

HUMAN RESOURCES COMMITTEE
McHenry County Administration Building
667 Ware Road, Woodstock, IL 60098

MINUTES OF MONDAY, AUGUST 9, 2010

Chairman Salgado called the Committee meeting to order at 8:15 a.m. The following members were present: Sandra Fay Salgado, Chairman; Ed Dvorak; Ersel Schuster; Scott Breeden; and Paula Yensen. Sue Draffkorn arrived at 8:18a.m. Robert Bless was absent. Also in attendance: Peter Austin, County Administration; Ralph Sarbaugh, Associate County Administrator-Finance; John Labaj, Deputy County Administrator; Robert Ivetic, Human Resources; Bob Ross, Assessor; and Mike Crouse, Assessor - Hartland Township.

	Sandra Fay Salgado, Chairman	
JS "Scott Breeden		Robert Bless
Sue Draffkorn		Ed Dvorak
Ersel Schuster		Paula Yensen

MINUTES

Committee members reviewed the minutes from the Human Resources Committee of July 12, 2010 and the minutes of the joint meeting with the Public Health and Human Services Committee of July 12, 2010. Ms. Schuster made a motion, seconded by Mr. Breeden, to approve both sets of minutes as presented. The minutes were approved with all members present voting aye on a voice vote.

PUBLIC COMMENT

None.

Ms. Draffkorn arrived at 8:18a.m.

PRESENTATION

Overview of the Illinois Workers' Compensation Act: Mr. Labaj joined committee members to provide an update to what the requirements are for Workers' Compensation. He reviewed what is required to receive Workers' Compensation benefits and how the county delivers these benefits. Each State has a Workers' Compensation Act. The Illinois Workers' Compensation Act has been in existence since 1912, which addresses who is responsible for care if an employee is hurt while performing the duties of employment. Each employee is entitled to review by two medical providers. These providers can recommend specialist care, but, they can only be seen by two medical physicians of their choice. The County can request an Independent Medical Exam (IME) for an independent review. Mr. Labaj stated this is generally done to make sure the injury matches up to the accident reported and to make sure care being provided is verified. They do not just accept what the employee's doctor says. The different types of benefits were reviewed with the committee members. County employees covered under the Public Employees Disability Act (PEDA) are reimbursed one hundred percent (100%) of their average weekly wage. Certain Sheriff's Department personnel fall under the enhanced PEDA benefit requirements. The department encourages employees to return to work, even on modified duty. Most money is spent on PPD (Permanent Partial Disability Benefits). This is a complete or partial loss of a part of the body or partial loss of the use of the body as a whole. PPD is paid only if the job-related injury results in some permanent physical loss. Committee members voiced concern that they are encouraged to approve a settlement that may come before them. Mr. Labaj stated that he has a lot of claims that are denied or taken to the commission for a recommendation. Mr. Labaj stated he could bring forward a quarterly report that will show pending cases as well as those denied. It is very important the Supervisors in the departments fill out an investigation report, which will be needed for each injury sustained. Every claim gets investigated and the more information included with the investigation, the better. This would include pictures of the accident area, if possible. Risk Management tries to control costs for certain tests and have facilities where tests can be taken at a reduced cost. The sooner an employee returns back to work the more successful a settlement would be. Risk Management always stresses "modified duty" if possible. Every claim is reviewed for corrective action. So far, 2010 has been a good year for claims. Most of the settlements currently being seen are from 2009. Committee members thanked Mr. Labaj for his report.

NEW BUSINESS

Resolution Authorizing the Reclassification of Position #05-0005-07 from Assessment Specialist III to Chief Appraiser in the Assessor Department Roster: Committee members reviewed a Resolution Authorizing the Reclassification of Position #05-0005-07 from Assessment Specialist III to Chief Appraiser in the Assessor Department Roster. Mr. Dvorak made a motion, seconded by Ms. Draffkorn to recommend approval of the above Resolution as presented. The Assessor's office is getting ready for another record year for appeals. The Department would like to reclassify one of the positions to Chief Appraiser to help with the appeals process. Committee members questioned how these changes will affect the budget. They were informed that these changes would require that \$1,966.53 be added to the department budget. Committee members stated they would like to see a cost benefit sheet to see if this is a wise decision. Committee members were informed that because this new position would help settle some of the appeals, it should result in a decrease in per diem costs in this department. If a case is not settled, an appeal is required. Mike Crouse, the Assessor from Hartland Township, informed committee members that the current economy has resulted in triple the appeals from the previous year. An appraiser was recommended to help with the appeals being seen. Committee members stated concern with the expansion in any department

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as the perception to many in the public is that this is a waste in government and committee members stated they would like a spreadsheet or a clearer Resolution to show exactly why this recommendation is being made. It was requested that the Resolution/Memo be modified prior to consideration by the Finance and Audit Committee. Mr. Sarbaugh stated he would work with Mr. Ross to rewrite the Resolution and bring forward a memo to include the cost for the Board of Review. After discussion, the motion carried with all members present voting aye on a roll call vote (Breedon, Draffkorn, Dvorak, Schuster, Yensen, Salgado)

FY10-11 Budget Review – Human Resources: Committee members were informed that an additional Human Resource Committee meeting has been scheduled in order to review the budgets for the Employee Benefit Fund, Social Security and IMRF. Mr. Sarbaugh stated he has been working on these numbers to get them ready for the next meeting. Committee members were informed there have been no increases to the Human Resources maintenance budget. They will be working next year to keep the health insurances increases to a minimum with education and the wellness program. With these programs going on for a couple of years there should now be some measurable effects from these programs. This will be especially difficult because of the changes with the Federal requirements. The process will be difficult for the next couple of years. The committee will be informed of the changes as they come forward. Some of the provisions in the Healthcare mandate are spread out over 8 years so we don't know what the monetary impact will be until information is brought forward. Mr. Ivetic stated he will try to provide assistance and knowledge as soon as the information is received.

Committee members were reminded that Human Resources Department is an internal service department and has no revenues. When the department was created, they had a much larger budget. This has been reduced tremendously over the past couple of years. They have done a great job in keeping costs down. Personnel have natural growth and costs. Merit funds have been kept out of the budgets and are brought forward if the funds run low. Overall the department has a balanced budget. Human Resources is requesting a supplemental for some contractual funds because of an increase to the maintenance agreement for the HR enterprise system. Committee members questioned why items that need to be approved aren't included in their regular budget. They were informed that the reason the process is this way is so the County Board members can see why budgets are being increased. Typically 5% of department budgets are not spent each year as the departments have become very prudent in spending so funds are added only if needed.

Revenues for the County are hurting the budgets. Open communication is ongoing in the Department Head/Elected Officials meetings to keep them apprised of the revenue issue. Mr. Sarbaugh stated he feels very fortunate that this County has done such a great job in keeping their budgets strong. It is helpful that the departments are constantly thinking outside the box to address needs within their departments. He stated there will come a time that some department budgets will need to be increased.

Supplemental lists are being created and the Board Members will be able to see this list in the future. This becomes part of the CALF (Chairman's Advisory Legislative Forum) meeting for discussion and consideration.

Ms. Draffkorn made a motion, seconded by Mr. Dvorak to recommend the FY10/11 budget for Human Resources be forwarded to the Finance and Audit Committee for review. The motion carried with all members present voting aye on a voice vote.

OLD BUSINESS: None.

REPORTS TO COMMITTEE:

Human Resources Director's Report: Mr. Ivetic stated that a lot of his time is being consumed with parts of the interim filing regulations on issues that are becoming effective now. The government will allocate up to 5 billion dollars for the early retiree subsidy program. Once these funds are gone they are gone. The County has applied to be included in the program but have not heard anything yet. He stated that these funds could be exhausted within a year. Once new requirements start appearing, the plans could be taxed. He stated this is a report only and he will inform the committee as he becomes aware of changes and requirements as they are brought forward.

Currently in Illinois, if you work in the public sector and have a child under age 26, who are considered a dependent under the IRS code, could be included in the employee's health plan. If they were not considered a dependent, under this code, they could be included, but the employee would have to pay the premium. Starting in July of next year, any dependent under the age of 26 can be on the plan, at reduced rates. Information on this issue will be provided when clarified.

EXECUTIVE SESSION: None.

ADJOURNMENT: Ms. Yensen made a motion, seconded by Ms. Draffkorn, to adjourn the meeting at 10:18 a.m. The motion carried with all members present voting aye on a voice vote.

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RECOMMENDED FOR BOARD ACTION:

Resolution Authorizing the re-classification of Position #05-0005-07 from the Assessment Specialist III to Chief Appraiser in the Assessor Department Roster

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Approved 8.23.10