

FISCAL YEAR 2009 BUDGET

Fund Summary

Fund Name : Workers Compensation
Fund No./Bus. Area No. : 1011 / 8000 / 9000

	<u>FY2008 Current Budget</u>	<u>FY2008 Estimate</u>	<u>FY2009 Budget</u>
Beginning Fund Balance	(965)	(965)	(965)
Current Revenues	20,639,035	20,639,766	23,152,124
Total Available Resources	<u>20,638,070</u>	<u>20,638,801</u>	<u>23,151,159</u>
Maintenance and Operations	20,639,035	20,639,766	23,152,124
Total Expenditures	<u>20,639,035</u>	<u>20,639,766</u>	<u>23,152,124</u>
Planned Ending Fund Balance	(965)	(965)	(965)
Total Budget	<u>20,638,070</u>	<u>20,638,801</u>	<u>23,151,159</u>

The above summarizes the FY2008 Current Budget, the FY2008 Estimate and the FY2009 Budget for the Workers Compensation Fund. Also included are the beginning and ending fund balances, total available resources and total expenditures.

The Workers Compensation Fund is a revolving fund administered by the Human Resources Department. The Fund was established to centralize the financial transactions in the areas of Workers Compensation, Accident Prevention, and Loss Control.

The City's Workers Compensation Program is self-insured and has a contract with a third party administrator to manage claims activity. All financial liability for indemnity payments, medical costs, and other claims related payments are processed directly to the departments. Department premium rates are based on projected external Third Party Administrator (TPA) fees and internal administrative costs allocated on staffing levels.

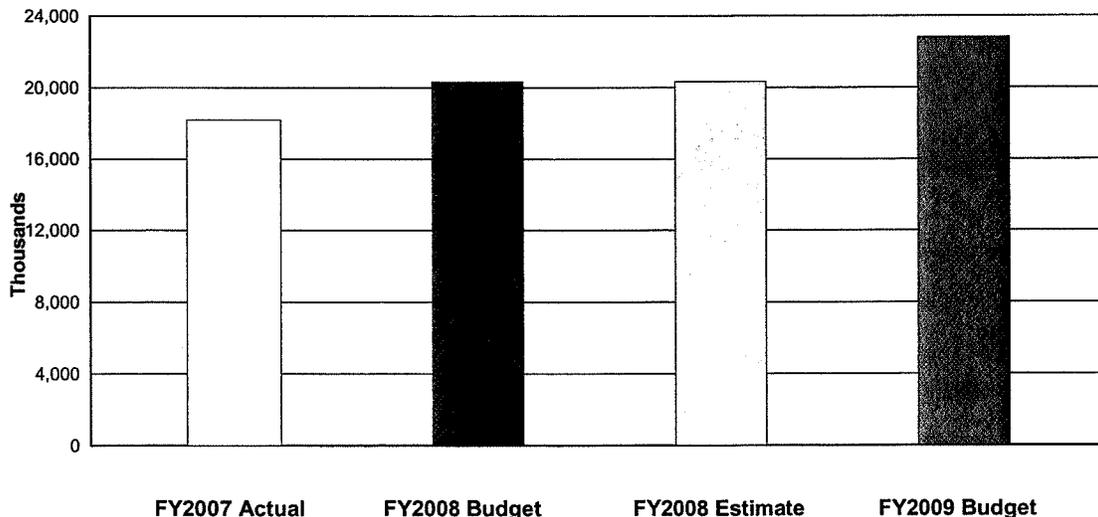
The administrative portion of the budget includes staff for an accident prevention unit in the Human Resources Department and a litigation unit in the Legal Department. A prime objective is the elimination/reduction of accidents via the implementation, monitoring and audit of departments' Accident Prevention Plans. These cooperative efforts have reduced accidents and returned years of productivity and saved millions in workers compensation payments. Emphasis on the "return to work" program was accomplished by the adoption of the Work Ability Guidelines, effective April 1, 1995, with a comprehensive revision effective December 16, 2006. These guidelines institute a transitional duty program, which focuses on returning injured employees to work as soon as medically possible, while complying with all federal, state, and local laws.

The overall goal of the program is to create an atmosphere of safety awareness and a risk free environment. Specific initiatives are listed in the budget highlights.

FISCAL YEAR 2009 BUDGET

Business Area Budget Summary					
Fund Name : Workers Compensation					
Business Area Name : Human Resources					
Fund No./Bus. Area No. : 1011 / 8000					
		FY2007 Actual	FY2008 Current Budget	FY2008 Estimate	FY2009 Budget
Expenditures	Personnel Services	1,907,913	1,781,301	1,753,700	2,305,392
	Supplies	32,620	48,901	44,985	54,326
	Other Services and Charges	16,206,328	18,448,367	18,470,271	20,465,103
	Equipment	31,216	42,000	52,500	0
	Non-Capital Equipment	18,806	6,200	6,200	0
	Total M & O Expenditures	<u>18,196,883</u>	<u>20,326,769</u>	<u>20,327,656</u>	<u>22,824,821</u>
	Debt Service & Other Uses	0	0	0	0
	Total Expenditures	<u>18,196,883</u>	<u>20,326,769</u>	<u>20,327,656</u>	<u>22,824,821</u>
Revenues		18,472,556	20,639,035	20,639,766	23,152,124
Staffing	Full-Time Equivalents - Civilian	30.8	34.2	27.5	34.8
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	<u>30.8</u>	<u>34.2</u>	<u>27.5</u>	<u>34.8</u>
	Full-Time Equivalents-Overtime	0.0	0.0	0.0	0.0
Budget Highlights	<ul style="list-style-type: none"> o Oversight for high risk departments via tailored programs addressing effectiveness of their accident prevention plans. o Implement Workers Compensation Automation system to improve the process for salary continuation and transitional duty. o Issue Request for Proposal (RFP), analyze and contract with a Texas Department Insurance certified network. o FTE increase is due to full staffing assumption. 				

**Workers Compensation
Human Resources
Expenditure Summary**



Business Area Cost Center Summary

Fund Name : Workers Compensation
Business Area Name : Human Resources
Fund No./Bus Area No. : 1011 / 8000

Cost Center Description	Cost Center Objectives
<p>Employee Clinic 8000090001 Provide physical exam and drug testing services.</p>	<p>Provide services as required by Executive Orders 1-12 and 1-32.</p>
<p>Safety 8000100001 Accident Prevention/ Safety: Inspect workplaces and job sites to eliminate safety hazards, compile reports to meet requirements of state law, train employees in all areas of safety.</p>	<p>Provide direction on safety programs to minimize the City's liabilities for workers compensation (WC). Investigate accidents to determine root causes and prevent recurrences. Oversee the City's Hazard Communications Program.</p>
<p>Claim Processing 8000100002 Approve/ disapprove injury leave in accordance with work ability guidelines. Administer Salary Continuation Program. Conduct department training. Provide oversight and direction to the TPA. Conduct Workers Compensation Supervisory Training for all departments.</p>	<p>Train departments in the Work Ability Guidelines and WC. Facilitate Transitional Duty. Ensure that TPA complies with the City contract, quality standards, and WC Act. Determine and quantify injury leave. Ensure that salary continuation requests are processed timely.</p>
<p>Information Services 8000100003 Data compilation/ report and technical services liaison.</p>	<p>Develop and compile Risk Management financials and statistical reports. Provide customer departments with defined and ad hoc reports, as well as, coordinate requested technical services.</p>
<p>Case Management 8000100004 Case Management provides ongoing implementation of Executive Order 1-33: Work Ability Guidelines through employee training, maintenance of employee/ employer relationship with the injured workers, early intervention to facilitate transitional return to duty.</p>	<p>Maintain employee/employer relationship by contacting injured workers telephonically and by letters; facilitate earliest return to work (RTW) possible and supervise this process to ensure success; advise department personnel regarding modifications for transitional RTW.</p>
<p>Administrative Support 8000100005 Provide administrative support for Risk Management Division and customer function departments. Maintenance of the Human Resources mail and messenger services.</p>	<p>Support injury leave and case management functions. Maintain and process telephone service requests and serve as division purchasing coordinator. Supervise the Human Resources department mail and messenger services.</p>

FISCAL YEAR 2009 BUDGET

Business Area Cost Center Summary									
Fund Name : Workers Compensation Business Area Name : Human Resources Fund No./Bus Area No. : 1011 / 8000									
Performance Measures	FY2007 Actual			FY2008 Estimate			FY2009 Budget		
	Activities	FTEs	Costs \$	Activities	FTEs	Costs \$	Activities	FTEs	Costs \$
Evaluate employees for drug use		9,000			9,342			9,500	
Medical evaluation		3,200			3,396			3,500	
		3.6	191,959		3.1	183,469		3.8	232,504
Defensive Driving Course		1,490			1,553			1,500	
Risk assessments		N/A			0			0	
Safety inspections		1,334			1,283			1,300	
Safety audits		8			0			7	
Employees trained, CPR		1,530			2,486			2,300	
		9.5	793,273		8.1	756,465		11.0	991,611
Files-Trans/Inj leave/TPA		5,410			2,630			2,800	
Q/A Reviews/Audits		217			155			175	
Training-Internal/External		82			57			65	
Unemployment Billings		5			5			5	
Mediation/Trials/Griev/CSC		46			51			72	
		4.3	268,150		6.0	310,446		7.0	452,923
Monthly MFOR,QM,WC		16			24			75	
Vital Statistics		N/A			12			12	
Ad hoc reports & requests		N/A			250			250	
Subro Recoveries		70			59			90	
Refunds/Over Payments		166			82			150	
		2.9	173,808		2.8	189,807		3.0	212,487
Injured workers RTW		360			739			550	
Case Management Meetings		334			438			410	
		2.9	159,243		1.7	120,658		3.0	201,114
Create file folders		1,360			0			0	
Telephone service request		298			200			200	
Process purchase requisitions		73			32			32	
		3.8	161,012		2.4	133,122		3.0	136,051

Business Area Cost Center Summary

Fund Name : Workers Compensation
Business Area Name : Human Resources
Fund No./Bus Area No. : 1011 / 8000

Cost Center Description	Cost Center Objectives
<p>Administrators Office 8000100006</p> <p>Workers Compensation Administration provides oversight and direction to all Workers Compensation programs via ongoing assessment and analysis of program functions as compared to citywide activities.</p>	<p>Ensure the acceptable performance of the City's Workers Compensation system's internal and external components to include coordination of various accident prevention and safety activities.</p>
<p>Finance & Systems 8000100007</p> <p>Provide financial and system support for the Workers Compensation program. Responsible for interfacing with the third party administrators on the designing and maintenance of WC financial and operational reports.</p>	
<p>Benefits Administration 8000120001</p>	

FISCAL YEAR 2009 BUDGET

Business Area Cost Center Summary									
Fund Name : Workers Compensation Business Area Name : Human Resources Fund No./Bus Area No. : 1011 / 8000									
Performance Measures	FY2007 Actual			FY2008 Estimate			FY2009 Budget		
	Activities	FTEs	Costs \$	Activities	FTEs	Costs \$	Activities	FTEs	Costs \$
City Liason Updates		4			2			5	
Vendor Review Meetings		24			16			20	
		2.0	16,226,055		1.5	18,414,058		2.0	20,359,270
Post and review WC department billings		12			12			12	
		1.8	223,347		1.9	219,631		2.0	238,861
		0.0	36		0.0	0		0.0	0
Total		<u>30.8</u>	<u>18,196,883</u>		<u>27.5</u>	<u>20,327,656</u>		<u>34.8</u>	<u>22,824,821</u>

FISCAL YEAR 2009 BUDGET

Fund Name : Workers Compensation
Business Area Name : Human Resources
Fund No./Bus Area No. : 1011 / 8000

JOB DESCRIPTION	PAY GRADE	FY2008 Current Budget FTE	FY2009 Budget FTE	Change
ADMINISTRATIVE AIDE	10	3.0	1.0	(2.0)
ADMINISTRATIVE ASSISTANT	17	3.0	5.0	2.0
ADMINISTRATIVE COORDINATOR	24	2.0	2.0	
ADMINISTRATIVE SPECIALIST	20	0.0	1.0	1.0
CLAIMS COORDINATOR	17	2.0	1.0	(1.0)
DIVISION MANAGER	29	2.0	2.0	
EXECUTIVE OFFICE ASSISTANT	15	1.0	1.0	
FINANCIAL ANALYST III	21	1.0	1.0	
HUMAN RESOURCES ASSISTANT	13	1.0	2.0	1.0
HUMAN RESOURCES SPECIALIST	17	1.0	1.0	
HUMAN RESOURCES SUPERVISOR	24	1.0	1.0	
HUMAN RESOURCES TECHNICIAN	12	0.0	1.0	1.0
LICENSED VOCATIONAL NURSE	12	0.8	0.8	
MESSENGER	6	1.0	1.0	
OFFICE SUPERVISOR	17	1.0	0.0	(1.0)
PUBLIC HEALTH NURSE IV	22	1.0	1.0	
SAFETY ADMINISTRATOR	27	1.0	2.0	1.0
SAFETY OFFICER	21	6.0	6.0	
SAFETY SUPERVISOR	24	3.0	2.0	(1.0)
SENIOR CLAIMS COORDINATOR	21	1.0	2.0	1.0
STATISTICAL ANALYST	17	1.0	0.0	(1.0)
STUDENT INTERN I	2	0.4	0.0	(0.4)
SYSTEMS ACCOUNTANT III	27	1.0	1.0	
Total FTEs		34.2	34.8	0.6
Less adjustment for Civilian Vacancy Factor		0.0	0.0	0.0
Full-Time Equivalents		34.2	34.8	0.6

FISCAL YEAR 2009 BUDGET

Business Area Revenue Summary

Fund Name : Workers Compensation
Business Area Name : Human Resources
Fund No./Bus Area No. : 1011 / 8000

Commit Item	Description	FY2008 Current Budget	FY2008 Estimate	FY2009 Budget
8000100001	Safety			
424110	Other Interfund Services	16,279	16,279	0
8000100006	Administrators Office			
426370	Training Services	5,000	5,000	5,000
432010	Interest on Pooled Investments	85,000	95,000	95,000
451010	Interfund Billing-Workers' Comp Admin	20,532,756	4,732,887	5,424,724
451015	Interfund Billing-Workers' Comp Claims	0	15,790,600	17,627,400
Total	Administrators Office	<u>20,622,756</u>	<u>20,623,487</u>	<u>23,152,124</u>
Total	Human Resources	<u>20,639,035</u>	<u>20,639,766</u>	<u>23,152,124</u>

FISCAL YEAR 2009 BUDGET

Business Area Expenditure Summary

Fund Name : Workers Compensation
Business Area Name : Human Resources
Fund No./Bus. Area No. : 1011 / 8000

Commit Item	Description	FY2007 Actual	FY2008 Current Budget	FY2008 Estimate	FY2009 Budget
500010	Salary Base Pay - Civilian	1,309,563	1,177,803	1,177,803	1,623,634
500030	Salary Part Time - Civilian	23,008	7,222	7,222	0
500060	Overtime - Civilian	78	0	450	0
500110	Bilingual Pay - Civilian	2,106	2,712	2,144	1,808
501070	Pension - Civilian	213,126	217,243	200,328	237,618
501120	Termination Pay - Civilian	0	0	13,903	0
502010	FICA - Civilian	97,561	108,537	86,898	124,346
503010	Health Ins-Act Civilian	181,061	194,212	162,015	230,268
503015	Basic Life Insurance - Active Civilian	429	0	1,714	2,252
503050	Health/Life Insurance - Retiree Civilian	36,237	51,319	33,199	48,070
503060	Long Term Disability-Civilian	4,601	4,791	4,020	2,959
503090	Workers Compensation-Civilian-Admin	40,143	8,099	6,883	7,590
503100	Workers Compensation-Civilian-Clm	0	8,194	55,952	8,014
504020	Compensation Contingency	0	0	0	17,615
504030	Unemployment Claims	0	1,169	1,169	1,218
Total	Personnel Services	1,907,913	1,781,301	1,753,700	2,305,392
511015	Cleaning & Sanitary Supplies	0	150	75	150
511040	Audiovisual Supplies	24	500	500	1,200
511045	Computer Supplies	2,894	5,800	4,226	6,300
511050	Paper & Printing Supplies	1,938	5,151	5,990	6,651
511055	Publications & Printed Materials	106	1,200	1,200	1,200
511060	Postage	1,264	3,000	855	1,131
511070	Miscellaneous Office Supplies	11,323	8,500	8,092	6,550
511080	General Laboratory Supplies	0	300	300	300
511095	Small Technical & Scientific Equipment	0	750	54	6,950
511110	Fuel	12,712	12,500	13,434	12,840
511115	Vehicle Repair & Maintenance Supplies	0	5,000	2,000	5,004
511120	Clothing	0	1,950	1,100	1,950
511150	Miscellaneous Parts & Supplies	2,359	4,100	7,159	4,100
Total	Supplies	32,620	48,901	44,985	54,326
520100	Temporary Personnel Services	0	3,000	3,000	17,600
520104	Claims Payment Services	1,729,116	1,811,585	1,768,297	2,100,000
520109	Medical Dental & Laboratory Services	215	500	500	500
520110	Management Consulting Services	50,083	65,000	52,000	248,000
520114	Miscellaneous Support Services	14,039	25,500	22,677	20,498
520115	Real Estate Lease/Office Rental	177,590	177,590	177,589	180,000
520119	Computer Equipment/Software Maintenance	263	1,700	3,300	26,704
520121	IT Application Svcs	15,089	12,063	8,138	9,024
520123	Vehicle & Motor Equipment Services	16,311	20,000	17,926	20,004
520515	Print Shop Services	5,978	15,000	15,002	4,475
520520	Printing & Reproduction Services	0	0	500	0
520605	Advertising Services	0	0	0	2,500
520705	Insurance Fees	544	430	442	840
520765	Membership & Professional Fees	934	1,800	3,896	4,755
520805	Education & Training	24,036	47,650	34,395	86,274
520900	CIP-Capital Equipment Acquisition	0	470,000	470,000	0
520905	Travel - Training Related	3,390	6,000	4,000	6,500
520910	Travel - Non-Training Related	0	0	0	750
521605	Data Services	979	5,406	4,444	4,667

FISCAL YEAR 2009 BUDGET

Business Area Expenditure Summary

Fund Name : Workers Compensation
Business Area Name : Human Resources
Fund No./Bus. Area No. : 1011 / 8000

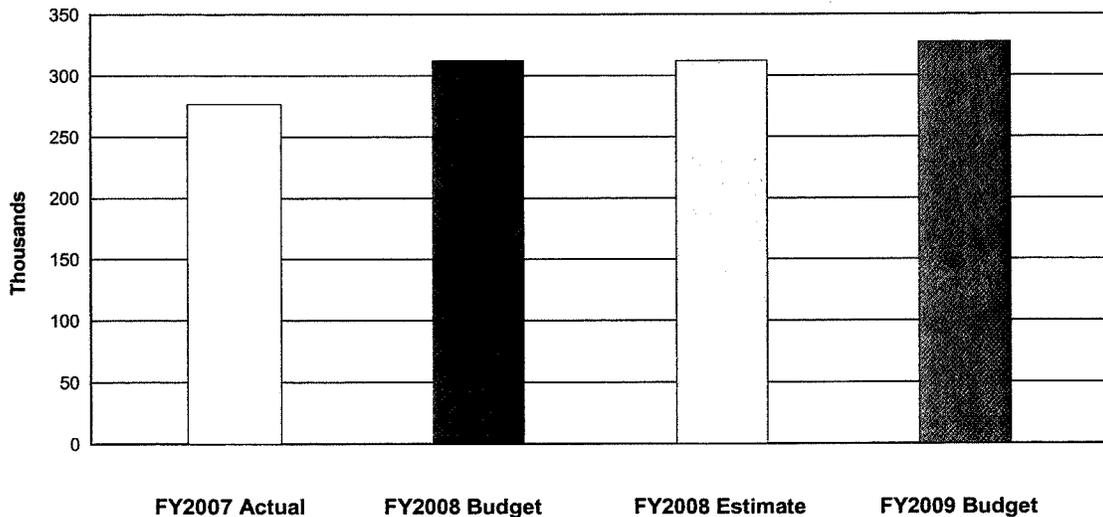
Commit Item	Description	FY2007 Actual	FY2008 Current Budget	FY2008 Estimate	FY2009 Budget
521610	Voice Services	16,068	20,308	14,200	14,638
521625	Voice Labor	0	0	319	0
521730	Parking Space Rental	6,699	7,476	6,087	9,060
522205	Metro Commuter Passes	2,813	7,542	6,147	13,014
522430	Miscellaneous Other Services & Charges	759	0	130	0
522605	Active Employee Incurred Claims	14,081,962	15,679,647	15,790,600	17,627,400
522780	Interfund Photo Copy Services	7,398	13,170	9,682	10,900
522805	Interfund Network Services	52,062	57,000	57,000	57,000
Total	Other Services and Charges	16,206,328	18,448,367	18,470,271	20,465,103
560220	Vehicles	31,216	42,000	52,500	0
Total	Equipment	31,216	42,000	52,500	0
551015	Non-Capital Computer Equipment	18,806	6,200	6,200	0
Total	Non-Capital Equipment	18,806	6,200	6,200	0
Grand Total Expenditures		18,196,883	20,326,769	20,327,656	22,824,821



FISCAL YEAR 2009 BUDGET

Business Area Budget Summary					
Fund Name : Workers Compensation					
Business Area Name : Legal					
Fund No./Bus. Area No. : 1011 / 9000					
		FY2007 Actual	FY2008 Current Budget	FY2008 Estimate	FY2009 Budget
Expenditures	Personnel Services	271,619	292,816	291,359	306,253
	Supplies	5,020	13,400	13,400	13,400
	Other Services and Charges	0	6,050	7,351	7,650
	Total M & O Expenditures	276,639	312,266	312,110	327,303
	Debt Service & Other Uses	0	0	0	0
	Total Expenditures	276,639	312,266	312,110	327,303
Revenues		0	0	0	0
Staffing	Full-Time Equivalents - Civilian	4.6	5.0	5.0	5.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	4.6	5.0	5.0	5.0
	Full-Time Equivalents-Overtime	0.0	0.0	0.0	0.0
Budget Highlights	o Continue to provide comprehensive legal services related to the Workers Compensation Benefits Program, including aggressive pursuit of potential subrogation and rigorous defense of contested cases.				
	o Increase subrogation recoveries by aggressively pursuing uninsured/underinsured motorist insurance policies.				

**Workers Compensation
Legal
Expenditure Summary**



FISCAL YEAR 2009 BUDGET

Business Area Cost Center Summary

Fund Name : Workers Compensation
Business Area Name : Legal
Fund No./Bus Area No. : 1011 / 9000

Cost Center Description	Cost Center Objectives
<p>Workers Compensation Litigation Unit 9000130001</p> <p>Provide comprehensive legal services for the City's Workers Compensation Benefits Program ("Program").</p>	<p>Coordinate the efforts of outside legal counsel and internal staff in providing comprehensive legal services on all matters relating to the Program, including defense of contested cases and pursuit of subrogation claims from responsible third parties.</p>

FISCAL YEAR 2009 BUDGET

Business Area Cost Center Summary									
Fund Name : Workers Compensation Business Area Name : Legal Fund No./Bus Area No. : 1011 / 9000									
Performance Measures	FY2007 Actual			FY2008 Estimate			FY2009 Budget		
	Activities	FTEs	Costs \$	Activities	FTEs	Costs \$	Activities	FTEs	Costs \$
Workers compensation subrogation claims handled		94		140			100		
		4.6	276,639		5.0	312,110		5.0	327,303
Total		<u>4.6</u>	<u>276,639</u>		<u>5.0</u>	<u>312,110</u>		<u>5.0</u>	<u>327,303</u>

FISCAL YEAR 2009 BUDGET

Fund Name : Workers Compensation
Business Area Name : Legal
Fund No./Bus Area No. : 1011 / 9000

JOB DESCRIPTION	PAY GRADE	FY2008 Current Budget FTE	FY2009 Budget FTE	Change
ASSISTANT CITY ATTORNEY I	21	1.0	1.0	
PARALEGAL III	16	1.0	1.0	
RECORDS TECHNICIAN	9	1.0	1.0	
SENIOR ASSISTANT CITY ATTORNEY I	30	1.0	1.0	
SENIOR LEGAL WORD PROCESSOR	13	1.0	1.0	
Total FTEs		<u>5.0</u>	<u>5.0</u>	<u>0.0</u>
Less adjustment for Civilian Vacancy Factor		<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Full-Time Equivalents		<u>5.0</u>	<u>5.0</u>	<u>0.0</u>

FISCAL YEAR 2009 BUDGET

Business Area Expenditure Summary

Fund Name : Workers Compensation
Business Area Name : Legal
Fund No./Bus. Area No. : 1011 / 9000

Commit Item	Description	FY2007 Actual	FY2008 Current Budget	FY2008 Estimate	FY2009 Budget
500010	Salary Base Pay - Civilian	202,365	213,060	216,984	228,610
501070	Pension - Civilian	32,843	33,403	35,585	33,948
501120	Termination Pay - Civilian	950	2,000	0	2,000
502010	FICA - Civilian	15,075	16,174	16,599	17,488
503010	Health Ins-Act Civilian	18,707	20,324	20,027	22,200
503015	Basic Life Insurance - Active Civilian	68	0	272	317
503060	Long Term Disability-Civilian	720	715	712	425
503090	Workers Compensation-Civilian-Admin	891	1,180	1,180	1,090
503100	Workers Compensation-Civilian-Clm	0	1,285	0	0
504020	Compensation Contingency	0	4,500	0	0
504030	Unemployment Claims	0	175	0	175
Total	Personnel Services	271,619	292,816	291,359	306,253
511045	Computer Supplies	3,297	3,700	3,700	3,700
511055	Publications & Printed Materials	0	6,400	6,400	6,400
511070	Miscellaneous Office Supplies	1,723	3,300	3,300	3,300
Total	Supplies	5,020	13,400	13,400	13,400
520114	Miscellaneous Support Services	0	3,400	3,400	3,400
520765	Membership & Professional Fees	0	750	750	750
520805	Education & Training	0	1,500	1,200	1,500
522205	Metro Commuter Passes	0	400	2,001	2,000
Total	Other Services and Charges	0	6,050	7,351	7,650
Grand Total Expenditures		276,639	312,266	312,110	327,303