

RESOLUTION NO. 2020-_____

Creating one full-time Custodian position shared by the Sheriff's Office and the Central Services Department and eliminating two part-time Custodian positions at the Sheriff's Office

Executive Summary

Jefferson County custodians play a huge role in protecting the health of employees, clients, inmates, and the general public. They prevent the spread of illness and infection and maintain a safe working environment. The custodian's role is vital to public health and safety throughout the year and is heightened during critical situations such as the current COVID-19 outbreak, influenza season, and inclement weather.

The custodial staffing responsible for the general cleaning of the Courthouse, the Sheriff's Office and the jail currently include:

- Central Services Department
3 Custodians (2 full-time and 1 full-time funded as part-time)
- Sheriff's Office
2 Custodians (both part-time)

The ability to maintain clean facilities is affected by the high turnover rate for part-time custodians, which over the last two years is 250% at the Sheriff's Office and 100% at the Courthouse. In addition, both part-time custodian positions are currently vacant at the Sheriff's Office (one of these positions has been vacant since March, 2020). A full-time position will increase the ability to recruit and retain staff, will provide greater flexibility of sharing staff between departments, and will ultimately assist in ensuring the cleanliness and safety of employees, inmates, clients, and the general public.

On September 15, 2020, the Human Resources Committee reviewed the request from the Human Resources Director and County Administrator to eliminate two vacant part-time Custodian positions at the Sheriff's Office and to create one full-time Custodian position to be allocated 75% at the Sheriff's Office and 25% at the Central Services Department, with flexibility to work at other departments as needed. The Human Resources Committee considered this resolution at its meeting on September 15, 2020, and recommended forwarding to the Jefferson County Board of Supervisors for approval.

WHEREAS, the above Executive Summary is incorporated into this resolution, and

WHEREAS, it is critical that the County be able to maintain a clean, healthy, and safe environment for employees, clients, inmates, and the general public, and

WHEREAS, to address the ongoing need to recruit and retain custodial staff and to allow greater flexibility in scheduling, the Human Resources Committee recommends eliminating two vacant part-time Custodian positions at the Sheriff's department and creating one full-time Custodian position, to be allocated 75% at the Sheriff's Office and 25% at the Central Services Department.

NOW, THEREFORE, BE IT RESOLVED that the 2020 County Budget setting forth position allocations and funding at the Sheriff's Office and the Central Services Department be and is hereby amended to eliminate two part-time Custodian positions at the Sheriff's Office and create one full-time Custodian position, to be allocated 75% at the Sheriff's Office and 25% at the Central Services Department, with flexibility to work at other County departments as needed, to become effective upon passage.

Fiscal Note: Salary and fringe benefits for the full-time Custodian position for the remainder of 2020 is \$10,158.30. The savings of the elimination of two part-time custodians for the remainder of 2020 is \$6,895.24 and the savings from the part-time custodian vacancy since March, 2020, is \$6,895.24, for a total savings of \$13,790.48 for the remainder of 2020. Therefore, no tax-levy is required. Creating and eliminating positions funded through the current year's budget requires a budget amendment, as such, County Board approval requires a two-thirds vote of the entire membership of the County Board (20 votes of the 30 member County Board).

Ayes _____ Noes _____ Abstain _____ Absent _____ Vacant _____

Requested by
Human Resources Committee

10-13-2020

REVIEWED: County Administrator _____; Corporation. Counsel _____; Finance Director _____

DRAFT

RESOLUTION NO. 2020-_____

Amending the Retiree Addendum to the Group Master Policy with Dean Health Plan

Executive Summary

On September 11, 2018, the County Board adopted an Intergovernmental Agreement to authorize a consortium for joint purchasing of employer benefits and designated Dean Health Plan as the employee health insurance provider for the consortium, effective January 1, 2019. The agreement with DHP included a maximum renewal for three years: Year 1 (2020), 7.5%; Year 2 (2021), 7.5%; Year 3 (2022), 9.9%. The renewal rate for both 2020 and 2021 was 7.5% each year. If the maximum cap was not in place, the renewal rate would have significantly exceeded the 7.5%. The County recently received a Loss Ratio Analysis of Active employees and Retirees (the total incurred losses divided by the total collected insurance premiums). The loss ratio for Active employees is 125.4%; for Retirees under age 65, 336.8%; and, for Retirees age 65 and older, 209.4%. The loss ratio for all retirees is 294.9%, with the total loss ratio of all covered employees and retirees at 135.1%.

Jefferson County provides health insurance to all eligible active employees through Dean Health Plan (DHP). There is currently a Retiree Addendum to the Group Master Policy, which offers health insurance to an employee is actively employed by the County, insured by a group plan offered by the County, and eligible for Wisconsin Retirement annuity or Social security. The retired employee and his/her dependents may remain on the plan until the retiree dies or until the County cancels the policy. If the retiree dies, the spouse will be allowed to continue his/her coverage on the same terms as the retiree's coverage at the time of death. The retiree is responsible for 100% of the health insurance premium. The County reserves the right at any time and for any reason to amend the Plan, to modify the benefits offered hereunder, or to terminate the Plan and to discontinue benefits hereunder with respect to all retirees or any class of retirees.

Retirees are currently offered the same plan designs as is available to active employees. These two designs are a low-deductible plan of \$500/\$1000 and a high-deductible plan of \$1500/\$3000 and an out-of-pocket maximum of \$1500/\$3000. In 2021, Jefferson County will offer two variations of a high-deductible health plan: the current \$1500/\$3000 deductible and out-of-pocket maximum and a new plan design of a \$1500/\$3000 deductible and a \$2000/\$4000 out-of-pocket maximum. Consideration to offer a different plan design for retirees only will help reduce the overall medical loss ratio and therefore, future premiums for active employees.

As a step to curtail the increasing cost of health insurance, while still offering an affordable plan in the marketplace, the Human Resources Director and County Administrator is recommending an amendment to retiree health coverage as follows:

1. The retired employee and his/her dependents may remain on the plan until the retiree reaches age 65 or becomes eligible for Medicare/Medicaid coverage
2. If the retiree dies, the spouse and any dependents will be offered continuation of coverage as allowed through COBRA
3. Retirees will not necessarily be offered the same plan design as active employees. The plan or plans offered to retirees may change based on a number of factors, including premium rate increases and medical loss ratio analysis. The plan design(s) offered to retirees will be determined by the County Administrator no later than November 1 of each year.
4. The recommendation for the plan design for retirees for 2021 will be a \$4000/\$8000 high deductible health plan.

On September 15, 2020, the Human Resources Committee reviewed the request from the Human Resources Director and County Administrator to amend the retiree addendum to the group master health policy with the Dean Health Plan, as incorporated with items 1 – 4 above. The Human Resources Committee recommended forwarding this corresponding resolution to the County Board for consideration.

WHEREAS, the above Executive Summary is incorporated into this resolution, and

WHEREAS, health insurance premiums will cost the County approximately \$5,884,109, in 2020, not including contributions to employees' health savings accounts, and

WHEREAS, county retiree health insurance coverage is affecting a higher than expected premium rates for active employees, and

WHEREAS, to continue to provide active employees an affordable health insurance plan that provides excellent health care coverage, changes need to be made in the current health insurance plan.

NOW, THEREFORE, BE IT RESOLVED

Fiscal Note: Jefferson County conducts an actuarial study of its liability related to offering post-employment health benefits to retirees annually during the preparation of its audited financial statements. The liability is measured by calculating the net present value of all future payments associated with the current retirees in the plan. Although retirees contribute to the plan at employee rates, the premiums for retirees would be significantly higher if they purchased health insurance on the market. Therefore, the County is subsidizing the retiree premiums by allowing them to participate in the plan at reduced rates. The liability associated with offering the retiree health insurance benefit was \$5,212,613 as of December 31, 2019. The financial impact of this resolution cannot be determined at this time, however it is expected to produce significant savings in health insurance premiums and a reduction of the post-employment health insurance liability in the future when the results of experience under this change can be measured.

Ayes _____ Noes _____ Abstain _____ Absent _____ Vacant _____

Requested by
Human Resources Committee

10-13-2020

REVIEWED: Administrator _____; Corp. Counsel _____; Finance Director _____