

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	2014 Actual	2015 Revised	2016 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.	44%	N/A	55%
	% of compliance with environmental audits.	N/A	74%	74%
Remain competitive in attracting and retaining a high quality, motivated, and committed workforce.	% offers rejected versus offers tendered.	4.5%	5%	4%
	# of involuntary separations during probationary period.	3	6	3
	% of turnover from 6 months to 3 years of service.	1.5%	2.7%	1%
	% of turnover from 3 to 5 years of service.	.5%	1%	1%
	% of turnover from 5 years or more.	3%	6%	4%
	% of overall turnover (annual total).	6%	11%	6%
Fiscal Responsibility				
To provide cost effective insurance coverage.	Cost of workers' compensation premium as a % of payroll.	.83%	.83%	.83%
	Cost of liability premium as a % of payroll.	.86%	.88%	.89%
	Property rate per \$100 of insured value.	.0784	.0879	.0879
Cost effective pursuit financial recoveries of available to the City.	% of property damage recoveries amount available compared to amount received.	47%	50%	50%
Limit employment liability in the work environment.	# of contested unemployment claims lost by the City.	1	1	1
	% participation in City-wide compliance trainings.	93.68%	95%	97%
Operational Efficiency				
Claims are managed efficiently.	% closed within 3 months of reporting to carrier.	73%	85%	85%
	% 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	75%	75%
Maintain and improve the accountability of the City's workforce.	% compliance with HR designated supervisor trainings.	N/A	98%	98%
	# of total separations.	45	79	40
	% of involuntary separations from total separations (excluding layoffs).	8%	12.7%	7%
	% compliance with performance evaluation process and timelines.	93.5%	95%	95%

Outcome	Performance Measure	2014 Actual	2015 Revised	2016 Projected
Sustainable Results				
Provide a safe work environment for employees reduce damage to City property and citizens' property.	Workers' compensation experience rating.	.78	.78	.78
	# of claims per FTE.	.12	.12	.11
	Average cost of claims.	\$5,750	\$4,800	\$4,500
Compliance with Environmental Regulations.	% of issues resolved at follow-up.	N/A	75%	75%

Human Resources Department Summary

	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget	'16 Budget / '15 Adopted % Change	'15 FTE	'16 FTE
General Fund							
HR ADMINISTRATION	907,046	1,002,980	1,002,980	1,023,624	2.1%	8.00	8.00
COMPENSATION & BENEFITS	106,931	120,780	120,780	121,565	0.6%	1.00	1.00
PERFORMANCE MANAGEMENT	94,024	146,050	146,050	143,750	-1.6%	0.00	0.00
Total General Fund	\$ 1,108,001	\$ 1,269,810	\$ 1,269,810	\$ 1,288,939	1.5%	9.00	9.00
Internal Service Funds							
EMPLOYEE BENEFITS	12,037,400	11,914,380	11,914,380	14,435,830	21.2%	0.00	0.00
RISK & INSURANCE	2,043,563	3,069,950	3,114,190	3,238,210	5.5%	4.00	4.00
Total Internal Service Funds	\$ 14,080,963	\$ 14,984,330	\$ 15,028,570	\$ 17,674,040	18.0%	4.00	4.00
Total Expense	\$ 15,188,964	\$ 16,254,140	\$ 16,298,380	\$ 18,962,979	16.7%	13.00	13.00
REVENUE							
General Fund							
OTHER	26	-	-	-	-		
ADMINISTRATIVE OVERHEAD	830,617	953,980	953,980	1,009,684	5.8%		
GENERAL FUND SUBSIDY	277,358	315,830	315,830	279,255	-11.6%		
Total General Fund Revenue	\$ 1,108,001	\$ 1,269,810	\$ 1,269,810	\$ 1,288,939	1.5%		
Internal Service Funds							
CHARGES FOR SERVICE	11,826,841	11,818,170	11,818,170	13,294,414	12.5%		
INTEREST	210,945	100,740	100,740	58,181	-42.2%		
OTHER	17,957	-	-	-	-		
GENERAL FUND CONTRIBUTION	-	-	-	5,342,782	-		
Total Internal Service Funds	\$ 12,055,743	\$ 11,918,910	\$ 11,918,910	\$ 18,695,377	56.9%		
Total Revenue	\$ 13,163,744	\$ 13,188,720	\$ 13,188,720	\$ 19,984,316	51.5%		
EXPENSES BY CATEGORY							
PERSONNEL SERVICES	1,109,951	1,185,630	1,185,630	1,217,177	2.7%		
SUPPLIES	143,390	177,910	177,910	184,930	3.9%		
PURCHASED SERVICES	13,696,431	14,637,830	14,682,070	17,314,642	18.3%		
ADMINISTRATIVE OVERHEAD	239,192	252,770	252,770	246,230	-2.6%		
Total Expense	\$ 15,188,964	\$ 16,254,140	\$ 16,298,380	\$ 18,962,979	16.7%		

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			
Administration		Human Resources			
		'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget
EXPENSE BY Division/Program					
General Fund					
HR ADMINISTRATION	\$	907,046	\$ 1,002,980	\$ 1,002,980	\$ 1,023,624
REVENUE					
OTHER		26	-	-	-
ADMINISTRATIVE OVERHEAD		830,617	953,980	953,980	1,009,684
GENERAL FUND SUBSIDY		76,403	49,000	49,000	13,940
Total Revenue	\$	907,020	\$ 1,002,980	\$ 1,002,980	\$ 1,023,624
EXPENSE BY CATEGORY					
PERSONNEL SERVICES		648,337	682,550	682,550	712,739
SUPPLIES		14,765	21,410	21,410	19,410
PURCHASED SERVICES		46,297	92,040	92,040	91,302
ADMINISTRATIVE OVERHEAD		197,647	206,980	206,980	200,173
Total Expense	\$	907,046	\$ 1,002,980	\$ 1,002,980	\$ 1,023,624
FTE		8.00	8.00	8.00	8.00

CHANGES COMPARED TO PRIOR YEAR ADOPTED

- 19,570 Increase in personnel services for Insurance Benefits due to historical enrollment.
- (500) Decrease in purchased services for printing.
- (1,000) Decrease in supplies for food purchases for employees attending training or wellness programs per the City Manager's directed reductions.
- (3,463) Decrease in administrative overhead for costs allocated by Finance based on the allocation methodology.
- (3,647) Decrease in administrative overhead for costs allocated by Facilities Management based on the allocation methodology.

9,684 Core Changes

- 10,619 Personnel Services
- (1,000) Supplies
- (238) Purchased Services
- 303 Administrative Overhead

\$ 20,644 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 anticipated for 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	‘14 Actual	‘15 Adopted Budget	‘15 Revised Budget as of June	‘16 Budget	
General Fund					
EMPLOYEE COMPENSATION & BENEFITS	\$ 106,931	\$ 120,780	\$ 120,780	\$	121,565
REVENUE					
GENERAL FUND SUBSIDY	106,931	120,780	120,780		121,565
Total Revenue	\$ 106,931	\$ 120,780	\$ 120,780	\$	121,565
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	97,691	100,780	100,780		101,565
PURCHASED SERVICES	9,240	20,000	20,000		20,000
Total Expense	\$ 106,931	\$ 120,780	\$ 120,780	\$	121,565
FTE	1.00	1.00	1.00		1.00

CHANGES COMPARED TO PRIOR YEAR ADOPTED

1,430 Increase in personnel services for Insurance Benefits due to historical enrollment.

(645) Core Changes

(645) Personnel Services

\$ 785 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 anticipated for 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			
Performance Management		Human Resources			
EXPENSE BY Division/Program	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget	
General Fund					
PERFORMANCE MANAGEMENT	\$ 94,024	\$ 146,050	\$ 146,050	\$	143,750
REVENUE					
GENERAL FUND SUBSIDY	94,024	146,050	146,050		143,750
Total Revenue	\$ 94,024	\$ 146,050	\$ 146,050	\$	143,750
EXPENSE BY CATEGORY					
SUPPLIES	11,841	22,300	22,300		22,300
PURCHASED SERVICES	82,183	123,750	123,750		121,450
Total Expense	\$ 94,024	\$ 146,050	\$ 146,050	\$	143,750
FTE	0.00	0.00	0.00		0.00

CHANGES COMPARED TO PRIOR YEAR ADOPTED

(1,700) Decrease in purchased services for reduced citizen volunteer recognition awards & gifts per the City Manager's directed reductions.

(600) Core Changes

(600) Purchased Services

\$ (2,300) 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 anticipated for 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	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget
Internal Service Fund				
EMPLOYEE COMPENSATION & BENEFITS				
GENERAL OPERATIONS	765,140	629,500	629,500	687,000
HEALTH - OAP	8,218,685	7,129,000	7,129,000	8,800,000
HEALTH - HRA	2,458,580	1,766,000	1,766,000	2,247,000
HEALTH - RETIREE	14,760	48,000	48,000	103,000
DENTAL	592,738	655,000	655,000	657,000
DISABILITY	207,054	201,500	201,500	232,000
WELLNESS CLINIC	504,443	547,380	547,380	590,830
STOPP LOSS	(806,643)	927,000	927,000	1,108,000
COBRA PROGRAM	4,705	11,000	11,000	11,000
EMPLOYEE RETIREMENT ADMIN	36,034	-	-	-
POLICE RETIREMENT ADMIN	12,080	-	-	-
FIRE RETIREMENT ADMIN	29,824	-	-	-
Total Internal Service Fund	\$ 12,037,400	\$ 11,914,380	\$ 11,914,380	\$ 14,435,830

REVENUE				
REFUNDS/REBATES	110,937	-	-	-
CITY CONTRIBUTION				
LIFE INSURANCE	116,014	-	-	-
HEALTH - HRA	1,577,482	1,421,000	1,421,000	1,844,675
HEALTH - OAP	5,354,185	5,379,500	5,379,500	6,261,073
DENTAL	345,696	335,000	335,000	404,250
EMPLOYEE CONTRIBUTION				
HEALTH - HRA	393,288	355,250	355,250	452,281
HEALTH - OAP	1,221,220	1,344,880	1,344,880	1,306,706
DENTAL	236,127	232,720	232,720	250,295
VISION	84,589	90,000	90,000	90,000
COBRA				
HEALTH - HRA	16,049	10,000	10,000	18,456
HEALTH - OAP	10,255	23,500	23,500	10,973
DENTAL	5,602	1,200	1,200	5,938
RETIREE HEALTH CONTRIBUTION	21,803	20,000	20,000	39,902
VOLUNTARY LIFE PREMIUMS	110,864	110,000	110,000	114,745
INTEREST	119,125	63,400	63,400	36,616
GENERAL FUND CONTRIBUTION	-	-	-	5,342,782
Total Revenue	\$ 9,723,236	\$ 9,386,450	\$ 9,386,450	\$ 16,178,692

EXPENSE BY CATEGORY				
PERSONNEL SERVICES	3,992	-	-	-
SUPPLIES	112,613	125,700	125,700	133,000
PURCHASED SERVICES	11,920,795	11,788,680	11,788,680	14,302,830
Total Expense	\$ 12,037,400	\$ 11,914,380	\$ 11,914,380	\$ 14,435,830

FTE	0.00	0.00	0.00	0.00
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CHANGES COMPARED TO PRIOR YEAR ADOPTED

2,142,000	Increase in purchased services for benefit claims.
165,000	Increase in purchased services for Specific Stopp Loss.
67,000	Increase in purchased services for Benefit ASO Fees.
45,000	Increase in purchased services for professional services.
35,000	Increase in purchased services for Employee Vision Premiums.
35,000	Increase in purchased services for Voluntary Life Premiums.
30,000	Increase in purchased services for Long Term Disability.
12,000	Increase in purchased services for Stop Loss Interface Fees.
10,000	Increase in purchased services for benefit premiums.
10,000	Increase in purchased services for HCR Reporting Compliance.
8,000	Increase in supplies for laboratory supplies.
4,000	Increase in purchased services for Aggregate Stop Loss.
(1,200)	Decrease in supplies for medical supplies.
(44,500)	Dncrease in purchased services for HRC - PCORF Reinsurance Fee.
4,150	<u>Core Changes</u>
500	Supplies
3,650	Purchased Services

\$ 2,521,450 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 anticipated for 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	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget
Internal Service Fund				
RISK & INSURANCE				
ADMINISTRATION	4,843	91,370	91,370	91,370
RISK MANAGEMENT	1,745,136	2,610,420	2,632,420	2,776,660
ENVIRONMENTAL	190,689	256,410	278,650	261,720
SAFETY	102,895	111,750	111,750	108,460
Total Internal Service Fund	\$ 2,043,563	\$ 3,069,950	\$ 3,114,190	\$ 3,238,210
REVENUE				
CHARGES FOR SERVICE	2,222,730	2,495,120	2,495,120	2,495,120
INTEREST	91,820	37,340	37,340	21,565
OTHER	17,957	-	-	-
Total Revenue	\$ 2,332,507	\$ 2,532,460	\$ 2,532,460	\$ 2,516,685
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	359,931	402,300	402,300	402,873
SUPPLIES	4,171	8,500	8,500	10,220
PURCHASED SERVICES	1,637,916	2,613,360	2,657,600	2,779,060
ADMINISTRATIVE OVERHEAD	41,545	45,790	45,790	46,057
Total Expense	\$ 2,043,563	\$ 3,069,950	\$ 3,114,190	\$ 3,238,210
FTE	4.00	4.00	4.00	4.00

CHANGES COMPARED TO PRIOR YEAR ADOPTED

94,560	Increase in purchased services for Workers Compensation premiums.
40,280	Increase in purchased services for Insurance, Probability, and Liability insurance.
30,000	Increase in purchased services for Workers Compensation deductibles.
11,738	Increase in personnel services for current vacancy budgeted at the mid-point of the salary range.
1,820	Increase in supplies for safety supplies.
(17,780)	Decrease in personnel services for Insurance Benefits due to historical enrollment.
7,642	<u>Core Changes</u>
6,615	Personnel Services
(100)	Supplies
860	Purchased Services
267	Administrative Overhead

\$ 168,260 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 anticipated for this division.