

SHEBOYGAN COUNTY

Human Resources Department

508 New York Avenue
Sheboygan, WI 53081-4126

February 26, 2010

Sheboygan County Board of Supervisors
County Administrator Adam N. Payne

Re: **Human Resources Department Annual Report**

Dear Board Members and Mr. Payne:

Enclosed is the 2009 Annual Report of the Sheboygan County Human Resources Department.

Our department is indirectly responsible for over half the county budget. We will continue to constantly strive for better ways to manage the county's valuable work force.

I am looking forward to helping the county meet the challenges ahead in any way possible. Please feel free to consult with the department or request information at any time.

Very truly yours,

Michael J. Collard
Human Resources Director

MJC:hs
Enclosure

2009 ANNUAL REPORT

SHEBOYGAN COUNTY HUMAN RESOURCES DEPARTMENT

I MISSION STATEMENT AND SUMMARY OF RESPONSIBILITIES

The Human Resources Department's mission statement is:

The Sheboygan County Human Resources Department will create an environment which promotes positive employee relations, encourages equal opportunity, and provides quality customer service.

The responsibilities of the Human Resources Department include:

Labor Relations

- Negotiations of agreements with 8 collective bargaining units
- Investigation and resolution of union grievances
- Represent the County's position before arbitrators
- Distribute, monitor, and interpret collective bargaining agreements

Personnel Policies

- Develop and propose countywide personnel policies
- Manage sick leave, vacation, holiday, and leave policies
- Work with department heads and employees on enforcement

Disciplinary Matters

- Advise supervisors regarding employee discipline
- Aid with disciplinary investigations

Employee Benefits

- Administer health and dental insurance self-funded programs
- Maintain plan documents
- Manage section 125 plan
- Investigate and recommend changes and improvements
- Administer life insurance, retirement, deferred compensation, and long term disability programs
- Manage workers' compensation self-insured program
- Manage unemployment compensation claims
- Oversee Employee Assistance Program (EAP)

Safety and Loss Control

- Provide support to Loss Control Committee
- Coordinate county-wide safety programs

Salary Administration

- Ensure that approved pay schedules are put into effect
- Manage merit pay and longevity pay programs
- Develop compensation proposals for non-union employees\

Position Administration

- Assist departments with table of organization changes
- Maintain current job descriptions
- Maintain organizational charts for all departments
- Coordinate position evaluation reviews
- Manage employee evaluation process

Employee Selection and Recruitment

- Prepare notices and manage postings for union position openings
- Advertise for open positions when needed
- Coordinate recruitment and selection efforts
- Administer background checks and pre-employment physical tests
- Orient new employees to county employment

Personnel Records

- Maintain personnel and medical files for all employees
- Comply with federal and state privacy laws, including HIPAA

Equal Opportunity

- Ensure compliance with federal and state equal opportunity laws
- Monitor compliance with ADA guidelines
- Prepare and submit county EEO/affirmative action plan

Training

- Develop and implement county-wide training program

II GOALS AND OBJECTIVES ACHIEVED IN 2009

Employee Benefits

Health insurance premiums, a major expense item for the County, increased for 2010 by about 4.7%, far below the statewide average for counties of about 8.5%.

Premium rates for non-Medicare eligible retirees were increased by 10%, to partially reflect the greater expense of providing such optional coverage. Coverage for Medicare-eligible retirees was entirely eliminated effective January 1, 2010. These changes resulting in a substantial savings to the County.

A new prescription benefit was developed in conjunction with the Strategic Benefits Planning Committee, and was implemented on January 1, 2010 for members of four union groups as well as non-represented employees.

Due to unsatisfactory results from our Preferred Provider Option network, the network was changed back to HealthEOS Plus.

Several provisions of the health plan were revised in order to comply with statutory mandates.

InHealth Clinic

The County's InHealth Clinic continues to provide basic health care for employees and dependents at a significantly lower cost than available in the community. The clinic has met with strong acceptance and approval by employees. We are currently working on bringing the City of Sheboygan and possibly the Sheboygan Area School District in as partners in the Clinic.

Contract Negotiations

Agreements with five of the County's collective bargaining units were reached in 2009, following extensive negotiations. Most of the contracts are for 2009-2010 and call for pay increases of 2.95% in 2009 and 2.05% in 2010 or the economic equivalent. The agreement with the union representing employees at the health care center calls for 2% pay increases each year over a four-year period, and requires the County to refrain from selling or closing Rocky Knoll voluntarily through 2012.

Interest arbitrations were held with two bargaining units, with whom agreement could not be reached. The County was successful in its arbitration with the social workers unit, and its employees will receive increases comparable to most of the other settlements. The County was not successful in its arbitration

with the union representing sworn law enforcement officers, who will receive pay increases totaling 7% over a two-year period. The contract with law enforcement supervisors has not yet been resolved.

The County's approach in negotiations has been in accord with our overall strategy which emphasizes the need for fiscal responsibility and evaluates economic proposals according to the long-term increase in total labor costs that would result.

Employee Grievances

Grievances filed by unions took a sharp turn upward in 2009. A total of 60 grievances were filed by collective bargaining units in 2009, up from 33 in 2008 and 44 in 2007. Moreover, the unions were very aggressive in pursuing these grievances to arbitration. A total of 15 grievances were scheduled for arbitration in 2009.

III BUDGET

The Human Resources Department operated within its \$456,900 tax levy budget for 2009. The overall positive variance was \$21,980. Savings were achieved in the areas of purchased services, advertising for position openings, system operation charges including printing, and other operating expenses.

A 2010 department budget that meets County targets was proposed and adopted. The requested and approved tax levy usage of \$470,150 was \$879 under the target set for the department, and an increase of only 2.9% over the 2009 budgeted levy usage.

In conjunction with the Finance Department, a new method of budgeting and accounting for employee health and dental benefit expenses was implemented as part of the budget development process.

IV ISSUES, CONCERNS AND CHALLENGES AHEAD

Collective Bargaining

Although some progress has been made in recent negotiations, our ability to make needed changes, particularly in the area of employee benefits, remains sharply curtailed by the mediation/arbitration law. Exacerbating this problem further are budget cutbacks in the WERC, which make fewer arbitrators available, and the current makeup of the Commission itself, which is thought to favor union concerns.

Employee Benefit Expense

The cost of employee benefits, much of which is attributable to factors beyond our control, remains an issue whose effect on the county budget is perhaps greater than any other.

Legal Obligations

Changes in employment-related laws and regulations, particularly those regarding disabilities and family and medical leaves, provide increasing challenges affecting the County's ability to manage its workforce.

The current state and federal legislatures as well as chief executives are receptive to the concerns of labor, and we have seen numerous bills proposed that would, if enacted, make it more difficult to control labor costs.

Payroll System

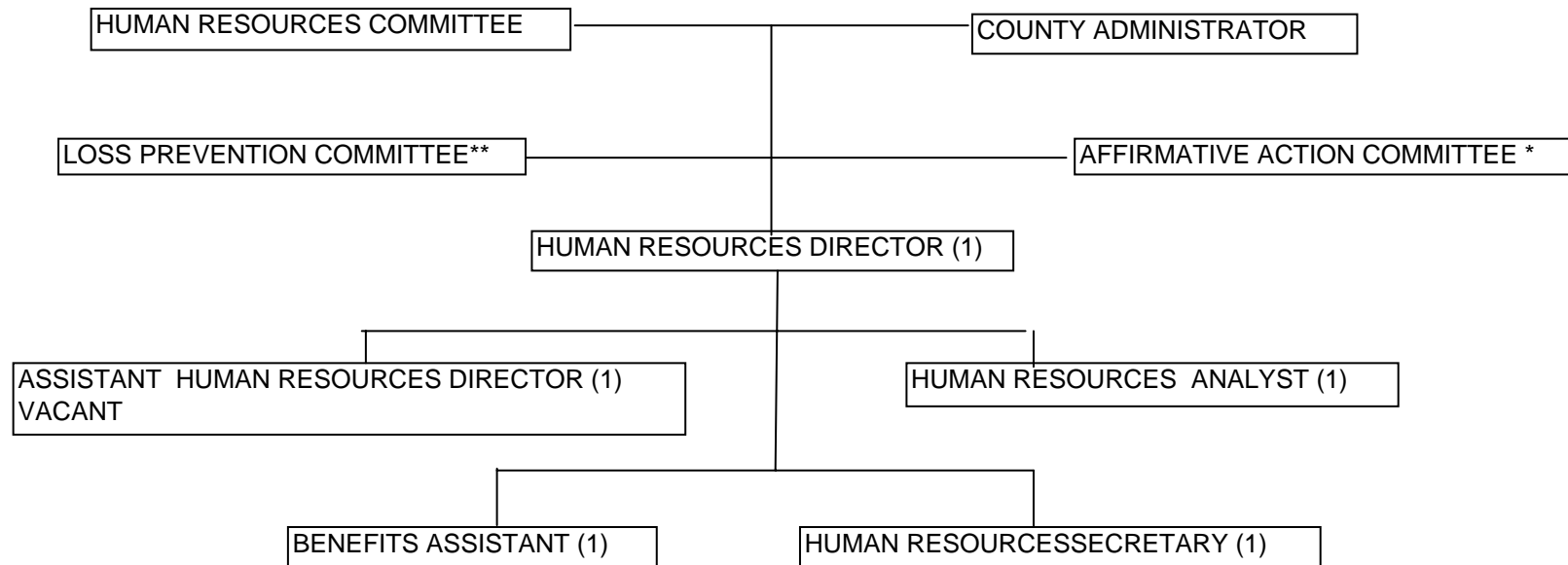
Implementation of the Logos payroll and human resources software is sure to present many continuing challenges, but should also be a much more effective tool for County managers.

V GOALS AND OBJECTIVES FOR 2010

The Human Resources Department will face many challenges in the year ahead. Our goals include:

1. Develop the County's strategy for collective bargaining for 2011-12 contracts, which will begin in the summer of 2010.
2. Continue to take vigorous measures to control employee benefit expenses, particularly in the area of health coverage.
3. Continue to monitor and evaluate financial and operational performance of the InHealth Clinic, and implement expansion alternatives if possible.
4. Continue and improve the County wellness program for employees, using the clinic as a focus point.
5. Develop and recommend revisions to the County Policy and Procedure Manual in needed areas.
6. Complete implementation of new Human Resources and Payroll software.
7. Continue identifying possible improvements to administrative and policy areas including possible changes to the table of organization ordinance, chapter 40 of the County Code.
8. Develop an improved method of preparing, collecting, and tracking employee wage and benefit expenses for County departments.
9. Prepare a responsible proposed 2011 budget for the Human Resources Department that meets county guidelines.

**SHEBOYGAN COUNTY
HUMAN RESOURCES DEPARTMENT**



*ESTABLISHED BY RESOLUTION #38(1976-77)

**ESTABLISHED BY RESOLUTION #47(1990-91)