

In the Matter of Ordinance Amending Ordinance 1285-B
Lake County Human Resources Manual

Bilski said item 27B-2a on the Agenda, – No Action

Prince made a motion, seconded by Niemeyer to approve Item 27B-2b, an Ordinance Amending Ordinance 1285B, Lake County Human Resources Manual, Early Retirement Plan Options, on First Reading.

Dernulc asked Attorney Szarmach to explain the changes.

Attorney Szarmach said that the main change is in Section D-1, D-2, and E. Making sure that if they take this retirement, it does not preclude as coming back as a part-time employee, but they can not come back in another full-time position.

Also they will not seek unemployment compensation because they are retiring, they are not unemployed.

“E” states that if anyone takes the retirement, that one position, a position, not necessarily theirs would be eliminated from that department’ budget.

Szarmach said there’s also date changes in A,B, and C to reflect the current year.

Cid said in “A”, Option 2, it says they are limited, when they take that Option, they are limited to 24 hours per week, if they come back part-time. Now, in Option, in “D” it says a full-time employee who chooses, in “D” it says chooses the Option Plans agrees to the following:, but in 1, it doesn’t limit those part-time hours. Cid asked, are those in conflict with each other? Or

Attorney Szarmach answered in “D-1” they can come back as a part-time employee, however, under Option 2 it’s going to be limited to 24-hours a week.

Cid asked so everyone else in Option 1 can come back part-time, , in Option 3 they can come back part-time, but they get to receive more part-time hours than those who take Option 2? Cid said I would like to see D-1 limited to the 24 hours per week, as the same as Option 2.

Bilski said and I would defer to Mr. Blanchard.

Attorney Szarmach repeated to Mr. Blanchard, with regards to the Options under A, 1,2 and 3, Option 2 limits part-time status if they come back to 24-hours per week, maximum. There is no limit in Option 1, and Option 3. Option D-1 basically allows someone to come back as a part-time employee under. Under A-1,2, or 3 Cid is recommending that they all be limited to 24-hours a week maximum, as part-time employees.

Blanchard said, I think what we're trying to do, the Oversight Committee, tried to do is range the options according to what might fit the employees best, and those options, each of those 3 options are what we heard back from the employees. There are 3 different options, very different options, and if I understand you correctly, in Option 1, you want the part-time to be limited to 24-hours as well?

Cid answered, yes. It seems to me that there's conflict here, that Option 2, they're allowed, see Options 1, and Option 3 does not say they can come back part-time, but really they can under D-1, and they are not limited to any hours at all, but in Option 2, they are limited.

Bilski said part-time hours. They can't come back at 40 hours.

Repay said I think the difference, and this is the difference I see. In Option 2 they are talking about a rate equal to their full-time hourly compensation, which is why they are saying not to exceed 24 hours. I believe that's why Option 2 is restricted because that rate is actually at their full-time, or equal to their full-time rate, whereas the other 2 are at whatever the pay rate would be for the particular part-time job that they seek, so I think that's why there is a restriction on the hours that they(inaudible)

Bilski interjected, you're 100% right on that statement, that's exactly why we did it in the previous years. To encourage and give the encouragement to the employees to retire, that's exactly why that limitation was put in there.

Blanchard said, and we have a couple of requests from employees to put that in, so we did. We have 2, maybe 3 that retired from using that option.

Repay said, but that one is still the same from the previous, you were limited under this ordinance that was passed in 2010 as well.

Blanchard said, correct.

Repay said so Item "D" has..

Blanchard said in Item "D" it has the limitations.

Repay said the limitations in item "D"

Blanchard said and the dates.

Cid said so in Option 3.... never mind. Okay. That's all

Bilski asked are there any other questions or concerns?

Mr. Van Til said that Mr. Szarmach said something about when the person retires then a position is eliminated from that budget?

Repay answered, under the early retirement program, yes.

Mr. Van Til asked if I had a number of people retire that would decimate my office.

Bilski said it depends on what option they choose, and the residual savings on that would stay within the budget. We get the whole position.

Mr. Van Til said that could decimate a small office, if several people at once chose that, like next year, when people are considering, so I've got to persuade them not to.

Blanchard said Option 2..

Cid said they work 24-hours per week. Cid said really in all of these, besides Option 1, and Option 3 they can work 40-hours a week, or 32-hours a week, you still have them there.

Mr. Van Til said I know, but the point is I lost 25% of my staff in the last 3 years anyway, and you've cut the part-time, so I can't bring the people back as part-time. So if you take another 25% of my staff, at some point, and you keep this in existence, at some point you are going to get down to me, and some guy that walks in the door.
(Everybody talking at the same time)

Bilski said that Mr. Van Til brings up a realistic point of view, in small departments, and I will use the County Council as talking to Attorney Szarmach who has concerns with this option, and under "E" as well.

Bilski said, with our staff, we have a very small staff, we have 2 employees who are both entitled to retirement, they are very close and could retire at any given time. They have the ability to retire, and if that was to happen, and they both retired, under this ordinance, we would lose both of our employees, and not have the ability to refill those 2 positions, in our department, and just using the Council office as an example, if both took the option and left, we would not have the ability of fulfilling those 2 positions. We do not have anyone to move up. We don't have those other options. Bilski asked, what would we do at that point? It's a nice concept, I think in reality, I don't know how effective it is in small departments. We might want to make a friendly amendment to that, to maybe put it in front of those positions need to be under approved and reviewed before eliminating from a budget, approved and reviewed by the County Council. That's what I just felt necessary to say, because it could be, automatic, could be devastating.

Mr. Van Til said, you have 2 things going here, because on the one hand, sometimes you want to bring someone back, for a while to help move things along because of their experience with them, but also I have somebody sitting here who's part-time who I hope will be good enough an employee that I can put as full-time.

Bilski said your point sits well with me, I did get it, you are right on the money on that..

Franklin said, and Weights & Measures, the Director of Weights & Measures, if that person retires, then there is nobody there who can move up into her spot. So this would affect that department as well. They're staff people who still work, but nobody's there to fill that position, and that person has to be qualified., there are certain levels and things that they have to have, so we couldn't just automatically move them up.

Cid said the point of this, to offer these options for early retirement, which are great benefits, great benefits to those who have only 5 years with the County was to eliminate those positions, to reduce our cost. If we just give these options for early retirement, and we're just going to stick another person, now we've got to insure that person, as well, and continue the cost of insuring these people under this plan, there's no cost savings there. Now, just because we eliminated a position, in my mind doesn't mean that we take away those funds. Maybe we can take some of those funds and put them in part-time line items so they can have additional people to hire for part-time. But to not eliminate the position, and then, of course we're not going to eliminate the Chief, the Sheriff, or necessary positions, or those required by statute, but that's the whole purpose of this. To eliminate the position so we can save in insurance costs. If you're just going to put in another body in at full-time, then don't even give the plan out.

Attorney Szarmach said that Larry and I talked about this "E", and there was a problem of whether or not it's workable. I don't think the 3 lines there, as they stand, are, they are just not workable. What if you had, and it could be in 3 years, you had the 3 employees in the Council office all retiring under one of these options, you couldn't fill one of these positions. The Chief of Police, your Chief Deputies, if they retire, you couldn't fill those positions. It's just not workable, as stated, however, the idea, I think is a good idea that would need some fine tuning in a separate ordinance, that should be included in an attrition ordinance, like we had about 10 years ago. Maybe for later in the year, as it stands, those 3 lines are really now (inaudible)

Prince said actually I moved for approval, but as I see it, there are a couple of ways we can handle this, I can either ask for a deferral, or strike item "E".

Attorney Szarmach said I wouldn't defer it because these people want to take the Options. I think you need to amend the motion to delete "E" from the Ordinance, and pass it on 2 readings to give someone who wants to retire time, to take a look at it and see if they actually want to take one of the 3 options. "E" is something that the Council has to decide... now when that person leaves, under one of the 3 options, that's a vacant position, and you do have your hiring freeze, so you don't have to grant permission to fill that. It's kind of a safety valve while you're working on how you are going to reword "E".

Bilski said Councilman Prince, what I'm understanding is that you want to rescind your motion, and the second and then make your new motion, excluding Item "E" off of the proposed ordinance.

Prince said that is precisely Mr. Chair. **Prince said to rescind my earlier motion, and the motion is to approve this Ordinance, with the exception of “Item E”, or excluding “Item E”, under “D”.**

Bilski said the original motion has been rescinded. There is a new motion on the floor is to eliminate “Item E” off of the proposed Ordinance, is there a second?

Franklin seconded the motion.

Niemeyer said, looking at the Ordinance, “E” is the part of the ordinance that really drives the ordinance in trying to get rid of, not rid of but downsizing government employees, so I don’t see any sense of passing the rest of the resolution if you don’t have something, I’m not saying that I agree, or disagree with it, but “E” seems like the driving force behind this, was to, somebody retires now at 65, takes one of these options, somebody else comes in behind them and get hired. Ray?

Attorney Szarmach said, don’t fill the vacancy.

Bilski said it comes back to us to fill the vacancy.

Attorney Szarmach said, don’t fill the vacancy

Niemeyer said that’s going to be back on the Council not to fill the vacancy if they deem not necessary.

Bilski said absolutely.

Bilski said then we would make an amendment. We could always amend this.

Dernulc said we do need to find a savings, or this ordinance is not worth the paper it’s written on.

Niemeyer said I think we need to just defer the whole thing.

Bilski said I don’t think we have that option.

Attorney Szarmach said people have until November 15, 2011 to make the decision.

Repay said a couple of points, and I agree with Councilman Niemeyer about a good reason for it. I think he might go into some of our other concerns, or at least some concerns I had filling vacancies, maybe the ordinance that we need to amend, and I’m in agreement without “E”. The ordinance we need to change is the filling the vacancy ordinance, so that when the department head fills a vacancy, we need to know how did that vacancy occur, you know, all of those questions that we usually, that you said in the past, to have all of those benefits paid out etc.

Bilski said why was the position vacated, is a huge issue, was it based retirement then we can evaluate the individual department' needs, and that's probably the best way to address it.

Repay said, exactly, and we are certainly not saying that every position is vital, we definitely need to watch our employee count, and our expenditures, especially. I think that I would be in favor of this ordinance, without "E".

Bilski said, I agree, and I think if we could use this option, and allow during that time, someone that eliminates a full-time position, based on retirement and do exactly what Cid says, they remove that, they take the residual, actually the base salary and convert and move it into part-time positions, the County receive the savings on the health care cost, and that department is given some money in part-time to continue performing the job, so that's definitely some more things to work with.

Niemeyer commented we've had that ordinance in place about the department heads showing why they need to replace this, and what happened to fill the vacancy, and we've had that and we've acted on all of them favorably since I've been on here, most of them, and so have I, but so what's changed here? We've had that ability now, under that ordinance I assume, the department heads bringing forward why they need to fill that, and why they need to keep them. Why do we need this ordinance, when we have that in place?

Bilski said I think 2012 is bringing a whole different financial outlet for us, I think we have sustained in 2011 for 2012, however 2012 for 2013 brings a whole other ball of problems coming our way.

Cid said I agree with Niemeyer. All you're going to do when someone comes for a vacancy, is are you going to say, "oh they took one of the options", so then automatically we're not going to hire them?

Bilski said that would be your prerogative as a Council person.

Cid said well it sounds like we're saying. If someone gets this option, this is a benefit for them. Early Retirement, this is a benefit to them, pay their health benefit for them, for them to continue.... The person who retires without any of these options okay, they're not getting these same benefits of these that are getting this option, so this is a benefit to that. Okay someone who just regularly retires, they are not getting \$10,000 dollars in their pocket. They are not getting their health benefits paid by us for 5 years, they are not getting those things. But we're trying to get people to retire.

Bilski said we are, but you also have to remember not only would we like people to retire, but we are also revitalizing our workforce in the same notion too. We need to encourage some of our folks, who have the ability to retire, but just simply can't right now. And there are other folks that are in there that are newly entering the workforce that we would like to obtain as employees of County Government, that bring to the table of

additional and newer skill and ability, but the folks that have their tenure here, don't have the ability to retire, so we don't necessarily want to eliminate every position out there because someone is retiring, we might want to look for someone that maybe possesses a different skill, or a higher skill and ability level, and put them into that position because we are also looking at a revitalization of our workforce, as we are changing, let's face it, some of our technologies are changing, and we need to grow, and bring in the workforce that can handle these new demands as well.

Cid said, well I wouldn't say...

Bilski said I don't think we're 100% here saying we have to eliminate any job once someone retires, we also want to be able to bring in and have the ability of soliciting a new work force.

Cid said and I wouldn't say that just because someone is 65 that they are not capable.

Bilski said I wouldn't say that, nor did I say, but they don't possess, some don't possess the same skills whether they might be 35 or 55, ready to retire, and don't possess the same skill and ability of a 55 year old that's willing to come in here and work.

Blanchard said before we always allowed for a reorg, and didn't necessarily eliminate the position that was vacated through the ordinance, and I think the Board of Commissioners sent a letter over here, a while back, in March or April, asking if this Ordinance could be considered, and reenacted with that stipulation in there, and I would stick my neck out, and say if you're going to remove "E", please don't take positive action today.

Franklin asked Blanchard to repeat the Commissioner part.

Blanchard said the Commissioners if I'm not mistaken, the Commissioners sent a letter to the County Council asking that they would consider in redoing this ordinance and I think with the stipulation that the position be removed, or vacated because there was a circumstance where a person was hired back afterwards, not necessarily by the same department, but they were hired back. That's why the stipulation "E" was inserted.

Bilski said I think it needs to be amended, I don't think the Commissioners might have had the forethought to see hypothetically in that situation. Say if Commissioner Allen's secretary retired, he would not have the ability of fulfilling that position, it would have to be eliminated. At that point, you would have to reorganize.

Blanchard said we didn't always eliminate the position that was being vacated, according to the ordinance.

Mr. Van Til asked every time somebody retires, you want to reorganize, Larry?

Franklin said if that person retired, I think the department head that re-hired them, that person should have come forward and been honest, because we can't just keep up with

every name of the people that retire, and then they come back as full-time employees. If the department head themselves, does not make us aware of it, and then at that point, we have a decision to make, as to whether or not, they retired, they got the money. I don't think that it was fair for them to come back, and they got the money, and I think that person should be terminated, or go down to part-time employee. I think that's what should happen here because we have no way of knowing the names of these folks, if they bring them back, they don't submit names, they just submit positions.

All voted "Yes", except Dernulc, Cid, and Niemeyer, "No". Motion to approve Ordinance, with the exception of "Item E" carried 4-yes, 3-no.

Prince made a motion, seconded by Repay to Suspend Rules. All voted "Yes", except Cid, and Niemeyer, "No". Franklin was "absent". Motion to Suspend Rules failed 2-no, 1-absent, 4-yes.

Ordinance was approve on First Reading Only.