

FISCAL YEAR 2010 BUDGET

Fund Summary

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

	<u>FY2009 Current Budget</u>	<u>FY2009 Estimate</u>	<u>FY2010 Budget</u>
Beginning Fund Balance	0	0	326,837
Current Revenues	<u>20,350,303</u>	<u>18,418,873</u>	<u>21,517,498</u>
 Total Available Resources	 <u>20,350,303</u>	 <u>18,418,873</u>	 <u>21,844,335</u>
Maintenance and Operations	20,023,000	18,092,036	21,133,257
 Total Expenditures	 <u>20,023,000</u>	 <u>18,092,036</u>	 <u>21,133,257</u>
Planned Ending Fund Balance	<u>327,303</u>	<u>326,837</u>	<u>711,078</u>
 Total Budget	 <u>20,350,303</u>	 <u>18,418,873</u>	 <u>21,844,335</u>

The above summarizes the FY2009 Current Budget, the FY2009 Estimate and the FY2010 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.

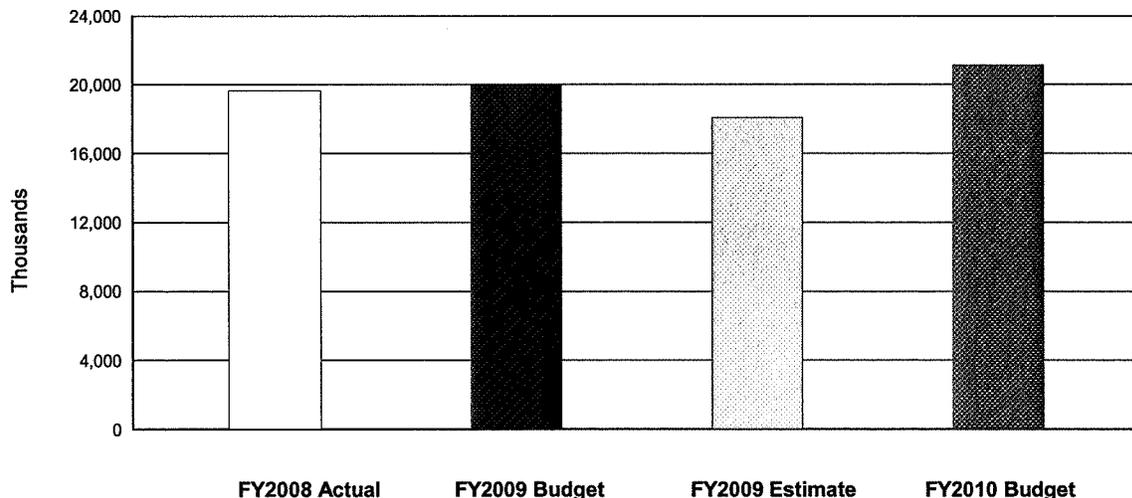
The administrative portion of the budget includes staff for an accident prevention unit in the Human Resources Department and a litigation unit in the Legal Department. A prime objective is the elimination/reduction of accidents via the implementation, monitoring and assessment of departments' Accident 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 2010 BUDGET

Business Area Budget Summary					
Fund Name : Workers' Compensation					
Business Area Name : Human Resources					
Fund No./Bus. Area No. : 1011 / 8000		FY2008 Actual	FY2009 Current Budget	FY2009 Estimate	
				FY2010 Budget	
Expenditures	Personnel Services	1,756,101	2,015,392	1,875,553	2,417,743
	Supplies	36,000	54,326	36,529	45,635
	Other Services and Charges	17,797,397	17,948,429	16,173,878	18,649,884
	Equipment	41,788	0	6,076	19,995
	Non-Capital Equipment	1,460	4,853	0	0
	Total M & O Expenditures	<u>19,632,746</u>	<u>20,023,000</u>	<u>18,092,036</u>	<u>21,133,257</u>
	Debt Service & Other Uses	0	0	0	0
	Total Expenditures	<u>19,632,746</u>	<u>20,023,000</u>	<u>18,092,036</u>	<u>21,133,257</u>
Revenues		19,930,936	20,350,303	18,418,873	21,517,498
Staffing	Full-Time Equivalents - Civilian	27.7	28.8	27.5	33.8
	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>27.7</u>	<u>28.8</u>	<u>27.5</u>	<u>33.8</u>
	Full-Time Equivalents-Overtime	0.0	0.0	0.0	0.0
Budget Highlights	<ul style="list-style-type: none"> o Perform safety assessments for high risk departments via tailored programs addressing effectiveness of their accident prevention plans. o Continue implementation of the Workers' Compensation Automation system to improve the process for salary continuation, transitional duty, and management reporting. o Issue Request for Proposal (RFP), analyze and contract with a Texas Department Insurance certified network. o FTEs are more in FY2010 than FY2009 due to internal reorganization. Elimination of the Administrative positions from Administrative Support, due to the completion of SAP Workers' Compensation Automated Salary Continuation project. o Continue funding for 3% HOPE and 1.25% Pay for Performance increases. 				

**Workers' Compensation
Human Resources
Expenditure Summary**



FISCAL YEAR 2010 BUDGET

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 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, reporting and technical services liaison.</p>	<p>Develop and compile Risk Management financials and statistical reports. Provide customer departments with defined and ad-hoc reports and coordinate requested technical services.</p>
<p>Case Management 8000100004 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 2010 BUDGET

Business Area Cost Center Summary									
Fund Name : Workers' Compensation Business Area Name : Human Resources Fund No./Bus Area No. : 1011 / 8000									
Performance Measures	FY2008 Actual			FY2009 Estimate			FY2010 Budget		
	Activities	FTEs	Costs \$	Activities	FTEs	Costs \$	Activities	FTEs	Costs \$
Evaluate employees for drug use		9,342		10,000			10,250		
Medical evaluation		3,396		3,500			3,500		
		3.0	176,940	3.1	217,045		3.8	233,066	
Defensive driving course		1,553		1,530			1,500		
Risk assessments		0		0			0		
Safety inspections		1,283		1,490			1,300		
Safety audits		0		8			8		
Employees trained, CPR		2,486		2,423			2,300		
		8.6	762,746	8.1	775,011		12.0	996,613	
Files-Trans/Inj leave/TPA		2,630		2,473			1,200		
Q/A reviews/audits		155		587			720		
Training-internal/external		57		155			12		
Unemployment billings		5		2			2		
Mediation/trials/griev/CSC		51		13			13		
		5.1	315,934	6.0	337,972		5.0	330,095	
Monthly MFOR,QM,WC		24		24			30		
Vital statistics		12		12			12		
Ad hoc reports & requests		250		244			250		
Subro recoveries		59		63			75		
Refunds processed		82		86			100		
		2.8	178,908	2.8	176,431		3.0	216,158	
Injured workers RTW		739		874			900		
Case management meetings		438		474			750		
		2.5	97,343	1.7	203,098		7.0	465,173	
Create file folders		0		0			N/A		
Telephone service request		200		200			N/A		
Process purchase requisitions		32		32			N/A		
		2.3	147,616	2.4	83,482		0.0	0	

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 (WC) 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>	

FISCAL YEAR 2010 BUDGET

Business Area Cost Center Summary									
Fund Name : Workers' Compensation Business Area Name : Human Resources Fund No./Bus Area No. : 1011 / 8000									
Performance Measures	FY2008 Actual			FY2009 Estimate			FY2010 Budget		
	Activities	FTEs	Costs \$	Activities	FTEs	Costs \$	Activities	FTEs	Costs \$
City liaison updates		2			1			1	
Vendor review meetings		16			12			12	
		1.5	17,793,723		1.5	16,122,618		1.0	18,697,311
Post and review WC department billings		12			12			12	
		1.9	159,536		1.9	176,379		2.0	194,841
Total		<u>27.7</u>	<u>19,632,746</u>		<u>27.5</u>	<u>18,092,036</u>		<u>33.8</u>	<u>21,133,257</u>

FISCAL YEAR 2010 BUDGET

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

JOB DESCRIPTION	PAY GRADE	FY2009 Current Budget FTE	FY2010 Budget FTE	Change
ADMINISTRATION MANAGER	26	0.0	2.0	2.0
ADMINISTRATIVE AIDE	10	1.0	1.0	
ADMINISTRATIVE ASSISTANT	17	5.0	4.0	(1.0)
ADMINISTRATIVE ASSOCIATE	13	0.0	0.8	0.8
ADMINISTRATIVE COORDINATOR	24	2.0	3.0	1.0
ADMINISTRATIVE SPECIALIST	20	1.0	1.0	
CLAIMS COORDINATOR	17	1.0	2.0	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	2.0	1.0	(1.0)
HUMAN RESOURCES SPECIALIST	17	1.0	0.0	(1.0)
HUMAN RESOURCES SUPERVISOR	24	1.0	0.0	(1.0)
HUMAN RESOURCES TECHNICIAN	12	1.0	1.0	
LICENSED VOCATIONAL NURSE	12	0.8	0.0	(0.8)
MESSENGER	6	1.0	1.0	
PUBLIC HEALTH NURSE IV	22	1.0	1.0	
SAFETY ADMINISTRATOR	27	2.0	0.0	(2.0)
SAFETY OFFICER	21	6.0	7.0	1.0
SAFETY SUPERVISOR	24	2.0	4.0	2.0
SENIOR CLAIMS COORDINATOR	21	2.0	0.0	(2.0)
SYSTEMS ACCOUNTANT III	27	1.0	1.0	
Total FTEs		34.8	33.8	(1.0)
Less adjustment for Civilian Vacancy Factor		6.0	0.0	(6.0)
Full-Time Equivalents		28.8	33.8	5.0

FISCAL YEAR 2010 BUDGET

Business Area Revenue Summary

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

Commit Item	Description	FY2009 Current Budget	FY2009 Estimate	FY2010 Budget
8000100006	Administrators Office			
426370	Training Services	5,000	3,000	3,000
432010	Interest on Pooled Investments	95,000	95,000	95,000
451010	Interfund Billing-Workers' Comp Admin	4,600,724	4,120,873	5,134,498
451015	Interfund Billing-Workers' Comp Claims	15,649,579	14,200,000	16,285,000
Total	Administrators Office	<u>20,350,303</u>	<u>18,418,873</u>	<u>21,517,498</u>
Total	Human Resources	<u>20,350,303</u>	<u>18,418,873</u>	<u>21,517,498</u>

FISCAL YEAR 2010 BUDGET

Business Area Expenditure Summary

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

Commit Item	Description	FY2008 Actual	FY2009 Current Budget	FY2009 Estimate	FY2010 Budget
500010	Salary Base Pay - Civilian	1,192,070	1,366,246	1,270,284	1,692,614
500030	Salary Part Time - Civilian	13,856	0	27,645	0
500060	Overtime - Civilian	389	0	786	0
500110	Bilingual Pay - Civilian	2,049	1,808	1,808	904
500210	Pay for Performance-Municipal	0	0	4,100	0
501070	Pension - Civilian	192,746	227,618	195,678	244,072
501120	Termination Pay - Civilian	3,977	0	0	0
502010	FICA - Civilian	87,849	124,346	100,549	129,556
503010	Health Ins-Act Civilian	163,821	225,268	171,885	245,734
503015	Basic Life Insurance - Active Civilian	1,618	2,252	1,386	975
503050	Health/Life Insurance - Retiree Civilian	37,351	48,070	36,604	48,070
503060	Long Term Disability-Civilian	3,839	2,959	2,374	2,874
503090	Workers Compensation-Civilian-Admin	6,059	7,590	5,699	7,101
503100	Workers Compensation-Civilian-Claim	50,477	8,014	56,755	20,000
504020	Compensation Contingency	0	3	0	24,660
504030	Unemployment Claims	0	1,218	0	1,183
Total	Personnel Services	1,756,101	2,015,392	1,875,553	2,417,743
511015	Cleaning & Sanitary Supplies	0	150	0	0
511040	Audiovisual Supplies	0	1,200	1,200	0
511045	Computer Supplies	2,119	6,300	4,700	5,500
511050	Paper & Printing Supplies	3,219	6,651	5,136	3,900
511055	Publications & Printed Materials	488	1,200	1,000	1,000
511060	Postage	898	1,131	1,135	1,225
511070	Miscellaneous Office Supplies	7,993	6,550	4,149	8,320
511080	General Laboratory Supplies	0	300	0	300
511095	Small Technical & Scientific Equipment	54	6,950	5,200	7,750
511110	Fuel	14,962	12,840	11,219	12,840
511115	Vehicle Repair & Maintenance Supplies	0	5,004	0	0
511120	Clothing	1,048	1,950	1,350	1,200
511150	Miscellaneous Parts & Supplies	5,219	4,100	1,440	3,600
Total	Supplies	36,000	54,326	36,529	45,635
520100	Temporary Personnel Services	44,550	2,600	11,191	2,000
520104	Claims Payment Services	1,789,284	1,723,000	1,500,000	1,800,000
520109	Medical Dental & Laboratory Services	0	500	0	0
520110	Management Consulting Services	42,833	149,018	95,000	200,000
520114	Miscellaneous Support Services	30,297	35,498	27,130	29,500
520115	Real Estate Lease/Office Rental	177,590	180,000	180,000	180,000
520119	Computer Equipment/Software Maintenance	0	26,704	23,450	6,000
520121	IT Application Svcs	5,778	9,024	5,000	6,000
520123	Vehicle & Motor Equipment Services	24,172	20,004	10,600	12,000
520515	Print Shop Services	3,008	4,475	2,700	2,850
520605	Advertising Services	2,000	2,500	0	1,200
520705	Insurance Fees	291	840	300	300
520765	Membership & Professional Fees	2,080	4,755	1,700	5,345
520805	Education & Training	22,035	36,274	24,625	32,402
520900	CIP-Capital Equipment Acquisition	505,267	43,982	43,982	23,987
520905	Travel - Training Related	0	6,500	1,400	6,400
520910	Travel - Non-Training Related	0	750	0	500
521605	Data Services	6,098	4,667	3,000	4,000
521610	Voice Services	15,383	14,638	13,800	15,000
521620	Voice Equipment	1,424	0	700	2,000
521625	Voice Labor	2,814	0	1,000	2,000

FISCAL YEAR 2010 BUDGET

Business Area Expenditure Summary

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

Commit Item	Description	FY2008 Actual	FY2009 Current Budget	FY2009 Estimate	FY2010 Budget
521730	Parking Space Rental	13,064	14,060	11,300	15,000
522205	Metro Commuter Passes	5,089	13,014	5,300	7,500
522430	Miscellaneous Other Services & Charges	130	0	0	0
522605	Active Employee Incurred Claims	15,093,980	15,649,579	14,200,000	16,285,000
522780	Interfund Photo Copy Services	10,230	6,047	11,700	10,900
Total	Other Services and Charges	17,797,397	17,948,429	16,173,878	18,649,884
560220	Vehicles	41,788	0	6,076	19,995
Total	Equipment	41,788	0	6,076	19,995
551015	Non-Capital Computer Equipment	1,460	4,853	0	0
Total	Non-Capital Equipment	1,460	4,853	0	0
Grand Total Expenditures		19,632,746	20,023,000	18,092,036	21,133,257



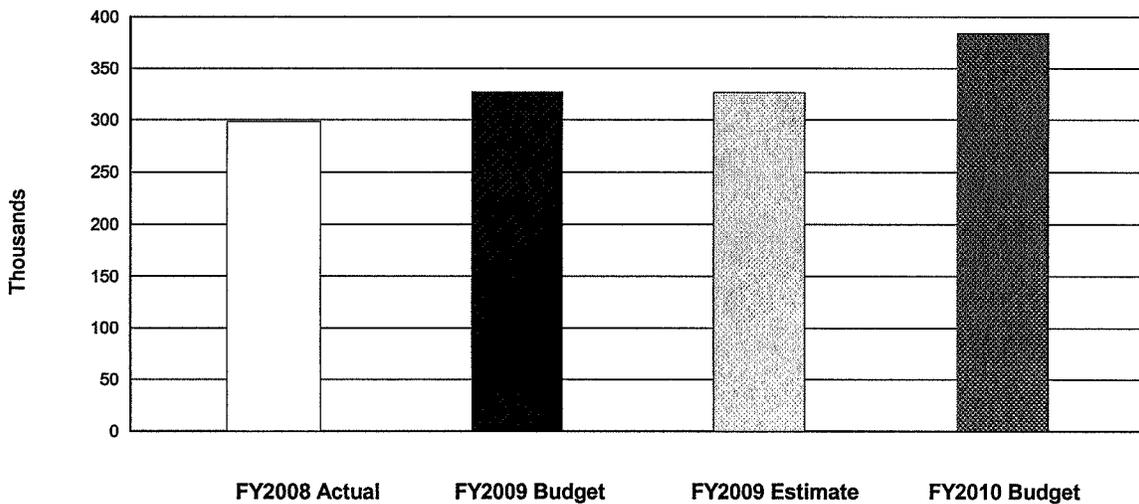
FISCAL YEAR 2010 BUDGET

Business Area Budget Summary

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

		FY2008 Actual	FY2009 Current Budget	FY2009 Estimate	FY2010 Budget
Expenditures	Personnel Services	284,712	306,253	311,187	363,191
	Supplies	12,140	13,400	13,400	13,400
	Other Services and Charges	1,338	7,650	2,250	7,650
	Total M & O Expenditures	<u>298,190</u>	<u>327,303</u>	<u>326,837</u>	<u>384,241</u>
	Debt Service & Other Uses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	Total Expenditures	<u>298,190</u>	<u>327,303</u>	<u>326,837</u>	<u>384,241</u>
Revenues		0	0	0	0
Staffing	Full-Time Equivalents - Civilian	4.9	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	<u>4.9</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>
	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. o Continue funding for 3% HOPE and 1.25% Pay for Performance increases.				

**Workers' Compensation
 Legal
 Expenditure Summary**



FISCAL YEAR 2010 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
Workers Compensation Litigation Unit 9000130001 Provide comprehensive legal services for the City's Workers' Compensation Benefits Program ("Program").	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.

FISCAL YEAR 2010 BUDGET

Business Area Cost Center Summary									
Fund Name : Workers' Compensation Business Area Name : Legal Fund No./Bus Area No. : 1011 / 9000									
Performance Measures	FY2008 Actual			FY2009 Estimate			FY2010 Budget		
	Activities	FTEs	Costs \$	Activities	FTEs	Costs \$	Activities	FTEs	Costs \$
Workers' Compensation subro claims handled		1208			1104			1300	
		4.9	298,190		5.0	326,837		5.0	384,241
Total		<u>4.9</u>	<u>298,190</u>		<u>5.0</u>	<u>326,837</u>		<u>5.0</u>	<u>384,241</u>

FISCAL YEAR 2010 BUDGET

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

JOB DESCRIPTION	PAY GRADE	FY2009 Current Budget FTE	FY2010 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 2010 BUDGET

Business Area Expenditure Summary

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

Commit Item	Description	FY2008 Actual	FY2009 Current Budget	FY2009 Estimate	FY2010 Budget
500010	Salary Base Pay - Civilian	213,670	228,610	243,401	269,099
501070	Pension - Civilian	33,213	33,948	36,281	39,559
501120	Termination Pay - Civilian	0	2,000	0	2,000
502010	FICA - Civilian	15,732	17,488	11,063	20,586
503010	Health Ins-Act Civilian	20,083	22,200	18,748	23,417
503015	Basic Life Insurance - Active Civilian	278	317	191	153
503060	Long Term Disability-Civilian	714	425	438	425
503090	Workers Compensation-Civilian-Admin	1,022	1,090	1,065	1,050
503100	Workers Compensation-Civilian-Claim	0	0	0	3,363
504020	Compensation Contingency	0	0	0	3,364
504030	Unemployment Claims	0	175	0	175
Total	Personnel Services	284,712	306,253	311,187	363,191
511045	Computer Supplies	8,477	3,700	3,700	3,700
511055	Publications & Printed Materials	229	6,400	6,400	6,400
511070	Miscellaneous Office Supplies	3,434	3,300	3,300	3,300
Total	Supplies	12,140	13,400	13,400	13,400
520114	Miscellaneous Support Services	852	3,400	0	3,400
520605	Advertising Services	484	0	0	0
520765	Membership & Professional Fees	0	750	750	750
520805	Education & Training	0	1,500	1,500	1,500
521610	Voice Services	2	0	0	0
522205	Metro Commuter Passes	0	2,000	0	2,000
Total	Other Services and Charges	1,338	7,650	2,250	7,650
Grand Total Expenditures		298,190	327,303	326,837	384,241