

**HUMAN RESOURCES COMMITTEE
MEETING MINUTES
July 23, 2013 @ 8:30am
Jefferson County Courthouse, Room 112**

1. Meeting called to order at 8:31am by Vice President, Dick Schulz.
2. Present: G. David, P. Rogers, and D. Schulz. J. Schroeder and J. Braughler, arriving at 8:34am and 8:37, respectively. Quorum established. Others Present: B. Wehmeier; T. Palm; J. Molinaro; P. Ristow; B. Lamers; D. Heling; B. Frank; C. Robinson; J. Nehmer; Lydia Statz, *Daily Union*; Charles Carlson, Carlson Dettmann Consulting; and Bill Barnes, Nationwide Deferred Compensation.
3. Certification of compliance with the Open Meetings Law by B. Wehmeier.
4. Agenda reviewed with no changes.
5. Citizen Comments. None.
6. Motion by P. Rogers, second by D. Schultz, to approve the June 18, 2013 minutes as printed. Motion carried 3:0.
7. Communications: None.
8. T Palm, HR Director, presented the Human Resources Department monthly financials, noting an overage in Computer Support due to a service call needed for the software for the security doors, as well as Computer Software, due to purchasing Adobe software for a staff member to enhance her capability to produce documents in a fraction of the time.
9. Discussion of the reclassification process, including a presentation from Charlie Carlson, Carlson Dettmann Consulting. T. Palm, HR Director, provided a brief history of the HR Committee's role in the reclass process, which was to receive a report and recommendations would be implemented in the following year's budget process. The union contracts, excluding Highway and Law, had language that included a binding recommendation by the agreed upon vendor. Now, without union language, the HR Committee has the responsibility to approve the recommendations. This year, several employees have asked the Committee for consideration to overturn Carlson Dettmann's recommendation. Mr. Carlson explained his thoughts of a reclassification process: all requests/data are screened by Human Resources, sent to Carlson Dettmann on an annual basis, are indisputable able unless there is evidence that they (Carlson Dettmann) have acted irresponsibly, and are implemented with the budget, because there is a cost to this. Mr. Carlson further presented the risks put on municipalities/counties without collective

bargaining. In this case, the Equal Pay Act is a consideration. The Committee/County is now “on the hook” for decisions, and having to explain why one group received an increase in pay and another didn’t. Before, there was almost always collective bargaining as a factor. There is no legal defense if making these kinds of decisions without analytical evaluation or measures to support their decisions. What basis will the Committee use to make a decision? If it can’t be objectively defended, you will have other employees stating “me too” and where will it end? Mr. Carlson recommended that put these reclassifications on hold for a year. They would be to come back in a year when the reclass is opened again in 2014. Mr. Carlson further recommended that the County have some Performance Management program; otherwise, pressure will continue to be put on the reclassification system as it will be used as the method to try to reward high performers. Committee will address the issue at the next meeting, including possible language change to Ordinance HR0210, Amendment and Maintenance of the Classification Plan.

10. Bill Barnes, Nationwide, presented a new plan design option available through Nationwide deferred compensation. Mr. Barnes explained that our current plan has either a .6, .7 or .9% administrative fees, 40 funds to select from, and an option of Fixed funds with a guaranteed 3.5% return. There is a new plan design option to consider that would transfer all fiduciary responsibility to Morningstar, 30 funds to select from, the administrative fee would be eliminated entirely and there would be no guaranteed fixed fund (the current rate for comparable funds in the new option is 2.5%). Also discussed was the availability to offer a Roth Option to employees, where taxes are paid at the time of deduction and the earnings are tax-free. T. Palm informed committee that a memo was sent to all employees explaining these differences and asking for their feedback. There were only four employees that replied, all against a change. Several acknowledged the 3.5% fixed fund as desirable, as well as more funds available in our current plan. Because of the lack of input from employees, committee asked to survey again. Mr. Barnes will set up meetings and HR will follow up with a monkey survey and report back to Committee when completed.

11. Consideration of Deferred Compensation plan design change. Motion by D. Schultz, second by P. Rogers, to add the option to allow employees to make Roth contributions to their 457 Plan (Deferred Compensation). Motion carried 5:0.

Break: 10:00am – 10:08am.

12. HR Director, T. Palm, presented an update on the Affordable Care Act. The IRS delayed the 2014 ACA Employer Mandate Penalties, which means employers will not have to offer minimum essential coverage, or affordable coverage, until 2015. A review from The Horton Group indicates the County is in terrific shape to be compliant with the law.

We are already offering coverage to all full-time employees, as well as almost everyone who is a seasonal employee. Two positions were identified by HR as potential staff that would need to be offered coverage in 2015, however, the budget does not, nor has ever, authorized an increase in hours. Also, according to the report from Horton, the lowest employee share/cost is well under the amount considered unaffordable for the lowest paid position, again showing we meet the affordability criteria. The only question that will probably still need formal approval is whether to continue to offer health insurance at all or pay the penalty. Again, the cost of doing this includes other factors such as increased wages to attract and retain staff, an increase in WC, FICA, WRS and UI, which may actually be more expensive than offering coverage.

13. Update by T. Palm, HR Director, for a part-time Safety Coordinator position. It was reiterated of the inconsistencies between departments on safety practices, lack of policies and procedures and training, and an upcoming need with GHS Hazcom training. Knowing budget constraints, HR would at least like to attempt to find a part-time position to start working on these needs. A mini audit/gap analysis will be completed in the next couple of months that will demonstrate where the County's strengths and areas of improvement are, as well as help prioritize and develop a plan to ensure we stay compliant. Committee discussed other options such as contracting or sharing with another county. The Committee also would like to see the Highway department included as part of the safety audit. HR Director will continue to explore other options and report back to committee.
14. HR Director reported that an RFP has been developed to conduct a HIPAA Privacy gap analysis and risk assessment. This is an area with increasing litigation. Several years ago the County had a HIPAA Officer; since her retirement, privacy policies have not been reviewed to ensure they have been updated in accordance with changing regulations or that training programs are sufficient. The HR Budget has some funds set aside for HIPAA compliance, but may not be sufficient for the audit. If not, the recommended vendor will be presented to HR Committee asking for support to continue.
15. Motion by P. Rogers, second by D. Schultz, to convene into closed session pursuant to Wisconsin State Statutes Section 19.85 (1)(e), consideration of union negotiations. All present responding "Aye". Moved into closed session at 10:10am. *Note: Also present were P. Ristow, B. Wehmeier and T. Palm.*
16. Motion by P. Rogers, second by G. David, to reconvene into open session. All present responding "Aye". Reconvened into opens session at 10:30am.
17. Consideration of hiring a consultant for Labor negotiations. Discussion of the benefit received from using outside resources but also the cost. Committee indicated that if

outside consultant was needed to use sparingly to keep cost down. HR has minimum money in budget. Motion by D. Schultz, second by P. Rogers, to approve hiring Bill Bracken to assist the County in labor negotiations. Motion carried 5:0.

18. HR Director reviewed requested 2014 budget, which includes increase for labor negotiations (as a cyclical event) and a part-time Safety Coordinator. Funding for training for all employees as well as supervisory training is also included, as training is a major defense in any legal action.
19. Next meeting date scheduled 8:30am, Tuesday, August 20, 2013, to include, in addition to regular items, recommended ordinance language change to address reclassification appeal issue, address the 2014 reclassifications, update on the Affordable Care Act, update on Safety Coordinator, Update on HIPAA Privacy gap analysis, update on Deferred Compensation options and closed session for union negotiations.
20. Motion by D. Schultz, second by G. David, to adjourn. Meeting adjourned at 10:35am.



Human Resources Committee Secretary

8-20-13

Date