

OPERATIONS & PERSONNEL COMMITTEE MEETING
FEBRUARY 19, 2013
5:30 P.M.

MEMBERS PRESENT

Chair Patty Cox
Jerry Potts
Bryan Smith
Gary Minich
Susanna Zimmerman

COUNTY PERSONNEL PRESENT

Jay Dunn, County Board Chairman
Amy Stockwell, Auditor
Sheri Oleson, HR Specialist
Mike Baggett, State's Attorney's Office
Jeannie Durham, County Board Office

MEMBERS ABSENT

Pat Dawson
Verzell Taylor

This meeting was called to order by Chair Patty Cox at the Macon County Office Building.

MINUTES

Motion to approve minutes of prior meeting, 1/22/13, made by Bryan Smith, seconded by Gary Minich, and motion carried 5-0.

APPROVAL OF PAYROLL AND CLAIMS

Motion to approve payroll as presented made by Jerry Potts, seconded by Bryan Smith, and motion carried 5-0.

Motion to approve the claims as presented was made by Gary Minich, seconded by Susanna Zimmerman and motion carried 5-0.

REPORTS

Auditor

Amy Stockwell introduced Sheri Oleson, the new HR specialist who gave a brief report. Sheri stated that since starting, she has begun the process of identifying some changes that need to occur in the employee handbook including simple things like newest law updates as well as some policies in sections A, B, C, D, E, & G. The changes will be brought to the committee in groups of 3 with the first set coming in March. The number one priority being worked on is the Driver Policy which should be ready in April. In addition, there will be a procedure manual for the Auditor's Office so that they will have examples to follow for procedures such as the FMLA. The handbook project is anticipated to last throughout the year. Relationships with the department heads are being developed and best practices are being shared. The discussions have led to identifying some training interests and developing processes. I have been recommending the Workforce Solutions for employee hiring. It has been fun to share those ideas. Along with the policy updates, there will be some ongoing employee training in employee awareness that should

take place. Those items go hand in hand with some of the policies we are looking at. I have also been looking for additional ways to expand our new employee orientation and the wellness program. I am looking forward to working with Cheryl & Rona in enhancing the employee experience.

Amy stated that Sheri is off to a good start and is very excited. The first thing that is going to come to the committee is the driver policy which is most important.

It is also that time of year when we start thinking about the Health Insurance renewal. The initial indications are that this is a year when claims have been relatively high. We are trying to expand the Wellness Program.

Macon County Board Resolution Accepting Proposal from Travelers Insurance for Additional Bond Coverage for Certain Elected Officials

Amy explained that bonds for individual office holders have been at just the statutory minimum. After extensive discussions with our insurance company and our agents, we felt that it was subordinate coverage. In the process, the insurance market is changing all the time. In the course of this renewal and in reviewing the policy, the fine print in that document makes it clear that we are not covering the bonded employees well enough. My recommendation, as Director of Insurance, to you would be that we extend the coverage on those individuals who handle the money. The first priority would be three people who touch the most money: Lois Durbin who acts as the banker for the governmental who receive fines and fees, Amy Stockwell who writes checks out of the County's accounts, and Ed Yoder, the Treasurer, because he is involved in receipts and disbursements for the County accounts, but also because he acts as the banker for all of the taxing bodies. Each of the three of us have filled out the bond applications. The premium estimate from Travelers for the \$7 million coverage on the Auditor and Treasurer and \$500,000 on the Circuit Clerk is about \$20,000. This is a budgeted item because we didn't know what the insurance was going to be and it came in slightly better than we thought. We do not need a budget amendment, but we do need is to formalize this policy change that based on an analysis of the insurance market, our current coverage will need to move away from the statutory minimum toward a policy that examines the market and our coverage and looks for the most coverage for the cost. The Resolution talks about policy in general and I am advising you that we are recommending \$7 million for Treasurer and Auditor and \$500,000 for the Circuit Clerk and that total premium comes to just under \$20,000. Ted Miller from Gallaghers was present to answer questions. Bryan Smith asked if these individuals were already bonded, but that the bond will not cover them sufficiently. Amy affirmed that the present amounts are not high enough. An example is that Ed Yoder handles for the County, approximately \$60 million in County accounts. He handles an additional \$137 million in taxes. That is a really big number and his current two bonds are for \$100,000 for the Treasurer and \$500,000 for the tax collector which is not enough. Bryan Smith questioned whether the Legislative Committee should look at the policy change. We had a problem in 1992 when a County Treasurer embezzled about a million dollars. Amy stated that there is an inherent difficulty writing stuff like that into the law because the markets change.

Ted Miller stated that in other places, too, as the economy got bad, employee theft claims have gone up, up, up. You don't want to say it can't happen, because it certainly can. The only solution is to be adequately protected for "if" and "when". It is prudent to adjust some of these coverages. Amy mentioned that the whole evaluation of risk changes so if we haven't looked at this since 1990, then that is a really good reason to look at it now. The resolution is saying that we are accepting the Travelers proposal and also walking away from the unwritten policy that we only do the minimum which we have discussed at other times in this committee. The general liability gives superior coverage, but this document that we received on 12/1/12 makes it clear that we have a gap in the bonding coverage.

Gary Minich questioned whether the premiums were annual. Ted Miller confirmed that they are. Gary then questioned whether the competition had been checked. Ted Miller assured him that they had and were more costly. Amy added that there are advantages in having all coverages with the same company as well. It eliminates discussion about holes because they cover all of it.

Ted Miller had one follow up question: in dealing with the Auditor, Treasurer, and Circuit Clerk, we still have to deal with the Recorder, Sheriff, and County Clerk. We have to get with those folks and get the applications filled out. Those numbers are not so large.

Patty Cox if the \$7 million will cover all of what the two previous bonds covered for Ed Yoder. Ted answered that yes, it will. Travelers looked at it as coverage for one person and saw no need to cover with two bonds.

Jerry Potts questioned whether this resolution would need to go to Finance? Amy said no, it's policy not a budget amendment.

Motion was made by Gary Minich, seconded by Susanna Zimmerman, and motion carried 5-0.

Amy reported that she presents all the bills to the Chairman for self-insurance claims. She has two this month: one is for \$108 and the other is \$2,281.50. These are both for legal expenses due to Travelers connected with currently ongoing claims. We expect to win both of these items. Jerry Potts made a motion to approve payment of the claims, seconded by Susanna Zimmerman and motion carried 5-0.

Amy stated that at the end of each year, she gives a report on unemployment claims. The good news is that the unemployment expense total was down last year and the number of cases was also down. We were self – insured and the State bills for actual people who come in. We do continue to contest these cases. Sometimes the process is very slow. On this last bill, we received a refund of some payments connected to 2000 and 2001 claims.

County Board

Jay Dunn had Jeannie Durham report on the safety committee. The safety committee had their first meeting at which 5 goals were picked, divided amongst the members. Another meeting is scheduled for next week.

We have been gathering information from surrounding counties and have found that Sangamon County has a Safety Board set up by resolution that is geared around the Work Comp, but sets up a Safety Board too. They meet the last Tuesday of each month at 1:30 and their next meeting is next week on 2/26. Carol Reed and I will be traveling to Springfield to meet with the Auditor for

a short time prior to the meeting and then will attend the meeting so we can get some ideas we may want to incorporate into our program.

Jim Root and Tammie Esposito from the EMA Office and I met with Lisa from Travelers. We updated her on our progress and she gave us some more tips.

Jim Root is using the Committee to assist in collecting information from the departments. We have sent out forms and are gathering them in as a first step in the Business Continuity Plan.

Jay reported that he would be sending out a letter later this week to elected officials and department heads asking them to be more attentive to attending their oversight committee meetings. In speaking with our legal counsel and reviewing the rules of the board, all contracts should go through, at least the Finance Committee, but I would like to see them go through the oversight committees too. I know we're not necessarily getting reports from all the elected officials and department heads from time to time so I am just going to ask / remind them to help us to be more informed when we review their budget during the budget cycle. If they would come to their oversight committee meetings, we'd have a better understanding of what their office is doing.

Keith Ashby has talked for some time about getting into the electronic world with iPads. I did purchase an iPhone & iPad. I didn't think it was in the budget, but I found money to pay for it there. I have been spending over \$100 a month for my personal phone bill which included about 85% county business. I have been sending out messages to everyone in the county, but will be sending out to all the other groups I work with, such as the Chamber, Cieda, EDC, etc... as well. They have become accustomed to using the gmail account. I will be using the County email and checking it daily on my iPad.

County Clerk

No report.

Recorder

No report.

Workforce Investment

No report.

Citizens' Remarks

None

Old Business

None

New Business

None

CLOSED SESSION

None

NEXT MEETING

Monday, March 18, 2013

ADJOURNMENT

Motion to adjourn made by Jerry Potts, seconded by Susanna Zimmerman, motion carried 5-0, and meeting adjourned at 5:55 p.m.

Minutes submitted by Jeannie Durham
Macon County Board Office