

# **Department of Employee Relations**

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**2017 Budget Overview  
Finance & Personnel Committee  
October 7, 2016**

# Objectives and Key Performance Measures

- Objective: Establish and administer organizational framework to effectively recruit, select, classify, compensate, develop, and reward employees in compliance with applicable employment laws and regulations

Measure	2015 Actual	2016 Planned	2017 Projected
Turnaround time between notification of position vacancy and establishment of eligible list	118 days	120 days	120 days

# Objectives and Key Performance Measures

- Objective: Develop and implement recruitment and examination practices that yield a qualified and diverse candidate pool to fill departmental vacancies

Measure	2015 Actual	2016 Planned	2017 Planned
Percentage of candidates referred who are women	45%	55%	50%
Percentage of candidates referred who are minorities	37%	65%	40%

# Objectives and Key Performance Measures

- Objective: Establish programs and services to control the growth rate of health care costs while maintaining employee accountability and responsibility for care

Measure	2015 Actual	2016 Projected	2017 Planned
Health care cost per contract	\$9,684	\$11,443	\$11,901

# Budget Summary

	2016 ADOPTED	2017 PROPOSED	DIFFERENCE	
	BUDGET	BUDGET	(amount, %)	
<b>FTEs – O&amp;M</b>	49.43	40.57	-8.86	-17.9%
<b>FTEs - Other</b>	5.6	5.56	<b>-0.04</b>	-1%
<b>Salaries &amp; Wages</b>	3,063,519	2,575,186	<b>-488,333</b>	-15.94%
<b>Fringe Benefits</b>	1,470,489	1,158,834	<b>-311,655</b>	-21.19%
<b>Operating Expenditures</b>	386,990	304,315	<b>-82,675</b>	-21.36%
<b>Equipment</b>	2,000	2000	<b>0</b>	0.00%
<b>Special Funds</b>	82,000	104,000	<b>22,000</b>	26.83%
<b>TOTAL</b>	<b>\$5,004,998</b>	<b>\$4,144,335</b>	<b>-860,663</b>	-17.20%

# Key Budget Updates

- ❑ Salaries - \$488,333 decrease
  - Worker Compensation transition, positions eliminated
  - Various changes resulting from vacancies
- ❑ Operating - \$82,675 decrease
  - IT Services primary driver of decrease
- ❑ Special Funds - \$22,000 increase
  - Increased costs for pre-placement exams and drug testing

# Special Purpose Accounts

	2016 ADOPTED BUDGET	2017 PROPOSED BUDGET	DIFFERENCE (amount, %)	
<b>Alternative Transportation</b>	115,000	115,000	<b>0</b>	0.00%
<b>Employee Training</b>	20,000	20,000	<b>0</b>	0.00%
<b>Flexible Spending</b>	100,000	115,000	<b>15,000</b>	15.00%
<b>Long Term Disability</b>	640,000	650,000	<b>10,000</b>	1.56%
<b>Tuition Reimbursement</b>	\$725,000	\$725,000	<b>0</b>	0.00%
<b>Unemployment Comp.</b>	550,000	600,000	<b>50,000</b>	9.09%
<b>Total SPAs</b>	<b>\$2,150,000</b>	<b>\$2,225,000</b>	<b>75,000</b>	3.49%

- Increase reflects changes in three accounts
  - **Flexible Spending** - Administrative costs based on participation
  - **Long Term Disability** – Contract expiration, anticipates rate increase
  - **Unemployment Comp.** – Projected increase following election year

# Health Care Budget Summary

	2016 ADOPTED	2017 PROPOSED	DIFFERENCE	
	BUDGET	BUDGET	(amount, %)	
<b>UHC Choice Plus “PPO”</b>	10,000,000	10,000,000	<b>0</b>	0.00%
<b>UHC Choice “EPO”</b>	91,890,480	91,450,000	<b>-440,480</b>	-0.48%
<b>High Deductible Health Plan</b>	1,000,000	1,000,000	<b>0</b>	0.00%
<b>Wellness Program</b>	2,900,000	2,900,000	<b>0</b>	0.00%
<b>Dental</b>	\$1,900,000	\$1,900,000	<b>0</b>	0.00%
<b>Administration</b>	7,700,000	6,700,000	<b>-1,000,000</b>	-12.99%
<b>TOTAL Health Care</b>	<b>\$115,390,480</b>	<b>\$113,950,000</b>	<b>-1,440,480</b>	<b>-1.25%</b>



# 2017 Proposed Health Care Highlights

- ❑ No benefit design changes proposed for 2017
- ❑ Dental plan costs are not expected to increase
- ❑ Continuation of programs that support better employee health
  - Wellness Program
  - Workforce Clinic
  - Healthy Rewards

# Worker's Compensation

- ❑ **Objective:** Establish and monitor risk management and safety programs to ensure safe and productive workplaces and control costs

	2016 ADOPTED BUDGET	2017 PROPOSED BUDGET	DIFFERENCE (amount, %)	
<b>Worker's Compensation</b>	12,000,000	11,000,000	<b>-1,000,000</b>	<b>-8.33%</b>

- ❑ Program transitioned to third party administrator in 2016
  - Access to clinical management tools and outcomes based networks
  - Predictive analytics to assess claim risks
  - Identify loss trends and appropriate interventions.