



Minutes aproved 01-22-13

HUMAN RESOURCES COMMITTEE

Justice Center Community Room
Monday, November 05, 2012 – 3:41 p.m.

Committee Members Present: Chairman Linc Hobson, Jim Carius, Russ Crawford, Jim Donahue, Mike Harris, Carroll Imig, Darrell Meisinger, Tim Neuhauser, Jerry Vanderheydt, Terry Von Boeckman

Committee Members Absent: Dean Grimm

Others Attending: County Administrator Michael Freilinger

MOTION **MOTION BY CARIUS, SECOND BY CRAWFORD** to approve the minutes of the October 23, 2012 meeting.

On voice vote, MOTION CARRIED.

MOTION
HR-12-75 **MOTION BY NEUHAUSER, SECOND BY IMIG** to recommend to County Board to approve presentation of the 2012 Employee Service Awards.

On voice vote, **MOTION CARRIED.**

MOTION
HR-12-77 **MOTION BY HARRIS, SECOND BY CARIUS** to recommend to County Board to approve the suspension of merit increases for FY13 for non-bargaining unit employees.

County Administrator Freilinger stated the Board has the authority to suspend merit increases for employees based on financial reasons. When discussing the matrix and transferring employees into the new matrix one of his recommendations was to not provide merit increases and then go to the pay matrix based on current salaries and allow the matrix to adjust for merit increases and cost of living. It would be appropriate for the Board to actually pass a policy to suspend the award of merit increases this year for this class of employees and salary issues will be dealt with in moving them into the matrix. He requested the Board to support.

On voice vote, **MOTION CARRIED.**

MOTION
HR-12-78

MOTION BY HARRIS, SECOND BY CARIUS to recommend to County Board to approve the pay matrix for non-bargaining unit employees.

Handouts were provided to the Committee for employees working 37.5 and 40 hours per week.

County Administrator Freilinger explained that the existing pay schedule was adjusted by taking the minimum and moving it to the current maximum hire and limiting the spread to 30% therefore reducing the top end down to 30% above the new minimum. Additional pay grades have been added with each grade a 10% difference. The matrix also incorporates a step system representing a 2.5% increase for each step.

This provides an opportunity for grading and sliding pay grades into new pay grades because there are more pay grades that are standardized. The bottom has been increased and the top decreased.

On voice vote, **MOTION CARRIED.**

MOTION
HR-12-79

MOTION BY HARRIS, SECOND BY CARIUS to recommend to County Board to adopt the merit increase policy.

Freilinger stated that the Resolution had an incorrect Policy number on it. It was amended to correct as HR-01-01.

MOTION TO AMEND

MOTION BY CARIUS, SECOND BY IMIG to amend to reflect HR-01-01.

On voice vote, **MOTION CARRIED.**

Freilinger stated what was attached is a revised policy statement which he is recommending to the Committee. He stated what this is doing is changing the merit system as to how merit increases are awarded.

Item 1C identifies each of the classifications from unsatisfactory to outstanding. The "meets" standard would be limited to the top 90%. At least 10% of employees would be marked as below standards or unsatisfactory. "Exceeds" standard should be limited to 20% of the workforce and there needs to be a 25% difference in department mean. Each supervisor evaluates employees differently and it is difficult to all use the same philosophy.

In the “Outstanding” category, there are two changes recommended. FSLA Exempt employees who assume additional duties without additional compensation that require an average of 8 hours of additional work per pay period for a minimum of 15 weeks should receive an “outstanding” rating.

Also, FSLA non-exempt employees who assume duties of a higher job classification, without additional compensation, for a period of time in excess of 15 weeks would also receive an “outstanding” rating.

Freilinger is also recommending adding item iii – any employee who voluntarily returns to work while on a scheduled paid leave of absence to assist in the resolution of an issue that they have not contributed to. Also added was item iv – any employee who presents a cost savings or revenue generating idea that is implemented and results in savings or increased revenues of at least \$250,000 in a twelve month period. This criterion is not subject to the top 5% maximum nor does it count towards the threshold for the other outstanding merit awards.

Freilinger stated that currently 70% of employees exceed expectations with the remaining 30% at meets expectations. The merit system was developed to include rating on a bell curve. The outstanding ratings should be less.

Item 3 – Merit Compensation Eligibility – Freilinger pointed out changes starting with b i. An overall evaluation of Meets equals a one step advancement or 2.5% increase for nonunion employees working under a pay plan without a step system up to the mid-point for the assigned pay grade.

When an employee is hired, the first initial five years they are being allowed to gain experience to become significantly more productive. After five years, most employees are proficient so their performance is viewed differently. This allows an employee who scores Meets standards to be eligible for one step increase until they meet the mid point, which happens at the five year point. It is a way of providing some migration through the pay matrix without expecting them to meet the newly established expectations. At the mid point, the standards become tighter to exceed expectations.

The new matrix goes up to a step ten and then there is a “top out” bonus which is essentially one step to provide a bonus. This is reflected in the proposed addition of ii and iii.

Proposed changes to 3 c provides information on bonuses. The bonus is not rolled into the base pay.

This is the recommendation for changes in the merit system.

Harris asked if this would force 10% to be rated lower and clarified that everyone could fall in the middle.

Freilinger explained that COLA would go on. An employee who meets expectations will move up a pay step.

Carius asked how the employees would learn of this change. Freilinger stated there would be a detailed explanation and training for the supervisors. He stated the next thing he planned was to look at the actual instrument being used now and recommending modifications. According to policy he will have to meet with the elected officials for their input of the document used to evaluate their employees.

Imig inquired if there would be goals and objectives for the next evaluation period incorporated into the revised instrument. Freilinger stated he has not yet decided on an instrument. There will be a component in the evaluation directly relating to the employees work plan. He believes in a negotiated work plan to be included in an evaluation. Other things are taken into consideration such as attendance, demeanor, communication skills, etc. He also stated work plans will be tied into the strategic plan.

Neuhauser asked about the rating key with the 5 categories and if they were the same as current. Freilinger stated yes. Currently a "meets" expectation is 1%, "exceeds" expectation is 2% and an "outstanding" is 3% but the outstanding requires an enhanced training/education component initiated by the employee.

Donahue asked if an employee was not meeting expectations, is there a grade for that? Freilinger stated he is recommending the top 90% are limited to meets/exceeds/outstanding and there will be 10% who will be identified as not meeting. This is forcing managers to identify employees who are not meeting the expectations. There are two categories for that which are "below standards" and "unsatisfactory" in which there will be no increase. This policy does not include a decrease for those not meeting. A mechanism for that would possibly be the disciplinary process. A performance enhancement plan would be used to increase performance.

Ackerman inquired about 1 C 4, the cost saving/revenue generating information asking if the \$250,000 amount was perhaps too high. Freilinger stated the exact number is not known and he is open to suggestions. He believes this dollar amount is significant enough.

Ackerman stated he likes the addition to the policy but believes \$100,000 is a better number to encourage employees to look at that.

Freilinger reminded the Committee that all of his recommendations are subject to Board approval.

Carius inquired of the bonus proposal and asked how it would be handled if there were a joint effort between employees for the cost savings/revenue generating and how that would be awarded. Freilinger stated this was a question for discussion. Harris said he was in support even if it was a team effort.

Ackerman referred to the Performance Bonus (#4) and stated he wanted to see performance bonus recommendations be reviewed by the County Administrator prior to awarding. Administrator review is incorporated into Performance Evaluation Procedure (#2). Donahue agreed with Ackerman.

Freilinger stated Performance Bonus (#4) will make it more difficult for a merit increase especially in the smaller offices. To provide additional motivation the Performance Bonus is included. It would be limited to ½% of personnel costs which is set by the Board each year. The Performance Bonus would be allocated by line item and at the discretion of the supervisor or elected official to distribute. This would reward the right people.

**MOTION FOR
CALL FOR
QUESTION**

MOTION BY HARRIS, SECOND BY CARIUS to call for the question.

On voice vote, **MOTION CARRIED.**

Chairman Hobson called for voice vote on the matter of HR-12-79.

On voice vote, **MOTION CARRIED.**

MOTION

MOTION BY CARIUS, SECOND BY HARRIS to move the Committee into Executive Session under 5 ILCS 120/2(c)(2) – Collective Bargaining or Salary Schedules at 4:20 p.m.

On voice vote, **MOTION CARRIED.**

Chairman Hobson moved the Committee out of Executive Session at 4:50 p.m.

Chairman Hobson announced that Item F on the Agenda (HR-12-80) was being pulled at this time.

MOTION

MOTION BY DONAHUE, SECOND BY VANDERHEYDT to reconsider HR-12-79.

On voice vote, **MOTION CARRIED.**
Opposed by Member Harris.

Freilinger stated the request was to amend Policy 2 B 2 to include in "Exceeds Standards, Outstanding and all Performance Bonus awards" in that section and following sections to be consistent.

MOTION

MOTION BY DONAHUE, SECOND BY IMIG to include additional language "Exceeds Standards, Outstanding and all Performance Bonus awards".

On voice vote, **MOTION CARRIED.**

State's Attorney Umholtz stated everyone is award of the situation in Logan County currently as they are issuing bonds to pay for a murder trial. Tazewell County has a much better system in place regarding providing Public Defenders. We have not had a situation for quite a while in which the Courts have had to assign a private attorney to serve as public defender.

He stated the Governor signed a bill in August 2012 to control cost for counties for special prosecutors. Now a judge is required to look at the prosecutor's office, the Attorney General office and every other State's Attorney's office in the stated to provide services at no cost to the county. The county would be advised to also seek a similar statute in place for the appointment of defense council in case of conflict. That would require a judge to look at the appellate defender or to any other public defender's office to provide service. This may be a referral to the Legislative Committee.

Chairman Hobson stated it has been one of the joys of his life for the last four years has been the honor and privilege as serving as the Chairman. He appreciates all the help he has received and recessed the meeting at 5:06 p.m.

(transcribed by S. Beeney)