

Human Resources Department

Joe Angelo, Director

M
I
S
S
I
O
N

To attract, develop and retain a quality workforce

City Service Area

Strategic Support

Core Services

Employee Benefits

Provide benefit programs that best meet the needs of employees, retirees, their dependents, and the City, and assist participants in effectively utilizing their plans

Employment Services

Facilitate the timely hiring of excellent employees, and maintain the City's classification and compensation systems

Health and Safety

Provide services that promote employee health, safety, and well-being

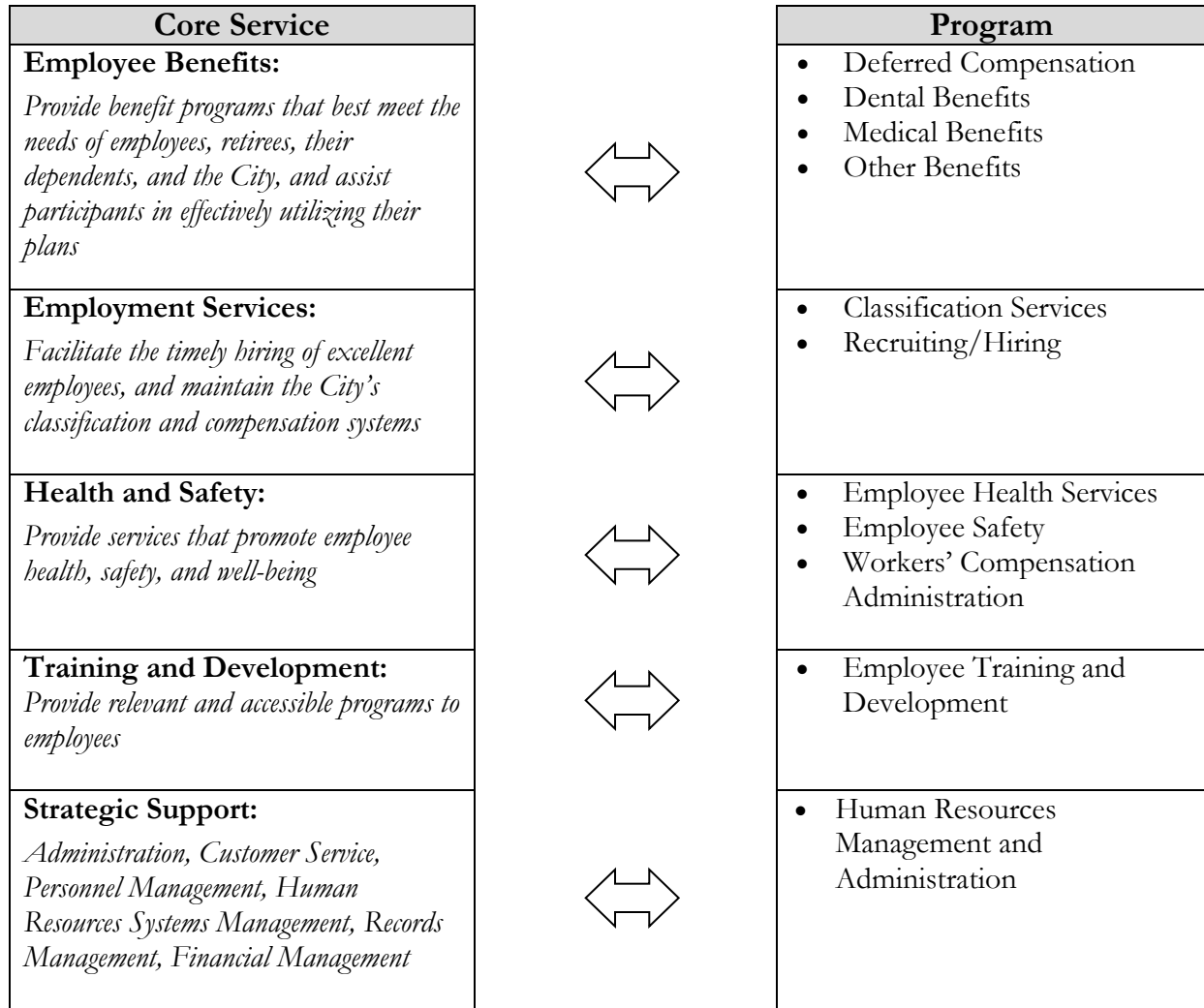
Training and Development

Provide relevant and accessible programs to employees

Strategic Support: Administration, Customer Service, Personnel Management, Human Resources Systems Management, Records Management, Financial Management

Human Resources Department

Service Delivery Framework



Human Resources Department

Department Budget Summary

Expected 2017-2018 Service Delivery

- Facilitate recruitments and manage effective, efficient, and defensible hiring processes, in concert with departments, to attract and retain qualified employees.
- Maintain a safe and healthy work environment in compliance with all applicable state and federal regulations related to employee health and safety, and continue to minimize liability and loss to the City. Health and Safety programs will continue to ensure injured employees receive adequate and appropriate treatment; promote a culture of safety through the injury, illness, and prevention programs; and ensure employee medical exams and testing are completed as mandated.
- Provide a wide range of benefit programs that meet the needs of the employees, retirees, their dependents, and the City, and assist participants in effectively using their plans.

2017-2018 Key Budget Actions

- Adds one-time funding of \$330,720 to continue 3.0 Workers' Compensation Adjuster II temporary positions in the Workers' Compensation Unit through June 30, 2018 to manage caseloads and allow staff to focus on program compliance issues in response to 2016 State Audit findings.
- Adds 1.0 Senior Analyst to oversee technical upgrades, changes, and new implementation projects for Human Resources-related modules and Taleo hiring system employment modules as part of the recently implemented Human Resources/Payroll/Budget Systems upgrade project.
- Eliminates a part-time Physician in the Employee Health Services Program and reallocates the related funding to make permanent contractual physician services.
- Continues \$200,000 in Talent Recruitment Initiative funding, where under the leadership of the City Manager's Office, overtime support, additional temporary staffing and/or professional services, and contracts to directly support implementation of improved recruiting processes and methods will be pursued to fill position vacancies with high performers as described in the City-Wide Expenses section of this document.

Operating Funds Managed

- Benefit Fund – Benefit Fund
- Benefit Fund – Dental Insurance Fund
- Benefit Fund – Life Insurance Fund
- Benefit Fund – Self Insured Medical Fund
- Benefit Fund – Unemployment Insurance Fund

Human Resources Department

Department Budget Summary

	2015-2016 Actual 1	2016-2017 Adopted 2	2017-2018 Forecast 3	2017-2018 Proposed 4
Dollars by Core Service				
Employee Benefits	n/a	n/a	n/a	\$ 92,609,157
Employment Services	n/a	n/a	n/a	2,631,283
Health and Safety	n/a	n/a	n/a	5,788,806
Training & Development	n/a	n/a	n/a	178,000
Strategic Support	n/a	n/a	n/a	1,345,050
Strategic Support - Other	n/a	n/a	n/a	1,299,538
Total	n/a	n/a	n/a	\$ 103,851,834
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	\$ 5,693,094	\$ 6,934,762	\$ 6,902,911	\$ 6,905,815
Overtime	11,987	13,018	13,018	13,018
Subtotal Personal Services	\$ 5,705,081	\$ 6,947,780	\$ 6,915,929	\$ 6,918,833
Non-Personal/Equipment	3,080,882	3,417,091	3,776,743	4,207,463
Total Personal Services & Non-Personal/Equipment	\$ 8,785,963	\$ 10,364,871	\$ 10,692,672	\$ 11,126,296
Other Costs *				
HR Funds Workers' Comp	n/a	n/a	n/a	\$ 925,000
HR Gifts	n/a	n/a	n/a	0
HR Overhead	n/a	n/a	n/a	299,538
HR Other Departmental - City-Wide	n/a	n/a	n/a	1,278,000
HR Other Departmental - Employee/Retiree Benefits	n/a	n/a	n/a	88,999,000
Other	n/a	n/a	n/a	1,224,000
Total Other Costs	n/a	n/a	n/a	\$ 92,725,538
Total	n/a	n/a	n/a	\$ 103,851,834
Dollars by Fund				
General Fund	n/a	n/a	n/a	\$ 10,921,763
Benefit Fund	n/a	n/a	n/a	64,096,045
Deferred Compensation Trust Fui	n/a	n/a	n/a	136,971
Dental Insurance	n/a	n/a	n/a	12,204,430
Integrated Waste Mgmt	n/a	n/a	n/a	25,904
Library Parcel Tax	n/a	n/a	n/a	78,187
Life Insurance	n/a	n/a	n/a	1,335,488
Low/Mod Income Hsg Asset	n/a	n/a	n/a	24,881
PW Program Support	n/a	n/a	n/a	120,015
Sewer Svc & Use Charge	n/a	n/a	n/a	27,548
Self Insured Medical Fund	n/a	n/a	n/a	13,760,573
SJ/SC Treatment Plant Oper	n/a	n/a	n/a	293,680

Human Resources Department

Department Budget Summary

	2015-2016 Actual 1	2016-2017 Adopted 2	2017-2018 Forecast 3	2017-2018 Proposed 4
Dollars by Fund				
Storm Sewer Operating	n/a	n/a	n/a	49,185
Unemployment Insurance	n/a	n/a	n/a	689,360
Water Utility Fund	n/a	n/a	n/a	14,396
Vehicle Maint & Opers	n/a	n/a	n/a	73,408
Total	n/a	n/a	n/a	\$ 103,851,834
Authorized Positions by Core Service				
Employee Benefits	n/a	n/a	n/a	11.50
Employment Services	n/a	n/a	n/a	16.00
Health and Safety	n/a	n/a	n/a	15.00
Training & Development	n/a	n/a	n/a	0.00
Strategic Support	n/a	n/a	n/a	8.00
Strategic Support - Other	n/a	n/a	n/a	0.00
Total	n/a	n/a	n/a	50.50

* Departmental Fund Balance, Transfers, and Reserves have been excluded from this display. This information can be found in the Source and Use of Funds Statements elsewhere in this document.

Human Resources Department

Department Budget Summary

	2015-2016 Actual	2016-2017 Adopted	2017-2018 Forecast	2017-2018 Proposed	2017-2018 Proposed FTE
Dollars by Program					
Employee Benefits					
Deferred Compensation	n/a	n/a	n/a	\$ 1,956,563	3.00
Dental Benefits	n/a	n/a	n/a	12,130,852	1.80
Medical Benefits	n/a	n/a	n/a	66,073,119	4.30
Other Benefits	n/a	n/a	n/a	12,448,623	2.40
Sub-Total	n/a	n/a	n/a	\$ 92,609,157	11.50
Employment Services					
Classification Services	n/a	n/a	n/a	\$ 0	0.00
Recruiting/Hiring	n/a	n/a	n/a	2,631,283	16.00
Sub-Total	n/a	n/a	n/a	\$ 2,631,283	16.00
Health and Safety					
Employee Health Services	n/a	n/a	n/a	\$ 632,703	3.00
Employee Safety	n/a	n/a	n/a	303,759	2.00
Workers' Compensation Administration	n/a	n/a	n/a	4,852,344	10.00
Sub-Total	n/a	n/a	n/a	\$ 5,788,806	15.00
Training and Development					
Employee Training and Development	n/a	n/a	n/a	\$ 178,000	0.00
Sub-Total	n/a	n/a	n/a	\$ 178,000	0.00
Strategic Support (Strategic Support CSA)					
Human Resources Management and Administration	n/a	n/a	n/a	\$ 1,345,050	8.00
Sub-Total	n/a	n/a	n/a	\$ 1,345,050	8.00
Strategic Support - Other (Strategic Support CSA)					
Human Resources Capital	n/a	n/a	n/a	\$ 0	0
Human Resources Gifts	n/a	n/a	n/a	0	0
Human Resources Other					
Departmental - City-Wide	n/a	n/a	n/a	0	0
Human Resources Other					
Departmental - Grants	n/a	n/a	n/a	0	0
Human Resources Other					
Operational - Administration	n/a	n/a	n/a	0	0
Human Resources Overhead	n/a	n/a	n/a	299,538	0
Human Resources Transfers	n/a	n/a	n/a	0	0.00

Human Resources Department

Department Budget Summary

	2015-2016 Actual	2016-2017 Adopted	2017-2018 Forecast	2017-2018 Proposed	2017-2018 Proposed FTE
Dollars by Program					
Strategic Support - Other (Strategic Support CSA) (Cont'd.)					
Workers Compensation					
Claims - Other	n/a	n/a	n/a	1,000,000	0.00
Sub-Total	n/a	n/a	n/a	\$ 1,299,538	0.00
Strategic Support - Fund Balance & Reserves (Strategic Support CSA)					
Human Resources					
Earmarked Reserves	n/a	n/a	n/a	\$ 0	0.00
Human Resources Ending Fund Balance	n/a	n/a	n/a	0	0.00
Sub-Total	n/a	n/a	n/a	\$ 0	0.00
Total	n/a	n/a	n/a	\$ 103,851,834	50.50

* Departmental Fund Balance and Reserves have been excluded from this display. This information can be found in the department Source and Use Statement.

Human Resources Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2016-2017 Adopted to 2017-2018 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2016-2017):	53.90	10,364,871	7,999,815
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudget: Classification and Compensation Study		(58,000)	(58,000)
• Rebudget: Employment Analyst		(46,000)	(46,000)
• Rebudget: Taleo Project Implementation		(46,000)	(46,000)
• Rebudget: Human Resources/Payroll Stabilization		(35,000)	(35,000)
• Workers' Compensation Claims Administration Backlog		(393,000)	(393,000)
• Employment Services Division Recruitment Staffing (1.0 Analyst II and 1.0 Senior Office Specialist)	(2.00)	(164,203)	(164,203)
• Human Resources Department Service Delivery and Strategic Analysis Staffing		(132,871)	(132,871)
• Benefits Division New Medical Plans Temporary Staffing (1.0 Senior Analyst)	(1.00)	(104,098)	0
• Employment Services Division Job Class Specification Updates (1.0 Analyst I)	(1.00)	(100,000)	(100,000)
• Employment Services Division Management Succession Planning		(85,000)	(85,000)
• Medical Benefits Software Purchase and Customization		(82,000)	0
• Career Fair		(25,000)	(25,000)
One-time Prior Year Expenditures Subtotal:	(4.00)	(1,271,172)	(1,085,074)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes		391,202	332,798
• Workers' Compensation Third Party Administrator		1,093,000	1,093,000
• Workers' Compensation System		115,000	115,000
• Employment Services - Professional and Consultant Svcs (Fingerprinting)		40,200	22,000
• Employee Benefits - Professional and Consultant Services (Medical Actuary)		15,000	0
• Employee Benefits - Deferred Compensation		2,350	2,350
• Employment Services - Professional and Consultant Svcs (Exit Interviews)		(50,000)	(50,000)
• Strategic Support - Adjustments to offset Communications, Rent-Equipment, and Employment Services Fingerprinting		(3,000)	(3,000)
• Employee Benefits - Decrease Supplies/Materials, Print/ Advertising, and Personal Benefits and increase Training		(2,979)	(2,979)
• Professional development program		(1,800)	(1,800)
Technical Adjustments Subtotal:	0.00	1,598,973	1,507,369
2017-2018 Forecast Base Budget:	49.90	10,692,672	8,422,110

Human Resources Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2016-2017 Adopted to 2017-2018 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Budget Proposals Recommended			
1. Workers' Compensation Program Temporary Staffing		330,720	330,720
2. Human Resources Department Information Systems Staffing	1.00	102,904	102,904
3. Employee Health Services Physician Staffing	(0.40)	0	0
Total Budget Proposals Recommended	0.60	433,624	433,624
2017-2018 Proposed Budget Total	50.50	11,126,296	8,855,734

Human Resources Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2017-2018 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Workers' Compensation Program Temporary Staffing		330,720	330,720

*Strategic Support CSA
Health and Safety Core Service
Workers' Compensation Administration Program*

This action adds one-time funding of \$330,720 to continue 3.0 Workers' Compensation Adjuster II temporary positions. This funding is partially offset by the rebudget of \$90,000 in anticipated 2016-2017 savings from third-party administrator (TPA) contractual services. Continuation of these resources will assist the Workers' Compensation Program in achieving a reduction in adjuster caseloads by enabling current in-house staff to focus on compliance issues in response to 2016 State Audit findings as the program is subject to re-audit in December 2018. It should be noted that the Workers' Compensation Program is currently administered through a hybrid service delivery model that uses a combination of in-house staff for Police Department cases and a TPA for all other department cases. This hybrid service delivery model is subject to evaluation by June 2018, and a permanent service delivery recommendation should be brought forward in the 2018-2019 Proposed Operating Budget for City Council consideration. (Ongoing costs: \$0)

2. Human Resources Department Information Systems Staffing	1.00	102,904	102,904
---	------	---------	---------

*Strategic Support CSA
Strategic Support Core Service
Human Resources Management and Administration Program*

This action adds 1.0 Senior Analyst position to support the newly upgraded PeopleSoft payroll, time and labor, and absence management modules of the recently implemented Human Resources/Payroll/Budget Systems Upgrade project, and the employment modules of the new Taleo hiring system. The position, starting September 1, 2017, will develop, implement, and maintain system configurations and rules for benefit plan and workforce administration, and troubleshoot and fix issues in the payroll, time and labor, and absence management modules. This position will also ensure system compliance with local, state, and federal policies and reporting requirements. (Ongoing costs: \$123,485)

Human Resources Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
3. Employee Health Services Physician Staffing	(0.40)	0	0
<p><i>Strategic Support CSA</i> <i>Health and Safety Core Service</i> <i>Employee Health Services Program</i></p> <p>This action eliminates a 0.4 Physician PT position in the Employee Health Services Division and reallocates the position savings of \$100,000 to contractual physician services. The 2017-2018 Base Budget for this program includes 3.4 positions (1.0 Senior Medical Assistant, 1.0 Nurse Practitioner, 1.0 Medical Assistant, and 0.4 Physician PT) and non-personal/equipment funding for the medical clinic lease costs, supplies, and contractual medical services. In 2016-2017, \$283,000 was reallocated from personal services to non-personal/equipment to fund 2.40 temporary positions (1.0 Nurse Practitioner, 1.0 Medical Assistant, and 0.4 Physician,), pending a service delivery evaluation. The Human Resources Department evaluated this service and determined that a hybrid model best meets the needs of the City. Under this permanent hybrid model, the budgeted positions except the Physician PT would be filled with City staff and contractual services would replace the services previously provided by the Physician based on the hours of coverage needed. Under this model, no change to employees would occur with this recommendation, having access to services at the City's clinic located on Blossom Hill Road. (Ongoing costs: \$0)</p>			
2017-2018 Proposed Budget Changes Total	0.60	433,624	433,624

Human Resources Department

Performance Summary

Employee Benefits

Performance Measures

	2015-2016 Actual	2016-2017 Target	2016-2017 Estimated	2017-2018 Target
\$ Cost of benefits administration per FTE	\$318	\$340	\$385 ¹	\$370

¹ 2016-2017 estimated increased from 2016-17 target due to new Senior Analyst position created in 2016-2017, an overstrength Senior Analyst from September 2016 - June 2017, salary increases, and a Tier 1 hire in March 2017.

Activity and Workload Highlights




	2015-2016 Actual	2016-2017 Forecast	2016-2017 Estimated	2017-2018 Forecast
Annual contributions to Deferred Compensation	\$26.9M	\$27M	\$26.4M	\$27.1M
% of employees contributing to Deferred Compensation	68.2%	69%	69%	69.5%
# of Human Resources Information Systems Transactions	25.1K	30K	28.3K	30K

Human Resources Department

Performance Summary

Employment Services

Performance Measures

	2015-2016 Actual	2016-2017 Target	2016-2017 Estimated	2017-2018 Target
 % of employee performance reviews completed on schedule	77%	78%	77%	80%
 Average # of business days for recruitment ¹	53	54	50	47
 Average # of working days to reclassify an occupied position	136	150	135	100

¹ Includes standard and expedited recruitments. Non-standard recruitments (e.g. positions requiring backgrounding, specialized testing, and executive recruitments) are not captured here.

Activity and Workload Highlights





	2015-2016 Actual	2016-2017 Forecast	2016-2017 Estimated	2017-2018 Forecast
# of positions filled from recruitments:				
- Full-time	1050	850	1071	1200
- Part-time	787	400	452	600

Human Resources Department

Performance Summary

Health and Safety

Performance Measures

	2015-2016 Actual	2016-2017 Target	2016-2017 Estimated	2017-2018 Target
 # of Workers' Compensation claims per 100 FTEs ¹	18.0	14.0	14.0	14.0
 # of Workers' Compensation disability hours	129,174	150,000	179,000	150,000
 # of Workers' Compensation disability hours per claim ²	118	120	207	188
 Expenditures for Workers' Compensation per \$100 of total City salaries, benefits, and retirement ³	\$3.93	\$4.50	\$3.59	\$3.65

¹ Injuries increased to 1,097 during 2015-2016, including "Information Only" type injuries not requiring medical treatment or significant cost.

² The estimated 2016-2017 increase in Workers' Compensation disability hours per claim is representative of out-of-work hours for reasonable and necessary medical treatment and recuperation. Analysis of claims trends indicates a reduction in disability hours for 2017-2018.

³ The methodology for calculating 2016-2017 Estimated and 2017-2018 Target expenditures per \$100 of total City salaries, benefits, and retirement was updated to account for all applicable benefits. Prior estimates included only health benefits.

Activity and Workload Highlights

	2015-2016 Actual	2016-2017 Forecast	2016-2017 Estimated	2017-2018 Forecast
# of open Workers' Compensation claims	3,565	3,300	3,500	3,300
# of new Workers' Compensation claims	1,097	800	865	800
# of employees trained in safety	1,323	1,000	1,295	1,000
Total Workers' Compensation claims costs	\$19.5M	\$23.3M	\$20.0M	\$22.6M

Human Resources Department

Departmental Position Detail

Position	2016-2017 Adopted	2017-2018 Proposed	Change
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Analyst I/II	16.00	14.00	(2.00)
Assistant Director	1.00	1.00	-
Director, Human Resources	1.00	1.00	-
Division Manager	3.00	3.00	-
Medical Assistant	1.00	1.00	-
Nurse Practitioner	1.00	1.00	-
Nurse Practitioner PT	0.00	0.00	-
Office Specialist II	1.00	1.00	-
Office Specialist II PT	0.50	0.50	-
Physician	0.40	0.00	(0.40)
Physician PT	0.00	0.00	-
Principal Account Clerk	1.00	1.00	-
Principal Office Specialist	1.00	1.00	-
Senior Analyst	11.00	11.00	-
Senior Medical Assistant	1.00	1.00	-
Senior Office Specialist	6.00	5.00	(1.00)
Staff Technician	3.00	3.00	-
Workers' Compensation Claims Adjuster II	4.00	4.00	-
Total Positions	53.90	50.50	(3.40)

PAGE IS INTENTIONALLY LEFT BLANK