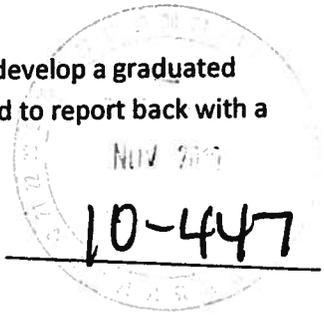


1 A resolution authorizing and directing the Employee Benefits Workgroup to fully develop a graduated
2 defined contribution pension plan to replace the existing defined benefit plan, and to report back with a
3 final plan for implementation.



4
5 by recommending adoption of the following:

7 **A RESOLUTION**

9 WHEREAS, despite recent changes in pension plan design for non-represented employees and certain
10 collective bargaining units, Milwaukee County continues to face a growing structural deficit that is
11 driven in no small measure by future pension obligations; and

12 WHEREAS, according to a 2010 report from the Public Policy Forum, based on 2009 projections from the
13 Department of Administrative Services, Milwaukee County's annual contribution to the Employee
14 Retirement System is projected to exceed \$105 million by 2015; and

15 WHEREAS, for 2011 the employee fringe benefit rate for Milwaukee County, expressed as a percentage
16 of payroll, will approach 100% -- an unsustainable ratio that effectively prohibits some departments
17 from hiring adequate staffing; and

18 WHEREAS, according to a staff presentation at a meeting of the Long Range Strategic Planning
19 Committee in December 2009, the most obvious and necessary solution to Milwaukee County's
20 structural deficit must be major reforms to reduce the cost of employee benefits; and

21 WHEREAS, because employee layoffs and job outsourcing are often the corrective actions that are
22 resorted to in response to the structural deficit, eliminating that structural hole and making the jobs
23 more affordable are the best ways to protect and preserve County jobs; and

24 WHEREAS, in response to a study directed in the 2010 Adopted Budget, the Employee Retirement
25 System actuary provided a report in July 2010 that detailed savings of over \$267 million in the first ten
26 years and more than \$2.2 billion in 50 years if Milwaukee County switched to a defined contribution
27 plan with a four percent contribution match; and

28 WHEREAS, phasing in the matching program over time will increase savings by approximately 25% while
29 rewarding as well as encouraging employee retention; now, therefore,

30 BE IT RESOLVED, the Milwaukee County Board of Supervisors hereby authorizes and directs the
31 Employee Benefit Workgroup to fully develop a graduated defined contribution pension plan to replace
32 the existing defined benefit plan and that such plan shall be based on the following matching schedule:

33 Milwaukee County will match:

- 34 One percent for all employees with up to 5 years of pensionable service credit
- 35 Two percent for all employees with between 5 and 10 years of pensionable service
36 credit
- 37 Three percent for all employees with between 10 and 15 years of pensionable service
38 credit
- 39 Three and one-half percent for all employees with between 15 and 20 years of
40 pensionable service credit
- 41 Four percent for all employees with between 20 and 30 years of pensionable service
42 credit
- 43 Two percent for all employees with over 30 years of pensionable service credit;

44 And,

45 BE IT FURTHER RESOLVED, the Employee Benefit Workgroup is authorized and directed to secure an
46 actuarial analysis of the final defined contribution plan design in accordance with the above criteria,
47 which shall be presented along with a plan for implementation at the May meeting of the Committees
48 on Finance and Audit and Personnel, and at a meeting of the Pension Study Commission; and

49 BE IT FURTHER RESOLVED, that it is the intention of Milwaukee County to direct the Director,
50 Department of Labor Relations to include this plan in all contract negotiations with collective bargaining
51 units, and that upon agreement by all collective bargaining units, such defined contribution plan will
52 become effective for all non-represented employees and all elected officials.

53

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: November 29, 2010

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: A resolution authorizing and directing the Employee Benefits Workgroup to fully develop a graduated defined contribution pension plan to replace the existing defined benefit plan, and to report back with a final plan for implementation.

FISCAL EFFECT:

- | | |
|---|--|
| <input type="checkbox"/> No Direct County Fiscal Impact
<input checked="" type="checkbox"/> Existing Staff Time Required
<input checked="" type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below)
<input checked="" type="checkbox"/> Absorbed Within Agency's Budget
<input type="checkbox"/> Not Absorbed Within Agency's Budget
<input type="checkbox"/> Decrease Operating Expenditures
<input type="checkbox"/> Increase Operating Revenues
<input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures
<input type="checkbox"/> Decrease Capital Expenditures
<input type="checkbox"/> Increase Capital Revenues
<input type="checkbox"/> Decrease Capital Revenues
<input type="checkbox"/> Use of contingent funds |
|---|--|

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	7,000
	Revenue	0	0
	Net Cost	0	7,000
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. ¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

Adoption of this resolution will require the Employee Benefits Workgroup to procure an analysis of the actuarial effect the proposed change will have on the pension fund and will require an expenditure of staff time. The actuary has estimated that such an analysis will cost approximately \$7,000. Funding for actuarial services, among other activities required by the Employee Benefits Workgroup, was included in the 2011 Adopted Budget in Org. Unit 1950.

Department/Prepared By County Board / Ceschin

Authorized Signature Rich Ceschin

Did DAS-Fiscal Staff Review? Yes No

CHAIRMAN
COUNTY BOARD

2010 NOV 31 AM 4:44

RECEIVED

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

**MILWAUKEE COUNTY BOARD OF SUPERVISORS
Committee on Personnel**

DATE: December 10, 2010

ITEM No. 1

AMENDMENT NO. 1

Resolution File No. 10-447

Ordinance File No.

OFFERED BY SUPERVISOR(S): Sanfelippo

1. AMEND the BE IT RESOLVED clause, beginning on line 41, as follows:

BE IT RESOLVED, the Milwaukee County Board of Supervisors hereby authorizes and directs the Employee Benefit Workgroup to fully develop a graduated defined contribution pension plan to replace the existing defined benefit plan and that such plan shall be based on the following matching schedule:

Milwaukee County will match:

One percent for all employees with up to 5 years of pensionable service credit

Two percent for all employees with between 5 and 10 years of pensionable service credit

Three percent for all employees with between 10 and 15 years of pensionable service credit

Three and one-half percent for all employees with between 15 and 20 years of pensionable service credit

Four percent for all employees with ~~between~~ over 20 ~~and 30~~ years of pensionable service credit

~~Two percent for all employees with over 30 years of pensionable service credit;~~

COUNTY OF MILWAUKEE
DAS - Department of Human Resources
INTER-OFFICE COMMUNICATION

DATE : December 7, 2010

To : Committee on Personnel

Candace M. Richards

FROM : Candace M. Richards, Interim Director of Human Resources

SUBJECT : **Informational Reports 12/10/2010
For Personnel Committee Meeting**

Attached is an informational report listing ***appointments at an advanced step of the pay range***, which the Director of Human Resources intends to approve for implementation.

These reports are provided in accordance with the provisions of Chapter 17 of the County General Ordinances and may be included on the agenda of the December 10, 2010 Personnel Committee Meeting for informational purposes

In the event the Personnel Committee takes no action, the transactions noted on the reports will be implemented.

CMR:bdv

Attachment

**Appointments At An Advance Step Of The Pay Range
Personnel Committee Report**

December 10, 2010

REQUESTOR	ORG UNIT	PREVIOUS CLASSIFICATION	CURRENT CLASSIFICATION	PREVIOUS PAY GRADE	CURRENT PAY GRADE	SALARY RANGE ANNUALIZED	STEPS IN PR	APPT STEP	REQUESTED STEP AMOUNT	REQUESTED STEP AMOUNT ANNUALIZED	PREVIOUS SALARY	DIFFERENCE IN ANNUAL PAY	CURRENT YEAR FISCAL IMPACT	JUSTIFICATION
Airport	5041	Airport Maintenance Worker	Airport Maintenance Worker	15KZ	15KZ	\$33,782.11 - \$49,563.28	12	3	\$17,2647	\$35,910.5760	\$35,910.58	(\$0.00)	\$88.00	Re-Hire
Airport	5041	Airport Maintenance Worker	Airport Maintenance Worker	15KZ	15KZ	\$33,782.11 - \$49,563.28	12	3	\$17,2647	\$35,910.5760	\$35,910.58	(\$0.00)	\$88.00	Re-Hire
Airport	5041	No Previous Classification	Payroll Assistant	N/A	4P	\$29,593.62 - \$37,949.81	9	5	\$16,2364	\$33,771.7120	N/A	N/A	\$173.00	TRG/EXP*
DAS - Fiscal	1151	No Previous Classification	Fiscal & Mgt Analyst 2	N/A	26JM	\$42,915.60 - \$56,530.86	9	9	\$27,1783	\$56,530.8640	N/A	N/A	\$564.00	TRG/EXP*
DHHS	6407	BH Emer Serv Clinician	Administrative Coord BH	24	27	\$53,021.70 - \$63,273.18	5	4	\$29,1246	\$60,579.1680	\$55,421.39	\$5,157.78	\$114.00	Same Dept Promotion
DHHS	6423	Psych Soc Worker Sheriff	Administrative Coord BH	24	27	\$53,021.70 - \$63,273.18	5	2	\$26,6449	\$55,421.3920	\$49,391.68	\$6,029.71	\$99.00	Transfer Promotion
DHHS	6673	No Previous Classification	EMS Informatics	N/A	30M	\$56,530.86 - \$67,516.18	5	3	\$27,1830	\$56,540.6400	N/A	N/A	\$135.00	TRG/EXP*
District Attny	4501	No Previous Classification	Administrative Intern	N/A	01M	\$22,304.46 - \$26,828.46	7	7	\$12,8983	\$26,828.4640	N/A	N/A	\$187.00	TRG/EXP*
District Attny	4501	No Previous Classification	Administrative Intern	N/A	01M	\$22,304.46 - \$26,828.46	7	7	\$12,8983	\$26,828.4640	N/A	N/A	\$187.00	TRG/EXP*
DTPW	5070	Res Cont Mgr Highway	Transp Deign & Constr Eng Mang	915E	38M	\$80,415.71 - \$97,308.64	5	3	\$41,9211	\$87,195.8880	\$82,986.59	\$4,209.30	\$140.00	Change in Classification
PARKS	9420	No Previous Classification	Forestry Worker - DOT	N/A	15Z	\$31,071.04 - \$45,195.70	9	5	\$19,9404	\$41,476.0320	N/A	N/A	\$431.00	TRG/EXP*
Sheriff	4311	Correctional Officer LT	Corrections Manager	23CM	915E	\$59,560.38 - \$77,428.83	8	6	\$35,4360	\$73,706.8800	\$47,638.45	\$26,068.43	\$586.00	Change in Classification
Sheriff	4000	No Previous Classification	Case Management Specialist	N/A	19	\$40,172.70 - \$46,471.36	5	4	\$21,4659	\$44,649.0720	N/A	N/A	\$185.00	TRG/EXP*

*FISCAL IMPACT= (Step employee hired at - Step 1) * Pay Periods Remaining in Year * 1.0765

*TRG/EXP Denotes Training and Experience

In accordance with the provisions of 17.09(3) of the County General Ordinances, the Director of Human Resources must file an informational report with all County Board Supervisors relative to all new appointments at an advanced step of the pay range.

COUNTY OF MILWAUKEE
DAS - Department of Human Resources
INTER-OFFICE COMMUNICATION

DATE : December 7, 2010

To : Committee on Personnel

Candace M. Richards

FROM : Candace M. Richards, Interim Director of Human Resources

SUBJECT : **Informational Reports 12/10/2010
For Personnel Committee Meeting**

Attached are a series of informational reports relative to ***dual employment, temporary appointment, and emergency appointment***. Reports reflect updates through the end of pay period 1. Also included is an informational report relative to ***temporary assignments to a higher classification***, which is updated through December 7, 2010.

These reports are provided in accordance with the provisions of Chapter 17 of the County General Ordinances.

CMR:bdv

Attachment

**Dual Employment Report
Personnel Committee Meeting
December 10, 2010**

Organizational Unit	Name	Current Classification	Current Pay Range	Dual Employment	Dual Employment Pay Range
----------------------------	-------------	-------------------------------	--------------------------	------------------------	----------------------------------

Currently, no dual employment to report.

**Temporary Appointment Report
Personnel Committee Meeting
December 10, 2010**

Requestor	Dept	Last Name	First Name	Title Code	Title Description	Emp Class	Status	# of Hours in Payroll Period	Temporary Appt Date	Appt Type
Airport - Maintenance - General	5051	Abrams	James	00032450	Airport Mtce Wkr	F	A	80	10/18/2010	TA
		Benjamin	Christopher	00032450	Airport Mtce Wkr	F	A	80	10/25/2010	TA
		Ciepluch	Michael	00032450	Airport Mtce Wkr	F	A	80	10/18/2010	TA
		Cordova	Francisco	00032450	Airport Mtce Wkr	T	A	80	11/1/2010	TA
		Finiels	David	00032450	Airport Mtce Wkr	F	A	80	10/25/2010	TA
		Fonville	Carl	00032450	Airport Mtce Wkr	F	A	80	10/25/2010	TA
		Gibson	Rahsaan	00032450	Airport Mtce Wkr	F	A	80	10/18/2010	TA
		Lietha	Matthew	00032450	Airport Mtce Wkr	F	A	80	10/25/2010	TA
		Patrick	Steven	00032450	Airport Mtce Wkr	F	A	80	10/18/2010	TA
		Rivera	Jesus	00032450	Airport Mtce Wkr	T	A	80	11/1/2010	TA
		Wargolet	Scott	00032450	Airport Mtce Wkr	F	A	80	11/1/2010	TA

Total Employees = 11

Highway Maintenance - Patrol Section One	5110	Bates	Gregory	00032610	Highway Mtce Wkr 1	F	A	80	11/8/2010	TA
		Brown	William	00032610	Highway Mtce Wkr 1	F	A	80	11/8/2010	TA
		Flanagan	Billy	00032610	Highway Mtce Wkr 1	F	A	80	11/14/2010	TA
		Johnson	Dennis	00032610	Highway Mtce Wkr 1	F	A	80	11/14/2010	TA
		Simmons	Tyrone	00032610	Highway Mtce Wkr 1	F	A	80	11/14/2010	TA
		Woolridge	Frederick	00032610	Highway Mtce Wkr 1	F	A	80	11/8/2010	TA

Total Employees = 6

Highway Maintenance - Patrol Section Two	5120	Hass	Terry	00032610	Highway Mtce Wkr 1	F	A	80	11/8/2010	TA
		Holt	Dante	00032610	Highway Mtce Wkr 1	F	A	80	11/8/2010	TA
		Lukasik	Len	00032610	Highway Mtce Wkr 1	F	A	80	11/14/2010	TA
		Nickel	John	00032610	Highway Mtce Wkr 1	F	A	80	11/8/2010	TA
		Tersen	Douglas	00032610	Highway Mtce Wkr 1	F	A	80	11/8/2010	TA

Total Employees = 5

Highway Maintenance - Patrol Section Three	5160	Byrd	Marcus	00032610	Highway Mtce Wkr 1	F	A	80	11/14/2010	TA
		McClure	Wallace	00032610	Highway Mtce Wkr 1	F	A	80	11/14/2010	TA
		Munoz	Mario	00032610	Highway Mtce Wkr 1	F	A	80	11/14/2010	TA
		Ponce	Jose	00032610	Highway Mtce Wkr 1	F	A	80	11/1/2010	TA
		Rivera	Antonio	00032610	Highway Mtce Wkr 1	F	A	80	11/14/2010	TA
		Stone	Norman	00032610	Highway Mtce Wkr 1	F	A	80	11/14/2010	TA
		Walls	Edmond	00032610	Highway Mtce Wkr 1	F	A	80	11/14/2010	TA

Total Employees = 7

Highway Maintenance - Patrol Section Four	5140	Balderas	Juan	00032610	Highway Mtce Wkr 1	F	A	80	11/8/2010	TA
		Bautista	Victor	00032610	Highway Mtce Wkr 1	F	A	80	11/14/2010	TA
		Brandt	Richard	00032610	Highway Mtce Wkr 1	F	A	80	11/14/2010	TA
		Laack	Jerome	00032610	Highway Mtce Wkr 1	F	A	80	11/8/2010	TA
		Olsen	Peter	00032610	Highway Mtce Wkr 1	F	A	80	11/8/2010	TA
		Podlesnik	James	00032610	Highway Mtce Wkr 1	F	A	80	11/8/2010	TA
		Radakovich	Keith	00032610	Highway Mtce Wkr 1	F	A	80	11/14/2010	TA
		Schweitzer	Peter	00032610	Highway Mtce Wkr 1	F	A	80	11/14/2010	TA
		Sudol	Thomas	00032610	Highway Mtce Wkr 1	F	A	80	11/8/2010	TA
		Walker	Kerry	00032610	Highway Mtce Wkr 1	F	A	80	11/14/2010	TA
		Zieman	Robert	00032610	Highway Mtce Wkr 1	F	A	80	11/8/2010	TA

Total Employees = 11

Grand Total of Employees: 40

Emergency Appointment Report
Personnel Committee Meeting
December 10, 2010

Requestor	Dept	Last Name	First Name	Title Description	Employee Class	Status	Emergency Appt Date	Pay Range
Sheriff's Office	4316	Williams	Robert	Correction Officer 1 Stationary Engineer	F	A	3/1/2010	16Z

Total Employees = 1

Grand Total of Employees: 1

**Temporary Assignment to a Higher Classification (TAHC) Report
Personnel Committee Meeting
December 10, 2010**

<u>Dept</u>	<u>First Name</u>	<u>Last Name</u>	<u>Current Job Title</u>	<u>Pay Range</u>	<u>Start Date</u>	<u>Ext.</u>	<u>End Date</u>	<u>New Job Title</u>	<u>Pay Range</u>
Corp Counsel	Kari	Egan	Legal Secretary	5PM	9/12/2010	*	12/10/2010	Executive Assistant	6PM
Corp Counsel	Timothy	Schoewe	Deputy Corp Counsel	37AM	5/3/2010	*	until filled	Executive Dir. 3-Corp Counsel	903E
DAS - DHR	Candace	Richards	Human Resources Mgr DHHS	916E	9/29/2010	*	12/27/2010	Exec Dir3 Dir Human Resources	903E
DAS - IMSD	Babu	Thomas	Network Technical Specialist 3	24D	11/12/2010	*	1/3/2011	IT Manager - Service Desk	35M
DAS - IMSD	Sean	Payne	Network Technical Specialist IV	28D	10/25/2010		12/20/2010	IT Manager - Server	35M
DAS - IMSD	James	Martin	Fiscal and Budget Manager	33M	5/10/2010	*	until filled	IT Director - Governance	902E
DAS - IMSD	Laurie	Panella	IT Director Business Development	902E	7/30/2010	*	until filled	Ex Dir3-Chief Info Officer	903E
District Attny's Office	Cynthia	Little	Secretarial Assistant	04P	12/1/2010		1/2/2011	Senior Executive Assistant-DA	7PM
Dept on Aging	Carmen	Mills	Quality Imp Coordinator (CMO)	29	9/11/2010	*	12/10/2010	Program Coordinator (CMO Training)	29M
Dept of Family Care	Maria	Ledger	Assistant Director Aging - LTS	902E	10/6/2010	*	1/3/2011	Executive Director 3 - Dir of Family Care	903E
DHHS	Ara	Garcia	HR Coordinator	30M	9/29/2010	*	12/27/2010	HR Manager DHHS	916E
DHHS	Geri	Lyday	ExDir2-Divadmindelq Ctse	902E	9/26/2010	*	12/24/2010	Exdir3 Director of Human Services	903E
DHHS-Disabilities Serv	Mark	Stein	ExDir2-Comm Res Administrator	902E	9/27/2010		12/25/2010	ExDir2-Dept Prog Director Commse	902E
DTPW-Airport	Kevin	Doyne	Fire Fighter Equip Operator	17BZ	10/31/2010		12/19/2010	Airport Fire Chief	27M
DTPW-Airport	Kenneth	Skowronski	Airport Maintenance Worker	15KZ	11/2/2010	*	1/4/2011	Asst Airport Maintenance Supervisor	23M
DTPW-Facilities Mgmt	Domingo	Leguizamon	Veterans Services Officer	913E	11/29/2010	*	2/26/2011	Facilities Maintenance Coordinator	30M
DTPW-Facilities Mgmt	Gary	Waszak	Facilities Maintenance Coordinator	30M	10/16/2010	*	until filled	Executive Director (Facilities Management)	902E
Sheriff	Colin	Briggs	Deputy Sheriff I	17BZ	10/17/2010		1/14/2011	Sheriff Department Captain	915E
Sheriff	Jose	Hernandez	Correction Officer I	14Z	9/19/2010		12/17/2010	Correction Officer Lieutenant	23CM
Sheriff	Daniel	Hughes	Deputy Sheriff Lieutenant	30M	9/25/2010	*	12/23/2010	Sheriffs Deputy Captain	915E
Sheriff	Brandon	Hutchins	Correction Officer I	14Z	9/19/2010		12/17/2010	Correction Officer Lieutenant	23CM
Sheriff	Damon	Key	Correction Officer Lieutenant	23CM	9/23/2010		12/21/2010	Correction Manager	915E
Sheriff	Debra	Burmeister	Deputy Sheriff 1	17BZ	11/14/2010		2/11/2011	Deputy Sheriff Lieutenant	30M
Sheriff	Catherine	Trimboli	Deputy Sheriff Lieutenant	30M	11/14/2010		2/11/2011	Sheriff Department Captain	915E
Sheriff	Vernice	Strapp-Pitts	Executive Assistant - Child Support	6PM	9/20/2010	*	12/18/2010	Human Resources Coordinator-Sheriff	30M
Vet Srvc Office	James	Duff	Veterans Asst. Program Supervisor	22M	11/29/2010		2/26/2011	Veterans Service Officer	915E

*Pursuant to M.C.G.O. 17.085(1), (2), or (7), the TAHC has been extended by the Director of DHR. The County Board of Supervisors and the County Executive must approve the second extension to a *vacant unclassified* position through adoption of a Resolution.

COUNTY OF MILWAUKEE
DAS-Division of Human Resources
INTER-OFFICE COMMUNICATION

DATE : December 6, 2010

TO : Supervisor Patricia Jursik, Chairman, Personnel Committee

FROM : Candace M. Richards, Interim Director of Human Resources-DAS
Candace M. Richards

SUBJECT : **2011 Budget Creates**

A review of the duties to be assigned to the new positions requested in the 2011 Budget has resulted in the following recommendations of classification and pay range.

See Attached Report.

Attachment

Cc: Cynthia Archer, Director, DAS
Steven Kreklow, Fiscal & Budget Administrator, DAS
Rick Ceschin, Senior Research Analyst
Jodi Mapp, Personnel Committee Clerk

NEW BUDGET CREATES FY 2011

DEPT.	JOB CODE	JOB TITLE	PAY RANGE	NUMBER OF POSITIONS	BARGAINING UNIT STATUS
1140	TBD	Compensation Analyst	29M	1	NR
1180	TBD	Administrative Specialist (Employee Benefits)	7PM	1	NR
1189	TBD	ERS Coordinator	32M	1	NR
5040	04041	Fiscal Assistant II	4P	1	R
5040	TBD	Executive Director 2-Deputy Airport Director	902E	1	NR
6300	TBD	Quality Improvement Coordinator (BHD)	29	1	R
6300	44770	RN II-Staff Development	18	1	R
6300	TBD	CNA Coordinator	22M	1	R
6300	TBD	Information & Outreach Coordinator (BHD)	23	1	R
6300	04605	Accounting Manager	32M	1	NR
6300	43840	Nursing Assistant I (MH)	5D	18	R
6300	01293	Clerical Specialist (MH)	5P	1	R
6300	50770	Staff Psychiatrist	44MX	1	NR
6300	51615	Staffing Assistant	6PM	2	NR
6300	44570	RN III (Mental Health)	27MN	3	NR
6300	02000	Unit Clerk	06	1	R
6300	08421	Program Analyst (MH)	18	2	R
6300	44510	Registered Nurse I (Pool)	51N	1	R
6300	54810	Paramedic Trainer (Hourly)	16	1	R
7990	58011	Quality Improvement Coordinator (CMO)	29	1	R

7990	TBD	Quality Assurance Specialist	16C	1	R
7990	TBD	Family Care Quality Manager	33M	1	NR
7990	45110	Nursing Program Coordinator	28MN	1	NR
9000	TBD	Fish Hatchery Specialist	17	1	R

12.1.10

1 **A RESOLUTION**

2 WHEREAS, the Interim Director of Human Resources, in a report dated
3 December 6, 2010 (copy attached), reviewed the recommended position creations
4 contained in the 2011 Adopted County Budget and the amendment actions for personnel
5 changes by the Committee on Finance and Audit relative to classification and rate of
6 compensation for positions in the 2011 Adopted Budget; and

7 WHEREAS, the creation of positions in the 2011 Adopted Budget and the
8 amendment actions of the Committee on Finance and Audit require action by the
9 Committee on Personnel as to classification and rate of compensation; now, therefore,

10 BE IT RESOLVED, that, the Milwaukee County Board of Supervisors does
11 hereby authorize and direct the Interim Director of Human Resources to implement the
12 classifications and rates of compensation (as attached and contained in a report from the
13 Interim Director of Human Resources dated December 6, 2010) for positions
14 recommended for creation in the 2011 Adopted Budget.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 12/2/10

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: 2011 Adopted Budget Position Creates

FISCAL EFFECT:

- | | |
|--|--|
| <input type="checkbox"/> No Direct County Fiscal Impact
<input type="checkbox"/> Existing Staff Time Required
<input checked="" type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below)
<input checked="" type="checkbox"/> Absorbed Within Agency's Budget
<input type="checkbox"/> Not Absorbed Within Agency's Budget

<input type="checkbox"/> Decrease Operating Expenditures

<input type="checkbox"/> Increase Operating Revenues

<input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures

<input type="checkbox"/> Decrease Capital Expenditures

<input type="checkbox"/> Increase Capital Revenues

<input type="checkbox"/> Decrease Capital Revenues

<input type="checkbox"/> Use of contingent funds |
|--|--|

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	1,955,404	2,008,910
	Revenue	455,150	467,604
	Net Cost	1,500,254	1,541,306
Capital Improvement Budget	Expenditure	0	
	Revenue	0	
	Net Cost	0	

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. ¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. Authorization is requested by the Human Resources division to create the positions included in the 2011 Budget. This does not include all of the positions that need to be created, but includes the positions deemed to the most urgent to fill. Authorization for the remaining positions will be requested in the January County Board cycle. These positions and their associated costs were already included in the adopted 2011 Budget.

B. The direct costs of the 45 positions including salary and social security costs only is \$1,955,404 offset by \$455,150 in revenue for a net total of \$1,500,254. It is assumed that all positions are filled by the beginning of the year. Funds for these positions are included in the 2011 budget so there is no fiscal impact to the budget as adopted. The 2012 net cost is \$1,541,306.

C. See above

D. Costs include salary and social security costs only. Associated fringe costs have not been estimated. The 2012 cost assumes cost of living and step increases.

Department/Prepared By DAS-Fiscal John Ruggini

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

COUNTY OF MILWAUKEE

Inter-office Communication

DATE : November 29, 2010

TO : Lee Holloway, Chairman, Milwaukee County Board of Supervisors

FROM : Cynthia Archer, Director of Administrative Services

SUBJECT: **Proposed Resolution Regarding Extension of Candace Richard's
TAHC Assignment**

Issue:

A request is being made to seek an extension of the Temporary Assignment to a Higher Classification (TAHC) for Ms. Candace Richards, currently serving in the position of Director of the Department of Administrative Services, Division of Human Resources (DAS – HR), until such time that an appointment is made to fill this position.

Background:

Ms. Richards has been serving in a TAHC for the position of Director of Human Resources since July 1, 2010. The TAHC has been extended once, per the approval of the DAS Director. Ms. Richard's TAHC will end on December 27, 2010.

Recommendation:

To assure continuity of operation and leadership within DAS-HR and based upon the experience she brings to this position, I am asking that the attached resolution be referred to the Personnel Committee and the County Board for approval to extend Ms. Richard's TAHC until such time as an appointment is made of a qualified candidate for the position.

Attachments

Cc: County Executive Scott Walker
 Thomas Nardelli, Chief of Staff, County Executive's Office
 Terry Cooley, Chief of Staff, County Board of Supervisors
 Candace Richards, Director of Human Resources
 Supervisor Patricia Jursik, Chairman, Personnel Committee
 Rick Ceschin, Senior Research Analyst, County Board
 Jodi Mapp, Committee Clerk

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4 (ITEM *) From the Director of Administrative Services, requesting authorization to
5 extend the Temporary Assignment to a Higher Classification (TAHC) for Ms. Candace
6 Richards to the position of Director of Human Resources, by recommending adoption of
7 the following:

8
9 **A RESOLUTION**

10
11 WHEREAS, Temporary Assignments to a Higher Classification (TAHCs) are
12 authorized for non-represented employees pursuant to Milwaukee County Code of
13 General Ordinance 17.085; and

14
15 WHEREAS, Milwaukee County Ordinance 17.085 states that employees in the
16 classified and unclassified service may receive a temporary assignment to a vacant
17 unclassified position for ninety (90) days or less with one (1) extension of ninety (90)
18 days or less with the extension provision pursuant to approval by the Human Resources
19 Director, or in this case the Director of Administrative Services; and

20
21 WHEREAS, Milwaukee County Ordinance 17.085 states that any further
22 extensions must be approved by the County Board; and

23
24 WHEREAS, Ms. Candace Richards has been serving in the position of Director
25 of the Human Resources since July 1, 2010; and

26
27 WHEREAS, Ms. Richards continues to serve through a TAHC as Director of
28 Human Resources, and

29
30 WHEREAS, it is necessary to extend Ms. Richard's TAHC to ensure the
31 continuity of functions that are critical to the working of Milwaukee County government,
32 as well as to provide continuing leadership within DAS – Human Resources; now,
33 therefore,

34
35 BE IT RESOLVED, that Ms. Candace Richards shall continue to serve through a
36 Temporary Assignment to a Higher Classification (TAHC) as the Director of Human
37 Resources until a permanent Director is appointed.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 11/30/10

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Proposed Resolution Extending the TAHC for Candace Richards to the position of Director of Human Resources

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input checked="" type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	\$223	\$7,243
	Revenue	0	0
	Net Cost	\$223	\$7,243
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. ¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

- A. The action being requested is extension of a TAHC for Ms. Candace Richards to the position of Director of Human Resources. If the resolution is not adopted, Ms. Richards will return to her permanent position in DHHS, and the position of Director of Human Resources will remain vacant or be filled with another employee.
- B. The direct costs of this action are additional salary expense of \$223 in 2010 and \$7,243 in 2011, assuming that Ms. Richard's TAHC lasts until June 30, 2011. These costs are incurred in the DHHS budget. Note that if another individual is appointed as Human Resources Director and Ms. Richards returns to her permanent position at DHHS, the budgetary impact would be substantially greater and would occur in the DAS-HR budget.
- C. The cost of the requested TAHC can be absorbed in the DHHS budget and does not represent a budgetary impact in 2010 or in 2011.
- D. The analysis assumes that the requested TAHC will last until June 30, 2011.

Department/Prepared By DAS - Fiscal

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

COUNTY OF MILWAUKEE
DAS-Division of Human Resources
 Inter-office Communication

DATE : November 29, 2010

TO : Lee Holloway, Chairman, Milwaukee County Board of Supervisors

Candace M. Richards

FROM : Candace Richards, Interim Director, Division of Human Resources

SUBJECT: **Proposed Resolution Regarding Extension of Geri Lyday's
 TAHC Assignment**

Issue:

A request is being made to seek an extension of the Temporary Assignment To A Higher Classification (TAHC) for Ms. Geri Lyday, currently serving in the position of Director of Health and Human Services, until such time that an appointment is made to fill this position.

Background:

Ms. Lyday has been serving in a TAHC for the position of Director of Health and Human Services since June 28, 2010. The TAHC has been extended once, per the approval of the Director of Human Resources. Ms. Lyday's TAHC will end on December 24, 2010.

Recommendation:

To assure continuity of operation and leadership within the Department of Health and Human Services and based upon the experience she brings to this position, I am asking that the attached resolution be referred to the Personnel Committee and the County Board for approval to extend Ms. Geri Lyday's TAHC until such time as an appointment is made of a qualified candidate for the position.

CR:hf

Attachments

Cc: County Executive Scott Walker
 Thomas Nardelli, Chief of Staff, County Executive's Office
 Terry Cooley, Chief of Staff, County Board of Supervisors
 Cynthia Archer, Director, DAS
 Supervisor Patricia Jursik, Chairman, Personnel Committee
 Rick Ceschin, Senior Research Analyst, County Board
 Jodi Mapp, Committee Clerk

(ITEM *) From the Interim Director, Human Resources, requesting authorization to extend the Temporary Assignment to a Higher Classification (TAHC) for Ms. Geri Lyday to the position of Director of Health and Human Services, by recommending adoption of the following:

A RESOLUTION

WHEREAS, Temporary Assignments to a Higher Classification (TAHCs) are authorized for non-represented employees pursuant to Milwaukee County Code of General Ordinance 17.085; and

WHEREAS, Milwaukee County Ordinance 17.085 states that employees in the classified and unclassified service may receive a temporary assignment to a vacant unclassified position for ninety (90) days or less with one (1) extension of ninety (90) days or less, with the extension provision pursuant to approval by the Human Resources Director; and

WHEREAS, Milwaukee County Ordinance 17.085 states that any further extensions must be approved by the County Board; and

WHEREAS, Ms. Geri Lyday has been serving in the position of Director of the Department of Health and Human Services (DHHS) since June 28, 2010; and

WHEREAS, Ms. Lyday continues to serve through a TAHC as Director of DHSS, and

WHEREAS, it is necessary to extend Ms. Lyday’s TAHC to ensure continuity of critical health services to the population of Milwaukee County, as well as to provide continuing leadership within DHHS; now, therefore,

BE IT RESOLVED, that Ms. Geri Lyday shall continue to serve through a Temporary Assignment to a Higher Classification (TAHC) as the Director of Health and Human Services until a permanent Director is appointed.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 11/30/10

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Proposed Resolution Extending the TAHC for Geri Lyday to the position of Director of Health and Human Services

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input checked="" type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	\$548	\$17,822
	Revenue	0	0
	Net Cost	548	\$17,822
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. ¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

- A. The action being requested is extension of a TAHC for Ms. Geri Lyday to the position of Director of Health and Human Services. If the resolution is not adopted, Ms. Lyday will return to her permanent position, and the position of Director will remain vacant or be filled with another employee.
- B. The direct costs of this action are additional salary expense of \$548 in 2010 and \$17,822 in 2011, assuming that Ms. Lyday's TAHC lasts until June 30, 2011. Note that if another individual is appointed and Ms. Lyday returns to her permanent position, the budgetary impact would be substantially greater.
- C. The cost of the requested TAHC can be absorbed in the DHHS budget and does not represent a budgetary impact in 2010 or in 2011.
- D. The analysis assumes that the requested TAHC will last until June 30, 2011.

Department/Prepared By DAS - Fiscal

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

COUNTY OF MILWAUKEE
DAS-Division of Human Resources
 Inter-office Communication

DATE : December 2, 2010

TO : Lee Holloway, Chairman, Milwaukee County Board of Supervisors

Candace M. Richards

FROM : Candace M. Richards, Interim Director, Division of Human Resources

SUBJECT: **Proposed Resolution Regarding Extension of TAHC
 Assignment for Araceli Garcia**

Issue:

A request is being made to seek an extension of the Temporary Assignment To A Higher Classification (TAHC) for Ms. Araceli Garcia, currently serving in the position of Human Resource Manager (DSS), while the incumbent, Ms. Candace Richards, is TAHC'd into the Director of Human Resources position.

Background:

Ms. Garcia has been serving in a TAHC for the position of HR Manager (DSS) since July 1, 2010. The TAHC has been extended once, per the approval of the Director of Human Resources. Ms. Garcia's TAHC will end on December 27, 2010. Per C.G.O, 17.085, the County Board must approve any additional TAHC extensions.

Recommendation:

To assure continuity of operation within the Department of Health and Human Services, I am asking that the attached resolution be referred to the Personnel Committee and the County Board for approval to extend Ms. Araceli Garcia's TAHC until that time when an appointment to the Director of Human Resources position is made, and Ms. Richards returns to her former position.

CMR:hmf

Attachments

Cc: County Executive Scott Walker
 Thomas Nardelli, Chief of Staff, County Executive's Office
 Terry Cooley, Chief of Staff, County Board of Supervisors
 Cynthia Archer, Director, DAS
 Supervisor Patricia Jursik, Chairman, Personnel Committee
 Rick Ceschin, Senior Research Analyst, County Board
 Jodi Mapp, Committee Clerk

(ITEM) From the Director of the Department of Administrative Services (DAS) – Human Resources, recommending adoption of the following:

A RESOLUTION

WHEREAS, Temporary Assignment to a Higher Classification (TAHC) are authorized for non-represented employees in C.G.O 17.085; and

WHEREAS, C.G.O 17.085 states that employees in the classified and unclassified service may receive a temporary assignment to a vacant unclassified position for (90) days or less with one (1) extension of ninety (90) days or less with the extension provision pursuant to approval by the Human Resources Director; and

WHEREAS, C.G.O 17.085 states that any further extensions must be approved by the County Board; and

WHEREAS, the position of the Human Resources (HR) Manager-DSS for the Department of Health and Human Services (DHHS) has been vacant since July 1, 2010, when the incumbent received TAHC authorization to serve as the Director of the Department of Administrative Services- Human Resources; and

WHEREAS, in order to administer the day-to-day HR operations of DHHS, the duties, responsibilities, and authority of the position of the HR Manager-DSS have been assumed via TAHC authorization by Ms. Ara Garcia since July 1, 2010; and

WHEREAS, the duties, responsibilities, and authority of the HR Manager-DSS shall revert to the former HR Manager-DSS upon completion of her TAHC as Director of DAS- Department of Human Resources; now therefore

BE IT RESOLVED, that Ms. Ara Garcia shall no longer maintain her existing TAHC status for the HR Manager-DSS once the position is filled by the former HR Manager-DSS

FISCAL NOTE: Adoption of this resolution has no fiscal effect.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 12/2/10

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: REQUEST TAHC AUTHORIZATION FOR THE POSITION OF THE HUMAN RESOURCE MANAGER (DSS) OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input checked="" type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. Approval of this resolution authorizes the existing TAHC for Ms. Ara Garcia to continue until the Human Resource (HR) Manager-DSS is filled by the former HR Manager-DSS who is currently TAHC'd as the Director of the Department of Administrative Services- Human Resources.

B. There are no direct costs or savings due to the fact that the HR Manager-DSS position is authorized and funded in the 2010 Adopted Budget. Therefore, temporarily assigning an employee to the position via TAHC status or permanently filling the position has no fiscal effect.

C. No fiscal impacts are anticipated for the current or subsequent fiscal year. See above.

D. As the HR Manager-DSS position administers the day-to-day HR activities of the Department of Health and Human Services, it is assumed that this position would need to be filled throughout the year.

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

Department/Prepared By DAS - Fiscal Affairs, Antionette Thomas-Bailey

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

COUNTY OF MILWAUKEE
DAS-Division of Human Resources
Inter-office Communication

DATE : November 29, 2010

TO : Lee Holloway, Chairman, Milwaukee County Board of Supervisors

FROM : Candace Richards, Interim Director, Division of Human Resources

SUBJECT: **Proposed Resolution Regarding Extension of TAHC
Assignment for Vernice Strapp-Pitts**

Issue:

A request is being made to seek an extension of the Temporary Assignment To A Higher Classification (TAHC) for Ms. Vernice Strapp-Pitts, currently serving in the position of Human Resources Coordinator (Sheriff), while the incumbent in this position, Ms. Araceli Garcia, serves in a TAHC to the Human Resources Manager (DHHS) position.

Background:

Ms. Strapp-Pitts has been serving in a TAHC for the position of Human Resources Coordinator (Sheriff) since June 21, 2010. The TAHC has been extended once, per the approval of the Director of Human Resources. Ms. Strapp-Pitts' TAHC will end on December 18, 2010.

Recommendation:

To assure continuity of operation within the Milwaukee County Sheriff's Office, Correctional Facility South, I am asking that the attached resolution be referred to the Personnel Committee and the County Board for approval to extend Ms. Vernice Strapp-Pitts' TAHC.

CR:hf

Attachments

Cc: County Executive Scott Walker
Thomas Nardelli, Chief of Staff, County Executive's Office
Terry Cooley, Chief of Staff, County Board of Supervisors
Cynthia Archer, Director, DAS
Supervisor Patricia Jursik, Chairman, Personnel Committee
Rick Ceschin, Senior Research Analyst, County Board
Jodi Mapp, Committee Clerk

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(ITEM *) , by recommending adoption of the following:

A RESOLUTION

WHEREAS, Temporary Assignment to a Higher Classification (TAHC) are authorized for non-represented employees in C.G.O 17.085; and

WHEREAS, C.G.O 17.085 states that employees in the classified and unclassified service may receive a temporary assignment to a vacant classified position for 90 days or less with one (1) extension of 90 days or less with the extension provision pursuant to approval by the Human Resources Director; and

WHEREAS, C.G.O 17.085 states that any further extension must be approved by the County Board; and

WHEREAS, the position of the Milwaukee County Sheriff's Office has been temporarily vacant due to the current incumbent being on a TAHC since June 21, 2010; and

WHEREAS, in order to administer the day-to-day Human Resources Operations of the Milwaukee County Sheriff's Office, County Correctional Facility South, the duties and responsibilities have been assumed via TAHC authorization by Ms. Vernice Strapp-Pitts since June 21, 2010; and

: now, therefore

BE IT RESOLVED, Ms. Strapp-Pitts shall maintain a TAHC status for the Human Resources Coordinator (Sheriff) position; and

Fiscal Note:

There is no direct fiscal impact through adoption of this resolution. There may be an insignificant amount of staff time involved in processing the personnel changes proposed in this resolution.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 11/19/10

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Authorization for extension of Temporary Assignment to Higher Classification for Human Resources Coordinator (Sheriff)

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input checked="" type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	
	Revenue	0	
	Net Cost	0	
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. ¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

The Sheriff is requesting authorization to extend the Temporary Assignment to Higher Classification for the Human Resources Coordinator (Sheriff). There is no direct fiscal impact through adoption of this resolution. There may be an insignificant amount of staff time involved in processing the personnel changes proposed in the resolution.

Department/Prepared By Molly Pahl, Fiscal Operations Manager

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

COUNTY OF MILWAUKEE
DAS-Division of Human Resources
 Inter-office Communication

DATE : December 2, 2010

TO : Lee Holloway, Chairman, Milwaukee County Board of Supervisors

FROM : Candace M. Richards, Interim Director, Division of Human Resources
Candace M. Richards

SUBJECT: **Proposed Resolution Regarding Extension of TAHC
 Assignment for Mark Stein**

Issue:

A request is being made to seek an extension of the Temporary Assignment To A Higher Classification (TAHC) for Mr. Mark Stein, currently serving in the position of Executive Director 2-Department Program Director Community Services position, while the incumbent, Ms. Geri Lyday is TAHC'd into the Director of Health and Human Services position.

Background:

Mr. Stein has been serving in a TAHC for the position of Executive Director 2- Department Program Director Community Services since June 28, 2010. The TAHC has been extended once, per the approval of the Director of Human Resources. Mr. Stein's TAHC will end on December 25, 2010. Per C.G.O, 17.085, the County Board must approve any additional TAHC extensions.

Recommendation:

To assure continuity of operation and leadership within the Disabilities Services Division, I am asking that the attached resolution be referred to the Personnel Committee and the County Board for approval to extend Mr. Mark Stein's TAHC.

CMR:hmf

Attachments

Cc: County Executive Scott Walker
 Thomas Nardelli, Chief of Staff, County Executive's Office
 Terry Cooley, Chief of Staff, County Board of Supervisors
 Cynthia Archer, Director, DAS
 Supervisor Patricia Jursik, Chairman, Personnel Committee
 Rick Ceschin, Senior Research Analyst, County Board
 Jodi Mapp, Committee Clerk

(ITEM) From the Director of the Department of Administrative Services – Human Resources,
recommending adoption of the following:

A RESOLUTION

WHEREAS, Temporary Assignment to a Higher Classification (TAHC) are authorized for
non-represented employees in C.G.O 17.085; and

WHEREAS, C.G.O 17.085 states that employees in the classified and unclassified service
may receive a temporary assignment to a vacant unclassified position for (90) days or less with one
(1) extension of ninety (90) days or less with the extension provision pursuant to approval by the
Human Resources Director; and

WHEREAS, C.G.O 17.085 states that any further extensions must be approved by the
County Board; and

WHEREAS, the position of the Division Administrator of the Disabilities Services Division of
the Department of Health and Human Services has been vacant since June 28, 2010, when the
incumbent received TAHC authorization to serve as the Director of the Department of Health and
Human Services; and

WHEREAS, in order to administer the day-to-day operations of the Disabilities Services
Division, the duties, responsibilities, and authority of the position of the Division Administrator
have been assumed via TAHC authorization by Mr. Mark Stein since 06/28/2010; and

WHEREAS, the duties, responsibilities, and authority of the Division Administrator shall
revert to the former Director upon completion of her TAHC as Director of DHHS; now therefore

BE IT RESOLVED, that Mr. Mark Stein shall no longer maintain his existing TAHC status for
the Division Administrator position once the position is filled by the former Division Administrator.

FISCAL NOTE: Adoption of this resolution has no fiscal effect.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 12/2/10

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: REQUEST TAHC AUTHORIZATION FOR THE POSITION OF THE DIVISION ADMINISTRATOR FOR THE DISABILITIES SERVICES DIVISION OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input checked="" type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. Approval of this resolution authorizes the existing TAHC for Mr. Mark Stein to continue until the Division Administrator of the Disabilities Services Division of the Department of Health and Human Services position is filled by the former Division Administrator who is currently TAHC'd as the Director of the Department of Health and Human Services.

B. There are no direct costs or savings due to the fact that the Division Administrator position is authorized and funded in the 2010 Adopted Budget. Therefore, temporarily assigning an employee to the position via TAHC status or permanently filling the position has no fiscal effect.

C. No fiscal impacts are anticipated for the current or subsequent fiscal year. See above.

D. As the Division Administrator position administers the day-to-day activities of the Division, it is assumed that this position would need to be filled throughout the year.

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

Department/Prepared By DAS - Fiscal Affairs, Antionette Thomas-Bailey

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

COUNTY OF MILWAUKEE
DAS-Division of Human Resources
 INTER-OFFICE COMMUNICATION

DATE : December 1, 2010

TO : Chairman Lee Holloway, County Board of Supervisors

Candace M. Richards

FROM : Candace M. Richards, Interim Director of Human Resources

SUBJECT : **Proposed Resolution Regarding Extension of James Martin's
TAHC Assignment - IMSD**

REQUEST

A request is being made to seek an extension of the Temporary Assignment to a Higher Classification (TAHC) for James Martin in the position of IT Director – Governance until the confirmation of a permanent Chief Information Officer occurs.

BACKGROUND

Mr. Martin has been serving in a TAHC for the position of IT Director – Governance since February 8, 2010. The TAHC was extended once per the approval of the Director of Human Resources. On September 30, 2010 the County Board of Supervisors approved Resolution File No. 10-331 that authorized the extension of Mr. Martin's TAHC "...until December 17, 2010 or until the confirmation of a permanent Chief Information Officer, whichever occurs first."

Mr. Martin continues to serve in a TAHC capacity to ensure the continuity of critical business operations within IMSD while Ms. Laurie Panella continues to serve as the Interim Chief Information Officer.

RECOMMENDATION

To ensure continuity of critical business operations within the IMSD, I am respectfully requesting approval to continue Mr. Martin's TAHC until the confirmation of a permanent Chief Information Officer occurs.

The required resolution and fiscal note are attached for your review and referral.

Attachments

cc: County Executive Scott Walker
 Thomas Nardelli, Chief of Staff, County Executive's Office
 Terry Cooley, Chief of Staff, County Board of Supervisors
 Cynthia Archer, Director, DAS
 Supervisor Patricia Jursik, Chairman, Personnel Committee
 Rick Ceschin, Senior Research Analyst, County Board
 Jodi Mapp, Committee Clerk

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4 (ITEM *) From the Interim Director of Administrative Services – Human Resources,
5 recommending adoption of the following:

6
7 **A RESOLUTION**

8
9 WHEREAS, Temporary Assignment to a Higher Classification (TAHC) are authorized
10 for non-represented employees in C.G.O 17.085; and

11
12 WHEREAS, C.G.O 17.085 states that employees in the classified and unclassified
13 service may receive a temporary assignment to a vacant unclassified position for (90) days
14 or less with one (1) extension of ninety (90) days or less with the extension provision
15 pursuant to approval by the Human Resources Director; and

16
17 WHEREAS, C.G.O 17.085 states that any further extensions must be approved by the
18 County Board; and

19
20 WHEREAS, Mr. James Martin has been serving in the position of Interim IT Director
21 – Governance through a TAHC within the Information Management Services Division
22 (IMSD) since February 8, 2010; and

23
24 WHEREAS, on September 30, 2010 the County Board of Supervisors approved
25 Resolution File No. 10-331 that authorized the extension of Mr. Martin's TAHC until
26 December 17, 2010 or until the confirmation of a permanent Chief Information Officer,
27 whichever occurs first; and

28
29 WHEREAS, Mr. Martin continues to serve through a TAHC as the Interim IT Director
30 – Governance while Ms. Laurie Panella is on a TAHC as the Interim Chief Information
31 Officer (CIO); and

32
33 WHEREAS, it is necessary to extend Mr. Martin's TAHC to ensure continuity of
34 critical business operations within IMSD;

35
36 now, therefore,

37
38 BE IT RESOLVED, that Mr. James Martin shall continue to serve through a TAHC as
39 the Interim IT Director – Governance under the direction of Ms. Laurie Panella, Interim
40 Chief Information Officer (CIO) until the confirmation of a permanent CIO occurs.

41 **FISCAL NOTE:** Adoption of this resolution has no fiscal effect.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 11/30/10

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: REQUEST TAHC AUTHORIZATION FOR THE POSITION OF IT DIRECTOR - GOVERNANCE IN THE INFORMATION MANAGEMENT SERVICES DIVISION (IMSD)

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input checked="" type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. ¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.
 - A. Approval of this resolution authorizes the existing TAHC for Mr. James Martin to continue serving as the Interim IT Director – Governance within the Information Management Services Division (IMSD) until the confirmation of a permanent Chief Information Officer (CIO) occurs.
 - B. The cost related to the proposed TAHC is \$3,572 for a 90 day period. That cost is absorbed into IMSD's budget and is offset by salary savings from vacant positions, including the funded and vacant position of IT Director – Governance. Therefore, the proposed TAHC has no direct fiscal impact.
 - C. No fiscal impacts are anticipated for current or the subsequent fiscal year. See above.
 - D. It is assumed that this position needs to be filled to ensure critical business continuity within the IMSD.

Department/Prepared By IMSD - Laurie Panella

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

COUNTY OF MILWAUKEE
DAS-Division of Human Resources
Inter-office Communication

DATE : December 2, 2010

TO : Lee Holloway, Chairman, Milwaukee County Board of Supervisors

FROM : Candace M. Richards, Interim Director, Division of Human Resources
Candace M. Richards

SUBJECT: **Proposed Resolution Regarding Extension of TAHC
Assignment for Gary Waszak**

Issue:

A request is being made to seek an extension of the Temporary Assignment To A Higher Classification (TAHC) for Mr. Gary Waszak, currently serving in the position of Chief of Operations (Facilities Director).

Background:

Mr. Waszak has been serving in a TAHC for the position of Chief of Operations (Facilities Director) since May 17, 2010. The TAHC has been extended once, per the approval of the Director of Human Resources. The previous incumbent was promoted and had been on a TAHC prior to that promotion. Per C.G.O, 17.085, the County Board must approve any additional TAHC extensions.

Recommendation:

To ensure the continuity of the day-to-day activities of the Facilities Management Division, I am asking that the attached resolution be referred to the Personnel Committee and the County Board for approval to extend Mr. Gary Waszak's TAHC until such time as the Chief of Operations position is filled. This extension will provide the necessary time to recruit, interview and select the best possible candidate to fill the position on a permanent basis.

CMR:hmf

Attachments

Cc: County Executive Scott Walker
Thomas Nardelli, Chief of Staff, County Executive's Office
Terry Cooley, Chief of Staff, County Board of Supervisors
Cynthia Archer, Director, DAS
Supervisor Patricia Jursik, Chairman, Personnel Committee
Rick Ceschin, Senior Research Analyst, County Board
Jodi Mapp, Committee Clerk

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3
4 (ITEM) From the Director of Administrative Services – Human Resources,
5 recommending adoption of the following:
6

7 **A RESOLUTION**
8

9 WHEREAS, Temporary Assignment to a Higher Classification (TAHC) are
10 authorized for non-represented employees in C.G.O. 17.085; and
11

12 WHEREAS, C.G.O. 17.085 states that employees in the classified and non-
13 classified service may receive a temporary assignment to a vacant unclassified position
14 for ninety (90) days or less with one (1) extension of ninety (90) days or less with the
15 extension provision pursuant to approval by the Human Resources Director; and
16

17 WHEREAS, C.G.O. 17.085 states that any further extensions must be approved
18 by the County Board; and
19

20 WHEREAS, the position of Division of Facilities Management (Chief of
21 Operations) has been permanently vacant since June 24, 2010; and
22

23 WHEREAS, in order to administer the day-to-day operations of the Division of
24 Facilities Management, the duties, responsibilities, and authority of the position of the
25 Chief of Operations have been assumed via TAHC authorization by Mr. Gary Waszak
26 since May 17, 2010 due to a temporary assignment of the previous incumbent; and
27

28 WHEREAS, the duties, responsibilities, and authority of the Chief of Operations
29 shall revert to the County Executive’s candidate for the Chief of Operations upon
30 confirmation of the candidate by the Milwaukee County Board, now, therefore,
31

32 BE IT RESOLVED, that prior to the County Board confirmation of the County
33 Executive’s candidate to the Chief of Operations position, Mr. Gary Waszak shall
34 maintain a TAHC status for the Chief of Operations position; and
35

36 BE IT FURTHER RESOLVED, that upon County Board confirmation of the
37 County Executive’s candidate to the Chief of Operations position, Mr. Gary Waszak shall
38 no longer maintain his existing TAHC status for the Chief of Operations position.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 12/2/10

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: REQUEST TAHC AUTHORIZATION FOR THE POSITION OF THE CHIEF OF OPERATIONS - FACILITIES MANAGEMENT.

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input checked="" type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. Approval of this resolution authorizes an extension of the TAHC for Mr. Gary Waszak to continue until the Chief of Operations position is successfully recruited. Approval of the County Executive's candidate is subject to approval by the County Board.

B. There are no direct costs or savings due to the fact that the Chief of Operations position is authorized and funded in the 2010 Adopted Budget. Therefore, temporarily assigning an employee to the position via TAHC status or permanently filling the position has no fiscal effect.

C. No fiscal impacts are anticipated for the current or subsequent fiscal year. See above.

D. As the Chief of Operations position administers the day-to-day activities of the Division, it is assumed that this position would need to be filled throughout the year.

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

Department/Prepared By DTPW, Anthony Geiger

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

COUNTY OF MILWAUKEE
DAS-Division of Human Resources
INTER-OFFICE COMMUNICATION

DATE : December 6, 2010

TO : Supervisor Patricia Jursik, Chair, Personnel Committee

FROM : Candace Richards, Interim Director, DAS - Division of Human Resources
Prepared by: Candace Richards & Sue Drummond, Payroll Manager

Candace M. Richards

SUBJECT: **Overtime Paid to Non-Represented FLSA Exempt Employees**

Issue

Milwaukee County Code Section 17.16 governs overtime compensation for non-represented employees. As amended in November of 2009, the Code states that non-represented employees that are exempt from the requirements of the Fair Labor Standards Act (FLSA), other than ECP employees, shall be compensated for overtime for all hours worked in excess of forty hours in a week on a straight time basis and may only liquidate accrued overtime as compensatory time off. Exceptions may be approved by the Director of Human Resources, allowing these employees to be paid for accrued overtime rather than receive compensatory time off.

The Code requires the Director of Human Resources to provide the Personnel Committee with quarterly reports of all overtime paid to non-represented employees that are FLSA exempt.

Background

The FLSA is the federal regulation regarding minimum wage and overtime compensation. Employees of public agencies are subject to the FLSA. Employees are presumed to be covered by the FLSA unless they meet certain specific conditions exempting them. The primary exemption that applies to County employees concerns executive, administrative, professional and some computer capacities.

In November of 2009, Milwaukee County amended Section 17.16(1)(b) of the County Code, which governs overtime compensation for non-represented employees, as follows:

- Non-exempt employees: Employees holding positions which are non-exempt from the FLSA shall receive time and one-half for all hours worked over forty (40) hours per week.
- Exempt employees: Employees holding a position exempt from the FLSA who are not in an executive classification shall be compensated for overtime for all hours worked in excess of forty hours in a week on a straight time basis and may only liquidate accrued overtime as compensatory time off unless approved by the Director of Human Resources.

In March of 2010, the Board received a report from the Director of Human Resources presenting a consultant study of non-represented classifications. That study found that four classifications, which had been classified as exempt from the FLSA, should actually be classified as non-exempt. In the December 6, 2010

reverse, the consultant found 45 classifications that had been deemed non-exempt that should instead be classified as exempt from the FLSA.

Pursuant to Milwaukee County Board Resolution and Ordinance, the following table summarizes overtime compensation paid to non-represented and FLSA exempt employees for pay period 3, January 10, 2010 through pay period 24, November13, 2010.

	PPE 06/26/10	PPE 08/21/10	PPE 11/13/10
Number of employees that accrued overtime	131	130	139
Total number of employees paid overtime	32	25	28
Hours of overtime accrued	3450	5309	7390.5
Hours of overtime paid out	914	1085	1954.8
Total overtime paid out	\$46,868	\$56,503	\$85,715.0

Central Payroll, with the assistance of Human Resources, will continue to monitor requests for overtime payment to ensure that the pay policy is consistent with the County Code.

Recommendation

This report is informational only.

- cc: Cynthia Archer, DAS Director
- Tom Nardelli, County Executive Chief of Staff
- Jerry Heer, County Auditor
- Scott Manske, Controller
- Mary Ann Grimes, Corporation Counsel

County of Milwaukee
DAS-Division of Human Resources
INTER-OFFICE COMMUNICATION

DATE: December 2, 2010
TO: Supervisor Patricia Jursik, Chairperson, Personnel Committee
FROM: Candace Richards, Interim Director, DHR *Candace Richards*
SUBJECT: **Tentative Action Plan** (Pending Multiple Retirements)

Supervisor Jursik, in response to your inquiry concerning the Division of Human Resources plan in the event Milwaukee County faces high vacancies due to retirements during the first quarter of 2011, I met internally with the Employment & Staffing Manager and the lead HR Analyst and developed the following action plan:

- 1) In cooperation with the ERS Division, monitor the number of employees, by department and classification, which have scheduled retirement appointments for Dec. 2010 – March 2011. As of 12/2/10, employees with scheduled appointments are as follows: December (45), January (26), February (14), and March (4).
- 2) Determine those positions that will be considered "critical fills", i.e., positions having county-wide impact, as well as classifications with multiple scheduled appointments.
- 3) Based on positions that have been determined as critical fills, DHR will work with the Department Director and/or field HR staff on prioritizing recruitment efforts by department.

DHR Staffing Needs:

- 4) DHR will fill vacant HR Analyst position as soon as administratively possible.
- 5) Field HR staff to assist in the recruitment effort for positions unique to their Departments. (Larger departments have HR staff that is trained in preparing job announcements, candidate qualifiers, etc.)
- 6) DHR may need approval to hire temporary staff personnel, proficient in Ceridian (CRS), to open, post and monitor positions within the system, as well as respond to routine inquiries from internal and external applicants.

The above is a very basic response to your inquiry, and subject to revision as conditions change.

CR:hf

Cc: Cynthia Archer, Director, DAS
Patricia Perry-Wright, Employment & Staffing Manager-DHR
James Tate, HR Analyst

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

DATE : November 29, 2010
TO : County Executive Scott Walker
FROM : County Board Chairman Lee Holloway
SUBJECT : **Plans for Issuing Notices for Layoffs and Furloughs for 2011**

Now that the 2011 County Budget has been adopted in final form, I would like to look to the immediate future with regard to implementation of the Budget. As you know, the 2011 Budget as adopted contemplates a number of labor concessions. If these are not achieved, the Budget identifies the need for layoffs and furlough days. As finally adopted, the Budget assumes that, if labor contracts are not settled, there will need to be issued approximately 65 layoffs at the beginning of the year and 26 furlough days.

Given the need to provide proper notice of layoffs and advance notice of furlough days to departments for managing staffing schedules, I expect you will need to provide these notices by early December at the latest.

For transition purposes, could you please let me know what your timetable is for issuing layoff notices and furlough days for 2011? These are important matters for us to know as we begin plans for implementing the 2011 Milwaukee County Budget. Thank you for your cooperation.



Lee Holloway
Chairman, County Board

SMZ
 11/30/2010
 Version 2
 2000 - 2009 Retirees - Members
 Last 10 Years

Source: 2000 - 2009 Annual Report of the Pension Board as of 12/31/each year

		(A) Retirees and Beneficiaries Receiving <u>Benefits</u>	(B) Vested and Terminated Employees not yet Receiving <u>Benefits</u>	(C = A+B) Retirees + Terminated <u>Total</u>	(D) Current <u>Employees</u>	(E = C+D) Grand <u>Total</u>
	<u>Year</u>					
1	2000	6,553	1,304	7,857	6,318	14,175
2	2001	6,512	1,347	7,859	6,077	13,936
3	2002	6,678	1,484	8,162	5,793	13,955
4	2003	6,698	1,556	8,254	5,465	13,719
5	2004	7,183	1,546	8,729	4,980	13,709
6	2005	7,275	1,399	8,674	5,056	13,730
7	2006	7,299	1,404	8,703	4,898	13,601
8	2007	7,321	1,385	8,706	4,814	13,520
9	2008	7,308	1,397	8,705	4,837	13,542
10	2009	7,292	1,659	8,951	4,808	13,759

COUNTY OF MILWAUKEE
Behavioral Health Division Administration
INTER-OFFICE COMMUNICATION

14

DATE: November 17, 2010

TO: Lee Holloway, Chairman – Milwaukee County Board of Supervisors

FROM: Geri Lyday, Interim Director, Department of Health & Human Services

SUBJECT: **FROM THE INTERIM DIRECTOR, DEPARTMENT OF HEALTH AND HUMAN SERVICES, AN INFORMATIONAL REPORT REFLECTING THE NUMBER OF PSYCHOLOGY DEPARTMENT POSITIONS EMPLOYED AT THE BEHAVIORAL HEALTH DIVISION, BUDGETED CAPACITY AND SALARY COMPARISION OF MILWAUKEE COUNTY VS. INDUSTRY TREND**

Background

The Behavioral Health Division (BHD) faces numerous challenges resulting in significant barriers for recruitment and retention of medical staff as indicated in the October 11, 2010 report to the Committee on Personnel. This report focuses on the Behavioral Health Division Psychology Department and issues related to vacancies, requirements, retention and turnover. Similar to psychiatrists, the same complicating factors exist for psychologists such as increasing demand for inpatient care and individuals seeking psychiatric crisis treatment; difficulty recruiting professional and executive-level personnel; cuts in state and federal Medicaid and Medicare funding; and competition with the private-sector market place.

Recruitment efforts remain a high priority for the Behavioral Health Division. Psychologists hold key leadership positions at BHD and perform patient care treatment and program director roles on Acute Adult Inpatient and various other branches. Over the past 10 years, 17 psychology positions have been vacated and nine have been filled. This report highlights the current issues related to recruitment and retention of staff psychologists between January 1, 2005 and October 1, 2010.

2010 Budget

The 2010 adopted budget provides a total of **18 doctoral level psychologists and 1.5 Master's level psychologist positions**. There are currently four vacant positions BHD is actively recruiting. Psychology positions provide coverage for Acute Adult and Child and Adolescent Inpatient, nursing home, Hilltop, Community Services Branch (SAIL), Day Treatment, and the Psychiatric Crisis Center (PCS).

Industry Trends

According to the 2009 American Psychological Association (APA) study there are vast differences among the salaries of psychologists working in direct human services positions at a Doctoral level. Table One demonstrates the salary differences based on an APA survey of almost 4,000 psychologists working in the human services field. For the purpose of this report, the following employment settings are summarized: city/county/ state psychiatric hospitals, VA medical centers, community mental health centers, state government agencies and local government agencies. This study also considers experience level as a factor in compensation ranges calculations. Table Two compares salaries of BHD to that of the Federal Veterans Administration.

TABLE ONE

Setting and Experience	Median Compensation	Mean Compensation
<i>City/County/ State Psychiatric Hospital</i>		
20-24 years	\$66,000	\$67,860
25-29 years	\$74,564	\$78,834
<i>VA Medical Centers</i>		
20-24 years	\$104,000	\$99,556
25-29 years	\$106,424	\$109,865
<i>State Government Agency</i>		
15-19 years	\$81,000	\$84,400
<i>Local Government Agency</i>		
20-24 years	\$88,000	\$85,940
30 plus years	\$93,000	\$90,517
<i>Community Mental Health Center</i>		
25-29 years	\$72,500	\$90,488
30 plus years	\$75,132	\$75,809

**Summarized from the 2009 APA Salary Study*

Table Two outlines a compensation comparison between the Federal Veterans Administration and Milwaukee County Behavioral Health Division. This table further defines salary ranges by specific employment classification that takes into consideration duty and level of authority within an organization. This data comparison also suggests that there is a significant difference in the compensation ranges offered by the VA and by Milwaukee County BHD.

TABLE TWO **Salary Range**

BHD Clinical Psychologist I (Pay Range 25)	\$47,465	\$53,955
VA Psychologist Grade II	\$59,389	\$77,203
BHD Clinical Psychologist III (Pay Range 31)	\$63,273	\$75,342
VA Psychologist Grade 13	\$84,647	\$110,040
BHD Clinical Program Director-Psychology	\$67,516	\$80,415
VA Psychologist Grade 14	\$100,000	\$130,033
BHD Chief Psychologist	\$75,857	\$112,000
VA Chief Psychologist	\$117,661	\$152,960

**Summarized from the 2010 U.S. Office of Personnel Management and BHD Department of Human Resources Data.*

The above two sets of data may suggest that one barrier to recruitment and retention of psychologists is competitive compensation within the industry. The Milwaukee Clement Psychology Department consists of 46 doctoral level positions and is recruiting for six positions with a top compensation range that is \$49,618 above BHD's.

Recruitment and Retention

- Since June 2005, BHD successfully recruited and **appointed three Clinical Psychologists**. This included one Clinical Psychologist Program Director (Attending) for Acute Adult Inpatient, two Clinical Psychologists III for Psychiatric Crisis Services.
- Since January 2005, there has been six **Clinical Psychologists of various functions separated** from BHD. This includes three Clinical Psychologist Program Directors (Attending) for the Acute Adult Inpatient Service, one Chief Psychologist and two Clinical Psychologists.
- Currently there are **four vacancies** within the BHD Psychology Department. These include one Clinical Program Director and three Clinical Psychologist III. This can hinder retention since the remaining psychologists have to cover for these vacancies.

While recruitment and retention remains a high priority at BHD for licensed clinical staff, there continues to be a **20% vacancy rate in the Psychology Department**. There are several causal factors that could be affecting the Psychology Department at BHD's ability to recruit licensed professionals.

- Recruitment and retention of psychologists by BHD is directly impacted by local and state level competitors such as Aurora Healthcare, the VA Medical Center, Wheaton Franciscan Healthcare, Rogers Memorial Hospital, the Medical College of Wisconsin and

the State of Illinois. In the past five years, BHD has lost current licensed staff and potential staff to these facilities as well as to facilities in other nearby midwest states.

- In 2002, BHD APA Accredited Predoctoral Clinical Psychology Internship Program, one of the most sought after in the nation, was voluntarily placed on inactive status due to: the decrease in the number of programs provided by BHD limited the number of clinical rotations that were available to interns; decrease in the number of available psychologists in the department to train interns; and challenges with recruitment.
- Data in this report suggests that BHD compensation range for psychologists has not kept pace with the local market and recruiting the same candidates.

Policy Considerations

Below are potential policy changes that Milwaukee County could consider to enhance recruitment and retention efforts of psychologists at BHD. Each option would require a comprehensive compensation package review including both salary and benefits by Milwaukee County Department of Human Resources.

- Study converting psychologists from an hourly compensation plan to a salaried compensation plan.
- Adjust total compensation plans for psychologists, physicians and medical directors to be commensurate with total compensation plans in the current market place.

Recommendation

This is an informational report. No action is necessary.

Respectfully Submitted:



Gerri Lyday, Interim Director
Department of Health and Human Services

Attachments

cc: County Executive Scott Walker
Cindy Archer, Director – DAS
Allison Rozek, Analyst – DAS

Jennifer Collins, Analyst – County Board
Jodi Mapp, Committee Clerk – County Board

COUNTY OF MILWAUKEE
DAS – Division of Employee Benefits
 INTER-OFFICE COMMUNICATION

DATE : December 1, 2010

TO : Supervisor Patricia Jursik, Chairperson, Personnel Committee

FROM : David Arena, Director of Employee Benefits-DAS 

SUBJECT : **Mental Health/Substance Abuse Coverage Move to the PPO Under UnitedHealthCare for the 2011 Plan Year – Informational Only**

Mental Health Financing and Administration

For many years, Milwaukee County has contracted with MHN to provide carved out, fully-insured Mental Health and Substance Abuse coverage for the County's PPO plan, and EAP services for the entire active group. EAP services will be discussed in a separate memo. Prior to the advent of more sophisticated managed care, mental health services were deemed to need specialized management are not part of the medical mainstream.

The MHN plan, historically, has not been a financially advantageous contract for the County. But, due to much more significant issues (e.g., change in WPS funding strategy, transition to UHC, etc.), this was not addressed until late 2009. At that time, the Benefits Division successfully negotiated a 45% decrease in fees for the 2010 renewal, and required MHN to provide greater transparency in claims cost reporting. The release of claims information revealed an administrative fee/retention rate in excess of 30% of premiums collected. (Prior to the rate reduction, MHN had a margin in excess of 75% of premiums in 2009).

For 2011, MHN proposed rate increases around 6% across all groups. However, the review of YTD claims still indicated that even after absorbing a more aggressive trend assumption than indicated by MHN's underwriters, the administrative/retention costs accounted for approximately 22% of premiums paid. Benefits had this reviewed by Branden Elsner and Patrick Iannetti of Cambridge Advisory Group and both concurred with the Benefits Division's assessment that *an increase in premiums was not supported by the claims experience and anticipated trend*. We notified MHN that we would only be willing to renew at the current premium rates, which MHN declined to do.

The alternative to MHN is to self-fund the mental health/substance abuse through UnitedHealthCare, as we are already doing for the HMO plan. The proposed MHN rates are \$9.59 PEPM for the retirees and \$11.33 PEPM for the actives. This gives a total premiums related to MH/SA services for the PPO of approximately \$620,000. By comparison, consolidating services under UHC would incur an additional \$195,000 in administrative fees plus claims expense anticipated to be around \$400,000 (based on 2010 claims).

December 1, 2010
Supervisor Patricia Jursik, Chairperson, Personnel Committee
**Mental Health/Substance Abuse Coverage Move to the
PPO Under UnitedHealthCare for the 2011 Plan Year**
Page 2

The UHC claims estimate, however, have not been adjusted to reflect deeper discounts that are likely to be realized under their provider agreements. Also, to maintain an "apples to apples" comparison, no adjustments have been made to either plan for changes to the mental health parity rules required under healthcare reform.

From a purely financial standpoint, there is only a modest direct savings to the County from this proposed change. However, the move to UHC also gives us a uniform approach across both plans that is consistent with the County's strategic decision to self-fund and provides the flexibility to adjust for anticipated parity changes and the cost transparency that we have been lacking from MHN. And, finally, from an administrative standpoint it will improve DBE compliance and reconciling enrollment with County records.

Benefits Division Recommendation

For the reasons listed above, we recommend moving the Mental Health/Substance Abuse coverage for the PPO under UnitedHealthCare for the 2011 plan year.

Cc: County Executive Scott Walker
Chairman Lee Holloway, County Board of Supervisors
Supervisor Elizabeth Coggs, Finance & Audit Committee
Thomas Nardelli, Chief of Staff, County Executive's Office
Cynthia Archer, Director of Administrative Services
Steven Kreklow, Fiscal & Budget Administrator
Tim Schoewe, Corporation Counsel
Greg Gracz, Director of Labor Relations
Rick Ceschin, Senior Research Analyst, County Board
Steve Cady, Fiscal and Budget Analyst, County Board
Jodi Mapp, Personnel Committee Clerk
Stuart Piltch, Cambridge Advisory Services

COUNTY OF MILWAUKEE
DAS – Division of Employee Benefits
 INTER-OFFICE COMMUNICATION

DATE : November 30, 2010

TO : Chairman Lee Holloway, County Board of Supervisors

FROM : David Arena, Director of Employee Benefits-DAS 

SUBJECT : **Report from the Director of Employee Benefits Requesting
 Authorization For Replacement of the EAP Services**

Background

The expiring MHN contract included provisions for Employee Assistance Plan (EAP) services. MHN proposed an EAP rate of \$1.16 per employee per month (PEPM), if included with their Mental Health Substance Abuse services contract for 2011. The Benefits Division requested a stand-alone EAP quote, which MHN declined to provide. Moving the Mental Health Substance Abuse services under UnitedHealthCare (UHC), necessitates the replacement of the EAP services previously included in MHN's Mental Health/Substance Abuse contract.

EAP Plan Design and Medical Integration

Milwaukee County's current EAP Model is a semi-integrated, three visit service model that allows for three clinical visits per person, per issue, per year in addition to providing unlimited telephonic consultations. It is "integrated" in that if a PPO participant incurs a clinical visit by accessing either the EAP or the medical plan, it is paid for under the EAP, up to the three-visit limit. This ensures that the EAP benefit we are already paying for is utilized before the County incurs expenses as medical claims. The current plan is only semi-integrated because MHN does not administer mental health claims for the HMO, where claims by the EAP are not picked up by the HMO.

Quality EAP vendors are plentiful and can be replaced via a request for proposal; however, there is a strategic advantages to integrating the EAP with the medical plan. An integrated EAP provides for better continuity of care and can absorb costs that would otherwise be incurred under the medical plan by ensuring application of the EAP benefit first. The only avenues to fully integrate our EAP would be to carve out our Mental Health/Substance Abuse coverage from both the HMO and PPO, or to place the EAP services with UHC, our current medical claims administrator. To take advantage of the synergy provided by integrating the EAP with our medical claims administrator, we've asked UHC for a fully integrated EAP proposal.

UnitedHealthCare Proposal

UHC's final EAP proposal is for \$1.33 PEPM for base services. This follows the current coverage model and includes 15 hours of on-site training (i.e. manager training for mandatory referrals) and critical incident response (e.g. counseling for affected Parks personnel following

November 30, 2010

Chairman Lee Holloway, County Board of Supervisors

**Report from the Director of Employee Benefits, Requesting
Authorization For Replacement of the EAP Services**

Page 2

the O'Donnell incident) time per year. We have the option of purchasing additional time on an as needed basis. The proposed EAP would not include telephonic counseling for child care and elder care issues or the concierge services that is built into the basic offering from MHN, however, these services are not very robust under MHN and have never been highly utilized. UHC has also proposed an optional upgrade to this basic plan. UHC offers a package of additional work/life services that include elder care and parenting support services, concierge services, educational resource referrals and chronic condition support. While not as critical as the core EAP services, this would keep the full range of services currently in the EAP in place and expanding upon them. It would also supplement the Disease Management program.

Cost Comparisons

Current MHN fees based on 2010 contract: \$63,000

The estimated annual costs of UHC's proposals are as follows (assumes 4,500 ee's):

1. UHC Base EAP services only: \$72,000
2. UHC Base plus work/life services: \$88,500

Although, this is not a new contract, amending the UHC contract to include EAP services would increase the overall value of UHC's contract. Consequently, this would increase UHC's DBE goal for 2011 by \$15,045 dollars (\$88,500 x 17%).

Recommendation

The Benefits Division recommends Option 2--contracting with UHC for the Base plus work/life for \$88, 500.

Attachments

- Cc: County Executive Scott Walker
Supervisor Elizabeth Coggs, Finance & Audit Committee
Supervisor Patricia Jursik, Personnel Committee
Thomas Nardelli, Chief of Staff, County Executive's Office
Cynthia Archer, Director of Administrative Services
Tim Schoewe, Corporation Counsel
Greg Gracz, Director of Labor Relations
Rick Ceschin, Senior Research Analyst, County Board
Steve Cady, Fiscal and Budget Analyst, County Board
Carol Mueller, Chief Committee Clerk
Jodi Mapp, Personnel Committee Clerk
Stuart Piltch, Cambridge Advisory Group

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4 (ITEM) From the Director, Division of Employee Benefits, requesting authorization to amend the
5 UnitedHealthCare contract to include EAP services effective January 1, 2011 through
6 December 31, 2011, by recommending adoption of the following:
7

8 **A RESOLUTION**
9

10 WHEREAS, Milwaukee County's existing Employee Assistance Program (EAP) service
11 provider contract expires at the end of 2010; and
12

13 WHEREAS, the current EAP model is integrated for our PPO medical plan but not for
14 the HMO medical plan; and
15

16 WHEREAS, an integrated model provides for better continuity of care while absorbing
17 costs that would otherwise be incurred under the medical plan by ensuring the application of
18 EAP benefits first; and
19

20 WHEREAS, the only avenue to fully integrate our EAP would be to either carve out our
21 EAP services from both medical options or to place EAP services with UnitedHealthCare (UHC)
22 our current medical claims administrator; and
23

24 WHEREAS, Milwaukee County requested a stand alone EAP contract with our current
25 provider who declined to provide one; and
26

27 WHEREAS, to take advantage of the synergy provided by integrating the EAP with our
28 medical claims administrator, UHC has provided a competitive quote to provide these services
29 on an integrated basis; now therefore
30

31 BE IT RESOLVED, that, the Director of Employee Benefits, Department of
32 Administrative Services, is hereby authorized to amend the UnitedHealthCare contract to
33 include EAP services by \$88,500 to cover the base cost of EAP services, along with additional
34 work/life services that include elder care and parenting support services, concierge services,
35 educational resource referrals and chronic condition support.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: November 30, 2010

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Request for authorization to enter into contract with UnitedHealthCare for EAP services for 2011.

FISCAL EFFECT:

- | | |
|---|--|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input checked="" type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input checked="" type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input checked="" type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure		\$88,500
	Revenue		
	Net Cost		
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

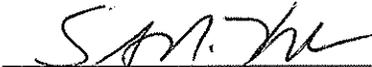
A) Approval of this request would enable the Division of Employee Benefits to contract with UnitedHealthCare to provide EAP services for the 2011 plan year.

B) There are no direct cost impacts to the 2010 budget.

C) There is no budgetary impact to the current year, aside from the time of existing staff. The 2011 budget proposal currently includes funding for EAP services. UHC's proposed contract anticipates premiums increasing by approximately \$25,500 from the 2010 costs. Based on 2010 enrollment, it is estimated that the total cost of coverage will be \$88,500 for 2011.

D) The estimated cost increase assumes the active employee headcount will remain similar to 2010. Significant changes to the number of active employees could positively or negatively impact the estimate.

Department/Prepared By Matthew Hanchek, Fiscal Benefits Manager

Authorized Signature 

Did DAS-Fiscal Staff Review? Yes No

COUNTY OF MILWAUKEE
 DAS-Division of Employee Benefits
 INTER-OFFICE COMMUNICATION

DATE: November 30, 2010

TO: Chairman Lee Holloway, County Board of Supervisors

FROM: David Arena, Director of Employee Benefits Division-DAS 

SUBJECT: Report from the Director, Employee Benefits Division,
 Regarding Stop Loss Coverage for Milwaukee County's Medical Plans

Issue/Background

Milwaukee County purchases stop-loss insurance as a means of mitigating the risk exposure of catastrophic medical claims incurred under the County's self-funded health plans. In terms of process, the stop loss component has been treated as an ancillary agreement to the total health care contract, as the health care contract controls the County's risk exposure related to excessive health care costs. Stop loss coverage is a separate component from the medical Third Party Administration (TPA) contract because it is a purchased insurance policy, as opposed to a professional service contract. Stop Loss policies are generally negotiated and written on an annual basis.

Historically, the market for stop loss insurance in general has been challenging. The County's stop loss policies have been no exception. In 2010 renewal process, UnitedHealthCare was the only firm to submit a quote for this coverage. Requests for competing bids from ING and IOA Re were declined.

The market for stop loss insurance continues to be difficult for 2011. Cambridge Advisory Group negotiated a renewal quote from UnitedHealthCare at the current \$300,000 deductible, at \$350,000, and at \$400,000. Cambridge also solicited competing bids from three firms: ING, Symetra, and IOA Re. Of the three alternative vendors, only ING was willing to submit a quote.

UHC's 2011 Options

\$300,000 Deductible:

- Maintains the current individual risk limit at \$300,000
- No external stop loss reporting fees
- \$16.89 per covered employee per month (Increase of \$387,000 over 2010 costs)
- No lifetime maximum

\$350,000 Deductible:

- Quoted rate of \$16.04 PEPM (\$103,000 below UHC's proposed \$300,000 deductible rate)
- Adjusts the County's risk exposure to keep pace with inflation

\$400,000 Deductible:

- Quoted rate of \$12.81 PEPM (\$496,000 below UHC's proposed \$300,000 deductible rate)
- Adjusts the County's risk exposure to keep pace with inflation

Alternative Quote from ING

\$300,000 Deductible:

- Maintains the current individual risk limit at \$300,000
- The quoted rate plus \$1.00 per employee per month external reporting fee results in total costs \$30,000 higher than the UHC bid (Increase of \$417,000 over 2010 costs).
- Lifetime maximum of \$2,000,000 per person. County is responsible for all claims thereafter.
- No coverage for claims incurred prior to 2011. (12/12 contract)

The Benefits Division and the Employee Health Care Workgroup evaluated all options and recommendations presented by Cambridge Advisory Group. While the Benefits Division and Workgroup support periodically increasing the stop loss threshold to adjust for inflation, the UHC rate quotes at a \$350,000 and a \$400,000 deductible do not provide sufficient premium savings to offset the increased claims risk to the County. The alternative quote from ING is not an attractive option based on the lack of savings presented and the additional risk assumed by the County with the \$2,000,000 lifetime maximum. Further, the 12/12 contract excludes all claims incurred but not reported or paid prior to 2011, exposing the County to potentially high claims risk.

The Benefits Division and the Employee Health Care Work Group agrees with Cambridge Advisory Group's assessment that the final proposed increase for a \$300,000 deductible is the County's best option given the relatively poor stop loss insurance market, the County's claims experience, and the demographics of the County's covered population. Consequently, The Benefits Division recommends approval for purchasing the stop loss insurance policy quoted by UnitedHealthCare with a \$300,000 deductible effective January 1, 2010. The total anticipated premium cost is \$2,055,000.

Attachments

Cc: County Executive Scott Walker
Supervisor Elizabeth Coggs, Finance & Audit Committee
Supervisor Patricia Jursik, Personnel Committee
Thomas Nardelli, Chief of Staff, County Executive's Office
Cynthia Archer, Director of Administrative Services
Tim Schoewe, Corporation Counsel
Greg Gracz, Director of Labor Relations
Rick Ceschin, Senior Research Analyst, County Board
Steve Cady, Fiscal and Budget Analyst, County Board
Carol Mueller, Chief Committee Clerk
Jodi Mapp, Personnel Committee Clerk
Stuart Piltch, Cambridge Advisory Group

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4 (ITEM) From the Director, Division of Employee Benefits, requesting authorization to purchase a
5 stop loss insurance policy from UnitedHealthCare for coverage effective January 1, 2011
6 through December 31, 2011, by recommending adoption of the following:

7
8
9 **A RESOLUTION**

10
11 WHEREAS, Milwaukee County provides self-funded coverage of medical claims
12 costs for eligible active employees and retirees; and

13
14 WHEREAS, Milwaukee County, purchases a stop loss insurance policy on an annual
15 basis to mitigate the financial risk of potential high-cost catastrophic claims that may be incurred
16 under the self-funded medical plan; and

17
18 WHEREAS, Cambridge Advisory Group on the County's behalf, requested multiple bids
19 from providers of stop loss coverage; and

20
21 WHEREAS, UnitedHealthCare, as the incumbent provider of stop loss coverage,
22 responded to the request for bids; and

23
24 WHEREAS, UnitedHealthCare's quoted rate was evaluated on cost, Milwaukee County's
25 claims history, the demographics of Milwaukee County's covered population, and the overall
26 market for similar stop loss insurance policies; and

27
28 WHEREAS, UnitedHealthCare's final negotiated rate quote, based on the criteria above,
29 was deemed by the Division of Employee Benefits, the Employee Health Care Workgroup, and
30 Cambridge Advisory Group to be a reasonable increase over the 2010 price; now, therefore

31
32 BE IT RESOLVED, that the Director, Division of Employee Benefits, Department of
33 Administrative Services, is hereby authorized to purchase a stop loss insurance policy from
34 UnitedHealthCare for coverage of Milwaukee County's medical insurance plans effective
35 January 1, 2011 continuing through December 31, 2011.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: November 30, 2010

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Request for authorization to purchase a stop loss insurance policy from UnitedHealthCare for coverage effective January 1, 2011 through December 31, 2011.

FISCAL EFFECT:

- | | |
|---|--|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input checked="" type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input checked="" type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input checked="" type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure		2,055,000
	Revenue		1,500,000
	Net Cost		555,000
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

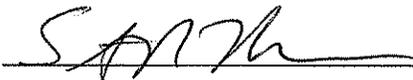
A) Approval of this request would enable the Division of Employee Benefits to purchase a stop loss insurance policy from UnitedHealthCare for coverage effective January 1, 2011 through December 31, 2011. The policy limits the County's individual risk to \$300,000 per individual.

B) The total premiums at current enrollment counts would be \$2,055,000. Based on typical experience, the County should receive estimated claims reimbursements of \$1,500,000 as a result of this policy.

C) The proposed rate is an increase of \$387,000 over the total premiums paid in 2010. Stop Loss premiums are budgeted as a part of the overall requested healthcare funding. Anticipated reimbursements of medical claims are also reflected in the overall health care costs as offsetting revenue. Any impact to the 2011 budget would be reflected in the overall healthcare costs. There is no other budgetary impact to the current year, aside from the time of existing staff.

D) The anticipated claims reimbursements will be contingent on the actual claims experience realized throughout 2011.

Department/Prepared By Matthew Hanchek, Fiscal Benefits Manager

Authorized Signature 

Did DAS-Fiscal Staff Review? Yes No

COUNTY OF MILWAUKEE
DAS – Division of Employee Benefits
 INTER-OFFICE COMMUNICATION

DATE : December 1, 2010

TO : Supervisor Patricia Jursik, Chairperson, Personnel Committee
 Supervisor Elizabeth Coggs, Chairperson, Finance & Audit Committee

FROM : David A. Arena, Director of Employee Benefits-DAS 

SUBJECT : **Informational Report from the Director, Employee Benefits Division,
 Regarding the Care Plus DMO Plan (No Action Required)**

Issue/Background

Milwaukee County has offered the Care Plus DMO as a dental option for all Milwaukee County employees for over 20 years. This fully insured DMO option is specifically identified in the AFSCME District Council 48 contract and is also offered to all other employees pursuant to code of general ordinances 17.14 (9). The current Care Plus contract approved by the County Board of Supervisors began January 1, 2010 and expires on December 31, 2012.

The current premiums are \$41.45 per covered employee per month (PEPM) for single coverage, \$118.15 for family coverage. The 3-year contract allows for renewals in 2011 and 2012 not to exceed an 8% increase over the prior year. The final proposed 2011 rates are \$42.64 PEPM for single coverage and \$121.52 PEPM for family. This is a 2.6% and 2.8%, respectively, increase over the 2010 rates. The renewal reflects the efforts made by Care Plus to contain costs and is reasonable based on utilization of this plan.

Care Plus is uniquely positioned as a provider of DMO services in the Milwaukee market. Care Plus has consistently provided dental inflation trends at or below the national inflation trends for DMO plans. Service issues under the Care Plus plan have been minimal. As such, the Division of Employee Benefits has accepted the renewal for 2011.

Disadvantaged Business Enterprise Participation

In 2010, the administrative component of this proposed contract was 5% of the overall value, or \$123,600. Consequently, the 17% participation goal for 2010 was set at \$21,000. This goal will be increased to \$21,600 for 2011 to reflect the changes to premiums resulting from this renewal.

Cc: County Executive Scott Walker
 Chairman Lee Holloway, County Board of Supervisors
 Thomas Nardelli, Chief of Staff, County Executive's Office
 Cynthia Archer, Director of Administrative Services
 Tim Schoewe, Corporation Counsel
 Greg Gracz, Director of Labor Relations
 Rick Ceschin, Senior Research Analyst, County Board
 Steve Cady, Fiscal and Budget Analyst, County Board
 Carol Mueller, Chief Committee Clerk
 Jodi Mapp, Personnel Committee Clerk

COUNTY OF MILWAUKEE
DAS – Division of Employee Benefits
 INTER-OFFICE COMMUNICATION

DATE : December 1, 2010

TO : Supervisor Patricia Jursik, Chairperson, Personnel Committee
 Supervisor Elizabeth Coggs, Chairperson, Finance & Audit Committee

FROM : David A. Arena, Director of Employee Benefits-DAS 

SUBJECT : **Informational Report from the Director, Employee Benefits Division,
 Regarding the Milwaukee County Conventional Dental Plan (No Action Required)**

Issue/Background

The Milwaukee County Conventional Dental Plan is administered under an administrative services contract with Humana Dental. The current Humana contract approved by the County Board of Supervisors covers the period from January 1, 2006 through December 31, 2009. However, the approved service contract also includes an automatic annual renewal clause allowing 1-year renewals not to exceed a 5% annual increase.

The current administrative service fee is \$3.20 per covered employee per month (PEPM). Humana has proposed increasing the rate by 3% to \$3.30 per covered employee per month through 2011 calendar year for the 2011 calendar year.

Based on our experience in this market, the administrative fees for this contract are competitive and reasonable. Dental inflation trend resulting from utilization under the conventional plan has also been well within expected ranges. Service issues have been minimal. As such, the Division of Employee Benefits intends to accept this renewal proposal for 2011.

Disadvantaged Business Enterprise Participation

The original agreement initiated in 2006 did not include language regarding Milwaukee County's Disadvantage Business Enterprise (DBE) program. Beginning in 2010, as a contingency for renewal, Humana has agreed to voluntarily comply with Milwaukee County's DBE goals. If a new contract is established, DBE provisions will be included.

Based on anticipated 2010 enrollment, the projected value of the one-year renewal is \$83,160 (\$3.30 PEPM x 12 months x 2100 anticipated enrolled employees). Consequently, Humana's 17% participation goal for compliance for 2010 would be \$14,137.

Cc: County Executive Scott Walker
 Chairman Lee Holloway, County Board of Supervisors
 Thomas Nardelli, Chief of Staff, County Executive's Office
 Cynthia Archer, Director of Administrative Services
 Tim Schoewe, Corporation Counsel
 Greg Gracz, Director of Labor Relations
 Rick Ceschin, Senior Research Analyst, County Board
 Steve Cady, Fiscal and Budget Analyst, County Board
 Carol Mueller, Chief Committee Clerk
 Jodi Mapp, Personnel Committee Clerk

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

Date: 12/1/2010

To: Lee Holloway, Chairman of the County Board of Supervisors

FROM: Steven R. Kreklow, Fiscal & Budget Administrator

SUBJECT: **Report from the Fiscal & Budget Administrator, regarding a contract amendment with Medco to add RationalMed**

Background

The 2011 budget included \$1.9 million in savings attributable to new pharmacy management rules and services based on recommendations by Cambridge Advisory Group. In order to achieve these savings additional rules will be implemented by Medco as well as two new services – a retrospective drug utilization review program (R-DUR) and an additional review program known as RationalMed.

Program Descriptions

The Utilization Management Bundle included in the County's pharmacy plan includes quantity level limitations on various medications based on clinical dispensing guidelines. Cambridge's recommendation is to apply standard clinical guidelines for dispensing two additional classes of prescriptions: hypnotic sleep aids and anti-nausea medications.

The Retrospective DUR is a clinical outreach program where pharmacists contact prescribing physicians regarding potentially more effective and appropriate treatment regimens.

Medco's RationalMed program incorporates integrating medical and mental health claims data with Medco's pharmacy data to enable a more detailed, informed discussion with the patient's attending physicians about their prescribing patterns.

These programs are designed to reduce unnecessary pharmaceutical and hospitalization costs.

Costs

Based on a proposal submitted by Medco, the additional cost for the improved pharmacy management will be \$85,300 for 2011. Cost are based on similar prescription drug utilization as experienced in 2010. Changes in utilization behavior or enrollment could change the total cost for this program.

Recommendation

The Department of Administrative Services (DAS) is recommending approval of a contract

addendum with Medco to add new pharmaceutical management rules and services in order to achieve the \$1.9 million (\$1.5 million in tax levy) budgeted savings in the 2011 Adopted County Budget. The addendum will add \$85,300 per year to the existing Medco contract, which includes an additional \$14,500 towards the annual DBE goal. Medco is compliant to date with their DBE commitment. Both of these components are necessary to achieve budgeted savings.



Steven R. Kreklow
Fiscal & Budget Administrator

Cc: County Executive Scott Walker
Supervisor Elizabeth Coggs, Finance & Audit Committee
Supervisor Patricia Jursik, Personnel Committee
Thomas Nardelli, Chief of Staff, County Executive's Office
Cynthia Archer, Director of Administrative Services
Tim Schoewe, Corporation Counsel
David Arena, Employee Benefits
Greg Gracz, Director of Labor Relations
Rick Ceschin, Senior Research Analyst, County Board
Steve Cady, Fiscal and Budget Analyst, County Board
Carol Mueller, Chief Committee Clerk
Jodi Mapp, Personnel Committee Clerk
Stuart Piltch, Cambridge Advisory Group

1
2
3 (ITEM) From the Director, Department of Administrative Services
4 recommending a contract addendum with Medco to add new
5 pharmaceutical management rules and services in order to achieve the
6 budgeted savings in the 2011 Adopted County Budget.
7

8 **A RESOLUTION**

9 WHEREAS, adopted as part of Org. 1950-Employee Fringe Benefits of
10 the adopted 2011 Budget, \$1.9 million in savings per year (\$1.5 million tax
11 levy savings) was attributable to improved pharmacy management, and

12 WHEREAS, in order to achieve these savings, additional rules and
13 services will be implemented by Milwaukee County's current pharmacy
14 management company, Medco, and

15 WHEREAS, standard clinical guidelines for dispensing two classes of
16 prescriptions (hypnotic sleep aids and anti-nausea medications) will be
17 added to the county's current utilization management bundle, and

18 WHEREAS, a retrospective drug utilization program, a clinical
19 outreach program where pharmacist contract prescribing physicians
20 regarding potentially more effective and appropriate treatment
21 regimens, will be added to the county's current pharmacy management
22 program, and
23

24 WHEREAS, Medco's RationalMed program that integrates medical
25 and mental health claims data with Medco's pharmacy data to enable a
26 more detailed, informed discussion with the patient's attending physicians
27 about their prescribing patterns will also be added to the county's current
28 pharmacy management program, and
29

30 WHEREAS, these programs are designed to reduce unnecessary
31 pharmaceutical and hospital costs; and
32

33 WHEREAS, administration fees for these program components will
34 cost the county an additional \$85,300;
35

36 THEREFORE BE IT RESOLVED, the pharmaceutical management initiative
37 authorized by the 2011 Adopted Budget will be added to the existing
38 Medco contract, increasing the annual Medco administration fee by a
39 maximum of \$85,300 per year.
40

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 12/1/10

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Pharmacy Management Initiative

FISCAL EFFECT:

- | | |
|---|--|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input checked="" type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input checked="" type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure		85,300
	Revenue		
	Net Cost		
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. The Department of Administrative Services (DAS) is requesting approval of a contract addendum with Medco to add new pharmaceutical management rules and services in order to achieve the \$1.9 million (\$1.5 million in tax levy) budgeted savings in the 2011 Adopted County Budget.

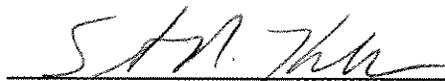
B. \$1.9 million (\$1.5 million in tax levy) in savings from decreased pharmaceutical and hospital costs is budgeted associated with this initiative. Savings are based on an estimate from the County's Healthcare Actuary. Cost are based on information provided by Medco. Additional administration costs associated with the Medco contract are estimated at \$85,300.

C. see above

D. 2011 costs and savings are based on full year implementation. Savings are estimated by the County's health care actuary. Cost and saving projections are based on similar prescription drug utilization as experienced in 2010. Changes in utilization behavior or enrollment could change the total cost and savings from this program.

Department/Prepared By Allison Rozek

Authorized Signature



Did DAS-Fiscal Staff Review?

Yes

No

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

**COUNTY OF MILWAUKEE
INTER-OFFICE COMMUNICATION**

Date: December 02, 2010
To: Supervisor Patricia Jursik, Chair, Committee on Personnel
From: Gregory L. Gracz, Director of Labor Relations
RE: Informational Report for December 10, 2010 Personnel Committee Meeting

Attached is an informational report listing all collateral agreements that have been signed and implemented from September 1, 2010 through November 30, 2010.

The collateral agreement report is provided in accordance with the provisions of Chapter 80.04 of the General Ordinances of Milwaukee County and may be included on the agenda of the December 10, 2010 Personnel Committee Meeting for informational purposes only.

Collateral Agreements Report
 Personnel Committee Meeting
 December 2, 2010

In accordance with the provisions of 80.04 of the County General Ordinances, and their respective labor agreements, the Director of Labor Relations is reporting the following collateral agreements.

Signed	Union	County Department	Subject	Details
09/28/10	Milwaukee District Council 48 AFSCME-Local 1654	Child Support Enforcement	Waiver of compensatory time for overtime	Child Support's Local 1654 employees will be paid for overtime in cash only, (no accrual of comp time off) beginning 10/1/10 through 12/31/11. Funding is contingent on State approval for use of ARRA funds, and any extension of Federal funding for 2011. Sunsets 1/1/12.
09/30/10	Association of Milwaukee County Attorneys	Child Support Enforcement	Waiver of compensatory time for overtime	Child Support's attorneys will be paid for overtime in cash only, (no accrual of comp time off) beginning 10/1/10 through 12/31/11. Funding is contingent on State approval for use of ARRA funds, and any extension of Federal funding for 2011. Sunsets 1/1/12.
10/12/10	Milwaukee District Council 48 AFSCME-Local 645	Child Support Enforcement	Waiver of compensatory time for overtime	Child Support's Local 645 employees will be paid for overtime in cash only, (no accrual of comp time off) beginning 10/12/10 through 12/31/11. Funding is contingent on State approval for use of ARRA funds, and any extension of Federal funding for 2011. Sunsets 1/1/12.

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

Date: 12/7/2010

To: Lee Holloway, Chairman of the County Board of Supervisors

FROM: Steven R. Kreklow, Fiscal & Budget Administrator

SUBJECT: **Report from the Fiscal & Budget Administrator, requesting to amend various sections of Chapter 17 and Chapter 201 of the Milwaukee County Code of General Ordinances as it pertains to wage, health, and pension benefits based on the provisions of the 2011 Adopted Budget and Wisconsin Act 218**

Background

The 2011 Adopted Budget includes savings associated with a series of changes to employee health, wage, and pension benefits. As stated in the Adopted Budget, ordinance changes must be brought before the County Board for approval prior to January 1, 2011 to effectuate these changes.

In addition to the changes identified in the 2011 Adopted Budget, the State of Wisconsin recently passed Wisconsin Act 218 which requires governmental self-insured plans in Wisconsin to comply with the mental health parity requirements imposed by Wisconsin law. These requirements closely track the federal mental health parity requirements. Based on the passage of this Act, the county needs to make mental health benefits under both 2011 health plans (PPO and HMO) on par with the benefits provided for other medical services (i.e. same co-pays, co-insurance, visit limitations, etc.).

To implement the changes recommended in the 2011 Adopted Budget and required by Wisconsin Act 218, amendments to various sections of Chapter 17 and Chapter 201 of the Milwaukee County Code of General Ordinance are necessary.

Issue

The 2011 Adopted Budget recommends the following actions with regards to employee health, wage, and pension benefits which would be effectuated by this resolution and ordinance change:

- Suspend all step increases for non-represented employees.

- Assume implementation of a new employee health care plan for non-represented employees and retirees. Major components of the new plan(s) are outlined in *Attachment #1*.
- Direct the county to establish Flexible Spending Accounts (FSA) for active and enrolled employees; active employees include non-represented employees, elected officials and active employees who are covered by a collective bargaining agreement that has adopted this ordinance. Pay \$500 for a single plan, \$1,000 family of 2 plan, and \$1,500 for family of 3 or more plan. Unused FSA money at year-end will flow back to the county.
- Suspend the wellness program and focus on disease management. Design an improved wellness program for 2012.
- Cease providing Medicare Part B premium reimbursements for employees not represented who begin receiving pension benefits from the Milwaukee County Employees Retirement System after April 1, 2011.
- Require non-represented employees and elected officials eligible for pension benefits (regardless of vesting status) to contribute two percent of their salaries on a pre-tax basis to the County's pension system beginning January 1, 2011. For non-represented employees (excluding elected officials and Board and Commission Members), this contribution will be increased to three percent and four percent of salary beginning June 12, 2011 and then beginning December 11, 2011, respectively.
- Provide non-represented employees (excluding elected officials) with a one-percent increase cost-of-living beginning on June 12, 2011 (pay period 14) and another one-percent increase on December 11, 2011 (pay period 1 of 2012).

By amending the appropriate ordinances, the changes detailed above will impact non-represented employees and certain retirees (as it relates to the healthcare plan design changes). The impact on represented employees and certain retiree groups is dependent on the labor relations process.

Pursuant to Section 201.24(8.17) of the MCGO, the proposed changes to Section 201 of the ordinances have been referred to the Pension Board for comment.

The Wisconsin Act 218 requires the following with regards to mental health benefits:

- For a group health benefit plan and a self-insured health plan that provides coverage of the treatment of nervous and mental disorders and alcoholism and other drug abuse problems, the plan may be no more restrictive for coverage of the treatment of nervous and mental disorders or alcoholism and other drug abuse problems than the most common or frequent type of treatment limitations applied to substantially all other coverage under the plan. The plan shall include in any overall deductible amount or annual or lifetime limit or out-of-pocket limit for the plan, expenses incurred for the treatment of nervous and mental disorders or alcoholism and other drug abuse problems.

Recommendation

The Department of Administrative Services (DAS) is recommending approval of the proposed amendment(s) to various sections of Chapters 17 and 201 of the Milwaukee County Code of General Ordinances regarding employee health, wage and pension benefits. The amendment(s) is necessary to both achieve budget savings and comply with state law.



Steven R. Kreklow
Fiscal and Budget Administrator

Cc: County Executive Scott Walker
Supervisor Elizabeth Coggs, Finance & Audit Committee
Supervisor Patricia Jursik, Personnel Committee
Thomas Nardelli, Chief of Staff, County Executive's Office
Terry Cooley, County Board Chief of Staff
Cynthia Archer, Director of Administrative Services
Tim Schoewe, Corporation Counsel
David Arena, Employee Benefits
Greg Gracz, Director of Labor Relations
Rick Ceschin, Senior Research Analyst, County Board
Steve Cady, Fiscal and Budget Analyst, County Board
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ATTACHMENT #1 -- 2011 Milwaukee County Health Care Plans

Benefit	2011			2011	
	Choice Plus Plan			Choice Plan	
	(PPO Comparable)			(HMO Comparable)	
Lifetime Maximum Benefit	Unlimited			Unlimited	
Annual Deductible		Preferred Providers:	All other providers:		Preferred Providers:
	Single	\$500	\$1,000	Single	\$500
	Family (2)	\$1,000	\$2,000	Family (2)	\$1,000
	Family (3+)	\$1,500	\$3,000	Family (3+)	\$1,500
Annual Out-Of-Pocket Limit (Includes deductible and coinsurance)	Single	\$2,500	\$5,000	Single	NA
	Family	\$5,000	\$7,500	Family	NA
		Preferred Providers:	All other providers:		Preferred Providers:
Coinsurance (unless otherwise stated)	90%		70%	100%	
Inpatient Services(1)	90% after deductible		70% after deductible	100% after \$100 copay	
Outpatient Services	90% after deductible		70% after deductible	100% after Deductible	
Maternity Services(2)	90% after deductible(6)		70% after deductible	100% after Deductible	
X-Ray and Lab Tests	90% after deductible		70% after deductible	100% after Deductible	
Emergency Room(3)	100% after \$150 copay (waived if admitted)		100% after \$150 copay (waived if admitted)	100% after \$150 copay (waived if admitted)	
Physician Office Visits	100% after \$30 copay		100% after \$60 copay	100% after \$20 copay	
Specialist Office Visits	100% after \$30 copay		100% after \$60 copay	100% after \$20 copay	
Routine Physical Exams (Physician Charges)	100%(7)		Not Covered	100%	
Well-Baby Care	100%		Not Covered	100%	
Immunizations	100%		100%(4)	100%	
Routine Vision & Hearing Exams(5)	100%		Not Covered	100%	
Chiropractic Care	100% after \$30 copay		100% after \$60 copay	100% after \$20 copay	
Mental Health / Substance Abuse	See Summary Plan Description			See Summary Plan Description	
Physical, Occupational, Speech, & Respiratory Therapy	90% after deductible		70% after deductible	Hospital: 100%	Office: 100% (60 office visits limit)
Durable Medical Equipment	50% up to a maximum of \$50 per item. 100% thereafter			50% up to a maximum of \$50 per item. 100% thereafter	
Prescription Drugs	Generic: \$5 copay Preferred Brand: \$30 Copayment Non-Preferred Brand: \$50 Copayment Diabetic covered Supplies : \$20 copay Mail Order Copay same as Retail Copay but for a 90 day supply. Mandatory mail require after 3rd refill.			Generic: \$5 copay Preferred Brand: \$30 Copayment Non-Preferred Brand: \$50 Copayment Diabetic covered Supplies : \$20 copay Mail Order Copay same as Retail Copay but for a 90 day supply. Mandatory mail required after 3rd refill.	

PPO Premium Employee Contributions			HMO Premium Employee Contributions	
Individual	Family		Individual	Family
\$75.00	\$150.00		\$75.00	\$150.00

PPO and HMO FSA Contributions**		
Individual	Family (2)	Family (3+)
\$500.00	\$1,000.00	\$1,500.00

**FSA Contributions are only for active employees.
 **Equal to respective deductibles of the HMO or in-network PPO

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3 (ITEM) From the Director, Department of Administrative Services
4 recommending adoption of a resolution/ordinance to amend various
5 sections of Chapter 17, add Section 201.24(3.11), and amend Sections
6 201.24(3.3), 201.24(11.1) and 201.24(12.2) of the Milwaukee County
7 General Ordinances (MCGO) as they pertains to wage, health, and
8 pension benefits based on the provisions of the 2011 Adopted County
9 Budget, by recommending adoption of the following:

10
11 **A RESOLUTION**

12 WHEREAS, due to the extraordinary fiscal environment confronting
13 Milwaukee County, the 2011 Adopted Budget anticipates significant
14 expenditure reductions and controls to be achieved through wage,
15 health and pension benefit modifications for all employees;

16 WHEREAS, adopted as part of Org. 1950-Employee Fringe Benefits
17 and Org 1972-Wage and Benefit Modification Account of the adopted
18 2011 Budget, several wage, health and pension modifications require
19 adoption of the following conforming ordinances to effectuate those
20 adopted changes for all employees and retirees not represented by a
21 collective bargaining agreement, and

22 WHEREAS, these wage, health and pension benefit modifications
23 will initially be applied only to non-represented employees and certain
24 retirees (healthcare changes only), and

25 WHEREAS, in addition to the wage, health, and pension
26 modifications specified by ordinance, the 2011 Adopted Budget required
27 and this resolution sets forth that non-represented employees (except
28 elected-officials and Board and Commission members) be provided a
29 one-percent cost-of-living increase on June 12, 2011 and another one-
30 percent increase on December 11, 2011; and

31 WHEREAS, new state legislation requiring mental health care parity
32 also necessitated changes to Milwaukee County's health care plan, and

33 WHEREAS, pursuant to Section 201.24(8.17) of the MCGO, the
34 proposed changes to Section 201 of the MCGO have been referred to
35 the Pension Board and the Pension Board has been given thirty (30) days
36 to comment upon the proposed changes, and

37 WHEREAS, the proposed changes have been referred to the
38 pension fund actuary whose actuarial analysis indicates the changes will
39 have no significant actuarial effect on the fund and will result in significant
40 contribution savings to the County, and

41 WHEREAS, the Pension Study Commission reviewed the pension fund
42 actuary's report on December 10, 2010 and has recommended the
43 County Board adopt (Vote X-X) the proposed changes to Section 201 of
44 the MCGO; now therefore

45 BE IT RESOLVED, that the Milwaukee County Board of Supervisors
46 hereby set forth that non-represented employees (except elected-officials
47 and Commission and Board members) be provided a one-percent cost-
48 of-living increase on June 12, 2011 and another one-percent increase on
49 December 1, 2011; and

50 BE IT FURTHER RESOLVED, that the Milwaukee County Board of
51 Supervisors hereby amends Sections 17.10, 17.14 and 201.24 of the
52 Milwaukee County Code of General Ordinances by adopting the
53 following:

54 **AN ORDINANCE**

55 The County Board of Supervisors of the County of Milwaukee does
56 ordain as follows:

57
58 **SECTION 1.** Section 17.10 of the General Ordinances of Milwaukee County
59 is amended as follows:

60
61 **17.10. Advancement within a pay range.**

62 ...

63 (5) From January 1, 2010 through December 31, 2011 ~~2010~~, notwithstanding
64 any other provisions of this code, incumbents of a position not
65 represented by a collective bargaining unit who would have received an
66 advance in the pay range upon the meritorious completion of two
67 thousand eighty (2,080) hours, shall be advanced to the next highest rate
68 of pay in the pay range provided for the classification only upon
69 meritorious completion of an additional ~~two~~ four thousand ~~eighty one~~
70 hundred and sixty ~~(2,080)~~(4,160) straight-time hours for full-time positions,
71 and a prorated fraction thereof for employees whose scheduled work
72 week is less than forty (40) hours or who began employment after January
73 1, 2010. The intent of this section is to temporarily suspend incremental
74 salary advancements for non-represented employes for 2010 and 2011,
75 consistent with the terms of the 2010 and 2011 Adopted Budgets.
76

77 **SECTION 2.** Section 17.14(7) of the General Ordinances of Milwaukee
78 County is amended as follows:
79

80 **7) Milwaukee County Group Health Benefit Program.**

81 (a) Health and dental benefits shall be provided for in
82 accordance with the terms and conditions of the current plan
83 document and the group administrative agreement for the
84 Milwaukee County Health Insurance Plan or under the terms and
85 conditions of the insurance contracts of a Managed Care
86 Organization (HMO) approved by the county.

87 (b) All health care provided shall be subject to utilization review.

88 (c) Eligible employees may choose health benefits for themselves
89 and their dependents under a preferred provider organization
90 (county health plan or PPO) or HMO approved by the county.

91 (d) Eligible employees enrolled in the PPO or HMO shall pay a
92 monthly amount toward the monthly cost of health insurance as
93 described below:

94 (1) Effective January ~~2010~~ 2011 employees enrolled in the
95 HMO comparable plan shall pay ~~fifty~~ seventy five dollars
96 ~~(\$50.00)~~ (\$75.00) per month toward the monthly cost of a
97 single plan and one hundred fifty dollars ~~(\$100.00)~~ (\$150.00)
98 per month toward the monthly cost of a family plan.

99 (2) Effective January ~~2010~~ 2011 employees enrolled in the
100 PPO comparable plan shall pay ~~ninety~~ seventy five dollars
101 ~~(\$90.00)~~ (\$75.00) per month toward the monthly cost of a
102 single plan and one hundred eighty five dollars ~~(\$180.00)~~
103 (\$150.00) per month toward the monthly cost of a family
104 plan.

105 (3) The appropriate payment shall be made through
106 payroll deductions. When there are not enough net earnings
107 to cover such a required contribution, and the employee
108 remains eligible to participate in a health care plan, the
109 employee must make the payment due within ten (10)
110 working days of the pay date such a contribution would
111 have been deducted. Failure to make such a payment will
112 cause the insurance coverage to be canceled effective the
113 first of the month for which the premium has not been paid.

114 (4) The county shall deduct employees' contributions to
115 health insurance on a pre-tax basis pursuant to a section 125
116 plan.

117 (5) The county shall establish and administer flexible
118 spending accounts (FSAs) for those employees who

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desire to pre-fund their health insurance costs as governed by IRS regulations. The county retains the right to select a third party administrator.

a. The County shall make an annual contribution to the FSA account of each active and enrolled eligible employee, who is not covered by the terms of a collective bargaining agreement, who is an elected official, or who is covered by a collective bargaining agreement that has adopted this ordinance. The contribution shall be equal to the in-network deductible applicable to employees enrolled under the PPO plan and the deductible for employees enrolled under the HMO plan, as both are defined under 17.14(7)(n). The contributions shall be subject to and in accordance with IRS regulations.

(e) In the event an employe who has exhausted accumulated sick leave is placed on leave of absence without pay status on account of illness, the county shall continue to pay the monthly cost or premium for the PPO or HMO chosen by the employe and in force at the time leave of absence without pay status is requested, if any, less the employe contribution during such leave for a period not to exceed one (1) year. The one-year period of limitation shall begin to run on the first day of the month following that during which the leave of absence begins. An employe must return to work for a period of sixty (60) calendar days with no absences for illness related to the original illness in order for a new one-year limitation period to commence.

(f) Where both husband and wife are employed by the county, either the husband or the wife shall be entitled to one (1) family plan. Further, if the husband elects to be the named insured, the wife shall be a dependent under the husband's plan, or if the wife elects to be the named insured, the husband shall be a dependent under the wife's plan. Should neither party make an election the county reserves the right to enroll the less senior employe in the plan of the more senior employe. Should one (1) spouse retire with health insurance coverage at no cost to the retiree, the employed spouse shall continue as a dependent on the retiree's policy, which shall be the dominant policy.

(g) Coverage of enrolled employes shall be in accordance with the monthly enrollment cycle administered by the county.

(h) Eligible employes may continue to apply to change their health plan to one (1) of the options available to employes on an annual basis. This open enrollment shall be held at a date to be

163 determined by the county and announced at least forty-five (45)
164 days in advance.

165 (i) The county shall have the right to require employes to sign an
166 authorization enabling non-county employes to audit medical and
167 dental records. Information obtained as a result of such audits shall
168 not be released to the county with employe names unless
169 necessary for billing, collection, or payment of claims.

170 (j) Amendments to the Public Health Service Act applies federal
171 government (COBRA) provisions regarding the continuation of
172 health insurance to municipal health plans. Milwaukee County, in
173 complying with these provisions, shall collect the full premium from
174 the insured, as allowed by law, in order to provide the continued
175 benefits.

176 (k) The county reserves the right to establish a network of
177 providers. The network shall consist of hospitals, physicians, and
178 other health care providers selected by the county. The county
179 reserves the right to add, modify or delete any and all providers
180 under the network.

181 (l) Upon the death of any retiree, only those survivors eligible for
182 health insurance benefits prior to such retiree's death shall retain
183 continued eligibility for the county group health benefit program.

184 (m) Employes hired prior to January 1, 1994, upon retirement shall
185 be allowed to continue in the county group health benefit
186 program and the county shall pay the full monthly cost of providing
187 such coverage, in accordance with chapter 17 of the General
188 Ordinances of the County of Milwaukee, section 17.14 and any
189 other applicable ordinance or section. To be eligible for this
190 benefit, an employe must have fifteen (15) years or more of
191 creditable service as a county employe. Employes hired on and
192 after January 1, 1994, may upon retirement opt to continue their
193 membership in the county group health benefit program upon
194 payment of the full monthly cost.

195 (n) All eligible employes enrolled in the PPO or HMO shall have a
196 deductible equal to the following:

197 (1) The in-network deductible for the PPO shall be five ~~two~~
198 hundred ~~fifty~~ dollars (~~\$250~~ 500.00) per insured, per calendar
199 year; one thousand dollars (\$1,000.00) for a two member
200 family, per calendar year; or one thousand five hundred
201 dollars (\$1,500.00) for a three member or more family, per
202 calendar year. ~~seven hundred fifty dollars (\$750.00) per~~
203 family, per calendar year.

204 (2) The out-of-network deductible for the PPO shall be one
205 thousand dollars (\$1,00.00) per insured, per calendar

206 year; two thousand (\$2,00.00) for a two member family,
207 per calendar year; or three thousand (\$3,000.00) for a
208 three member or more family, per calendar year, shall
209 be five hundred dollars (\$500.00) per insured, per
210 calendar year; one thousand five hundred dollars
211 (\$1,500.00) per family, per calendar year.

212 (3) The deductible for the HMO shall be five hundred dollars
213 (\$500.00) per insured, per calendar year; one thousand
214 dollars (\$1,000.00) for a two member family, per
215 calendar year; one thousand five hundred dollars
216 (\$1,500.00) for a three or more member family, per
217 calendar year.

218 (4) Co-payments do not apply towards meeting
219 deductibles for the HMO or PPO.

220 (o) All eligible employes and/or their dependents enrolled in the
221 PPO shall be subject to a ~~twenty dollar (\$20.00)~~ thirty dollar (\$30.00)
222 in-network office visit co-payment or a ~~forty dollar (\$40.00)~~ sixty
223 dollar (\$60.00) out-of-network office visit for all illness or injury
224 related office visits, including chiropractic visits. The in-network
225 office visit co-payment shall not apply to preventative care which
226 includes prenatal, baby wellness, and physicals, as determined by
227 the plan.

228 (p) All eligible employes and/or their dependents enrolled in the
229 PPO shall be subject to a co-insurance ~~co-payment~~ after
230 application of the deductible ~~and/or office visit co-payment~~.

231 (1) The in-network co-insurance ~~co-payment~~ shall be equal
232 to ten (10) percent of all charges subject to the applicable
233 out-of-pocket maximum.

234 (2) The out-of-network co-insurance ~~co-payment~~ shall be
235 equal to thirty (30) percent of all charges subject to the
236 applicable out-of-pocket maximum.

237 (3) Co-insurance does not apply to those services that
238 require a fixed amount co-payment.

239 (4) The in-network co-insurance shall not apply to
240 preventative care, as determined by the plan.

241 (q) All eligible employes enrolled in the PPO shall be subject to the
242 following out-of-pocket maximums ~~expenses~~ including any
243 applicable deductible and percent co-insurance ~~co-payments~~ to
244 a calendar year maximum of:

245 (1) Two thousand five hundred dollars (\$2,500.00) dollars
246 (\$2,000.00) in-network under a single plan.

- 247 (2) ~~Three~~ Five thousand five hundred dollars ~~(\$3,500.00)~~
 248 ~~(\$5,000.00)~~ in-network under a family plan.
- 249 (3) ~~Three~~ Five thousand five hundred dollars
 250 ~~(\$5,000.00)~~ ~~(\$3,500.00)~~ out-of-network under a single plan.
- 251 (4) ~~For the PPO, Six~~ seven thousand five hundred dollars
 252 ~~(\$6,000.00)~~ (\$7,500.00) out-of-network under a family plan.
- 253 (5) Office visit co-payments are not limited and do not
 254 count toward the calendar year out-of-pocket maximum(s).
- 255 (6) Charges that are over usual and customary do not
 256 count toward the calendar year out-of-pocket maximum(s).
- 257 (7) Prescription drug co-payments do not count toward the
 258 calendar year out-of-pocket maximum(s).
- 259 (8) Other medical benefits not described in (q)(5), (6), and
 260 (7) shall be paid by the health plan at one hundred (100)
 261 percent after the calendar year out-of-pocket maximum(s)
 262 has been satisfied.
- 263 (r) All eligible employees and/or their dependents enrolled in the
 264 PPO shall pay a one hundred and fifty dollar ~~(\$100.00)~~ (\$150.00)
 265 emergency room co-payment (facility only) in-network or out-of-
 266 network. The co-payment shall be waived if the employe and/or
 267 their dependents are admitted directly to the hospital from the
 268 emergency room. In-network and out-of-network deductibles and
 269 co-insurance percentages then apply.
- 270 (s) All eligible employees and/or their dependents enrolled in the
 271 PPO or HMO shall pay the following for a thirty (30) day prescription
 272 drug supply at a participating pharmacy:
- 273 (1) Five dollar (\$5.00) co-payment for all generic drugs.
- 274 (2) ~~Twenty~~ Thirty dollar ~~(\$20.00)~~ (\$30.00) co-payment for all
 275 brand name drugs on the formulary list.
- 276 (3) ~~Forty~~ Fifty dollar ~~(\$40.00)~~ (\$50.00) co-payment for all non-
 277 formulary brand name drugs.
- 278 (4) Non-legend drugs may be covered at the five dollar
 279 (\$5.00) generic co-payment level at the discretion of the
 280 plan.
- 281 (5) Twenty dollar (\$20.00) co-payment for all diabetic
 282 covered supplies.
- 283 (6) Mail order is mandatory for all maintenance drugs.
 284 There is no coverage for maintenance drugs filled at
 285 retail pharmacy after the third fill.

286 (7) Co-payments for mail order maintenance drugs is the
287 same as retail but for a 90-day supply.

288 (8) The plan shall determine all management protocols.

289 (t) All eligible employes and/or their dependents enrolled in the
290 HMO shall be subject to a ~~ten-dollar (\$10.00)~~ twenty dollar (\$20.00)
291 office visit co-payment for all illness or injury related office visits,
292 including chiropractic visits. The office visit co-payment shall not
293 apply to preventative care, as determined by the plan. ~~The county~~
294 ~~and/or the plan shall determine preventative care.~~

295 (u) All eligible employes and/or their dependents enrolled in the
296 HMO shall pay a one-hundred-dollar (\$100.00) co-payment for
297 each in-patient hospitalization. ~~There is a maximum of five (5) co-~~
298 ~~payments per person, per calendar year.~~

299 (v) All eligible employes and/or their dependents enrolled in the
300 PPO and/or HMO shall pay fifty (50) percent co-insurance on all
301 durable medical equipment to a maximum of fifty dollars (\$50.00)
302 per appliance or piece of equipment.

303 (w) All eligible employes and/or their dependents enrolled in the
304 HMO shall pay a ~~one hundred dollar (\$100.00)~~ one hundred and
305 fifty dollar (\$150.00) emergency room co-payment (facility only) in-
306 network or out-of-network. The co-payment shall be waived if the
307 employe and/or their dependents are admitted to the hospital
308 directly from the emergency room. Deductibles then apply.

309 (x) In accordance with Wisconsin Act 218 that was passed by the
310 State of Wisconsin in 2010, mental health care for all eligible
311 employes and/or their dependents shall be provided in the same
312 manner as regular health care as described in section 17.14(7). As
313 such, all co-payments, co-insurance, deductibles, and out-of-
314 pocket maximums shall apply accordingly. ~~The health plan benefits~~
315 ~~for all eligible employes and/or their dependents for the in-patient~~
316 ~~and out-patient treatment of mental and nervous disorders,~~
317 ~~alcohol and other drug abuse (AODA) are as follows:~~

318 (1) ~~If the employe and/or the dependent use an in-patient~~
319 ~~PPO facility, benefits are payable at eighty (80) percent of~~
320 ~~the contracted rate for thirty (30) days as long as the PPO~~
321 ~~approves both the medical necessity and appropriateness~~
322 ~~of such hospitalization.~~

323 (2) ~~If the employe and/or the dependent use a non-PPO~~
324 ~~facility, benefits are payable at fifty (50) percent of the~~
325 ~~contracted rate for a maximum of thirty (30) days. The~~
326 ~~hospitalization is still subject to utilization review for medical~~
327 ~~necessity and medical appropriateness.~~

328 ~~{3} The first two (2) visits of outpatient treatment by network~~
329 ~~providers will be reimbursed at one hundred (100) percent~~
330 ~~with no utilization review required. Up to twenty five (25)~~
331 ~~further visits for outpatient treatment when authorized by the~~
332 ~~PPO, will be reimbursed at ninety five (95) percent of the~~
333 ~~PPO contracted rate. In addition, when authorized by the~~
334 ~~PPO, up to thirty (30) days per calendar year, per insured, of~~
335 ~~day treatment or partial hospitalization shall be paid at~~
336 ~~ninety five (95) percent of the contracted rate for all~~
337 ~~authorized stays at PPO facilities.~~

338 ~~{4} The first fifteen (15) visits of out-patient treatment~~
339 ~~authorized by the PPO but not provided by a PPO provider~~
340 ~~shall be paid at fifty (50) percent of the contracted rate for~~
341 ~~all medically necessary and appropriate treatment as~~
342 ~~determined by the PPO. When authorized by the PPO, up to~~
343 ~~thirty (30) days per calendar year, per insured, of day~~
344 ~~treatment or partial hospitalization shall be paid at fifty (50)~~
345 ~~percent of the contracted rate for all authorized stays at~~
346 ~~non-PPO facilities.~~

347 (y) Each calendar year, the county shall pay a cash incentive of
348 five hundred dollars (\$500.00) per contract (single or family plan) to
349 each eligible employee who elects to dis-enroll or not to enroll in a
350 PPO or HMO. Any employee who is hired on and after January 1,
351 and who would be eligible to enroll in health insurance under the
352 present county guidelines who chooses not to enroll in a county
353 health plan shall also receive five hundred dollars (\$500.00). Proof
354 of coverage in a non-Milwaukee County group health insurance
355 plan must be provided in order to qualify for the five hundred
356 dollars (\$500.00) payment. Such proof shall consist of a current
357 health enrollment card.

358 (1) The five hundred dollars (\$500.00) shall be paid on an
359 after tax basis. When administratively possible, the county
360 may convert the five hundred dollars (\$500.00) payment to a
361 pre-tax credit which the employee may use as a credit
362 towards any employee benefit available within a flexible
363 benefits plan.

364 (2) The five hundred dollars (\$500.00) payment shall be paid
365 on an annual basis by payroll check no later than April 1 of
366 any given year to qualified employees on the county payroll
367 as of January 1. An employee who loses his/her non-county
368 health insurance coverage may elect to re-join the county
369 health plan. The employee would not be able to re-join an
370 HMO until the next open enrollment period. The five hundred
371 dollars (\$500.00) payment must be repaid in full to the
372 county prior to coverage commencing. Should an employee

373 re-join a health plan he/she would not be eligible to opt out
374 of the plan in a subsequent calendar year.

375 (z) The county shall implement a wellness and disease
376 management program with the following minimum components:

377 ~~1. Health risk appraisal (HRA) with biometrics and blood~~
378 ~~draw;~~

379 ~~2. Health coaching;~~

380 ~~3. Health care advocacy including a nurse care manager~~
381 ~~and 24-hour nurse line;~~

382 ~~4. Lifestyle management;~~

383 ~~5. Disease management.~~

384 ~~Eligible employees entitled to healthcare benefits, who are not~~
385 ~~represented by a collective bargaining unit, and their covered~~
386 ~~spouses, who participate in an annual health risk appraisal, shall~~
387 ~~receive a payment of one hundred dollars (\$100.00) of taxable~~
388 ~~income payable to the employee. All personal medical information~~
389 ~~obtained regarding all participants in the program shall remain~~
390 ~~confidential. All eligible employees shall participate in the program~~
391 ~~unless they sign an annual opt-out election form.~~

392 (aa) The provisions of C.G.O 17.14(7) shall apply to all employees in
393 the unclassified service of Milwaukee County, except those in
394 following title codes 83000, 83400, 83500, 83600, 83900, 85100,
395 85400, 85410, 85590, 85631, 85710.

396 (bb) The provisions of C.G.O. 17.14(7) shall not apply to seasonal
397 and hourly employees. An hourly employee shall be considered to be
398 one who does not work a uniform period of time within each pay
399 period and shall include an employee who works a uniform period of
400 time of less than twenty (20) hours per week.

401 (cc) The provisions of 17.14(7) shall apply to employees on an
402 unpaid leave of absence covered by workers compensation.

403 (dd) The county shall pay the full monthly cost of providing such
404 coverage to retired members of the county retirement system with
405 fifteen (15) or more years of creditable pension service as a county
406 employe, to individuals who are retired members of the county
407 retirement system who have at least seven and one-half (7 1/2)
408 years of creditable pension service as a county employe and have
409 also retired after fifteen (15) or more years of service as a City of
410 Milwaukee employe, to retired members of the county retirement
411 system who became members due to a functional transfer from
412 the City of Milwaukee and have a total of fifteen (15) or more years
413 of creditable pension service, to retired former employes of United
414 Regional Medical Services, Inc., who were employed by the county

415 as of December 31, 1991, and who have fifteen (15) or more years
416 of aggregate service with the County, United Regional Medical
417 Services, Inc., United/Dynacare LLC, and Froedtert Memorial
418 Lutheran Hospital (Radiology Department) to retired employes with
419 fifteen (15) or more years of service as a county employe in a
420 teaching position, to beneficiaries of the foregoing employes who
421 continue to receive benefits from the county retirement system
422 after the death of such employe, and to persons receiving
423 survivorship benefits under section 201.24 (6.4) of the county
424 pension ordinance. The provisions of this subsection are considered
425 a part of an employe's vested benefit contract as more fully set
426 forth in 201.24 (5.91). Upon the death of any retiree, only those
427 survivors eligible for health insurance benefits prior to such retiree's
428 death shall retain continued eligibility in the county group health
429 benefit program. Service as a county employe not to exceed six (6)
430 months under an emergency appointment, if continuous, may be
431 included in calculating the fifteen (15) years of creditable pension
432 service.

433 Retired members of the county retirement system who were
434 represented by the Federation of Nurses & Health Professionals,
435 Local 5001, AFT, AFL-CIO and non-represented members of the
436 employe retirement system who were Doyne employes when they
437 voluntarily resigned their employment between September 1, 1995
438 and December 31, 1995, at the time of, and in lieu of, a layoff from
439 county service as a direct result of the sale/lease of John L. Doyne
440 Hospital and employes of the School of Nursing who resign from
441 county service, in lieu of being laid off due to the closure of the
442 School of Nursing, who possess more than ten (10) but less than
443 fifteen (15) years of creditable pension service credit may elect to
444 file an appropriate application to become eligible to enroll in the
445 county group health benefit program and the county shall pay the
446 following fixed, not to exceed, below noted portion of the monthly
447 cost of the benefit option selected with the pensioner paying the
448 balance of the monthly cost:

449 Creditable Pension Service Monthly County Payment:

450 Ten (10) or more years . . . \$ 50.00

451 Eleven (11) or more years . . . 125.00

452 Twelve (12) or more years . . . 200.00

453 Thirteen (13) or more years . . . 275.00

454 Fourteen (14) or more years . . . 350.00

455 The provisions of this section shall not apply to employes not
456 represented by a collective bargaining unit who become members
457 of the Milwaukee County Employes Retirement System on or after

458 January 1, 1994. Employees not represented by a collective
459 bargaining unit who become members of the Milwaukee County
460 Employees Retirement System or after January 1, 1994, may opt to
461 continue in the county group health benefit program after
462 retirement upon payment of the full monthly cost.

463 (ee) Retired members of the county retirement system who are
464 eligible for continuing their health insurance benefits at
465 county expense under the provision of this section shall be
466 eligible for reimbursement of the cost of their Medicare Part B
467 premiums, as well as the Medicare Part B premiums of their
468 eligible spouse and dependents.

469 1) The provisions of section (ee) shall not apply to members
470 not represented by a collective bargaining unit who
471 retired and began receiving benefits from the Milwaukee
472 County Employees Retirement System after April 1, 2011.
473 For members represented by a collective bargaining
474 unit, the provisions of this section shall be applicable in
475 accordance with their respective labor contracts.

476 (ff) Retired members of the county retirement system with less than
477 fifteen (15) years of creditable pension service credit may, upon
478 retirement, opt to continue their membership in the county group
479 health benefit program upon payment of the monthly cost. Upon
480 the death of such a pensioner, the beneficiary(s) may continue as
481 a member of the group, providing they pay the full monthly cost.

482 (gg) The option to elect health maintenance organization (HMO) coverage
483 shall apply to retired employes and other members of the county retirement
484 system, as described in the provisions of (a) and (c) above, except such
485 participants must be participants in the county group health benefit program
486 and must reside in the appropriate HMO service area currently available to
487 employes. Administration of the provisions of this paragraph shall be in
488 accordance with the contracts between the county and the appropriate HMO.

489

490 **SECTION 3.** Section 201.24(3.11) of the General Ordinances of Milwaukee
491 County is created and reads as follows:

492

493 **3.11 Employee Contribution**

494

495 (1) Mandatory Employee Contributions. Each member of the
496 Employees' Retirement System who is not covered by the terms of a
497 collective bargaining agreement, who is an elected official, or who is
498 covered by a collective bargaining agreement that has adopted this
499 ordinance, other than members who make a contribution to the System
500 under section 3.3(2), shall contribute to the retirement system a
501 percentage of the "Member's Compensation" according to subsection

502 3.11(2). "Member Compensation" shall include all salaries and wages of
503 the member, except for the following: overtime earned and paid; any
504 expiring time paid such as overtime, and holiday; and injury time paid;
505 and any supplemental time paid such as vacation or earned retirement.
506

507 (2) Contribution Percentage: The percentage shall be as follows:
508

509 (a) Two (2) percent of Member's Compensation earned
510 between January 9, 2011 and June 11, 2011.

511 (b) Three (3) percent of Member's Compensation earned
512 between June 12, 2011 and December 10, 2011.

513 (c) Four (4) percent of Member's Compensation earned on or
514 after December 11, 2011;

515 (d) Notwithstanding sections 3.11(2)(a)-(c), elected officials shall
516 contribute two (2) percent of Member's Compensation
517 earned on or after January 9, 2011.
518

519 (3) Pick-Up Contributions. Notwithstanding the preceding,
520 contributions shall be made by the County in lieu of contributions
521 by the employee even though the contribution is designated as an
522 employee contribution. Members have no option to choose to
523 receive the contributions provided for in this section directly instead
524 of having the contribution paid by the County to the retirement
525 system. The contribution shall be made on a pre-tax basis, and
526 there shall be a corresponding reduction in compensation actually
527 paid to the member. These contributions shall qualify as pick-up
528 contributions (pursuant to Internal Revenue Code section
529 414(h)(2)). These contributions shall have no impact on internal
530 plan contribution limits or forms of benefit payment under the
531 retirement system. The pick-up of these contributions shall not be
532 construed to reduce the salary upon which final average salary is
533 calculated, as defined in section 2.8. Unless specified otherwise,
534 these contributions do not impact the calculation of a member's
535 benefit.
536

537 (4) Determination of Accumulated Contributions. A member's
538 accumulated contributions shall be equal to the sum of his
539 mandatory employee contributions.
540

541 (5) Refund of Accumulated Contributions.
542

543 (a) Refunds of all accumulated contributions made under this
544 section 3.11, with interest at the rate of five percent (5%) per
545 annum, shall be made on the same conditions and under the
546 same circumstances as refunds under section 3.5, but may only be
547 paid in the form of a lump sum payment. For an employee
548 terminating employment with the County, any refund of

549 accumulated contributions must be requested within 60 days after
550 termination.

551 (b) Members receiving a refund or on whose behalf a refund is
552 paid under this subsection shall cease to be a member of the
553 Employees' Retirement System and shall have no further right to any
554 benefit under this plan.

555 (c) The provisions of section 11.1 shall not apply to accumulated
556 contributions withdrawn by members under this section.
557

558
559 **SECTION 4.** Section 201.24 (3.3) of the General Ordinances of Milwaukee
560 County, is amended as follows:

561
562 **3.3. Employee membership accounts.**

563
564 (1) In addition to the contributions required by section 3.1, the eCounty,
565 commencing with the 4th day of January 1969, shall contribute to the system the
566 following percentage of the earnable compensation of each member, except
567 members listed in paragraph (2):

- 568 (a) Employees, other than deputy sheriffs and elected officials, six
569 (6) percent.
570 (b) Deputy sheriffs, eight (8) percent.
571 (c) Elected officials, eight (8) percent.

572 All such sums contributed by the county for members whose last period of
573 employment began prior to January 1, 1971, shall be credited to the employee's
574 membership account in addition to contributions made by the employee, other
575 than voluntary savings. The contributions provided for in this section 3.3(1) shall
576 be considered separate and distinct from the employee contributions required
577 under section 3.11.
578

579 (2) The following members, who have elected to become optional members of
580 ERS, shall contribute to the system, by payroll deduction, six (6) percent of their
581 earnable compensation:

- 582 (a) All interns, students and trainees employed in non-civic service
583 positions.
584 (b) All resident physicians employed in non-civil-service positions.
585 (c) Seasonal employees, except those whose last period of
586 continuous membership began prior to December 24, 1967.
587 (d) Employees serving under emergency appointments except:
588 (1) Employees whose last period of continuous membership
589 began prior to December 24, 1967.
590 (2) Employees on leave of absence to accept an
591 emergency appointment.
592 (3) Employees whose positions have been reclassified.

593 Every member required to make the above contribution shall be deemed to
594 consent and agree to the payroll deductions made and provided herein. All
595 sums contributed by a member shall be credited to his membership account.

596 The contributions provided for in this section 3.3(2) shall be considered separate
597 and distinct from the employee contributions required under section 3.11.
598
599

600 **SECTION 5.** Section 201.24 (11.1) of the General Ordinances of Milwaukee
601 County, is amended to insert the following as a new paragraph at the
602 end of the section:
603

604 **11.1. Reemployment of former members.**
605

606 Notwithstanding the foregoing, members may not redeposit under this section
607 11.1 accumulated contributions previously refunded to the member under
608 section 3.11.
609

610
611 **SECTION 6.** Section 201.24 (12.2) of the General Ordinances of Milwaukee
612 County, is amended as follows:
613

614 **12.2. Annual benefits and annual additions.**
615

616 (1) "Annual benefits" means the retirement benefit under the system which is
617 payable annually in the form of a straight life annuity. Except as provided in this
618 section, a benefit payable in a form other than a straight life annuity must be
619 adjusted to an actuarially equivalent straight life annuity before applying the
620 limitations of this section XII. The interest rate assumption used to determine
621 actuarial equivalence shall be the greater of the interest rate determined
622 pursuant to paragraph (13) of section II or five (5) percent. The annual benefit
623 does not include any benefits attributable to employe contributions, or rollover
624 contributions or the assets transferred or rolled over from a qualified plan that
625 was not maintained by the county. No actuarial adjustment to the benefit is
626 required for:

- 627 (a) The value of a qualified joint and survivor annuity;
628 (b) The value of benefits that are not directly related to retirement
629 benefits; and
630 (c) The value of post-retirement cost-of-living increases made in
631 accordance with Internal Revenue Code Section 415(d) and
632 applicable Treasury regulations.
633

634 (2) "Annual additions" means the sum of the following amounts credited to a
635 member's account in a defined contribution plan for the limitation year:

- 636 (a) Employer contributions;
637 (b) Employe contributions;
638 (c) Forfeitures; and
639 (d) Amounts allocated to an individual medical account, as
640 defined in Internal Revenue Code Section 415(1)(2), and amounts
641 derived from contributions paid or accrued after December 31,
642 1985, in taxable years ending after such date, which are

643 attributable to post-retirement medical benefits allocated to the
644 separate account of a key employe as defined in Internal
645 Revenue Code Section 419A(d)(3).
646

647 (3) Contributions considered picked-up under Internal Revenue Code Section
648 414(h)(2) are not included as annual benefits or annual additions when
649 measuring compliance with the Internal Revenue Code section 415 limits or any
650 internal ERS limits.

651
652 **SECTION 7.** The provisions of this ordinance shall be effective upon
653 passage and publication.
654

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 12/7/10

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Proposed Changes to County Ordinances Sections 17.10, 17.14 and 201 relating to 2011 Adopted Budget Wage and Benefit changes.

FISCAL EFFECT:

- | | |
|--|--|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input checked="" type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input checked="" type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure		
	Revenue		
	Net Cost		
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

- A. The 2011 Adopted Budget included wage and benefit revisions. These revisions included a freeze on step advancements, plan design changes affecting non-represented staff and retirees and a phased in 4% pension contribution. The pension contribution was partially offset with a 2% salary increase; however, as that does not require any changes to the ordinances, it is not included as part of this fiscal note.

In addition, changes required to conform with Wisconsin Act 218 and establish parity between mental health and all other health care plan design are also incorporated. Simply, the county needs to make mental health benefits under both 2011 health plans (PPO and HMO) on par with the benefits provided for other medical services (i.e. same co-pays, co-insurance, visit limitations, etc.).

The proposed changes are required to effectuate the wage and benefit modifications adopted as part of the 2011 Budget and maintain conformity with State legislation regarding mental health parity.

- B. The 2011 Adopted Budget includes \$8.8 million in levy savings associated with org 1972 and \$8.2 million in savings associated with the healthcare plan design changes. However, not all of the items included in those totals require changes to the ordinance. The figures below represent the fiscal impact of the changes to be effectuated by these ordinance amendments:
 - \$4,485,403 in levy savings is budgeted for the 4% phased-in pension contribution. Of this amount, \$1,052,281 is related to non-represented positions and is estimated

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

to be achieved upon adoption of this ordinance. The remainder relates to represented employees and is dependent upon contract negotiations.

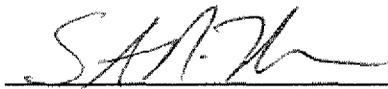
- \$758,991 in levy savings is budgeted for the step freeze. Of this amount \$152,773 is estimated to be achieved upon adoption of this ordinance change. The remainder relates to represented employees and is dependent upon contract negotiations.
- \$78,000 in levy savings is budgeted for the Medicare Part B change. Of this amount \$17,166 is estimated to be achieved upon adoption of this ordinance. The remainder relates to represented employees and is dependent upon contract negotiations.
- \$5,600,337 in levy savings is budgeted for the plan design changes. Of this amount, \$2,209,222 is estimated to be achieved upon adoption of this ordinance. The remainder relates to certain retiree groups and is dependent upon the timing of the completion of certain labor process.

The proposed ordinance changes also reflect changes in state law associated with mental health parity. At this point in time, it is impossible to estimate the cost associated with Wisconsin Act 218. In prior years, the County contracted with Mental Health Network to provide PPO mental health benefits; we therefore do not have 2010 mental health utilization data to use in estimating for 2011 costs associated with this change. Based on Cambridge Advisory Group's general assumption of a 2% increase in the county's 2010 total health and pharmaceutical spend, we estimate the cost of the change to be somewhere in the range of \$0 to \$2 million dollars.

C. See above

D. Assumptions related to the application and timing of these provisions to bargaining units and retirees are detailed above. Plan design change savings are based on assumptions developed by the County's Healthcare Actuary.

Department/Prepared By John Ruggini

Authorized Signature 

Did DAS-Fiscal Staff Review? Yes No

December 7, 2010

Supervisor Paul M. Cesarz
Chairman
Pension Study Commission
901 N. 9th St.
Milwaukee, WI 53233

RE: Actuary's Review of Proposed Member Contribution to the Employees' Retirement System for All Members and for Elected Officials and Non-Represented Employees

Dear Supervisor Cesarz,

As requested, we have analyzed the actuarial impact on the Milwaukee County Employees' Retirement System of the addition of a 4% of compensation member contribution under two scenarios. One scenario analyzes the impact for all members, and the other scenario analyzes the impact for Elected Officials and Non-Represented employees. If adopted, members would begin contributing 2% of compensation effective January 9, 2011. For all affected members except for Elected Officials, the contributions would increase to 3% of compensation effective June 12, 2011 and to the final 4% of compensation effective December 11, 2011. Elected Officials would remain at the 2% member contribution level. The compensation to be used for determining the mandatory employee contributions is all salaries and wages of the employee, except for the following: overtime earned and paid; any expiring time paid such as overtime, and holiday; any injury time paid; and any supplemental time paid such as vacation or earned retirement. Note that pensionable pay is greater than the compensation used for determining member contributions in the proposal.

Refunds of member contributions and 5% interest will be paid to members who terminate before becoming vested or who die in deferred vested status without becoming eligible to collect a benefit.

Actuarial Analysis

Our analysis can be found in the attached exhibit. We have included a projection of contributions under the two scenarios for calendar years 2011 and 2012. Generally, the increase in member contributions results in lower County contributions. However, there is an increase in the projected liabilities to account for a refund of member contributions in case a member leaves service before vesting or dies in deferred vested status.

The implementation of member contributions does result in new potential refund benefits as noted above. These refund benefits would increase the liabilities of the Retirement as noted in the attached exhibit. If the proposal is adopted for all active members, the present value of present benefits for the retirement system increase by 0.10%. If the proposal is adopted for all elected officials and non-represented employees, the increase in present value of present benefits for the retirement system is 0.02%. The employer normal cost, or the employer's cost of benefits accruing during the year, increases by 3.24% if adopted for all members and 0.64% if adopted for non-represented and elected officials.

Supervisor Paul M. Cesarz
Chairman
Pension Study Commission
December 7, 2010
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Even with the cost of refund benefits noted above, the increase in member contributions results in a significant reduction in the County contributions. The Budget Contribution for 2011 decreases by 17.08% if adopted for all members and 3.73% if adopted for non-represented and elected officials. The 4.00% member contribution is in full effect for all of 2012 for all members except elected officials. As a result, the Budget Contribution for 2012 decreases by 24.95% if adopted for all members and 5.37% if adopted for non-represented and elected officials. The employer normal cost, or the employers share of the cost of benefits accruing during the year, decreases by 44.13% if adopted for all members and 9.69% if adopted for non-represented and elected officials.

In short, the decrease in County contributions from the proposed increase in member contributions far outweighs the slight increase in liabilities created by the refund benefits.

Basis for the Analysis

Unless otherwise noted below, we have based this analysis on the data, assumptions and methods used for the most recently completed valuation, which was as of January 1, 2010. We understand that the proposed contributions may apply to either all members or to elected officials and non-represented employees. We understand that a couple dozen members are already contributing to the Retirement System. These members will not experience an increase in member contributions. We have not isolated these members in this analysis. The impact on this analysis is immaterial.

For purposes of this analysis, we based the member contributions on the pensionable salary submitted for the valuation. Actual member contributions under this proposal, if adopted, will be based on compensation that is less than pensionable payroll as noted above. Pensionable payroll is generally higher for grandfathered members of the Retirement System but not for future County hires. As such, the member contributions in the attached exhibit are overstated and the County savings are overstated. While the amount of savings to the County will likely not be as great as those shown in the exhibit, there will be significant savings to the County and the use of pensionable salary as the basis for proposed member contribution does not change the conclusion of the analysis.

Supervisor Paul M. Cesarz
Chairman
Pension Study Commission
December 7, 2010
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Certification

The undersigned is a Member of the American Academy of Actuaries and meets the Academy's Qualification Standards to issue this Statement of Actuarial Opinion.

Please call if you have any questions.

Sincerely,



Larry Langer, ASA, EA, MAAA
Principal, Consulting Actuary

LFL:ll
19150/C7070RET01-Cost-Study.doc

cc: Mark Grady
Marco Ruffini

Milwaukee County Employees' Retirement System
Cost Study Implementing Member Contributions of
2% effective January 9, 2011, 3% effective June 12, 2011 and 4% effective December 11, 2011
Based on January 1, 2010 Valuation Results

Exhibit for December 7, 2010 Letter

Item	Current Valuation	Results Based on Proposed Change			
		Non-Represented & Elected Officials		All Members	
	Amounts	Amounts	% chg	Amounts	% chg
Valuation Results as of January 1, 2010					
1. Present Value of Future Benefits					
a) Active Participants	\$ 815,159,772	\$ 815,619,348		\$ 817,366,987	
b) Participants with Deferred Benefits	83,526,610	83,526,610		83,526,610	
c) Participants Receiving Benefits	1,334,975,449	1,334,975,449		1,334,975,449	
d) Total	\$ 2,233,661,831	\$ 2,234,121,407	0.02%	\$ 2,235,869,046	0.10%
2. Present Value of Future Normal Cost	\$ 136,329,721	\$ 136,683,891		\$ 138,061,519	
3. Actuarial Accrued Liability: (1 - 2)	\$ 2,097,332,110	\$ 2,097,437,516	0.01%	\$ 2,097,807,527	0.02%
4. Actuarial Value of Assets	\$ 1,956,443,729	\$ 1,956,443,729		\$ 1,956,443,729	
5. Funded Status: (4 / 3)	93.3%	93.3%		93.3%	
6. Unfunded Actuarial Accrued Liability: (3 - 4)	\$ 140,888,381	\$ 140,993,787		\$ 141,363,798	
7. Normal Cost Rate	8.418%	8.472%		8.691%	
8. Total Normal Cost for the Plan Year	\$ 19,954,037	\$ 20,081,210	0.64%	\$ 20,601,028	3.24%
Projected Contributions					
1. Actual Funding Contribution for 2010					
a) Normal Cost with Interest	\$ 20,736,844	\$ 20,736,844		\$ 20,736,844	
b) Net Annual Amortization Payments	6,813,146	6,813,146		6,813,146	
c) Total Contribution: ((a + b), not less than zero)	\$ 27,549,990	\$ 27,549,990		\$ 27,549,990	
d) Member Contributions	-	-		-	
e) Total Employer Contribution: (c - d)	\$ 27,549,990	\$ 27,549,990	0.00%	\$ 27,549,990	0.00%
2. Budget Contribution for 2011					
a) Normal Cost with Interest	\$ 21,463,000	\$ 21,599,000		\$ 22,159,000	
b) Net Annual Amortization Payments	10,139,000	10,146,000		10,169,000	
c) Total Contribution: ((a + b), not less than zero)	\$ 31,602,000	\$ 31,745,000		\$ 32,328,000	
d) Member Contributions	-	1,321,047		6,124,934	
e) Total Employer Contribution: (c - d)	\$ 31,602,000	\$ 30,423,953	-3.73%	\$ 26,203,066	-17.08%
3. Projected Budget Contribution for 2012					
a) Normal Cost with Interest	\$ 22,213,000	\$ 22,354,965		\$ 22,934,565	
b) Net Annual Amortization Payments	15,340,000	15,347,245		15,371,050	
c) Total Contribution: ((a + b), not less than zero)	\$ 37,553,000	\$ 37,702,210		\$ 38,305,615	
d) Member Contributions	-	2,166,590		10,121,827	
e) Total Employer Contribution: (c - d)	\$ 37,553,000	\$ 35,535,620	-5.37%	\$ 28,183,788	-24.95%

- 1) This cost study measures the impact of the introduction of a 4% contribution, which is phased in beginning on January 9, 2011 with a 2% contribution and is increased to 3% effective June 12, 2011. The final 4% contribution becomes effective December 11, 2011.
- 2) The proposed contribution was analyzed under two scenarios: one assuming that all members contribute and one assuming that only non-represented members and Elected officials contribute.
- 3) The Normal Cost for adopted changes reflects the change immediately.
- 4) The Present Value of Benefits for proposed changes only reflects the contribution for current members' future service.

December 7, 2010

buckconsultants

P:\DB\19150\2010\Valuation\Contribution cost study\December 6, 2010 EXHIBIT Milwaukee County Contribution Cost Study.xls