

Human Resources

The Human Resources Department is comprised of the Risk Management Division and Human Resources Division. On behalf of the City, employees, and volunteers, the Department is primarily responsible for the development and compliance of City-wide functions including, but not limited to, recruiting and selection, compensation, benefits/wellness programs, legal compliance, employee engagement, performance management, safety and environmental program development and administration, workers' compensation, claims management and loss control programs. The Department is responsible for providing guidance to City departments and is responsible for the development of internal programs and policies to assist in the achievement of the City's short and long term strategic goals.

Outcome	Performance Measure	2013 Actual	2014 Revised	2015 Projected
Provide quality service and effective guidance				
Departments view Risk as a resource to comply with laws / regulations and reduce losses due to accidents, fines, lawsuits, etc.	% of employees scoring safety as top priority.	N/A	65%	N/A
	% of compliance with environmental audits.	71%	74%	76%
Remain competitive in attracting and retaining a high quality, motivated, and committed workforce.	% offers rejected versus offers tendered.	4.76%	5%	4%
	# of involuntary separations during probationary period.	2	3	2
	% of turnover from 6 months to 3 years of service.	1.65%	1.50%	1%
	% of turnover from 3 to 5 years of service.	.28%	.5%	.7%
	% of turnover from 5 years or more.	3.86%	3.%	3%
	% of overall turnover (annual total).	6.2%	6%	5%
Fiscal Responsibility				
To provide cost effective insurance coverage.	Cost of workers' compensation premium as a % of payroll.	.735	.83	.83
	Cost of liability premium as a % of payroll.	.74	.86	.88
	Property rate per \$100 of insured value.	.0729	.0729	.074
Cost effective pursuit financial recoveries of available to the City.	% of property damage recoveries amount available compared to amount received.	61%	55%	55%
Limit employment liability in the work environment.	# of contested unemployment claims lost by the City.	2	1	1
	% participation in City-wide compliance trainings.	98%	98%	98%
Operational Efficiency				
Claims are managed efficiently.	% closed within 3 months of reporting to carrier.	92%	90%	91%
	% reported to carrier within 1 business day.	97%	98%	98%
Information is provided in a timely basis.	95% of contract insurance certificates reviewed within 1 business day.	99%	98%	98%
	95% of environmental audits completed in timely manner.	N/A Flood	75%	75%
Maintain and improve the accountability of the City's workforce.	% compliance with HR designated supervisor trainings.	97%	N/A	99%
	# of total separations.	45	45	40
	% of involuntary separations from total separations (excluding layoffs).	4.5%	8%	7%
	% compliance with performance evaluation process and timelines.	87%	95%	95%

Outcome	Performance Measure	2013 Actual	2014 Revised	2015 Projected
Sustainable Results				
Provide a safe work environment for employees reduce damage to City property and citizens' property.	Workers' compensation experience rating.	.75	.75	.79
	# of claims per FTE.	.166	.15	.15
	Average cost of claims.	\$4,347	\$4,880	\$4,500
Compliance with Environmental Regulations.	% of issues resolved at follow-up.	56%	75%	75%

Human Resources Department Summary							
	'13 Actual	'14 Adopted Budget	'14 Revised Budget as of June	'15 Budget	'15 Budget / '14 Adopted % Change	'14 FTE	'15 FTE
General Fund							
H.R. ADMINISTRATION	766,415	979,080	979,080	1,002,980	2.4%	8.00	8.00
COMPENSATION & BENEFITS	119,306	114,060	114,060	120,780	5.9%	1.00	1.00
PERFORMANCE MGMT.	76,590	137,050	137,050	146,050	6.6%	-	-
Total General Fund	\$962,311	\$1,230,190	\$1,230,190	\$1,269,810	3.2%	9.00	9.00
Internal Service Fund							
EMPLOYEE BENEFITS	10,442,615	10,970,600	10,970,600	11,914,380	8.6%	-	-
RISK AND INSURANCE	2,235,653	2,924,870	3,156,290	3,069,950	5.0%	4.00	4.00
Total Int Svc Fund	\$12,678,268	\$13,895,470	\$14,126,890	\$14,984,330	7.8%	4.00	4.00
Total Expense	\$13,640,579	\$15,125,660	\$15,357,080	\$16,254,140	7.5%	13.00	13.00
REVENUE							
General Fund							
ADMINISTRATIVE OVERHEAD	777,570	912,960	912,960	953,980	4.5%		
GENERAL FUND SUBSIDY	184,741	317,230	317,230	315,830	(0.4%)		
Total General Fund	\$962,311	\$1,230,190	\$1,230,190	\$1,269,810	3.2%		
Internal Service Fund							
CHARGES FOR SERVICE	11,893,260	11,351,080	11,351,080	11,818,170	4.1%		
INTEREST	(77,844)	108,120	108,120	100,740	(6.8%)		
MISCELLANEOUS	191,086	-	-	-			
Total Internal Service	\$12,006,502	\$11,459,200	\$11,459,200	\$11,918,910	4.0%		
Total Revenue	\$12,968,813	\$12,689,390	\$12,689,390	\$13,188,720	3.9%		
EXPENSE BY CATEGORY							
PERSONNEL SERVICES	1,095,944	1,106,760	1,122,910	1,185,630	7.1%		
SUPPLIES	147,896	165,360	162,360	177,910	7.6%		
PURCHASED SERVICES	12,327,156	13,599,520	13,817,790	14,637,830	7.6%		
ADMINISTRATIVE OVERHEAD	69,583	254,020	254,020	252,770	(0.5%)		
Total Expense	\$13,640,579	\$15,125,660	\$15,357,080	\$16,254,140	7.5%		

Human Resources Administration

Human Resources Administration is responsible for the development and compliance of City-wide functions as well as the development of internal City-wide policies and programs to assist in the achievement of the City of Loveland's strategic goals.

ACTIVITY	DEPARTMENT			
Human Resources Administration	Human Resources			
EXPENSE BY DIVISION/Program	'13 Actual	'14 Adopted Budget	'14 Revised Budget as of June	'15 Budget
H.R. ADMINISTRATION	\$766,415	\$979,080	\$979,080	\$1,002,980
REVENUE				
ADMIN. ALLOCATION	777,570	912,960	912,960	953,980
GENERAL FUND SUBSIDY	(11,155)	66,120	66,120	49,000
Total Revenue	\$766,415	\$979,080	\$979,080	\$1,002,980
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	645,054	663,470	663,470	682,550
SUPPLIES	11,183	24,410	24,410	21,410
PURCHASED SERVICES	40,595	82,320	82,320	92,040
ADMINISTRATIVE OVERHEAD	69,583	208,880	208,880	206,980
Total Expense	\$766,415	\$979,080	\$979,080	\$1,002,980
FTE	8.00	8.00	8.00	8.00

CHANGES COMPARED TO PRIOR YEAR ADOPTED

- (840) Decrease in personnel services for workers compensation costs based on the allocation methodology.
- (610) Decrease in personnel services for unemployment insurance based on the allocation methodology.
- (3,000) Decrease in supplies based on historical experience.
- 70 Increase in purchased services for general liability costs based on the Division's historical experience and forecasted liability costs.
- (6,000) Decrease in purchased services based on historical experience.

18,630 Core Changes

- 20,530 Personal Services
- (1,900) Administrative Overhead

15,650 Funded Supplements

- 15,650 Increase in purchased services for employee recognition programs and events.

23,900 **Total Change**

OTHER INFORMATION

- Unfunded Supplements
 - There are no unfunded supplements in this division.
- Equipment Replacement
 - No equipment is scheduled for replacement in this division.
- Capital Projects
 - There are no capital projects associated with this division.

Employee Compensation & Benefits

Employee compensation and benefits is responsible for maintaining a balanced total compensation plan, offering competitive pay and benefits that are fair and reasonable to both employees and citizens, while supporting organizational goals and business objectives. The compensation system and benefit programs for City of Loveland employees are market based and strictly adhere to operational and budgetary constraints. These programs are designed to attract, retain and motivate qualified candidates and employees.

ACTIVITY	DEPARTMENT			
Employee Compensation & Benefits	Human Resources			
EXPENSE BY DIVISION/Program	'13 Actual	'14 Adopted Budget	'14 Revised Budget as of June	'15 Budget
COMPENSATION AND BENEFITS	\$119,306	\$114,060	\$114,060	\$120,780
REVENUE				
GENERAL FUND SUBSIDY	\$119,306	\$114,060	\$114,060	\$120,780
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	96,098	94,060	94,060	100,780
PURCHASED SERVICES	23,208	20,000	20,000	20,000
Total Expense	\$119,306	\$114,060	\$114,060	\$120,780
FTE	1.00	1.00	1.00	1.00

CHANGES COMPARED TO PRIOR YEAR ADOPTED

6,720 Core Changes

6,720 Personal Services

- Funded Supplements

- There are no funded supplements in this division.

6,720 Total Change

OTHER INFORMATION

- Unfunded Supplements

- There are no unfunded supplements in this division.

- Equipment Replacement

- No equipment is scheduled for replacement in this division.

- Capital Projects

- There are no capital projects associated with this division.

Performance Management

Performance management is responsible for creating and sustaining a high performing workforce by aligning individual performance with organizational objectives. The City of Loveland is committed to hiring and retaining the most qualified people. Selection and hiring decisions are made based on individual qualifications, without regard to age, sex, race, color, religion, national origin, creed, ancestry, sexual orientation (including transgender status), mental or physical disability, genetic information, or marital status. The City is also committed to providing continued learning and development opportunities to drive innovation and provide our employees with the knowledge and skills necessary for success.

ACTIVITY	DEPARTMENT			
Human Resources	Human Resources			
EXPENSE BY DIVISION/Program	'13 Actual	'14 Adopted Budget	'14 Revised Budget as of June	'15 Budget
PERFORMANCE MANAGEMENT	\$76,590	\$137,050	\$137,050	\$146,050
REVENUE				
GENERAL FUND SUBSIDY	\$76,590	\$137,050	\$137,050	\$146,050
EXPENSE BY CATEGORY				
SUPPLIES	21,013	26,300	23,300	22,300
PURCHASED SERVICES	55,577	110,750	113,750	123,750
Total Expense	\$76,590	\$137,050	\$137,050	\$146,050
FTE				
CHANGES COMPARED TO PRIOR YEAR ADOPTED				
(4,000)	Decrease in supplies based on historical experience.			
5,000	Increase in purchased services for professional services for employment audits.			
8,000	Increase in purchased services for liability training costs for the implementation of a new training module.			
-	<u>Core Changes</u>			
-	<u>Funded Supplements</u>			
	There are no funded supplements in this division.			
9,000	Total Change			
OTHER INFORMATION				
-	<u>Unfunded Supplements</u>			
-	There are no unfunded supplements in this division.			
-	<u>Equipment Replacement</u>			
-	No equipment is scheduled for replacement in this division.			
-	<u>Capital Projects</u>			
-	There are no capital projects associated with this division.			

Employee Benefit Fund

The Human Resources Department is responsible for the administration of the Employee Benefit Fund. This Fund provides a competitive benefit package to employees. For medical and dental insurance, the City is self-insured, with external insurance protection beyond a certain limit for individual cases and total claims. The City subsidizes a portion of the medical and dental plan with cost-share responsibilities from employees.

The City's overall medical liability continues to increase slightly below industry trend, with prescription claims continuing to increase slightly above industry trend. Due to the volatility of the medical plan, we are committed to maintaining a healthy fund balance and revenues in order to stabilize premium increases and plan design changes that impact employees and the City.

The benefits focus for 2015 will continue to be on educating employees on consumer driven health care and utilization of the Employee Health Clinic in an effort to reduce medical costs and emphasize wellness initiatives for preventive care. 2015 strategies will also focus on the implementation of Healthcare Reform requirements.

In 2011, the City implemented the Employee Health Clinic for employees participating in the City's medical benefit plan. The Clinic offers a variety of basic primary care services intended for minor illnesses, wellness, and disease management. The clinic will control the costs of office visits, lab work, and other primary healthcare expenses. Statistical data indicates the clinic will cover its costs within three to five years by reducing the amount of medical inflation the City will face, keeping claims cost lower than they would otherwise be, saving both the City and employees on health care expenses. The City will continue to research and implement changes to the medical benefits plan in an effort ensure sustainable and quality programs that are competitive in the marketplace.

I In 2014, City Council authorized the City to extend the Retiree Health Plan through 2018. The plan will accept participants for five years, after which the continuation of the Plan is required to be reauthorized by Council through the 2018 budget process. To be eligible for the Plan, an employee must be 60 years of age with 20 years of service. Sworn Police and Fire personnel must reach 55 years of age and have 25 years of service. This is a high deductible Plan, with the retiree paying the full premium cost. The Plan is designed to be a bridge to Medicare eligibility at age 65. As of 2014, there are three active participants in the Plan.

ACTIVITY		DEPARTMENT		
Employee Benefits		Human Resources		
EXPENSE BY DIVISION/Program	'13 Actual	'14 Adopted Budget	'14 Revised Budget as of June	'15 Budget
Internal Service Fund				
COMPENSATION & BENEFITS				
General Operations	406,366	408,500	408,500	629,500
Health - OAP	6,541,783	7,177,000	7,177,000	7,129,000
Health - HRA	1,783,949	1,165,000	1,165,000	1,766,000
Health - Retiree	6,641	63,500	63,500	48,000
Health - Dental	599,723	655,000	655,000	655,000
Disability	203,387	200,800	200,800	201,500
Employee Clinic	459,401	472,600	472,600	547,380
Stop Loss	387,437	821,000	821,000	927,000
COBRA Administration	4,693	7,200	7,200	11,000
Employee Retirement Admin	39,992	-	-	-
Fire Retirement Administration	9,243	-	-	-
Total Int Svc Fund	\$10,442,615	\$10,970,600	\$10,970,600	\$11,914,380
REVENUE				
INTEREST	(40,541)	63,400	63,400	63,400
CHARGES FOR SERVICE	9,673,120	8,997,420	8,997,420	9,323,050
MISCELLANEOUS	189,409	-	-	-
Total Revenue	\$9,821,988	\$9,060,820	\$9,060,820	\$9,386,450
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	2,263	-	-	-
SUPPLIES	113,405	108,100	108,100	125,700
PURCHASED SERVICES	10,326,947	10,862,500	10,862,500	11,788,680
Total Expense	\$10,442,615	\$10,970,600	\$10,970,600	\$11,914,380
FTE				

CHANGES COMPARED TO PRIOR YEAR ADOPTED

- 4,000 Increase in supplies for laboratory and medical supplies at the City Clinic due to increased employee use of the clinic.
- 13,000 Increase in supplies for prescription medicines at the City Clinic due to increased employee usage of the clinic.
- 56,500 Increase in purchased services for the professional services contract for the City Clinic.
- 522,000 Increase in purchased services for medical claims based on the projected cost.
- 106,000 Increase in purchased services for stop-loss premiums.
- 90,000 Increase in purchased services for employee vision premium payments.
- 110,000 Increase in purchased services for employee voluntary life insurance premiums.
- 3,500 Increase in purchased services for the Comparative Effectiveness Research Fee incorporated into the Health Care Reform legislation.
- 20,000 Increase in purchased services for health care consulting services.
- 15,500 Increase in purchased services for the benefit administration fee.

3,280 Core Changes

- 600 Supplies
- 2,680 Purchased Services

- Funded Supplements
 - There are no funded supplements in this division.

943,780 Total Change

OTHER INFORMATION

- Unfunded Supplements
 - There are no unfunded supplements in this division.
- Equipment Replacement
 - No equipment is scheduled for replacement in this division.
- Capital Projects
 - There are no capital projects associated with this division.

Risk Management

The Risk Management Division is responsible for protecting the operating effectiveness of the City by minimizing the costs associated with the City's property, liability, workers' compensation and environmental exposures. This is accomplished through identification and evaluation of the City's risks, implementation of appropriate safety, environmental and loss control programs, risk financing measures and claims management.

ACTIVITY	DEPARTMENT			
Risk Management	Human Resources			
EXPENSE BY DIVISION/Program	'13 Actual	'14 Adopted Budget	'14 Revised Budget as of June	'15 Budget
Risk & Insurance Fund				
RISK MANAGEMENT	1,928,636	2,484,280	2,684,280	2,610,420
ENVIRONMENTAL	226,499	210,030	241,450	256,410
SAFETY	77,522	93,490	93,490	111,750
UNEMPLOYMENT	2,996	137,070	137,070	91,370
Total Expense	\$2,235,653	\$2,924,870	\$3,156,290	\$3,069,950
REVENUE				
CHARGES FOR SERVICE	2,220,140	2,353,660	2,353,660	2,495,120
INTEREST	(37,304)	44,720	44,720	37,340
OTHER	1,677	-	-	-
Total Revenue	\$2,184,513	\$2,398,380	\$2,398,380	\$2,532,460
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	352,529	349,230	365,380	402,300
SUPPLIES	2,295	6,550	6,550	8,500
PURCHASED SERVICES	1,880,829	2,523,950	2,739,220	2,613,360
ADMINISTRATIVE OVERHEAD	-	45,140	45,140	45,790
Total Expense	\$2,235,653	\$2,924,870	\$3,156,290	\$3,069,950
FTE	4.00	4.00	4.00	4.00

CHANGES COMPARED TO PRIOR YEAR ADOPTED

- 4,000 Increase in purchased services for the safety awards program costs .
- 3,000 Increase in environmental services costs based on historical experience.
- (25,000) Decrease in purchased services for projected litigation and property claims not covered by insurance.
- 15,000 Increase in purchased services for property and liability premiums due to higher property values from building additions.
- 30,000 Increase in purchased services for forecasted property and liability deductible payments.
- 63,360 Increase in purchased services for worker's compensation insurance premiums.
- 10,000 Increase in purchased services for projected worker's compensation deductible payments.
- (45,700) Decrease in unemployment costs due fewer projected claims.
- (7,330) Decrease in training and certification costs based on historical experience.

30,750 Core Changes

- 30,070 Personnel Services
- 1,950 Supplies
- (1,920) Purchased Services
- 650 Administrative Overhead

67,000 Funded Supplements

- 23,000 Increase in personal services for the addition of part-time employee in the Environmental Division.
- 15,000 Increase in purchased services for on-going Americans with Disabilities Act training and consulting expenses.
- 29,000 Increase in purchased services for Title VI Transition Plan.

145,080 Total Change

OTHER INFORMATION

- Unfunded Supplements
 - There are no unfunded supplements in this division.
- Equipment Replacement
 - No equipment is scheduled for replacement in this division.
- Capital Projects
 - There are no capital projects associated with this division.