

JOINT LABOR RELATIONS & EMPLOYEE SERVICES AND ADMINISTRATION COMMITTEE MINUTES

September 24, 2014

CALL TO ORDER

Chairman Cushing called the LRES Committee to order at 8:30 a.m. in Committee Room #2 of the Oneida County Courthouse. Chairman Dave Hintz called the Administration Committee to order. It was noted that this meeting had been properly noticed in accordance with the Wisconsin Open Meeting Law and meets the Americans With Disabilities Act.

LRES COMMITTEE MEMBERS PRESENT: Carol Pederson, Billy Fried, Ted Cushing, Sonny Paszak and Dave Hintz.

LRES COMMITTEE MEMBERS ABSENT: None

ADMINISTRATION COMMITTEE MEMBERS PRESENT: Ted Cushing, David Hintz, Sonny Paszak, Bob Mott and Robb Jensen

ADMINISTRATION COMMITTEE MEMBERS ABSENT: None

ALSO PRESENT: Lisa Charbarneau, Linda Herrmann (Labor Relations/Employee Services); Mary Rideout (Social Services); LuAnn Brunette (Buildings & Grounds); Margie Sorenson (Finance); Jean Hansen (Land & Water Conservation.); Tim Brown (UW Extension); Brenda Behrle (Clerk of Courts); Judge O'Melia, Debra Shawl (Branch II); Kathy Belliveau (Branch I); Mike Timmons, Tom Rudolph (Supervisors); Roger Luce (Economic Development); Joel Knutson (Citizen)

APPROVE AGENDA

Motion by Pederson, second by Fried of the LRES Committee to approve the joint agenda for the present meeting. All ayes; motion carried.

Motion by Mott, second by Jensen of the Administration Committee to approve the joint agenda for the present meeting. All ayes; motion carried.

JOINT MEETING – 2015 HEALTH INSURANCE PREMIUMS

Hintz explained that they were having the meeting to discuss two issues; the wage increase and insurance premiums and how much money they have to work with this year. He stated they now have a number on what health insurance will cost if they keep the benefits and procedures the same.

Margie Sorenson told the Committee that they must stay under the levy limits and right now they are \$50,000 over the levy limits. She provided a handout and explained that the second number is something the Administration Committee has done for years is to take \$250,000 out of the General Fund and apply it towards operating expenses and we do it every single year. If they do that, we are under the levy limits by \$200,000. If they levy the maximum that would be a \$310,000 increase or 2% increase which would be \$4 on a hundred thousand dollar home.

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Cushing stated that the main thing today is to come up with an agreeable recommendation on what are we going to do about wage increases and the revised health insurance figure. He stated that since we have that number maybe we should do that one first and that will tell us a little more about what we can possibly do about wages.

Charbarneau explained that the initial health insurance renewal rate came in at 9% and that is based on some high claim experience. She talked to Kim Hurtz about what we could do or what is realistic or how can we shave that number down. There is a new network that is available through Aspirus that they are going to take a hard look at. There are a few options where they can offer an Aspirus network or a Ministry network and let people choose or we can just offer one network and exclude the other. There are some options out there. Basically, Kim stated that she is very comfortable that we can reduce that with those types of changes down to about 4.5% increase. The problem that we've got is the issues with the Affordable Care Act that mandate us to provide certain services to all people on our health insurance plans. So some of our retiree plans got benefits added and we have been told by legal counsel that we can't take anything away or cap anything or change those plans. Kim thinks that there is room for that now and some of those things are going in as of 2015. She is doing a little more research on that and she hasn't got an answer back on that. That would help to try and cap some of the costs on those retiree plans because those are huge and they continue to go up. Something that the LRES Committee has talked about is looking at the plan design and changing what comes out of pocket for the employee. As of 2015 there is an out-of-pocket maximum that employees are subject to. Currently that maximum is pretty low; it is their deductible and their co-insurance. As of 2015 drug co-pays count against that and all other co-pays will count against that out-of-pocket maximum. That maximum per the Affordable Care Act goes to \$6600 for single and \$13200 for family which Kim is suggesting we implement. The other issue would be looking at another network and there are two options to look at that would take us down to 4.5%. Charbarneau stated that she asked her to consider a different structuring for deductibles. The 5% savings would be \$175,000 that would eat most of the \$200,000 savings.

Fried stated that most public places paid the first \$1000 or \$1500 on a single plan. We are throwing that money into an HRA plan that they can roll forward. If we would eliminate that expense that would be a \$280,000 savings and they are still in a premium plan. The bottom line is our deductibles are too low. There is huge savings by raising that if the County doesn't automatically put in. They did something similar at the schools where they only put the MERP in if needed and that works out. He doesn't feel they are doing justice to their constituents by not bringing others in to present what else is out there in the marketplace in competition. They did that with the schools. They had presentations, what's your plan, do you have a two-year rate and they made a good decision that they go back to the taxpayers with. Of everything going on in the government the health care has been a huge transition in the last couple years. He asked why we stay married to this archaic plan that we have with co-pays and stuff in the new environment is beyond him. He believes there is a simpler way of doing it and we are trying to work with our existing plan and jog it around. First thing is to raise the deductible that will bring a savings and maybe even look at changing the plan and bringing competition in.

Robb Jensen stated that it becomes an issue of balancing what's happening on the wages versus what's happening with fringe benefits and making sure that the County employees are paid a fair wage in terms of the market.

Cushing explained that when the wage study was done Charlie Carlson stated right out of the box that we needed to do something with our benefits on health insurance.

Charbarneau stated that it is a very slow move if you look at other counties. You can start to see them now changing and for the first time some counties are actually having employees pay a portion of their premiums where they never paid before. They are progressing, but they are going very slowly. She agreed with Fried that if you look at some of the plans in the school district that they have made the first move to having that first out-of-pocket issue being bigger to start with. There are other options we could look at instead of doing an HRA. You could do a Health Savings Account where the employee has a little bit more access to that money from the first dollar where everything in the plan goes against that first dollar to move forward. She stated she needed to caution them about the retiree plans they have. The last time they looked at bids for proposals the other entities that quoted would only quote on our base plan. They would not touch any of our retiree plans. They would not customize their plans to fit what we have. Legal counsel has said to this point that we cannot do anything about those until they are gone.

Bob Mott explained that he used to work on negotiations for the teachers and each time they would bring other companies in to see what they've got and it was competitive. The thing you have to watch he found out is they will low ball early and two years down the line all of a sudden you are higher than you were before. They want to get you initially and hope you will hang on for a while.

Mott asked if there was any way to incentivize individuals not to use health insurance. Charbarneau stated that we have talked about compensating employees for not taking the health insurance. There are a few employers that pay a monthly stipend. With the Affordable Care Act you can now put into your plan that if you have a spouse that has coverage elsewhere you can force them to take it. There are things that are built in like that. The issue that the health insurance company warned us about is that sometimes you can end up with adverse selection where you only end up with the people on your plan that have such high claims that the high claims push it way out. It is a pool and you try to balance out the real high claims with the people who hardly use insurance at all. We have talked about offering two plans going into this next year. Offering a plan that is based to what we have with changing of deductibles and what the employee pays first and offering what she calls the affordable health care plan like it is out on a network. You have your \$6000 deductible, the premium will go down to whatever it is and we maybe offer them a lesser premium. They only pay 5% if they take that plan. Kim is working on numbers for that type of plan design as well. She warned her again, that you will have people that don't use health insurance move to that plan and you'll have the people that do use health insurance on the other plan. When you go in for renewals the following year you are going to find the big plan went up "X" due to claims and the plan where nobody used it will kind of stay static. It helps to balance it out. You are asking people to make a decision at the beginning of the year which plan do you want to be on. Do you want to be on this plan where you have a maximum of a \$6000 deductible that you are going to pay out of your pocket before we pay for anything but wellness or do you want to be on this plan where you are going to pay \$1000 out of your pocket before the plan kicks in?

Mott stated that what Robb Jensen said was a good point as well. You have to look at the total package. If your benefit package is low then probably you are going to have to make your wages higher to attract and keep the people in the job market that we want. So, if you cut this and keep

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their salaries the same then it is a little bit out of sync. He was sure the study was not only based on wages but benefits.

Hintz stated that they needed to seek out market in both wages and benefits. He stated that in trying to get to the bottom line he thought they should consider raising the deductible, increasing the per cent paid and the network change they talked about. He didn't feel they should make a dramatic change all in one year but make a moderate type change in these areas. That is the only way to keep costs under control.

Cushing stated that they needed to go in with a number and they could debate that for hours. He thought they should go in with 4% which is \$140,000 and see what it can be hammered to.

The two Committees are directing Sorenson to use \$140,000 in budget planning for 2015 for health insurance.

2015 WAGE INCREASES

Cushing told the Committees they could think about the fact that they have a brand new wage system that they have to implement. You can think of no base increase what so ever until they get into their new wage evaluation system. You can think of a cost of living increase across the board, or at the time of evaluation. You can also think of something they did at the Human Service Center for the last two years and that is a one time stipend which does not go on as a percentage for the following year. Everybody got a \$700 check regardless of where they worked. It is something to consider.

Fried suggested giving \$1,000 to each employee. He stated that we are going to raise the deductible and get the health insurance to zero by manipulating the deductible and take the stipend out of the 2014 surplus.

Hintz stated that it seemed they had consensus for the one-time payment.

Part-time people will be pro-rated. The cost would be approximately \$292,000 per Margie Sorenson.

ADJOURN JOINT MEETING

Motion by Jensen, second by Mott for the Administration Committee to adjourn the joint meeting at 9:37 a.m. All ayes; motion carried

THE LRES COMMITTEE CONTINUED WITH THEIR AGENDA

APPROVE MINUTES

Motion by Paszak, second by Hintz to approve the minutes of September 03, 2014 as presented. All ayes; motion carried.

VOUCHERS, REPORTS & BILLS

Motion by Hintz, second by Paszak to approve the vouchers, reports and bills as presented. All ayes; motion carried.

MAINTENANCE TECHNICIAN VACANCY REVIEW APPEAL

Charbarneau told the Committee that an employee was lured back to one of his previous employers with a significant wage increase so we have another vacant maintenance technician position. They have a staffing level with no buffer built into it. They also have an individual out on worker's compensation that they are hoping will be back the end of October. They have stepped up their cross-training. They are asking to waive the 6-month vacancy review to get someone started.

Motion by Fried, second by Paszak to approve the vacancy review appeal as presented for the Maintenance Technician position. All ayes; motion carried.

SMALL CLAIMS CLERK VACANCY REVIEW APPEAL

Brenda Behrle presented a letter from Judge Bloom in support of forgoing the 6-month waiting period for the Small Claims Deputy Clerk. She stated this was her front-desk person. They handle all the small claims, answer phones, assist people. She stated it was a hardship for the office. Small claims come in at a rate of 60 to 100 cases a month.

Charbarneau reported that case files were down and had been going down since 2011 and revenue is down about 25%. She stated that a study needs to be done. Something needs to be looked at to see if this position needs to continue or if it can be reduced. She suggested looking at it for 3 to 6 months and see what happens.

Behrle totally disagreed. She admitted cases were down. She said they don't have control over the number of cases filed. It could change in a month's time. She stated it is their responsibility to assist the courts. Their workload gets backed up.

Fried stated that this has become part of the process for this Committee to evaluate these things and not to take it personally. It is about what is best for this County moving forward. Lisa may come back with a plan that will help us countywide.

Charbarneau remarked that her recommendation was made on the numbers she was provided a month ago and the new numbers are very different from what they were before.

Motion by Paszak, second by Fried to waive the vacancy review for the Small Claims Clerk. All ayes; motion carried.

CLOSED SESSION

Canceled

2015 FAMILY COURT COMMISSIONER CONTRACT

Charbarneau explained this was on the agenda because the Public Safety Committee just looked at the job descriptions of the Judicial Assistants who have taken on additional duties and responsibilities for the Family Court Commissioner. She has approved the job description and believes that the duties and responsibilities that were added are not at a higher level. They are the same duties and responsibilities that they do for the Judge so it would not be warranted for consideration for a different wage rate.

The Family Court Commissioner's contract was negotiated with the intent that the Family Court Commissioner was going to be doing the clerical support work that went along with this position. Kathy Belliveau made a comment at Public Safety that due to the nature of the C-Cap System that someone who isn't a County employee doesn't have access to those things so it is not possible. We are paying the Family Court Commissioner to do something in her contract that she can't do and doesn't do. She stated that we should look at what we are paying the Family Court Commissioner going into 2015.

2015 STAFFING REQUESTS:

Clerk of Court

Behrle asked to renew her annual request for LTE Bailiff's for jury trials. The request has always been for \$5000.

Motion by Fried, second by Hintz to approve the LTE Bailiff staffing request as presented. All ayes; motion carried.

Behrle made a second request for an LTE Bulk Scanner for 384 hours at a cost of \$3,681.

Motion by Fried, second by Hintz to accept the LTE Bulk Scanner staffing request contingent on budget. All ayes; motion carried.

NORTH CENTRAL REGIONAL PLANNING STUDY

Charbarneau reminded the Committee that at the last meeting they asked her to contact North Central Regional Planning about doing a study related to duplication of services for Land & Water Conservation and UW Extension. She talked to Dennis Lawrence and he indicated they could do that study for us and there would be no charge because we are a member of North Central Regional Planning. He indicated that it would take 3 months to complete so it would not be done in time for the budget hearings.

Tom Rudolph stated that if you were going to do this type of study and engage NCRP that you should look at doing this study on bigger ticket departments here. There may be ways to save money, operate more effectively and avoid duplication where you are talking about big bucks. He suggested that if we want to engage NCRP at this point that you not single out the Land & Water Conservation Department and that you maybe look at Social Services and see if there is duplication between them and Human Services for example, Sheriff's Department and other departments. He would not support a study specifically for UW Extension and Land & Water as he doesn't think it is worth NCRP planning time unless they want to expand to include other departments where there may be more possibilities for duplication and opportunities for more efficiencies.

Fried stated that for some reason the opinion of Land & Water has eroded in recent years and that's how this conversation started. He stated let's get the information. Who are we servicing, what areas of the County are any of these services duplicated? He thinks they start with what has eroded; the concern about UW Extension and Land & Water. He said let's do that and see how it works and we can move on to the other departments if that is a service they provide for free. We started the

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discussion with UW Extension and Land & Water, let's keep it on that and we can move onto the others later.

Jean Hansen stated if the study is approved she would like to see UW Extension and Land & Water Conservation looked at as separate entities because they are not consolidated except for their Committee.

Motion by Fried, second by Pederson to direct Lisa Charbarneau to utilize North Central Regional Planning to do an evaluation of UW Extension and Land & Water Conservation departments. All ayes; motion carried.

2015 STAFFING REQUESTS

Social Services

Charbarneau explained that Social Services Director Mary Rideout was making a request to increase the on-call per diem for Social Workers.

Rideout stated that the last increase was in 2008. They receive \$50 for a 24 hour period of on call. She would like a 4% increase to \$52 that she would absorb into her budget.

Motion by Paszak, second by Pederson to approve increase of the on-call per diem to \$52 per hour. All ayes; motion carried.

UW Extension

Tim Brown came before the Committee to make his annual request for an LTE Fair Secretary, Fair Treasurer and Horticulture Assistant.

Motion by Cushing, second by Hintz to approve the LTE positions as requested by the UW Extension for the fair and horticulture assistant. All ayes; motion carried.

Public Health

Charbarneau explained that this was a request from the last meeting for an LTE Public Health Nurse for flu season that Linda Conlon forgot to have her Committee sign and so she is bringing it back today. This position is based on revenue and grants and if the money goes away the position goes away.

Motion by Hintz, second by Cushing to approve the Public Health LTE request. All ayes; motion carried.

Land & Water Conservation

Jean Hansen handed out a 5-year work plan to the Committee of goals and objectives for the Land & Water Conservation Department. She stated they would extend it out to a 10-year plan as that is the trend now. She also prepared a list of what was not being accomplished at this time due to combing two positions into one and only a 40% support staff to assist. She requested the creation of a Program Assistant to help with technical assistance. The current 40% support staff position would be eliminated and used to supplement the proposed 100% Program Assistant position for 2015. She

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stated they have about \$11,000 DATCP money to apply to the position and about \$26,000 would be tax levy money.

Fried stated that he thought they needed a second pair of eyes on this to tell them if there is a deficiency.

Motion by Paszak, second by Cushing to approve the creation of a Program Assistant position as presented. Roll call vote with Paszak and Cushing voting aye and Hintz, Pederson and Fried voting nay. Motion failed.

FLEXIBLE SPENDING/HRA PROVIDER FOR 2015

Charbarneau provided the Committee with bids for a provider for our Flexible Spending and Health Reimbursement accounts. The two proposals came from Diversified Benefit Services and Employee Benefits Cooperative. She explained there were two benefits for Diversified to be the provider. They will set this up at no charge and Employee Benefits is charging \$750. The other difference is that Diversified Benefits has their own IT staff and they have told us if there is anything we want to change on any of the reports they will be able to customize and Employee Benefits cannot do that.

Motion by Cushing, second by Fried to approve Diversified Benefit Services proposal as our Flexible Spending and Health Reimbursement account provider. All ayes; motion carried.

WELLNESS/HEALTH UPDATES

None

OUT-OF-COUNTY TRAVEL

None

FUTURE MEETING DATES

October 15	9:00 a.m.
October 20	9:00 a.m. (Bargaining)
October 29	9:00 a.m.

FUTURE AGENDA TOPICS

Health Insurance

PUBLIC COMMENTS

None

ADJOURNMENT

Motion by Cushing, second by Pederson to adjourn. All ayes; motion carried.

Meeting adjourned at 11:54 a.m.

Ted Cushing, Chairman

Linda Herrmann, Committee Secretary