mary Lou Zierer

MINUTE APPROVAL

Committee members reviewed the minutes of September 9, 2008. Chairman Hill noted that the typographical errors had been corrected. After review, Ms. Donner made a motion, seconded by Ms. Barnes to approve the minutes of the September 9, 2008 Management Services Committee meeting, as corrected. The minutes were approved with all members present voting aye on a voice vote.

PUBLIC COMMENT

None

PRESENTATION

None

NEW BUSINESS5

Historical Society Lincoln Display Request for May 2009: Mr. Hadley joined committee members to discuss a request received from Nancy Fike of the McHenry County Historical Society. The Society is working with Chairman Hill on the 200th Lincoln Birthday celebration. One of the projects for the celebration is to have the schools decorate a 4' high Lincoln Hat. The hats will be created on 4' X 4' pieces of plywood. In March the winners will be chosen with the top 20 hats going on display. The Society would like to have the hats displayed in the County buildings in May of 2009, after the winners have been picked. Mr. Hadley noted that he would keep the committee members updated on this project.

2009 County Board Meeting Dates: Committee members reviewed a Resolution authorizing setting the 2009 meeting dates for the McHenry County Board. Ms. Zierer made a motion, seconded by Ms. Barnes to recommend approval of the above Resolution as presented. The motion carried with all members present voting aye on a voice vote.

Ms Wheeler arrived at 8:40a.m.

Worker's Compensation/Medicare Set-Aside: Mr. Labaj joined committee to discuss a requirement to have some Medicare set-aside funds for workers' compensation cases. Medicare began enforcing Federal regulations requiring all Workers' Compensation settlements to consider Medicare's interests. Medicare took the regulations one step further and established their own system to evaluate whether individual settlements adequately considered Medicare's interests by setting aside monies for future medical expenses. These funds are called Medicare Set-Asides. Initially the regional Medicare office was responsible for review of the settlements in their area. Medicare quickly realized they did not have the infrastructure to deal with the large amount of settlements pouring into their offices. A contractor was hired to review the Medicare Set-Asides nationwide. To determine whether a claim is eligible for Medicare Set-Aside, the claimant generally must be 60 or older, the potential exists for the claimant to receive Social Security Disability with the next 30 months and the amount of the Worker's Compensation Claim is over \$250,000. To date, the County has no cases involving Medicare Set-Asides, though one case is expected to settle in FY2009. The County's current Third Party Administrator (TPA) recommends using one of two firms, Coventry Co., or American General Life Insurance Company to administer the account. Either firm would be responsible for obtaining Medicare approval, conducting an annuity cost analysis, establishing the life care plan and

adjudicating and monitoring the account for the life of the claimant. The Medicare Set-Aside will ultimately increase the County's Worker's Compensation costs. The Set-Aside amounts will be over and above the initial medical, wage and settlement amounts paid on an individual case. If the proceeds in the account are insufficient to pay the long term medical costs related to the injury, Medicare will pay. If the claimant expires with funds remaining in the account, the funds would revert back to the County.

OLD BUSINESS

Update on 2009 Insurance Program: Mr. Labaj joined committee members to review estimated costs for the County's 2008/2009 Insurance Program. He informed committee members that his department has been busy obtaining quotes on all of the policies for the County. There will be some increases seen because the county is growing, with additional personnel, vehicles and buildings. The number of claims has increased as well, resulting in increased premium costs. The County has been involved in three wrongful death lawsuits as well which will result in increased premium costs. The County currently has \$100,000 for self-insured retention. The County manages the claims for the first \$100,000. The TPI (third party insurance) would review any claims in excess of \$25,000, especially in automobile claims. The self retention fund will probably be increased for the next year. The \$100,000 retention has remained the same since 2000. Some of the surrounding Counties have larger retention costs. McHenry County costs have remained the same since the County has had low claims in the past. Mr. Labaj reminded committee members that it is necessary to make sure any vendor that replies to a bid for our insurance, covers nursing homes. Mr. Labaj noted that he would bring back the insurance costs to the committee for approval by the second meeting in October. Committee members were reminded that the County retains a TPA (Third Party Adjuster) to review insurance claims. The county will review additional firms for a TPA to make sure the county is getting the best deal.

County Seal: The contest is ongoing. Individuals are being contacted regarding the program. The schools have been notified of the program through the Regional Office of Education. Advertising has been placed in the Northwest Herald. Committee members questioned whether a full page ad should be placed notifying the public of this contest. Mr. Lehmann stated that he was contacted by a Washington DC organization for graphic artist that state this program is against their code of ethics for graphic designers. There has not been a lot of interested seen in this project.

Campus Plan Updates: The County has taken possession of the Klehm property. Keys were obtained and the six buildings on the property have been inspected. There are some old barrels of hydraulic fluid, tires and other chemicals that need to be removed from the premises. The county will be looking to demolish 5 of the six buildings. One shed may be kept for use on the property. Environmental issues will be looked at when disposing of the items. Mr. Hadley stated that the Highway department will be contacted regarding possible disposal of these items. It was also suggested that the tires be taken to Algonquin Township as they have a tire disposal program that takes place at the township one time per year.

REPORTS TO THE COMMITTEE

Administrator: None

Green Team: Ms. Link thanked the committee for supporting the green team effort. She stated that she recently attended a conference and McHenry County was ahead of other counties on the green initiative.

McHenry County has moved to 11th place in the NACO light bulb contest. Mr. Lehmann noted that they will be increasing awareness for this project in the near future.

Cable Commission: Chairman Hill informed committee members that she as well as Mr. Sullivan will be meeting with the legal counsel for the Cable Commission today to figure out the direction the county should take on the Comcast issue.

McCog: Chairman Hill informed committee members that the next regular meeting is scheduled for tomorrow in Spring Grove. The salt issue will be discussed at the meeting.

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Chairman Hill requested that Webcasting moved from Future Topics to Old business on the committee agenda.

Ms. Zierer questioned if the Vehicle Use Policy would be brought back to committee for discussion. Committee members were informed that some changes are being made to the policy and would be brought back for consideration.

Committee members were informed that a law was passed that now allows County's to enter into 5 year leases for equipment. Before it was required that there be a funding out clause in the lease, increasing the cost of the lease. It was noted that the county can also lease space on its towers. When the County decides to build a new facility, a new tower could be built on the property. The tower would be built by splitting the costs with those wanting to lease space on the towers. Ms. Link questioned if the change in the law included the leasing of land. It was noted that the change involved tower space only.

Mr. Sarbaugh reminded committee members that a CALF (Chairman's Advisory Legislative Forum has been scheduled for Monday, September 29th at 3:00p.m. to discuss and approve supplemental requests. He suggested all committee members attend in order to get a feel of the budget process.

EXECUTIVE SESSION

None

ADJOURNMENT:

The meeting adjourned at 9:10a.m. on a motion by Ms. Chmiel, seconded by Ms. Donner with all members present voting aye.

RECOMMENDED FOR COMMITTEE/BOARD ACTION:

Resolution authorizing the 2009 County Board Meeting Dates

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