

FISCAL YEAR 2014 BUDGET

Fund Summary

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

	<u>FY2013 Current Budget</u>	<u>FY2013 Estimate</u>	<u>FY2014 Budget</u>
Beginning Fund Balance	0	0	0
Current Revenues	<u>20,105,841</u>	<u>20,105,841</u>	<u>21,332,311</u>
Total Available Resources	<u><u>20,105,841</u></u>	<u><u>20,105,841</u></u>	<u><u>21,332,311</u></u>
Maintenance and Operations	<u>20,105,841</u>	<u>20,105,841</u>	<u>21,332,311</u>
Total Expenditures	<u>20,105,841</u>	<u>20,105,841</u>	<u>21,332,311</u>
Planned Ending Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Budget	<u><u>20,105,841</u></u>	<u><u>20,105,841</u></u>	<u><u>21,332,311</u></u>

Fund Balance Distribution:

Non-Spendable	0	0	0
Restricted	0	0	0
Committed	0	0	0
Assigned	0	0	0
Unassigned	0	0	0

The above summarizes the FY2013 Budget, the FY2013 Estimate and the FY2014 Budget for the Workers' Compensation Fund. Also included are the beginning and ending fund balances, total revenues and total expenditures.

The Workers' Compensation Fund is a service chargeback 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.

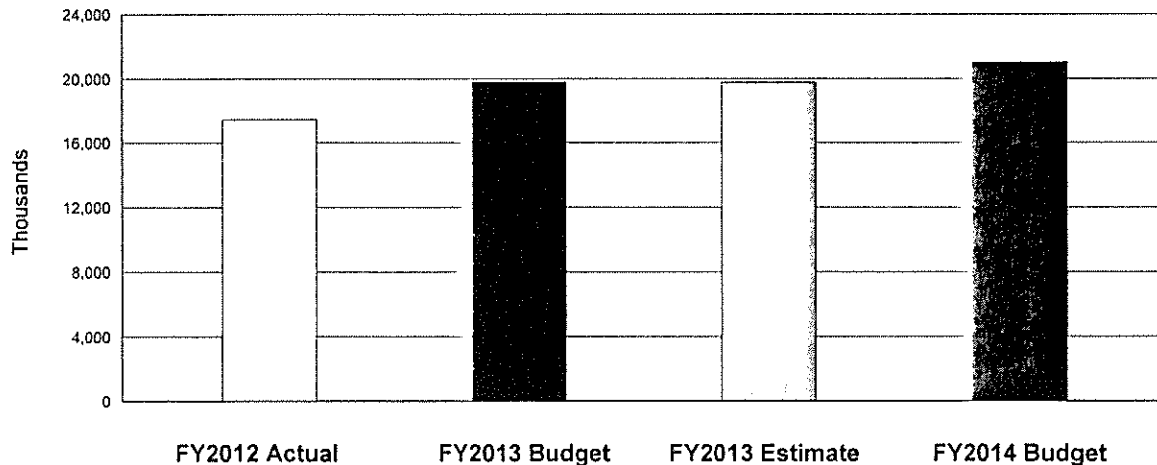
The administrative portion of the budget includes staff for an accident prevention unit in the Human Resources Department and a litigation unit in the Legal Department. A prime objective is the elimination/reduction of accidents via the implementation, monitoring and assessment of departments' Accident 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 2014 BUDGET

Business Area Budget Summary					
Fund Name :		Workers' Compensation			
Business Area Name :		Human Resources			
Fund No./Bus. Area No. :		1011 / 8000			
		FY2012 Actual	FY2013 Current Budget	FY2013 Estimate	FY2014 Budget
Expenditures	Personnel Services	2,108,243	2,572,902	2,572,902	2,987,530
	Supplies	31,551	36,834	36,834	40,307
	Other Services and Charges	15,278,899	17,125,346	17,125,346	17,977,630
	Equipment	0	12,000	12,000	0
	Non-Capital Equipment	22,593	30,600	30,600	6,350
	Total M & O Expenditures	17,441,286	19,777,682	19,777,682	21,011,817
	Debt Service & Other Uses	0	0	0	0
Total Expenditures	17,441,286	19,777,682	19,777,682	21,011,817	
Revenues		17,441,286	20,105,841	20,105,841	21,332,311
Staffing	Full-Time Equivalents - Civilian	28.7	31.6	30.1	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	28.7	31.6	30.1	34.8
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0
Significant Budget Changes and Highlights	o Improve safety assessments for departments via department specific programs, technology and external resources.				
	o Continue promotion of the Resource Allocation Program (RAP) to reduce incidents and claims.				
	o Perform in-depth case management review to obtain a shorter claim cycle and return the employee to work in a pre-injury condition.				
	o Develop an injury/safety panel to eliminate recurrence and promote awareness and prevention.				
	o The FY2014 Budget provides funding for health benefits, pension contribution and municipal employees 3% pay increases.				

**Workers' Compensation
Human Resources
Expenditure Summary**



FISCAL YEAR 2014 BUDGET

Business Area Performance Measures					
Fund Name : Workers' Compensation					
Business Area Name : Human Resources					
Fund No./Bus Area No. : 1011 / 8000					
Customer Measures	Priorities	FY2012 Actual	FY2013 Budget	FY2013 Estimate	FY2014 Budget
Survey of injured employees	F	10	260	260	260
Business Process Measures					
Globally Harmonized System hazcom standards employees trained	F	0	0	0	21,300
Risk management online safety assessments	F	0	0	0	96
People and Technology Measures					
Cooperative safety training partnerships	F	0	0	0	2
Injured employee claims	F	1,967	1,775	1,913	1,900
Lost time workers' comp claims reported	F	593	625	500	600
Financial Measures					
Expenditures Budget vs Actual Utilization	F	98%	100%	104%	100%
Revenues Budget vs Actual Utilization	F	96%	100%	104%	100%
Mayor's Five Priorities: Jobs and Sustainable Development (J) Public Safety (P) Infrastructure (I) Fiscal Responsibility (F) Quality of Life (Q)					

FISCAL YEAR 2014 BUDGET

Division Summary						
Fund Name : Workers' Compensation Business Area Name : Human Resources Fund No./Bus Area No. : 1011 / 8000						
Division Description	FY2012 Actual		FY2013 Estimate		FY2014 Budget	
	FTEs	Cost \$	FTEs	Cost \$	FTEs	Cost \$
Employee Clinic 800009 Physical examination and drug testing services for all City of Houston applicants and employees. Licensed Commercial Driver alcohol and drug testing services for Department of Transportation compliance.	2.9	223,288	3.4	257,679	3.8	266,019
HR - Workers' Compensation Group 800010 Provides oversight and direction to all Workers' Compensation (WC) programs via ongoing assessment and analysis of program functions as compared to citywide activities. Ensures the acceptable performance of the City's WC system's internal and external components to include coordination of various accident prevention proactive and reactive safety activities.	19.7	16,742,234	20.9	19,026,236	24.0	20,142,085
WC Finance 810007 Provide statistical data in areas of accident prevention, workers' compensation claims losses and unemployment compensation. Provide financial reporting and budget management for the Human Resources Department.	6.1	475,764	5.8	493,767	7.0	603,713
Total	28.7	17,441,286	30.1	19,777,682	34.8	21,011,817

FISCAL YEAR 2014 BUDGET

Business Area Roster Summary

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

Job Description	Pay Grade	FY2013 Current Budget FTE	FY2014 Budget FTE	Change
ADMINISTRATION MANAGER	26	2.0	1.0	(1.0)
ADMINISTRATIVE ASSISTANT	17	3.0	4.0	1.0
ADMINISTRATIVE COORDINATOR	24	3.8	4.0	0.2
ADMINISTRATIVE SPECIALIST	20	2.0	3.0	1.0
ASSISTANT DIRECTOR-HUMAN RESOURCES (EXE LEV)	32	0.0	1.0	1.0
CLAIMS COORDINATOR	17	1.0	1.0	
CUSTOMER SERVICE CLERK	10	1.0	1.0	
DIVISION MANAGER	29	2.0	2.0	
FINANCIAL ANALYST III	21	1.0	1.0	
HUMAN RESOURCES ASSISTANT	13	1.0	0.0	(1.0)
HUMAN RESOURCES SPECIALIST	17	0.0	1.0	1.0
LICENSED VOCATIONAL NURSE	12	0.8	0.8	
MESSENGER	6	1.0	1.0	
PUBLIC HEALTH NURSE IV	22	1.0	1.0	
SAFETY ADMINISTRATOR	27	0.8	1.0	0.2
SAFETY OFFICER	21	5.0	4.0	(1.0)
SAFETY SUPERVISOR	24	4.0	5.0	1.0
SENIOR ACCOUNT CLERK	13	1.0	1.0	
SENIOR CLAIMS COORDINATOR	21	1.0	1.0	
SYSTEMS ACCOUNTANT III	27	1.0	1.0	
Total FTEs		32.4	34.8	2.4
Less adjustment for Civilian Vacancy Factor		0.8	0.0	(0.8)
Full-Time Equivalents		31.6	34.8	3.2

FISCAL YEAR 2014 BUDGET

Business Area Revenue Summary

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

Commit Item	Description	FY2013 Current Budget	FY2013 Estimate	FY2014 Budget
8000100006	Administrators Office			
426370	Training Services	3,000	3,000	0
432010	Interest on Pooled Investments	18,000	18,000	22,000
451010	Interfund Billing-Workers' Comp Admin	5,036,341	5,036,341	5,420,311
451015	Interfund Billing-Workers' Comp Claims	15,048,500	15,048,500	15,890,000
Total	Administrators Office	<u>20,105,841</u>	<u>20,105,841</u>	<u>21,332,311</u>
Total	Human Resources	<u>20,105,841</u>	<u>20,105,841</u>	<u>21,332,311</u>

FISCAL YEAR 2014 BUDGET

Business Area Expenditure Summary

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

Commit Item	Description	FY2012 Actual	FY2013 Current Budget	FY2013 Estimate	FY2014 Budget
500010	Salary Base Pay - Civilian	1,436,036	1,737,045	1,737,045	1,981,558
500030	Salary Part Time - Civilian	13,939	25,467	25,467	35,280
500060	Overtime - Civilian	13	375	375	0
500090	Premium Pay - Civilian	0	1,750	1,750	15,600
500110	Bilingual Pay - Civilian	1,810	1,800	1,800	1,808
501070	Pension - Civilian	275,129	373,677	373,677	449,617
501120	Termination Pay - Civilian	25,826	11,609	11,609	0
502010	FICA - Civilian	111,076	132,339	132,339	154,936
503010	Health Ins-Act Civilian	185,088	233,010	233,010	289,826
503015	Basic Life Insurance - Active Civilian	875	982	982	1,534
503050	Health/Life Insurance - Retiree Civilian	35,625	38,714	38,714	40,146
503060	Long Term Disability-Civilian	2,266	2,377	2,377	2,890
503090	Workers Compensation-Civilian-Admin	5,467	7,757	7,757	8,335
503100	Workers Compensation-Civilian-Claim	7	0	0	0
504030	Unemployment Claims - Administration	15,086	6,000	6,000	6,000
Total	Personnel Services	2,108,243	2,572,902	2,572,902	2,987,530
511015	Cleaning & Sanitary Supplies	0	200	200	200
511045	Computer Supplies	486	3,700	3,700	3,700
511050	Paper & Printing Supplies	2,156	4,500	4,500	3,375
511055	Publications & Printed Materials	1,126	1,000	1,000	2,960
511060	Postage	3,109	6,100	6,100	3,100
511070	Miscellaneous Office Supplies	6,464	7,560	7,560	7,210
511080	General Laboratory Supplies	308	0	0	600
511095	Small Technical & Scientific Equipment	225	800	800	5,800
511110	Fuel	14,197	12,900	12,900	13,262
511125	Food Supplies	247	0	0	0
511150	Miscellaneous Parts & Supplies	3,233	74	74	100
Total	Supplies	31,551	36,834	36,834	40,307
520100	Temporary Personnel Services	14,100	7,500	7,500	0
520104	Claims Payment Services	1,429,922	1,673,000	1,673,000	1,660,279
520108	Information Resource Services	0	225	225	225
520109	Medical Dental & Laboratory Services	158	158	158	100
520110	Management Consulting Services	33,700	62,500	62,500	70,000
520114	Miscellaneous Support Services	9,845	13,500	13,500	10,700
520115	Real Estate Lease/Office Rental	150,000	150,000	150,000	150,000
520119	Computer Equipment/Software Maintenance	9,527	11,145	11,145	11,500
520121	IT Application Svcs	1,629	18,862	18,862	24,784
520123	Vehicle & Motor Equipment Services	15,418	9,000	9,000	9,000
520515	Print Shop Services	5,686	3,740	3,740	8,115
520520	Printing & Reproduction Services	146	0	0	0
520605	Advertising Services	0	3,000	3,000	3,000
520705	Insurance Fees	169	1,184	1,184	1,247
520765	Membership & Professional Fees	2,291	5,075	5,075	14,780
520805	Education & Training	18,725	22,621	22,621	47,264
520905	Travel - Training Related	0	3,700	3,700	3,700
520910	Travel - Non-Training Related	12	1,000	1,000	1,000
521605	Data Services	7,706	14,932	14,932	3,336
521610	Voice Services	21,849	27,930	27,930	5,860
521620	Voice Equipment	420	735	735	678
521625	Voice Labor	571	329	329	860
521630	GIS Revolving Fund Services	1,122	1,275	1,275	1,639
521635	Voice Services -Wireless	0	0	0	10,707

FISCAL YEAR 2014 BUDGET

Business Area Expenditure Summary

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

Commit Item	Description	FY2012 Actual	FY2013 Current Budget	FY2013 Estimate	FY2014 Budget
521715	Office Equipment Rental	0	7,100	7,100	6,427
521730	Parking Space Rental	24,979	19,732	19,732	19,626
522205	Metro Commuter Passes	8,258	16,152	16,152	20,538
522430	Miscellaneous Other Services & Charges	405	0	0	0
522605	Active Employee Incurred Claims	13,513,447	15,048,500	15,048,500	15,890,000
522722	KRONOS Service Chargeback	623	1,101	1,101	1,288
522780	Interfund Photo Copy Services	6,846	400	400	0
522845	Interfund Vehicle Services	1,345	950	950	977
Total	Other Services and Charges	15,278,899	17,125,346	17,125,346	17,977,630
560210	Furniture Fixtures and Equipment	0	12,000	12,000	0
Total	Equipment	0	12,000	12,000	0
551010	Non-Capital Office Furniture & Equipment	22,593	5,730	5,730	2,000
551015	Non-Capital Computer Equipment	0	7,770	7,770	4,350
551020	Non-Capital Communication Equipment	0	16,500	16,500	0
551030	Non-Capital Machinery & Equipment	0	600	600	0
Total	Non-Capital Equipment	22,593	30,600	30,600	6,350
Grand Total Expenditures		17,441,286	19,777,682	19,777,682	21,011,817

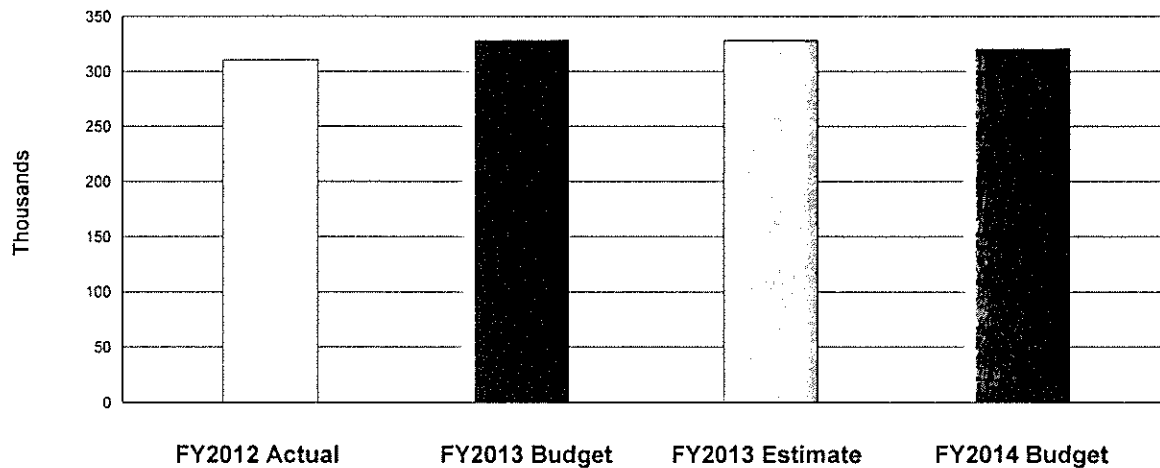


FISCAL YEAR 2014 BUDGET

Business Area Budget Summary

Fund Name :		Workers' Compensation			
Business Area Name :		Legal			
Fund No./Bus. Area No. :		1011 / 9000			
		FY2012 Actual	FY2013 Current Budget	FY2013 Estimate	FY2014 Budget
Expenditures	Personnel Services	291,883	309,309	308,009	299,094
	Supplies	13,400	13,400	13,400	13,400
	Other Services and Charges	5,402	5,450	6,750	8,000
	Total M & O Expenditures	<u>310,685</u>	<u>328,159</u>	<u>328,159</u>	<u>320,494</u>
	Debt Service & Other Uses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	Total Expenditures	<u>310,685</u>	<u>328,159</u>	<u>328,159</u>	<u>320,494</u>
Revenues		310,685	0	0	0
Staffing	Full-Time Equivalents - Civilian	3.1	3.0	3.0	3.0
	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>3.1</u>	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0
Significant Budget Changes and Highlights	o Continue providing the highest level services to the Workers' Compensation Benefits Program.				
	o The FY2014 Budget provides funding for health benefits, pension contribution and municipal employees 3% pay increases.				

**Workers' Compensation
Legal
Expenditure Summary**



FISCAL YEAR 2014 BUDGET

Business Area Performance Measures					
Fund Name : Workers' Compensation					
Business Area Name : Legal					
Fund No./Bus Area No. : 1011 / 9000					
Customer Measures	Priorities	FY2012 Actual	FY2013 Budget	FY2013 Estimate	FY2014 Budget
Business Process Measures					
Subrogation Claims Processed	F,I	132	90	69	90
People and Technology Measures					
Financial Measures					
Expenditures Budget vs Actual Utilization	F	101%	100%	100%	100%
Lost Revenue Recovered	F	2,000,666	2,050,000	2,562,349	2,050,000
Mayor's Five Priorities: Jobs and Sustainable Development (J) Public Safety (P) Infrastructure (I) Fiscal Responsibility (F) Quality of Life (Q)					

FISCAL YEAR 2014 BUDGET

Division Summary						
Fund Name : Workers' Compensation Business Area Name : Legal Fund No./Bus Area No. : 1011 / 9000						
Division Description	FY2012 Actual		FY2013 Estimate		FY2014 Budget	
	FTEs	Cost \$	FTEs	Cost \$	FTEs	Cost \$
LGL - Workers' Compensation Litigation 900013 This section is responsible for providing comprehensive legal services for the City's Workers' Compensation Benefits Program including defending contested claims, pursuing subrogation matters, and providing general counsel relating to the program.	3.1	310,685	3.0	328,159	3.0	320,494
Total	<u>3.1</u>	<u>310,685</u>	<u>3.0</u>	<u>328,159</u>	<u>3.0</u>	<u>320,494</u>

FISCAL YEAR 2014 BUDGET

Business Area Roster Summary

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

Job Description	Pay Grade	FY2013 Current Budget FTE	FY2014 Budget FTE	Change
ADMINISTRATIVE AIDE	10	1.0	0.0	(1.0)
ASSISTANT CITY ATTORNEY I	21	1.0	1.0	
RECORDS TECHNICIAN	9	0.0	1.0	1.0
SENIOR ASSISTANT CITY ATTORNEY I	30	1.0	1.0	
Total FTEs		<u>3.0</u>	<u>3.0</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 Equivalent		<u>3.0</u>	<u>3.0</u>	<u>0.0</u>

FISCAL YEAR 2014 BUDGET

Business Area Expenditure Summary

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

Commit Item	Description	FY2012 Actual	FY2013 Current Budget	FY2013 Estimate	FY2014 Budget
500010	Salary Base Pay - Civilian	184,031	197,526	197,526	201,390
501070	Pension - Civilian	35,104	42,270	42,270	45,696
501120	Termination Pay - Civilian	18,730	5,000	3,700	5,000
502010	FICA - Civilian	15,329	15,110	15,110	15,406
503010	Health Ins-Act Civilian	20,854	23,570	23,570	22,111
503015	Basic Life Insurance - Active Civilian	112	118	118	156
503060	Long Term Disability-Civilian	268	255	255	255
503090	Workers Compensation-Civilian-Admin	595	717	717	717
503100	Workers Compensation-Civilian-Claim	0	3,363	3,363	3,363
504030	Unemployment Claims - Administration	16,860	21,380	21,380	5,000
Total	Personnel Services	291,883	309,309	308,009	299,094
511045	Computer Supplies	3,700	3,700	3,700	3,700
511055	Publications & Printed Materials	6,400	6,400	6,400	6,400
511070	Miscellaneous Office Supplies	3,300	3,300	3,300	3,300
Total	Supplies	13,400	13,400	13,400	13,400
520114	Miscellaneous Support Services	2,400	3,400	3,400	3,400
520515	Print Shop Services	25	25	25	25
520605	Advertising Services	809	0	0	0
520765	Membership & Professional Fees	713	400	400	400
520805	Education & Training	295	1,000	1,000	1,000
520905	Travel - Training Related	346	100	100	100
521610	Voice Services	1	7	7	7
521630	GIS Revolving Fund Services	166	190	190	190
521730	Parking Space Rental	0	0	0	1,250
522205	Metro Commuter Passes	546	150	1,450	1,450
522722	KRONOS Service Chargeback	101	178	178	178
Total	Other Services and Charges	5,402	5,450	6,750	8,000
Grand Total Expenditures		310,685	328,159	328,159	320,494