



# OZAUKEE COUNTY HUMAN RESOURCES DEPARTMENT

## 2007 ANNUAL REPORT

TO THE HONORABLE BOARD OF SUPERVISORS:

*It is the mission of the Ozaukee County Human Resources Department to provide the highest level of professional human resources services to its customers. We endeavor to offer the most relevant and timely guidance and assistance on all matters pertaining to staffing, equal employment opportunity, compensation and benefits, training and development, labor relations and employee safety. We seek to foster collaborative work relationships amongst employees and departments to ensure the continuous improvement of Ozaukee County services.*

The Human Resources Department is pleased to present the annual report for your consideration. The report represents a brief summary of the activities of the department for the period of January 1, 2007 through December 31, 2007.

### Highlights of the past year:

#### Personnel Recruitment:

| <b>New Hires:</b> | <b>2004</b> | <b>2005</b> | <b>2006</b> | <b>2007</b> | <b>% inc/(dec)</b> |
|-------------------|-------------|-------------|-------------|-------------|--------------------|
| Lasata            | 77          | 61          | 58          | 100         | 72%                |
| All Other         | 130         | 132         | 120         | 136         | 13%                |
| Total New Hires   | 207         | 193         | 178         | 236         | 33%                |

| <b>Terminations:</b> | <b>2004</b> | <b>2005</b> | <b>2006</b> | <b>2007</b> | <b>% inc/(dec)</b> |
|----------------------|-------------|-------------|-------------|-------------|--------------------|
| Lasata               | 91          | 65          | 58          | 95          | 64%                |
| All Other            | 122         | 134         | 129         | 125         | -3%                |
| Total Terms          | 213         | 199         | 187         | 220         | 18%                |

The past year saw a significant increase in personnel recruitment activities. The above hires, terminations, and retirements include full-time, part-time, monthly and seasonal employees. You may note that the number of Lasata hires and terminations increased in 2007, primarily due to increasing the focus on new employee's ability to satisfactorily pass the six-month probationary period.

**Benefits:** The County continues to monitor and review our annual contracts for health, dental, life and long term disability insurances to ensure that we have good, quality insurance at cost effective rates.

**Health Insurance:** Health insurance continues to be one of the best benefits offered by Ozaukee County. The County's health insurance carrier continues to be the Wisconsin Counties Association Group Health Trust. Midwest Security is the primary administrator of the plan. The recent change in network providers from HCN to United Healthcare reduced claims and experience due to the increased volume of doctors in the United Healthcare network. This allowed Ozaukee County a higher discount level, thus reducing our claims costs and our health insurance renewal to a single digit increase for the last two years. An average increase of 2.67% each year from 2007-2008, as compared to a 9.5% increase for the three-year span 2003-2005. In 2008, we will be continuing to make programmatic changes in the health insurance plan and increasing employee consumerism through the introduction of a Health Reimbursement Account.

This past year, Betty Klumb worked with the Group Health Trust regarding wellness initiatives and received a wellness grant, in amount of \$10,350.50, on October 30, 2007. Continued focus on employee wellness is a long-term goal of the department, seeking the wellness grant from the Group Health Trust on an annual basis, and the distribution of 2008 Wellness Calendars are examples of this focus. Each month conveys a different health message, in the hope that fitness and wellness will be incorporated into the daily living pattern of our lives.

**Dental Insurance:** The County remains with Met Life. The 2007 increase in dental premiums was 5%. The monthly premium is paid in full by the employee. There are 203 employees enrolled in the dental plan.

**Annual Employee Benefit Statements:** Annual employee benefit statements were sent to the employees summarizing their prior year wages, longevity, WRS, Health, Life and LTD benefits. This snapshot tells the employee, in addition to their wages, the dollars paid by the County for their benefits. Our health insurance carrier, WCA Group Health Trust, also sent individual statements to the employee's homes advising them of the dollars paid on their behalf for their medical costs in the prior year.

**Flexible Spending:** The IRS Section 125 plan allows for health and dental insurance premiums paid by the employee, deducted from their paycheck, pre-tax. The deductions may also be used to cover out-of-pocket medical, dental, vision, and even dependent care expenses. This is beneficial to the employee because they are not taxed federal, state or social security taxes for their earnings taken off for these expenses. The County also realizes a savings, as it does not pay social security on these same pre-tax dollars. Flexible spending is a great benefit for both the employee and the County. The County's provider for flexible spending is Wage Works.

Listed below are the number of employees enrolled, the pre-taxed dollars, and FICA savings for the last three years:

| <b>Year</b> | <b>Enrolled Employees</b> | <b>Pre-Tax Dollars</b> | <b>FICA Savings</b> |
|-------------|---------------------------|------------------------|---------------------|
| 2005        | 142                       | \$ 148,376             | \$ 11,351           |
| 2006        | 68                        | \$ 188,670             | \$ 14,433           |
| 2007        | 137                       | \$ 189,139             | \$ 14,469           |

**Workers Compensation:** The administration, monitoring, reduction in lost time, and cost of the County's workers compensation insurance for eligible employees who, due to job sickness or injury, is and has been a continuing objective for Human Resources. Part of the claims management process is injury investigation and follow-up, processing claims, and coordination of information for investigations, and legal representation. The Human Resources Department works with our worker's compensation carrier to review the claims history and strategize what improvements can be made in an effort to not only reduce the number of worker's compensation claims filed, but also the costs associated with the claims. In 2007 Deb DeWitt, Senior Risk Management Consultant from Wisconsin County Mutual, reviewed the current and past history of the worker's compensation claims. As a result of her review, she recommended the major focus should be ergonomics compliance and safety issues. A study was done to ergonomically assess all the workstations with a report prepared on recommended ergonomic changes. Safety procedures and policies were also reviewed, with a loss prevention plan to be administered this next year. Beginning in 2007 a case manager was assigned for anticipated large claims. The case manager meets and works with the employee to review the injury, attends doctor appointments and/or therapy sessions for determination and analysis of what will be necessary and helpful to bring the employee back to work with no restrictions. Workers Compensation expenses have been reduced over 25% (\$348,000) from 2006 to 2007.

**Labor Negotiations:**

The County has four labor agreements. The Lasata contract expired at the end of 2006 and had not yet reached a settlement agreement at the end of 2007; Highway and Sheriff's contracts expired at the end of 2007; and OPEIU, which will expire at the end of 2008. Listed below is a brief update:

**Lasata:** Represented by LAW (Labor Association of Wisconsin). Union membership consists of 168 employees. Contract expired on 12/31/06. After two unsuccessful negotiating sessions, the union filed for arbitration. The arbitration for the union contract was scheduled for Wednesday, February 20, 2008. It may take a minimum of 3 months before a decision is received from the state.

**Highway:** Represented by OPEIU (Office and Professional Employees International Union). Union membership consists of 44 employees. Contract expired on 12/31/07. After three unsuccessful negotiating sessions, the union filed for arbitration. A tentative agreement was reached at the second mediation session held on February 18<sup>th</sup>, 2008. After much discussion and deliberation back and forth, an agreement was reached for a 3-year term. The COL increases were 2.75% in 2008 and in 2009, and 2.90% in 2010. Will go to County Board for ratification on March 5, 2008.

**Sheriff's:** Represented by LAW (Labor Association of Wisconsin). Union membership consists of 70 employees. Contract expired on 12/31/07, initial bargaining sessions are scheduled for early 2008.

**Courthouse Employees:** Represented by OPEIU (Office and Professional Employees International Union). Union membership consists of 202 employees. The 2007-2008 contract was ratified by the full County Board on February 7, 2007. The contract will expire on December 31, 2008.

2008 will be another challenging year and represents another significant reorganization in the duties of the Human Resources Department. The reorganization will provide a single point of coordination for the Human Resources activities of Ozaukee County and will provide the County Board and management staff renewed focus on our most important asset, our employees. Jason Dzwinel relocated to the Human Resource Department. His role as Assistant Administrator has been expanded to include the Human Resource Director duties. Betty Klumb will continue to handle the day to day operations, including benefit issues, recruitment processes, retirements, etc; Julie Sauer continues with her human resource responsibilities and payroll backup duties; and Jill Gottsacker has relocated to the County Administrator's office, acting as his receptionist and Administrative Assistant.

Major focus will be on the following objectives in 2008:

- Increasing safety awareness to achieve continued reductions in worker's compensation costs.
- Strategize for more effective labor negotiations sessions.
- Continue training programs for managerial supervisors and department heads to Increase efficiencies and promote a higher level of employee satisfaction.
- Continue communications with employees and management to ensure a positive work environment.
- Continued Insurance Cost Containment on all Insurances, including Health and Wellness, Life, Long Term Disability, General Liability, Property, Worker's Compensation.

The Human Resources department experienced a significant loss due to the untimely passing of Damon Anderson, and the retirement of Ron Pritzlaff and we would be remiss to not recognize their commitment and efforts on the behalf of Ozaukee County. The contributions of these two long-term employees will never be replaced. The continuing efforts and ongoing dedication to the human resource functions Ozaukee County of Julie Sauer and Jill Gottsacker are vital to ongoing success in the coming year. The addition of Jason Dzwinel will work to enhance the level of service that we have been able to provide to the County Board and our employees. We all look forward to a successful 2008.

Respectfully submitted,

Betty Klumb  
HR Benefits Manager  
Human Resources Department  
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