

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

MINUTES OF MONDAY, NOVEMBER 8, 2010

Chairman Salgado called the Committee meeting to order at 8:15 a.m. The following members were present: Sandra Fay Salgado, Chairman; Ersel Schuster; Ed Dvorak; Robert Bless; Sue Draffkorn and Paula Yensen. Scott Breeden was absent. Also in attendance: Pete Austin, County Administrator; Ralph Sarbaugh, Associate County Administrator-Finance; John Labaj, Deputy County Administrator; Bob Ivetic, Human Resources; Ken Koehler, Chairman, McHenry County Board; and the press.

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 October 25, 2010. Chairman Salgado informed committee members that she changed one sentence to show that Mr. Breeden suggested that some of the frozen positions should be filled prior to considering raises for employees. Ms. Schuster a motion, seconded by Mr. Dvorak, to approve the minutes as amended. The minutes were approved, as amended, with all members present voting aye on a voice vote.

PUBLIC COMMENT

None

PRESENTATION

None

NEW BUSINESS

Resolution authorizing a One Year Extension for the Temporary CALEA Manager Position within the Sheriff's Office Roster for FY2011: Committee members reviewed a Resolution authorizing a One Year Extension for the Temporary CALEA Manager Position within the Sheriff's Office Roster for FY2011. This is a temporary position and does not include benefits. These funds have been included in the budget. The Sheriff's Department feels they need to continue with this position in order to complete their CALEA certifications. Ms. Draffkorn stated that this information was presented to the Law and Justice Committee and they approved this position based on the information provided. Ms. Draffkorn made a motion, seconded by Ms. Yensen to recommend approval of the above Resolution as presented. The motion carried with all members present voting aye on a roll call vote (Bless, Draffkorn, Dvorak, Schuster, Yensen, Salgado)

EXECUTIVE SESSION

None

OLD BUSINESS:

Continued discussion on FY11 employee wages: Mr. Austin presented to committee members a draft letter that will be sent to the employees of the County on why no raises will be considered at this time. He questioned if he should present these letters during a series of employee forums. This issue has been discussed with Department Heads who are supportive of the process and continued communication with the employees. The forums will be a way to connect with the employees and talk about the general condition of the County. These forums will be similar to the meetings held when changes were being made to the personnel manual. It was suggested that Mr. Austin present additional information during these meetings, including highlights of health insurance and how much this benefit costs to provide for the employees, importance of usage of generic drugs, as well as an update on the strategic plan and the roll of the employees. It was stated that there have been some changes made to the labor laws so a new employee manual will need to be created in the near future. It was suggested that the meetings be scheduled after the next County Board meeting. Committee members stated there will be a lot of unknowns and questioned how staff will answer these questions. It was stated that employees have a variety of benefits and the County spends an average of \$14,000 per employee for these benefits. Employees need to be made aware of the costs of providing these benefits. Information will need to be provided to show what each employee receives in addition to a paycheck. They cautioned staff not to focus on just wages. They stated they need to focus on the whole package that each employee receives. Committee members questioned if the County Board Chairman should attend these meetings with staff to speak on behalf of the County Board. Committee members reviewed the draft letter being proposed to send to the employees. Mr. Austin stated he would like to begin meeting with the employees in December. Committee members stated that if the information being presented should change, they would like to see the changes prior to release of the letter. They stated they could meet again later in the month if needed. Mr. Ivetic stated that the meetings should be an open dialogue between the employees and Administration and if the Chairman of the Board is there the employees will just concentrate on the money and tend to focus on the negatives. Committee members noted that they want to make sure Mr. Austin talks on behalf of the County Board and answers questions of whether employees will be able to retain their jobs and what benefits will they receive. With the current economy of the State, the County may have to continue to pick up costs that were previously paid by the State. Employees need to be informed of the background and why there will be no raises at this time, even though the county is in the black. The

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committee stated they do not want to give the employees false hope and suggested some minor changes to the employee letter.

Continued discussion on overtime use: Committee members entered into continued discussion on the overtime costs being seen in the Sheriff's Department. Of the \$1.3 million dollars in overtime costs in the County, \$1.2 million is for the Sheriff's Department. Committee members were reminded that this department is one of the largest departments in the County and they are required to meet specific staffing numbers. With the aging of our population, more employees are requesting FMLA leave to care for family members, which does not include a lot of notice for these leaves. If a person ends up off for an extended period of time, it creates the possibility of overtime. The employee's position needs to be retained, as well as covered by another employee. FMLA is just a portion of the reasons for overtime costs. Additional reasons include a generous vacation package, comp time and a number of employees on active military leave. Committee members noted that overtime costs in this department has been pretty consistent for the past few years and asked if there is some sort of plan in place to address these overages. Committee members were informed that some areas are easier to control, but with corrections and patrol, they have to adhere to a specific number employees to cover a shift. Mr. Sarbaugh stated that with the upgrade to the payroll system, it should be easier to track costs in a department. The new package includes an active tool to show scheduling to help control overtime hours. The Finance and Audit Committee will be reviewing a Resolution to upgrade the ADP system, which includes this scheduling tool. It is doubtful they will see a huge swing in these overtime costs but, they will continue to review the numbers on a continuous basis. Sometimes overtime is the easy way out. Overtime now must be approved prior to it being granted. Compared to the surrounding Counties, McHenry County's overtime costs are very high. This information will be shared with the Law and Justice Committee. Sometimes it takes a change in the culture and attitude to bring about a significant change. This same issue took place at Valley Hi and the facility was able to reduce these costs and committee members feel the same reduction can take place in the Sheriff's Department as well.

REPORTS TO COMMITTEE

Human Resources Directors Report: Mr. Ivetic joined committee members to provide an update to the committee. He apologized for not attending the previous committee meeting as he is a board member of the IPELRA (Illinois Public Employer Labor Relations Association).

Mr. Ivetic reported that staff has been working on the Early Retiree Reimbursement Program (EERP) which was established under the Affordable Care Act to help employers continue to provide health insurance coverage for early retirees. Early retirees are individual age 55 through 64 and their spouses and dependents. Approved applicants will receive 80% of medical claims costs between \$15,000 and \$90,000 for the health benefits of an individual. Staff is trying to get all the information input to try to be in line for reimbursement when needed. In an analysis published by the Employee Benefit Research Institute (EBRI), if the subsidy were obtained for all qualified claims, \$2.5 billion of the \$5 billion available would be exhausted in the first year of the program and would last no more than two years.

Staff has been working on the spirit wear program. They have a new vendor this year with the process being automated for the employees. They can now place an order directly through the vendor on line.

The changes being seen with the health insurance program has been a challenge. Preventative care will be a cost factor in the coming year. Costs will spike initially. Changes are continually evolving. Committee members will be provided with updates as they are received.

Committee members questioned who is at the table during labor negotiations. Mr. Ivetic responded that the Sheriff's Department is the only department that is involved with interest arbitration as they are the only public safety unit with the county. For the remaining labor groups negotiations generally involve Mr. Ivetic, the Special States Attorney assigned for labor negotiations, Christina Webb from the States Attorney's office has recently started to attend these meetings to help with employment law. Department Heads and staff are involved behind the scenes. If they enter into the negotiations, they could lose leverage if additional persons attend these meetings as once something is put on the table, it cannot be taken back. Committee members are not involved in the negotiation process. Updates are provided to the committee members as information is brought forward.

ADJOURNMENT

Ms. Yensen made a motion, seconded by Ms. Draffkorn, to adjourn the meeting at 9:17a.m. The motion carried with all members present voting aye on a voice vote.

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RECOMMENDED FOR BOARD ACTION:

Resolution authorizing a One Year Extension for the Temporary CALEA Manager Position within the Sheriff's Office Roster for FY2011

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