

2017

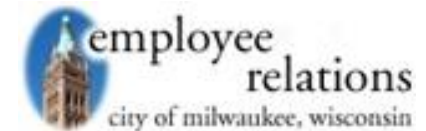


Legislative Reference Bureau

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DEPT OF EMPLOYEE RELATIONS



2017 Proposed Plan and Executive Budget Review

Prepared by: Dana Zelazny, Legislative Fiscal Analyst
Budget Hearing: 10:30 am on Friday, October 7, 2016
Last Updated: October 5, 2016

Final Version



\$4,144,335

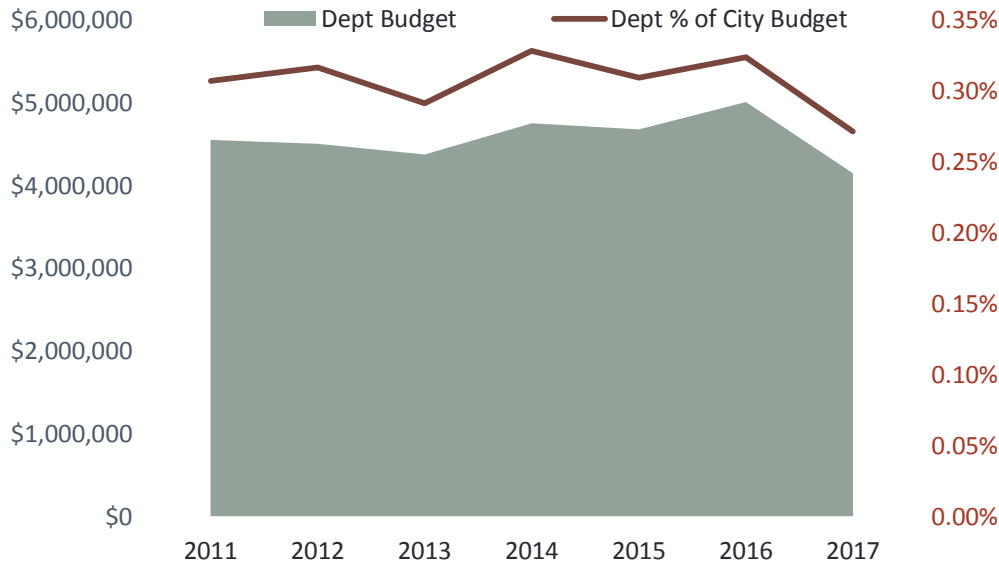
Proposed 2017 Budget

\$860,663

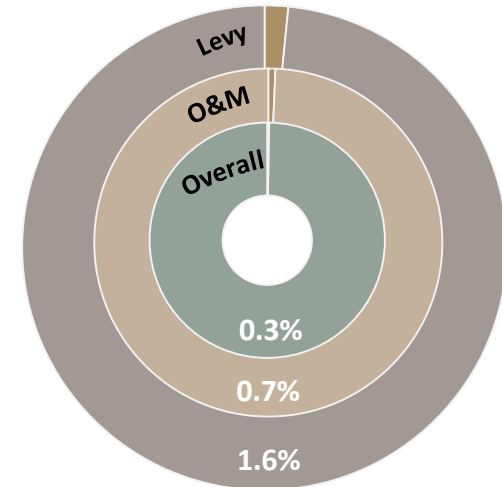
Change in Proposed Budget

17.2%

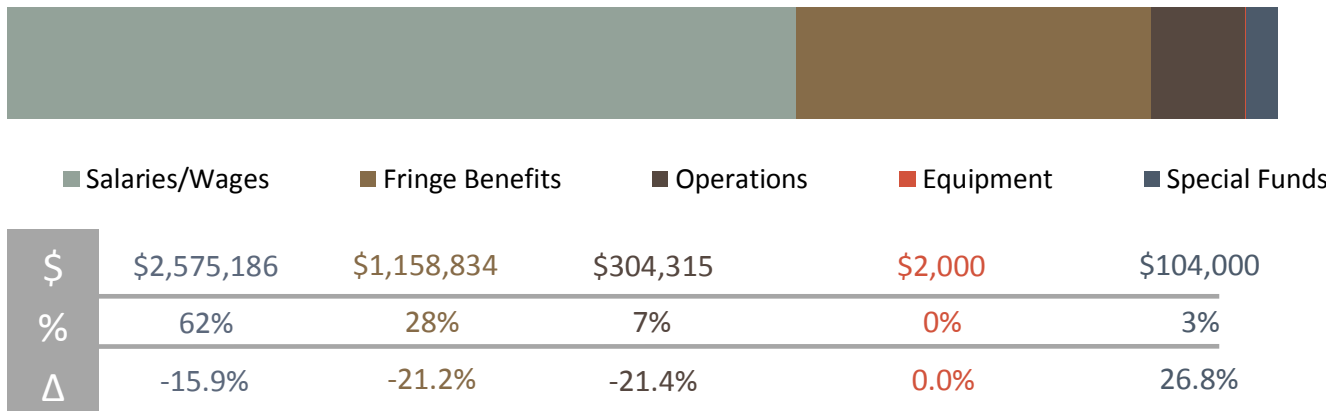
% Change in Proposed Budget



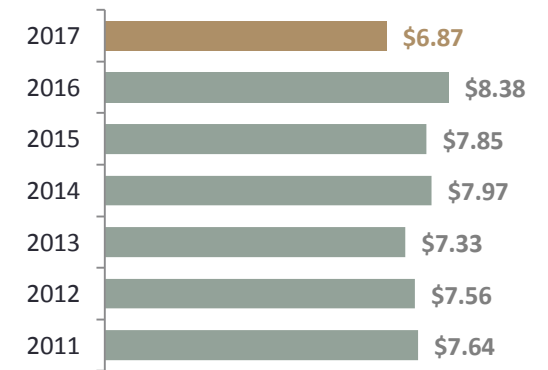
Departmental Budget Impact



Departmental Budget Appropriation Category



Budget per Capita



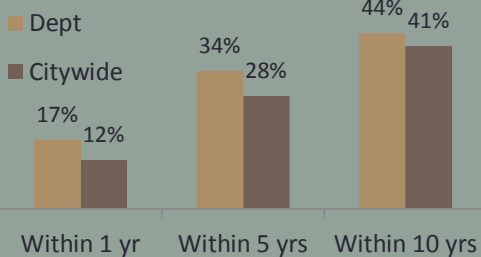
-\$488,333

Decrease in Salaries, largely due to eliminating 10 positions in Workers' Compensation by switching to third-party administrator.

-\$127,900

Reduction in funding for IT Services by eliminating City-administered Workers' Compensation claims processing.

Retirement Eligible



-17

Change in Positions

5

Current Vacancies

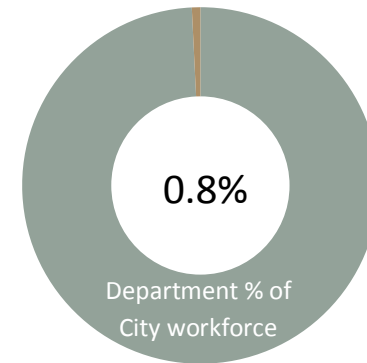
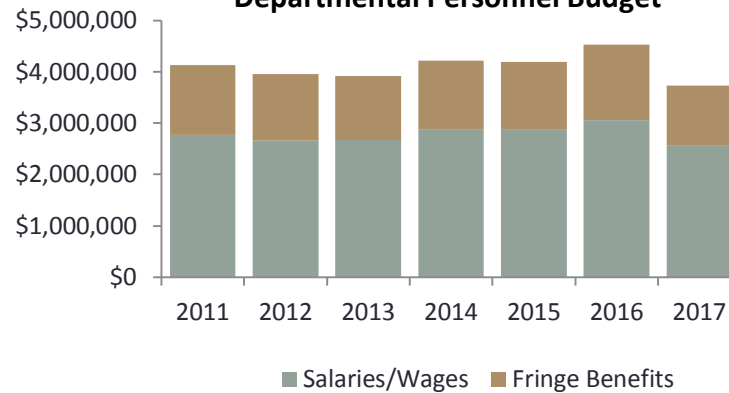
-21.0%

% Change in Positions

3

Voluntary Separations

Departmental Personnel Budget



Staffing Update

- 7 Equal Rights Commissioner positions were moved to the Department of Administration earlier in 2016.
- 10 Workers' Compensation positions eliminated and 3 re-classified in anticipation of switch-over to third-party administration.

Staffing Update

- New Disability Compliance Coordinator will coordinate disability management and job placement.
- New Loss Control and Prevention Coordinator will coordinate injury prevention and safety initiatives.
- 2 Current vacancies expected to be filled by former Workers' Compensation personnel following switch-over to third-party administrator.



**Department Positions
2011-2017**

\$1.1 Million

Projected savings from elimination of Workers' Comp FTEs, IT and implementation of best practices through switch-over to third-party administrator (net of contract cost).

\$11 Million

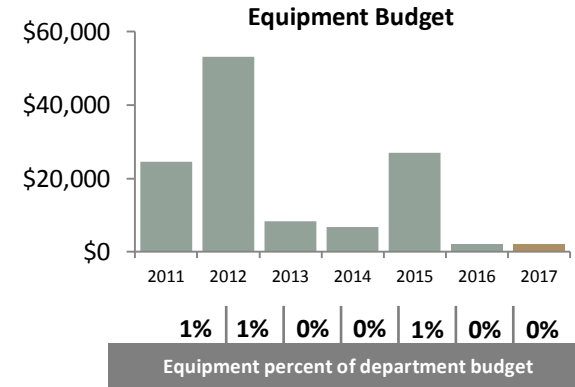
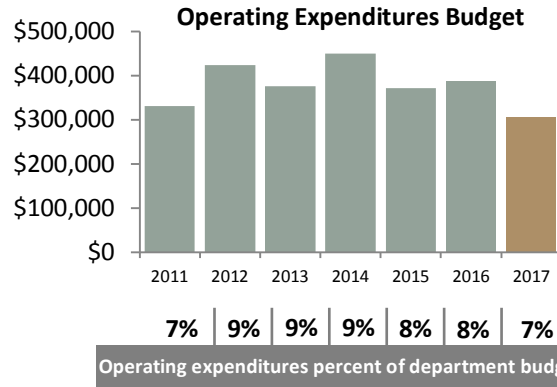
Workers' Compensation SPA, decrease of \$1 million from 2016.

\$113.9 Million

2017 Proposed health care benefit budget, decrease of \$1.4 million from 2016.

\$11,901

Health care cost per contract expected in 2017, a \$458 increase from 2016, mostly due to increases for retirees and inflation.



Revenue

Insurance Recovery - This revenue account captures third-party reimbursement of workers' comp claims previously paid by the City: \$300,000.

Services to Water Works - This is an annual fee assessed to MWW based on the percentage of MWW employees serviced by each DER division out of all employees: \$178,800.

Grants

This department receives no grants.

Special Purpose Accounts

Workers' Compensation Fund; claims (1,911) and recordable cases (665) unchanged from 2014.

Other SPAs include Long-Term Disability Insurance, the Tuition Reimbursement Fund, the Unemployment Compensation Fund, Flexible Spending and Alternative Transportation. See table on page 5.

Capital Requests

This department has no capital requests.

5,867

Number of employment applications processed in 2015, an increase of 327 (6%) from 2014.

65%

Percentage of candidates referred (the top 5 from the eligible list) who are minorities, projected for 2016, compared to 37% from 2015 actual experience.

67%

Percentage of Management Trainee Program participants that were hired into regular City positions.

125

Turnaround time (days) between vacancy approval and establishment of eligible list in 2015, down from 168 days in 2014. Goal is 90 days.

Efforts to Streamline Completion of Eligibility Lists

- Consolidate oral board examination with department interviews, if appropriate.
- Eliminate barriers that disqualify candidates (requiring transcripts at time of application).
- Permit subject matter experts to rank and rate applicants remotely, in parallel with other DER processes, rather than sequentially.

Workplace Clinic

- Hours at the Workplace Clinic increased from 30 to 40 per week in 2016.
- In 2015, there were 1,900 patient visits, at no cost to patients or need for insurance.
- Over 50% of patient visits in 2015 were from outside the City Hall complex.
- In 2017, patients will receive parking vouchers.

Emergency Communications

A new pay structure and job family was created in 2016 for Emergency Communication Operators in the Fire and Police Departments to address on-going attrition issues. Work is under way to develop a career ladder for those positions in 2017.

Workers' Compensation

Workers' compensation functions have been transferred to a third-party administrator, Gallagher Basset. GB will perform claim intake, processing, adjudication, case management and investigations.

- City Attorney's Office will continue to perform litigation, with DER support.

GB is providing a "priority care 365" nurse triage telephone line to report claims, which will provide injured employees with:

- Guidance on best available providers based on the nature of the injury and employee's preferences.
- Guidance on appropriate emergency room or urgent care utilization.
- Immediate access to prescriptions to treat a work-related injury without out-of-pocket expenses for the employee.

Four Workers' Comp personnel will oversee the contract, support litigation, provide loss control safety services, and coordinate and support all disability management placement activities.

Of the 10 remaining positions, 2 have been vacant, 6 employees have been or will be placed in other City positions and 2 employees are still actively interviewing for other City positions.

Special Purpose Accounts	2015 Actual	2016 Adopted	% Change	2017 Proposed	% Change
Alt. Transportation for City Employees	\$111,056	\$115,000	3.5%	\$115,000	0%
Healthcare Benefits Accounts	\$96,395,522	\$115,390,480	19.7%	\$113,950,000	-1.2%
Employee Training Fund	\$24,769	\$20,000	-19.2%	\$20,000	0%
Flexible Spending Account	\$83,362	\$100,000	20%	\$115,000	15%
Long-Term Disability Insurance	\$635,213	\$640,000	0.75%	\$650,000	1.6%
Tuition Reimbursement Fund	\$649,095	\$725,000	11.7%	\$725,000	0%
Unemployment Compensation Fund	\$544,503	\$550,000	1%	\$600,000	9%
Workers' Compensation Fund	\$10,102,568	\$12,000,000	18.8%	\$11,000,000	-8.3%
Total	\$108,435,032	\$129,540,480	19.5%	127,175,000	-1.8%

New or expanded employee benefit programs to make the City more attractive to employees and potential recruits include:

- Early Intervention Physical Therapy Clinic, to address strains and musculoskeletal issues before they become more serious.
- Traveling Wellness Center sites at off-site locations that offer free services like coaching and blood pressure checks.
- Free weight-loss program, Real Appeal.
- Plan to add a diabetes prevention program and possible on-site stretching and fitness classes in 2017.
- Off-site EAP pilot program for employees that do not work in the City Hall complex.
- Expanded EAP Peer Support networks for employees to connect with peers who understand their unique work environment stressors.

Career ladders planned for 2017 development include:

- DPW/Infrastructure - Civil Engineers, Engineering Drafting Technicians, Engineering Technicians and Architects.
- DPW/Water - Water treatment plant positions, Automated Systems Specialist, Chemists, Microbiologists and Lab Technicians.
- DCD - House Rehabilitation Specialists and related financial positions.
- Library - Librarians and Library Technical titles.
- Port - Port Maintenance Technicians.