



DAUPHIN COUNTY BOARD OF COMMISSIONERS

WORKSHOP MEETING

June 23, 2004

10:00 a.m.

MEMBERS PRESENT

Jeff Haste, Chairman
Dominic D. DiFrancesco, II, Vice Chairman
George P. Hartwick, III, Secretary

STAFF PRESENT

Chad Saylor, Chief Clerk; Marie Rebuck, Controller; Gary Serhan, Deputy Controller; Robert F. Dick, Treasurer; President Judge Joseph Kleinfelter; Carolyn Thompson, Court Administrator; Tom Guenther, Director of IT; Mike Yohe, Director of Budget & Finance; Edgar Cohen, Director of Facilities Maintenance; Randy Baratucci, Director of Purchasing; Steve Chiavetta, Director of Registration and Elections; Garry Esworthy, Risk Manager; Bill Tully, Esq., Solicitor; Robert Knupp, Esq., Solicitor's Office; Guy Beneventano, Esq., Solicitor's Office; Kelly Wolf, Manager Solid Waste Office; Mike Pries, Director of Safety and Security; Steve Suknaic, Director of Juvenile Probation; Kay Sinner, Personnel Office; Daphin Bowman, Personnel Office; Lorrie Bushman, Personnel Office; Deborah Clayton, Grant Writer; Dan Robinson, Director of Economic Development; George Connor, Economic Development; Diane McNaughton, Press Secretary; Melanie McCaffrey, Solicitor's Office; Julia Nace, Assistant Chief Clerk; Jena Wolgemuth, Commissioners' Office; Kacey Truax, Commissioners' Office and Richie Martz, Commissioners' Office

GUESTS PRESENT

Chuck Mazzitti, Julia Jackson and Jackie Wass

MINUTES

CALL TO ORDER

Mr. Haste, Chairman of the Board, called the meeting to order at 10:00 a.m.

MOMENT OF SILENCE

Everyone observed a moment of silence

PLEDGE OF ALLEGIANCE

Everyone stood for the Pledge of Allegiance

APPROVAL OF MINUTES

Mr. Haste: The Minutes of the June 2, 2004 Legislative Meeting, June 2, 2004 Salary Board Meeting and the June 9, 2004 Workshop Meeting will be carried over to the Legislative Meeting for approval.

PUBLIC PARTICIPATION

Mr. Haste: We are at the point in time in the meeting for public participation. Is there anyone in the audience that would like to address the Board at this time? (There was none.)

PERSONNEL

(The Salary Board items were addressed in the Salary Board Meeting and the Minutes are on file in the Commissioners' Office.)

Ms. Sinner: On the Vacancies Listing, there is a vacancy for a full time Maintenance Worker I in Facilities Maintenance. This is separate from the one that is being created. Could I have permission to approve that today?

Mr. Haste: Does this give you two vacancies?

Mr. Cohen: Currently I have two vacancies and two employees on Workers Comp. I would like to post, which takes two weeks.

Mr. Haste: So, you would be bringing in two new people.

Mr. Cohen: Correct.

Ms. Sinner: On the Changes Listing, Item 1 is the transfer of Helen Spence to the System of Care Specialist that was just approved by the Salary Board, which is effective June 21, 2004. I would request approval of that today. Also, Kelly Wolf's promotion to Manager of Solid Waste, which is effective June 21, 2004. Those are Items #1 and 2

and Item #7 I would also request approval of today. That is the transfer of the part time Youth Program Specialist Aide to the Youth Program Specialist I.

Mr. Haste: Do you also need Item #3.

Ms. Sinner: Yes, that is just a change in the start date.

There are no new hires in this packet. We have the overtime listings and two requests for overtime. One from the Personnel Department, because someone from Payroll is going to have to work at least five hours to assure that all the payroll gets reported so there are no problems with the paychecks on Friday, the 9th and then a request for overtime from the Prison.

Mr. Haste: Do you need those overtime requests voted on today or next week?

Ms. Sinner: Next week.

Mr. Haste: The only items that you need today are Item #1 on the Vacancies Listing and Items #1, 2, 3 and 7 on the Changes Listing.

Ms. Sinner: That is correct.

Mr. Hartwick: Just one comment. Noting on the overtime that we are significantly down at the Schaffner Center. I actually see great things going in the right direction at Spring Creek, overtime hours are down and again the Prison, with the management out there, has been significantly down and I am sure that they are way under budget in their overtime accounts and allocations. From the positive side, us trying to hammer down on the overtime is reflected in the actual grand totals. It is something that is worthwhile noting.

It was moved by Mr. DiFrancesco and seconded by Mr. Hartwick that the Board approve the following Items from the Personnel Packet: Item #1 from the Vacancies Listing and Items #1, 2, 3 and 7 from the Changes Listing; motion carried.

TRAINING PACKET

Mr. Haste: Chad, is there anything that we have to deal with today?

Mr. Saylor: We have 12 items and nothing needs to be dealt with today.

Mr. Haste: We will carry those over to next week's agenda.

PURCHASE ORDERS

Mr. Baratucci: The Purchase Order Packet was sent to you yesterday. There are some that are over budget, which we need to fix. As a heads up, in next week's Packet, we hopefully will have a Purchase Order in there to cover the new CHR Contract at Spring Creek. We are still finalizing a few of the items that have to go in that and we hope to have that ready so that we can get a Purchase Order approved so when the billings come in they can be paid. That probably will be added by next week. All the other items on here are nothing unusual. I will review these with Mr. Yohe so that the proper budget adjustments can be made.

Mr. Haste: Did the Warden talk to you about the Block lease contract that he is trying to get?

Mr. Baratucci: Yes, we are working on that.

If you have any questions, stop by the Office.

DIRECTORS/GUESTS

County Commissioners Associations of Pennsylvania Unemployment Compensation Trust Fund

Mr. Saylor: We have some folks here from CCAP and Mazzitti and Sullivan. They have a proposal for us to consider regarding unemployment compensation.

Ms. Jackson: My name is Julia Jackson and I am the Benefit and Finance Services Director for the County Commissioners Association of Pennsylvania. Along with me today is Chuck Mazzitti, the co-owner of Mazzitti and Sullivan who provides our Employee Assistance Program Services and also Jackie Wass, who is the Office Manager for TALX Employer Services, who handles the claims end of the Trust.

It is an excellent program. It was established over 20 years ago. It currently has 41 counties in membership. Should Dauphin County decide to join the UC Trust, they will receive a full service package, including processing of all unemployment claims, quarterly claims statements, training workshops, on-site training and personal visits and service from the UC Trust, TALX and Mazzitti and Sullivan EAP Services.

The Trust was established in 1981. It was created by CCAP. It was the first insurance product designed and operated by the Association. It is a totally self-funded insurance program serving over 18,000 county employees in 41 counties. Claims experience in the first 15 years of its existence, it found itself with a surplus of over \$17 million of which it returned in dividends and credits to each of the member counties. In recent days, due to more usage and lower returns on normal investments, that surplus has come down and we are no longer returning money to the counties, but there is a potential as the surplus continues to regrow that we will be able to again return

dividends and credits back to the members. The quote that you received that is in your packet, there are two effective dates that we are offering. The first is October 1, 2004, which I believe is the date that your current EAP contract expires. The second date available is January 1, 2005. There are two rate options available. The first is a rate option of 2.06% of base payroll. Base payroll is the first \$8,000 of taxable wages for each employee per year and not per quarter. With the first rate of 2.06%, Dauphin County will continue to pay for all UC claims dated prior to the effective date. The second option, which is a little bit higher, is 3.3% of base payroll. The Trust will pay for all UC claims, dated prior to the effective date, which would allow for a cleaner and easier transaction into the UC Trust. The Trust would assume all payment for all claims including open claims with amounts due after the effective date. It is important to note in your wage listing that there are positions under unemployment compensation law that are exempt from unemployment compensation. Those include elected officials, anyone employed as part time, work release or training program, students participating in work study, employees serving on a temporary basis in the case of fire, storm, snow, earthquake, flood or similar emergency and members of the judiciary. In your numbers, those employees would not be included in that first \$8,000 of taxable wages. Back in 2003, the Commonwealth of Pennsylvania adopted a new program to allow reimbursable employees to obtain relief from charges for all claims where the employer was not the separating employer of the person receiving unemployment benefits. Prior to this time an employee could leave the County employment of their own volition take a job elsewhere and then when laid off from that job some or all of the unemployment benefits paid would be assessed back to the County. The Commonwealth Relief and Charges System, for reimbursable employers, require the employer to choose each year to receive relief from charges. This fee is called an Insolvency Fee and for the first three years in the program this fee is set at .003% of the base payroll. The UC Trust decided when this proposal was put into place that they would cover this Insolvency Fee for all member counties. This fee would also be covered for Dauphin County up and through 2006, which is the time that this would be evaluated and the rate may be adjusted. If it is still an option and benefit for the Trust to offer this to its members it will continue, otherwise, the members may be responsible to pick up this Insolvency Fee. Additional benefits of the Trust include free training. In your packets there is a flyer of our training opportunities. Registration fees are free to all members of the UC Trust. The Workshops include KEYS workshops, which are offered at our North Office up on Linglestown Road. The topics vary from grievance arbitration, employee manuals and orientation, using the internet to increase job performance, security for county government and hazard communication. We also offer the same type of workshop in western PA and northern PA, Williamsport and Pittsburgh.

I also would like to focus on our controlling unemployment costs. It is specifically designed for counties and their unemployment compensation costs, whether they use the UC Trust or their UC trust carrier. A second set of workshops is the UC Trust sponsored workshops where the topics range from time management, stress management, dealing with difficult behaviors and any type of employee topic issues. Mr. Mazzitti handles presentations for each of those workshops and it is part of their contract to provide those for us. This year's topic will be on crisis management,

managing your staff while they experience personal crisis. The final option for training is the personnel workshop. That workshop is offered only in the Spring. It is not completely free. It is a one and a half day workshop, but members do receive a discounted rate. That focuses primarily on unemployment and liability issues related to personnel management. Members of the UC Trust are guaranteed a rate for the year. You have a guaranteed rate. It will not increase by more than 100% within that year, which means at most with the higher of the two rates, at most by next year it would increase to 6.6% and at no time within a year can it raise by more than 10%. The final advantage, the UC Trust is an intermediary and liaison to all the services that it offers. We have established an excellent relationship with both Mazzitti and Sullivan and TALX Employer Services. We are here to serve the members. If you have any issues with either of the services, they can be handled directly through CCAP. We hope to be able to benefit your county in that way. Mr. Mazzitti is here and he will tell you a little bit about the EAP program.

Mr. Mazzitti: I wanted to talk a little bit about the Employee Assistance Program that we provide to 43 of the counties in Pennsylvania. It would be the same model that would be available to Dauphin County. The program design that we use is very comprehensive in nature. I know a lot of time people look at employee assistance as simply counseling programs for the employees or their family. If they are having a tough time they can call a number. The truth is we build a genuine partnership with the clients that we have whether they are the counties themselves, the department heads, the chief clerks, the human resource folks, the supervisors and managers to help them solve problems that they experience in the workplace. Those problems, often times, can go directly back to the personal problems that they are having in their lives. Fifty percent of your employees will get divorced, 15% of them will have drug or alcohol problems, 4% will have mental health issues and these things will all significantly impact the work that they do for the county. The resulting loss in productivity will cost the county literally hundreds of thousands of dollars. We see our job as developing a relationship with the county so that we can help you find the most effective and efficient way for people to help solve those problems so they can be the productive individuals that were part of the county's team. If you don't have that kind of a system, it has been my experience and most often what happens is you are simply paying a lot more money for counseling services than you need to. If you would simply have a voucher system whereby some employee goes to a counseling agency, gets counseling and you cover the cost of the counseling. The whole employee assistance concept is supposed to be one of a partnership, one where you get something more than just counseling for the employees and one where we can actually work with you to resolve a lot of the problems that pop up on a day-to-day basis. We would provide complete case management services for all the employees. As you can see, by some of the information material, we have 800 numbers that people can call 24 hours a day to access services. We have established a separate 800 number for supervisors, managers, department heads to call when they want to discuss specifics about problems that they are having with any employees or any of the issues in their department so that we might be able to coach them and work with them. Our case management team would come and visit on a quarterly basis and meet with either

Sharon, Faye or Chad based on whoever you would want to be part of that relationship to make sure that we are delivering the services that you expect us to give you. We provide all the training and orientation for supervisors, managers, department heads and all orientation for all the employees as to what this benefit is and how it works. We would provide all written and published promotional material by newsletters and full access to our entire website of services, which includes a dedicated work life where people can go for information on the internet and request services, brochures, literature from us and actually schedule appointments for counseling on the internet, if they so choose. It is a full range of program services, it is not just counseling that we would be providing to the county. Our relationship with the County Commissioners Association of Pennsylvania has been nothing short of excellent. They do call on us to provide a lot of training, seminars and conferences throughout the State of Pennsylvania. We certainly see where this has been a benefit to us and to them. I think there is strong belief in the fact that a good employee assistance program can lower costs is why they decided to add this as a benefit to the UC Trust program.

Ms. Jackson: If I may add, the Employee Assistance Program and all the services provided by TALX Employer Services and there is a summary of services in your packet, both of those services and their fees are included in the rates that were quoted. There are no additional costs for the EAP services, no additional costs for TALX Employer Services on any of the benefits that they offer. The rate is all-inclusive.

Mr. Haste: What about where it says optional on #6?

Ms. Jackson: That is optional if you would like them to attend the hearing. If you have a representative that you would like to send that would be fine, otherwise, they will attend any administrative hearings with you.

Are there any additional questions?

Mr. Haste: Chad, on the email that we received are those numbers accurate?

Mr. Saylor: About as close to accurate as we can get. It is basically a best guess. You are kind of fixing formulas to as close as you can get. It is not like we can see an invoice. We have to figure percentages times the payroll and that kind of thing.

Mr. Haste: It is a big difference.

Mr. Saylor: Yes it is. When the staff met with them yesterday, the folks from Personnel that were in the meeting have other obligations today, but it became clear that CCAP and Mazzitti and Sullivan offer an excellent program that we need to keep an eye on, because at some point it might make financial sense for us to be involved in it. At this point, given our current situation, it does not seem to be of benefit to us financially.

Mr. DiFrancesco: Does that number include all the services? Right now, are we not providing some services to our employees, as far as counseling services and so forth?

Mr. Saylor: That is included.

Mr. DiFrancesco: It would be apples to apples?

Mr. Saylor: Yes, as close as we can get apples to apples.

Ms. Jackson: The Interstate Claim is that a base fee that you pay to Interstate or do you also pay a per claim fee?

Mr. Saylor: We do not pay a per claim fee. It is my understanding that Interstate has been doing the County's UC work for some time. There are some benefits to the CCAP Plan, they handle almost all the paperwork and Interstate handles most of it. There would be some staff savings. Again financially it does not make sense. In the course of discussing and meeting with them there may be some ways to tweak our plan to save additional dollars. We have the opinion that this is something that we need to look at periodically and depending on our changing situation of personnel needs, maybe at some point this makes sense for us.

Mr. Hartwick: The reason that we had you here, I know currently we are looking at health care benefits and we are taking a look at trying to provide some value added services to our employees. I know there is no one better to provide those services, particularly EAP services, than Mazzitti and Sullivan. When I was approached, through the message was we may be able to get the UC and the benefits of the EAP services with Mazzitti and Sullivan because the utilization and the ability for us to utilize the current EAP provider has not been a great relationship. My initial understanding is that we could get the same rate for our unemployment compensation plus get you in the mix-- I'm thinking this is a no-brainer. As I take a look at these numbers, it is a significant amount larger investment for us. That doesn't mean that we can't talk in the future and maybe even engage when the contract comes up for EAP services as we come and take a look for benefits in the future. Clearly, the high cost and the difference makes it sort of prohibitive, but we needed to go down the avenue and explore it, even if it is to try to bring a great value like Mazzitti and Sullivan to Dauphin County. I know you guys are the best in the business and it has a direct affect on the ability for our employees to show up to work if they have drug and alcohol problems. At this time, I would agree with Chad financially it's probably not positioning in the way that we need it to be. Thanks for putting the proposal together and working with the staff.

Ms. Jackson: Please keep in mind the services that we do such as the workshops are available to Dauphin County, some at a fee.

ITEMS FOR DISCUSSION

Mr. Haste: Item A needs a vote and Item B, it is my understanding that it does not need a vote. It is just a mere acknowledgment of the numbers that have come through for the sub-recipients that were awarded last year. We need those as part of the Minutes. The

approval of the CDBG amounts were done last year and these are simply the Agreements that relate to those amounts that were approved.

- A. Agreement between Dauphin County and Hershey Philbin & Associates, Inc. to purchase professional grant writing expertise and assistance to secure grants. (****A VOTE IS REQUESTED 6/23/04**)

- B. Subrecipient Agreements between Dauphin County and the following organizations from the 2004 Community Development Block Grant (CDBG) Program: (****A VOTE IS REQUESTED 6/23/04**)
 - 1. Edgemont Community Improvement Association, Susquehanna Township in the amt. of \$50,000.
 - 2. Paxtang Borough in the amt. of \$20,000.
 - 3. Jump Street in the amt. of \$30,000.
 - 4. Penbrook Borough in the amt. of \$20,000.
 - 5. Lower Paxton Township in the amt. of \$50,000.
 - 6. Millersburg Borough in the amt. of \$150,000.
 - 7. Williamstown Borough in the amt. of \$50,000.
 - 8. Williamstown Borough in the amt. of \$20,000.
 - 9. Lykens Borough in the amt. of \$150,045.
 - 10. Elizabethville Borough in the amt. of \$75,000.
 - 11. Harrisburg Area YMCA-Northern Dauphin County Branch in the amt. of \$37,300.
 - 12. Dauphin County Human Services Director's Office in the amt. \$14,999.
 - 13. Berrysburg Borough in the amt. of \$50,000.
 - 14. Pillow Borough in the amt. of \$180,000.
 - 15. Gratz Borough in the amt. of \$60,700.
 - 16. Shalom House in the amt. of \$19,853.
 - 17. YMCA of Greater Harrisburg in the amt. of \$30,000.
 - 18. Steelton Borough in the amt. of \$31,000.
 - 19. Halifax Borough in the amt. of \$100,000.
 - 20. Center for Independent Living of Central Pennsylvania in the amt. of \$30,000.
 - 21. Steelton Borough in the amt. of \$124,480.
 - 22. Steelton Borough in the amt. of \$70,000.
 - 23. Rutherford House Senior Center, Swatara Township in the amt. of \$50,000.

- C. Adoption of a Resolution authorizing a banking relationship with Way Point Bank.

Mr. Hartwick: I just wanted to make sure that Mr. Saylor and the Solicitor are okay with the agreement that we finally settled on. I know that was a nightmare to hammer out. Are all the legal questions answered and do we have money to pay her?

Mr. Saylor: Yes, I think Sandy Moore and Fred Lighty worked very hard, harder than they should have needed to, to keep this on the board and to make this a reality. At times it seemed that we were working against the folks that are supposed to be helping us. In the end, we are ready to move forward and Sandy has identified areas in her

budget where she will be able to cover the cost of these services, without taking the money from the grants. That was the key.

Mr. Hartwick: In the future, we now have someone engaged to do this on our behalf. We will not go through this again.

It was moved by Mr. DiFrancesco and seconded by Mr. Hartwick that the Board approve Item A, the Agreement between Dauphin County and Hershey Philbin & Associates, Inc. to purchase professional grant writing expertise and assistance to secure grants; motion carried.

Mr. Haste: We also have Item C, which is the Resolution for Waypoint Bank. Are we ready to go with that?

Mr. Tully: It can be voted on next week as well. The important thing is before the Resolution is adopted, we have to make sure that the Treasurer is on board and in agreement with it as well to satisfy the Statute. Next week is a better time to do the vote and we will have everything in order. The language is good and we have the collateral taken care of.

Mr. DiFrancesco: The collateral question was not just one of Waypoint was it? It was a question of the other institutions as well?

Mr. Tully: Absolutely, they are all coming on line with that. We have our protection as opposed to the pooling which created a risk that was unacceptable.

Mr. DiFrancesco: So, you have that worked out.

Mr. Tully: Mike has been making sure that everyone of them that is in place and those that we address in the future will automatically have the same form requiring them to collateralize individually for us.

Mr. DiFrancesco: Right now, which ones are we using? Are we using Commerce at this time?

Mr. Yohe: Yes, Commerce.

Mr. DiFrancesco: Was there a meeting with Waypoint? I mentioned that someone should sit down with Waypoint with the transition and probably meet with people at Sovereign as well.

Mr. Yohe: That has been done.

Mr. Haste: That happened on Monday.

Mr. DiFrancesco: Are you comfortable though that there shouldn't be any complications as they go through their merger process?

Mr. Yohe: Very comfortable.

Mr. Tully: Just this morning, they emailed the actual resolution so I will make sure the Treasurer has a copy of that today.

Mr. Haste: That will be on the agenda next week.

REPORT FROM THE SOLICITOR – WILLIAM TULLY

Mr. Tully: I have nothing to add, but happy to answer any questions.

REPORT FROM CHIEF CLERK/CHIEF OF STAFF – CHAD SAYLOR

Mr. Saylor: I have a few items. We have a draft by-laws and statement of purpose for a Dauphin County Audit Committee. You have the four-page item and the Solicitor's have given it a quick glance. I think we should have a final document ready for a vote next week, but as you can see we are looking at six members. It spells out what this group will do. It is somewhat an independent function, entity in-between the Board and our auditors to look at in-depth the audit report and analysis and study it more intently. We do get an analysis of the audit with numerous recommendations and I think a good starting point for this committee will be to look at those recommendations that come out every year and look to see how we can implement some of those recommendations. Some of the recommendations, I have looked at two of these from 2002 and 2003 and one that consistently pops up is the establishment of an audit committee for just this purpose. I think it could be very beneficial to the County and both from a fiscal standpoint and from a strategic standpoint. The Commissioners maintain a great deal of authority in terms of adding members, taking members away, receiving recommendations from this Committee. I think it seems to be a pretty good proposal.

Mr. Hartwick: Besides making recommendations, is there legal authority for any action by this Audit Committee?

Mr. Saylor: I don't believe so.

Mr. Tully: It is just merely to advise the Board.

Mr. Hartwick: It is an advisory board capacity.

Mr. Haste: I assume that the committee itself elects its officers. It is really not stated out in here and I assume that no particular appointment is automatically chair or vice chair.

Mr. Tully: That appears to be what it says.

Mr. Haste: Sorry Marie, you can never be chair. It says "he shall".

Ms. Rebuck: I want to go on record, I do not want to be the secretary. Secretary of the Retirement Board is enough.

Mr. Haste: We will take formal action next week.

Mr. Saylor: I have three items to bring to your attention. One is that Fort Hunter is going to be open for free to the public on June 26, 2004. It is a great opportunity to see this County treasure for no charge. The second item is it seems that we are finally going to have the much anticipated art exhibit. We are looking at June 30th. Tom Reider, who has photographed many scenes throughout Dauphin County, his photographs will be on display throughout this building and we are planning a reception from 5:00 to 7:00 p.m. on June 30th, refreshments will be served and this will be a cooperative effort with the Art Association of Harrisburg. Finally, tomorrow our tour of the County is continuing. We will kick it off with a breakfast in Middletown and will see some businesses in the southwestern corner of the County.

COMMISSIONERS' COMMENTS

(There were no comments by the Commissioners.)

PUBLIC PARTICIPATION

(There were none.)

Mr. Haste: We will convene the Retirement Board at 11:00 a.m.

ADJOURNMENT

There being no further business, it was moved by Mr. Hartwick and seconded by Mr. DiFrancesco that the Board adjourn.

Transcribed by: Richie Martz

Respectfully submitted,

Chad Saylor, Chief Clerk/Chief of Staff
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