



March 8, 2011 – Walworth County Board Meeting

**Report of the County Clerk Regarding
Communications Received After the Agenda Mailing**

County Clerk

The following items were placed on Supervisors' desks and are attached to this cover sheet:

Kimberly S. Bushey
County Clerk

- Ozaukee County Resolution No. 10-66 – Supporting Governor Walker's 2010-11 Budget Repair Bill – To be referred to the Executive Committee
- Communication from Nicki Andersen, Deputy County Administrator-Finance and Dean Wilson, Payroll/Benefits Manager regarding draft ordinance: Amending Section 15-338 of the Walworth County Code of Ordinances Relating to Severance Pay Upon Layoff or Termination – To be referred to the Human Resources Committee
- Walworth County Board of Adjustment Annual Report – To be placed on file
- *Walworth County Aging & Disability Resource Center News*, March 2011 – To be placed on file

RESOLUTION NO. 10-66

SUPPORTING GOVERNOR WALKER'S 2010-11 BUDGET REPAIR BILL

WHEREAS, historically Wisconsin Counties are dependent on State revenues for operating budget support and currently the State is experiencing unprecedented negative fiscal pressures, including a projected deficit of \$136 Million in the current biennium ending June 30, 2010 as well as an anticipated \$3+ Billion financial shortfall anticipated in the 2011-13 State biennial budget; and

WHEREAS, Governor Walker has notified all local units of government in Wisconsin that his proposed biennial budget bill of 2011-13 will dramatically cut revenues to local units of government to balance the State budget; and

WHEREAS, the Governor's current Budget Repair Bill as the precursor of the 2011-13 budget bill includes measures to significantly reduce public employers' employee benefit costs by shifting expenses to the employees and by Statutorily limiting the matters subject to collective bargaining thereby saving public employers' future employee benefit costs; and

WHEREAS, Ozaukee County's 2011 adopted budget incorporates approximately 76% of non-property tax revenues and over \$42 Million in annual personnel costs which represents approximately 58% of Ozaukee County's annual operating costs and about 52% of total 2011 county budget of \$81.5 Million.

NOW, THEREFORE, BE IT RESOLVED, that the Ozaukee County Board of Supervisors supports Governor Walker's Budget Repair Bill designed to give local governments the necessary "tools in the administrative tool box" to deal with the likely reductions of State revenue; and

BE IT FURTHER RESOLVED, the Governor's Budget Repair Bill may reduce the likelihood of widespread layoffs throughout the public sector in Wisconsin, while ultimately increasing our ability to compete for businesses/manufacturers and market Ozaukee County in terms of lower taxes and increased economic development leading to an increase in quality jobs in our county; and

FURTHER RESOLVED, by the Ozaukee County Board of Supervisors that the County Clerk shall forward a copy of this resolution to the Governor of the State of Wisconsin, entire delegation of the Wisconsin State Legislature, to the Wisconsin Counties Association and to all Wisconsin Counties.

Dated at Port Washington, Wisconsin, this 2nd day of March 2011.

Daniel P. Becker
Supervisor

Robert A. Brooks
Supervisor

Joseph A. Dean
Supervisor

John C. Grosklaus
Supervisor

Gerald E. Walker
Supervisor

Robert T. Walerstein
Supervisor

Kathlyn T. Geracie
Supervisor

Thomas H. Richart
Supervisor

Rose Hass Leider
Supervisor

Alan P. Kletti
Supervisor

James H. Uselding
Supervisor

Gustav W. Wirth, Jr.
Supervisor

Thomas E. Winker
Supervisor

Andrew A. Petzold
Supervisor

Donald G. Dohrwardt
Supervisor

Jacob Curtis
Supervisor

TO WHOM IT MAY CONCERN:

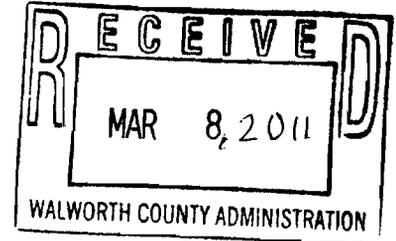
I, Julianne B. Winkelhorst, County Clerk for Ozaukee County, Wisconsin, hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the Ozaukee County Board of Supervisors on March 2, 2011.

(S E A L)

S/ Julianne B. Winkelhorst

Julianne B. Winkelhorst
County Clerk

Adopted Vote: Ayes – 21
Nays – 5
Abstain - 3
Absent – 2



Memorandum

Finance

Nicole Andersen
Deputy County
Administrator - Finance

DATE: March 8, 2011

TO: Dave Bretl, County Administrator

FROM: Nicki Andersen, Deputy County Administrator-Finance
Dale Wilson, Payroll/Benefits Manager *DW* *Atk*

SUBJECT: Ordinance No. **-04/11 Amending Section 15-338 of the Walworth County Code of Ordinances Relating to Severance Pay Upon Layoff or Termination

As requested at our meeting on February 11, 2011 we are providing additional information regarding proposed changes to the Sick Severance ordinance. We believe these changes are necessary to 1) simplify current processes and procedures and 2) limit the county's liability for those who transfer from represented to non-represented status.

The current language specified in Walworth County Ordinance 15-338 does not accurately reflect the numerous years of past practice that were established for handling those employees who are allowed sick severance payouts/conversions to health credits. Throughout the years, benefits related to employee sick time have varied, dependent upon an employee's hire date.

History – Prior to December 1, 2005

For those employees hired prior to December 1, 2005, Walworth County Ordinance Section 15-338 is intended to govern how various categories of employees receive their sick severance benefits. (Collective Bargaining Agreements also dictate this process for represented staff.)

In 1998, Walworth County (with guidance from outside counsel) offered a one-time election for employees to select how their accrued

100 W. Walworth St.
PO Box 1001
Elkhorn, WI 53121

Finance

262.741.4242 tel
262.741.4384 fax

Payroll/

Employee Benefits
262.741.4949 tel
262.741.7963 fax

sick time would be handled upon severance. This was done to standardize the system and to incentivize employees not to use sick time. Employees were allowed to: 1) convert 60% of their accumulated sick time at the time of retirement to "health insurance credits" or 2) receive a sick severance payout upon any type of severance of employment. Generally, this payout is limited to 50% of all unused accumulated sick leave up to a maximum of 45 days (360 hours). This was a one-time election that cannot be changed due to IRS regulations.

The "health insurance credit" option allows a *retired* employee (if qualified) to remain on the county's health insurance plan and pay their premiums with health credits. If an employee did not elect to convert their accrued sick time to health insurance credits, they would receive a payout of their accumulated sick time, as specified above, at the time of severance.

All employees hired between the 1998 election and December 1, 2005 automatically received the "health insurance credits" option, if conditions identified in Section 15-556 of the County Ordinances are met.

Policy Issue

For employees that chose the sick severance cash payout option, Section 15-338 currently states that at the time a represented employee transfers to a non-represented position, they will receive the cash payout option only for those sick hours that are accrued at the time of the transfer and no additional hours would be eligible for cash severance. Human Resources later determined freezing the balance was a deterrent for employees to accept a promotion and the practice was changed to allow any hours earned after the time of transfer to be made available for "health insurance credits." For whatever reason, the ordinance language was not revised at that time.

As a result of the Human Resources interpretation, Finance-Benefits staff must currently document the number of sick hours at the time of transfer and manually track that balance until the employee severs employment with the county. Any accrued sick leave, in excess of the balance documented at the time of transfer, is converted to health insurance credits. This results in a split/dual benefit. The policy is difficult to track administratively and is confusing to the employee.

Recommendation

As a result of determining that the ordinance does not reflect current practices related to sick severance/health care credits, Finance-Benefits staff discussed options that would clarify the policy moving forward. A legal opinion was requested to determine if we can prospectively amend the ordinance to maintain an employee's 1998 election for the duration of their employment regardless of their represented or non-represented status. This would simplify the ongoing administration of the benefit, while preserving the original 1998 election. It is also something that is easily communicated to the affected employees. The legal opinion states this would not violate any IRS laws if we enacted this change prospectively. We cannot change

this retroactively as some employees have already availed themselves of promotional opportunities and must be administered utilizing the policy in effect at the time of their transfer.

Finance staff recommend that the ordinance is revised as previously presented in order to obtain the outcomes identified below (see attached).

Outcomes

- 1) Insures that all categories of sick leave severance are documented and that current practices are accurately reflected.
- 2) Revision of the section for those employees that elected the sick severance payout option, receive a promotion and move from represented employment to non-represented employment will simplify administration of the program.
- 3) Employees will maintain their original 1998 election. This has historically been of significant concern for certain promoted individuals.
- 4) This change in policy will actually limit the county's future liabilities since there is not a "split" or "dual" benefit going forward. The sick severance benefit would be capped at 50% of 720 hours. No additional "health insurance credit" liability would be accrued for those individuals promoted from a represented to a non-represented position.

Post December 1, 2005

Effective December 1, 2005, newly hired employees are no longer able to receive any severance benefits for their accrued sick time.

Please feel free to distribute this information to County Board Supervisors/committees as you deem appropriate.

NA/kw

Attachment

ORDINANCE NO. ** – 0204/11

AMENDING SECTION 15-338 OF THE WALWORTH COUNTY CODE
OF ORDINANCES RELATING TO SEVERANCE PAY UPON LAYOFF
OR TERMINATION

THE WALWORTH COUNTY BOARD OF SUPERVISORS DOES ORDAIN AS
FOLLOWS:

1 **PART I: That Section 15-338 of the Walworth County Code of Ordinances is hereby**
2 **amended to read as follows:**

3
4 **“Sec. 15-338. Severance pay upon layoff or termination.**

5
6 (c) Upon termination of employment severance pay for accrued sick leave shall be paid in a
7 lump sum computed at the pay rate in effect on the employee's last day actually worked
8 for certain grand-fathered employees, subject to the following:

9
10 (1) An employee covered by resolution #14-04/87 who did not elect to be covered by
11 section 15-339, shall receive severance pay for up to 90 days (720 accrued sick
12 hours) paid at ~~100 percent~~ the level specified in the resolution. Hours in excess of
13 720 shall have no severance value.

14
15 (2) Except as provided under paragraph (1), a non-represented employee hired prior
16 to April 21, 1987 who did not elect to be covered by 15-339, shall receive
17 severance pay for up to 90 days paid at 50 percent (maximum of 360 hours).
18 Hours in excess of 720 shall have no severance value.

19
20 (3) An employee hired into a bargaining unit position prior to April 21, 1987 and then
21 transferred to a non-represented position after April 21, 1987 who did not elect to
22 be covered by section 15-339, shall be subject to paragraph (5).

23
24 (4) An employee hired into a bargaining unit position after April 21, 1987 and then
25 transferred to a non-represented position who did not elect to be covered by
26 section 15-339, shall:

27
28 a) For severance purposes, sick leave balances shall be ~~have their sick leave~~
29 ~~balance for severance purposes~~ frozen at the balance in effect on the date
30 of transfer and paid at the formula under paragraph (5);

31
32 b) Sick leave hours earned and accrued after the transfer date are eligible for
33 conversion to health insurance credits as outlined in Section 15-339 if
34 employee is eligible for retiree health insurance as outlined in Section 15-
35 556;
36

1 c) Effective May 1, 2011, all employees promoted from a represented
2 position to a non-represented position will retain the severance/sick credit
3 election made calendar year 2000 for Lakeland Education Association
4 members and in calendar year 1998 for all other county employees.

5
6 (5) A represented employee hired prior to June 9, 1998 who has not elected to be
7 covered by section 15-339 shall receive severance pay for up to 90 days paid at 50
8 percent (maximum of 360 hours). Hours in excess of 720 shall have no severance
9 value.

10
11 (6) Sick severance is not available to non-represented employees hired after
12 December 1, 2005 or for represented employees on the dates specified in
13 collective bargaining agreements.”

14
15 **BE IT ORDAINED by the Walworth County Board of Supervisors that all previous**
16 **ordinances and resolutions pertaining to Section 15-338 are hereby superseded.**

17
18 **BE IT FURTHER ORDAINED by the Walworth County Board of Supervisors that this**
19 **Ordinance shall become effective upon passage and publication.**

20
21 **PASSED and ADOPTED** by the Walworth County Board of Supervisors this 12th day of April,
22 2011.

23
24
25
26
27 _____
28 Nancy Russell
29 County Board Chair

Kimberly S. Bushey
Attest: County Clerk

30
31 County Board Meeting Date: April 12, 2011

Action Required: Majority Vote X Two-thirds Vote _____ Other _____

Policy and Fiscal Note is attached.
Reviewed and approved pursuant to Section 2-91 of the Walworth County Code of Ordinances:

_____ Date
David A. Bretl
County Administrator/Corporation Counsel

_____ Date
Nicole Andersen
Deputy County Administrator - Finance

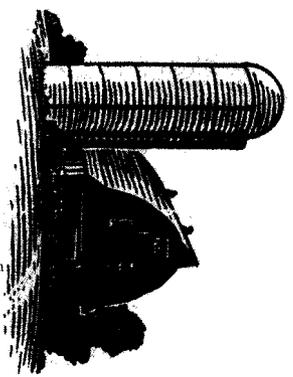
If unsigned, exceptions shall be so noted by the County Administrator.



WALWORTH COUNTY
BOARD OF ADJUSTMENT
ANNUAL REPORT



2010



2010 WALWORTH COUNTY BOARD OF ADJUSTMENT														
	APPROVED	APPROVED W/CONDITION	MODIFIED & APPROVED	MODIFY & APPROVE & DENY	APPROVED & DENIED	APPROVED & DENIED W/CONDITION	DENIED	MAKE NO DECISION	UPHELD	TABLED	POSTPONED	WITHDRAWN		
Bloomfield													Bloomfield	0
Darien	1												Darien	1
Delavan	2	1					1		2			2	Delavan	8
East Troy	3				1		1						East Troy	5
Geneva	1												Geneva	1
Lafayette													Lafayette	0
La Grange	5	1					5				3		La Grange	14
Linn	1	1	1				3					1	Linn	7
Lyons	1						1			1	2		Lyons	5
Richmond						1							Richmond	1
Sharon													Sharon	0
Spring Prairie	3						1						Spring Prairie	4
Sugar Creek				1				1					Sugar Creek	2
Troy		1											Troy	1
Walworth							1						Walworth	1
Whitewater					2	1							Whitewater	3
	17	4	1	1	3	2	13	1	2	1	5	3		53

Board of Adjustment Decisions 2010

