

2010 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)

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

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\

II GOALS AND OBJECTIVES ACHIEVED IN 2010

Employee Benefits

Health insurance premiums, a major expense item for the County, increased for 2010 by about 6.9%. This is the highest percentage increase that we have experienced in five years, yet remains well below the average increases experienced by other Wisconsin Counties. A review of health costs paid by a group of comparable counties per employee showed that our average costs were at the lower end of the list.

Premium rates for non-Medicare eligible retirees were increased by 15%, to partially reflect the greater expense of providing such optional coverage.

Our Preferred Provider Option network was changed from HealthEOS Plus to Trilogy. This change is expected to produce a significant savings in health claims.

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 six of the County's collective bargaining units were reached in 2010, following negotiations. These agreements have now been fully ratified by the unions and by the County Board, and will remain in effect through December 31, 2012.

One other agreement covering 2011-2012 had been reached earlier, as part of a four-year deal overall. One agreement was reached in early 2011, but has not yet been ratified by the Board as of the date of this report. This represents the quickest set of negotiations to be completed by Sheboygan County in recent memory.

Most of the contracts call for either a pay freeze in 2011 or a modest pay increase of 1.25% to 2% in conjunction with an increase in the employee share of health premiums from 10% to 12.5% for full-time employees. For 2012, most of the agreements call for pay increases of approximately 1.5%.

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 remained at approximately the same level as in 2009. A total of 56 grievances were filed by collective bargaining units in 2010, compared to 60 in 2009, 33 in 2008, and 44 in 2007. Moreover, the unions were very aggressive in pursuing these grievances to second and third steps.

III BUDGET

The Human Resources Department operated within its \$467,116 tax levy budget for 2010. There was a small positive variance after carryover of \$12,000 to the 2011 budget for position classification study expenses and use of other excess funds for a claim settlement.

A 2011 department budget that meets County targets was proposed and adopted. The requested and approved tax levy usage of \$460,003 was under the target set for the department, and represents a decrease of 1.5% from the 2010 budgeted levy usage.

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

IV ISSUES, CONCERNS AND/OR CHALLENGES AHEAD

Collective Bargaining

The recently proposed change in collective bargaining laws affecting the public sector in Wisconsin will have a huge impact on County personnel management in the long term. It will become even more important for us to manage our human resources prudently, responding to changing labor markets as well as to the need to maintain a productive and engaged workforce.

Most of our collective bargaining agreements are established through 2012, however, and the expected reduction in shared revenue and other state budget actions are expected to present the County with significant challenges during the present budget year.

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.

Payroll System

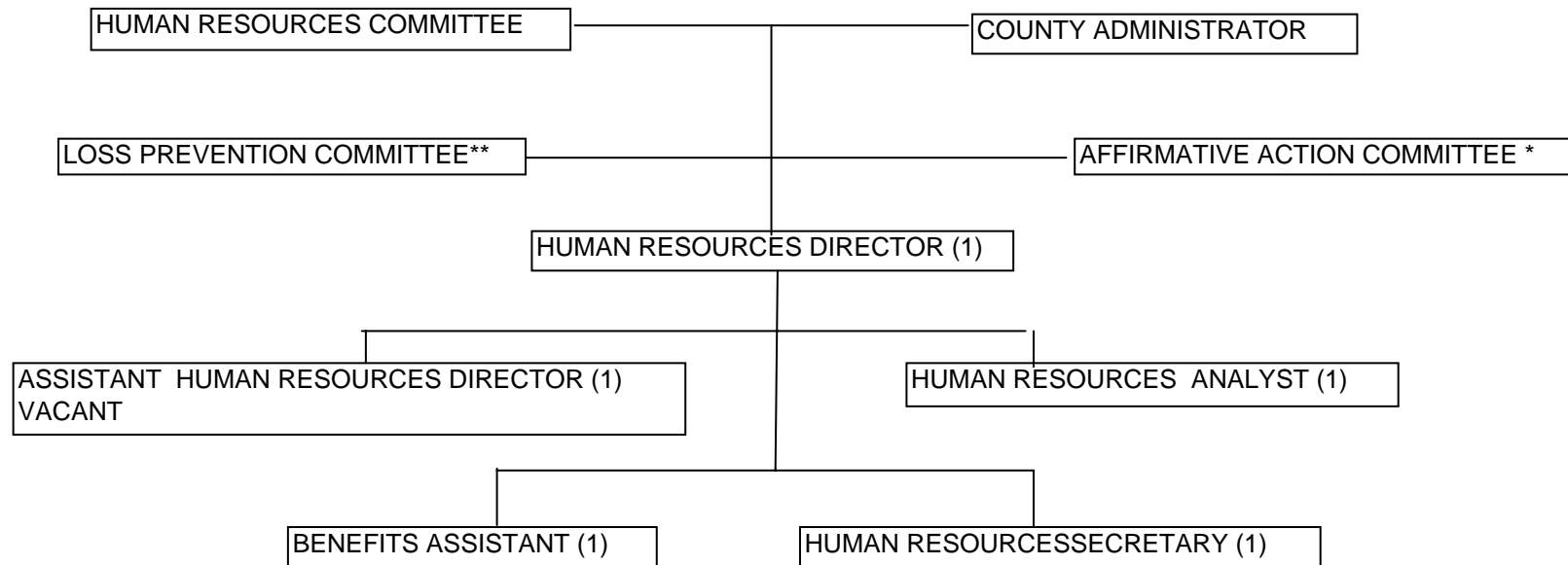
Implementation of the Logos payroll and human resources software continues to present many challenges, but should also be a much more effective tool for County managers.

V GOALS AND OBJECTIVES FOR 2011

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

1. Respond in an appropriate way to legislative changes concerning our employees and union groups.
2. Continue to take vigorous measures to control employee benefit expenses, particularly in the area of health coverage.
3. Move our InHealth Clinic to the next level by negotiating a new contract with Interra or another provider, assisting the City and possibly other employers in joining the clinic, and taking other measures to improve participation in the clinic and reduce employee and employer costs.
4. Assist other departments with any staffing changes, layoffs, or reorganizations which may be necessary in order to respond to budget challenges.
5. Complete review of County Policy and Procedure Manual and propose needed revisions.
6. Review and document approval process for FMLA requests, and provide training to County managers.
7. Continue identifying possible improvements to administrative and policy areas including possible changes to the table of organization ordinance and a revision of 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 2012 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)