



Human Resources Department

FY2020 Proposed Budget Presentation

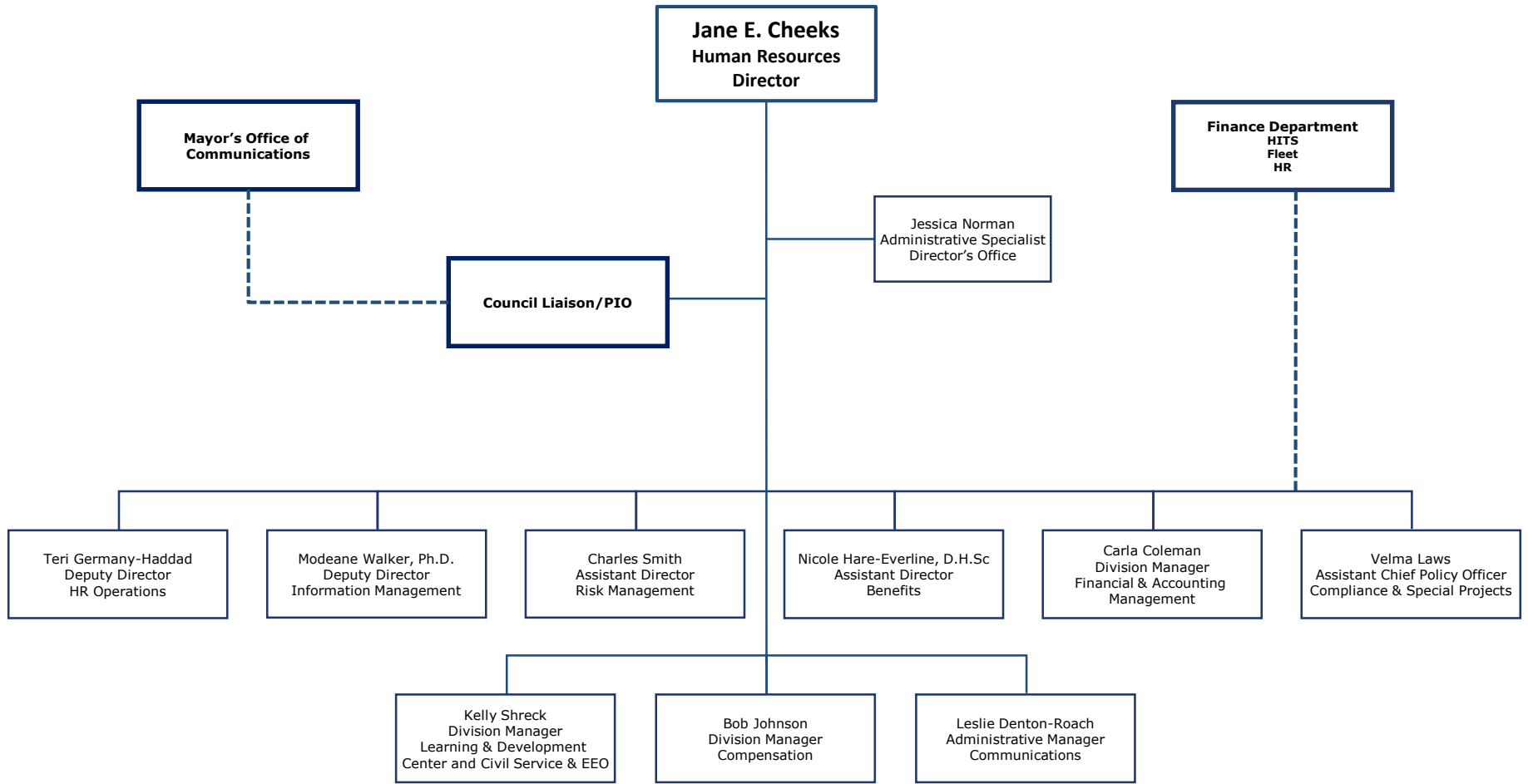
Jane E. Cheeks
HR Director

May 21, 2019



Human Resources Department

Organizational Chart



Human Resources Department

Programming



The Human Resources Department is a customer service driven and administrative support branch of the City of Houston. We provide opportunities for transformational public service careers that create meaningful impact on the job and in the community.

We value transparency, encourage innovation, embrace technology, and strive for continual improvement.

To us, our goal is to make every contact with the public and our employees a positive one. Customer service comes first every day!

Human Resources Department

Programming - *continued*



The field of human resources is highly regulated and each function is uniquely governed by federal, state, and local laws. These functions include recruitment, benefits, labor relations, compensation, risk management, and operations.

- Age Discrimination in Employment Act of 1967
- Civil Rights Act of 1991
- Drug-Free Workplace Act of 1988
- Equal Employment Opportunity Commission
- Equal Pay Act
- Fair Labor Standards Act of 1938
- Family Medical Leave Act of 1993
- Health Insurance Portability and Accountability Act

Human Resources Department

Functional Organizational Chart

(\$ in thousands)



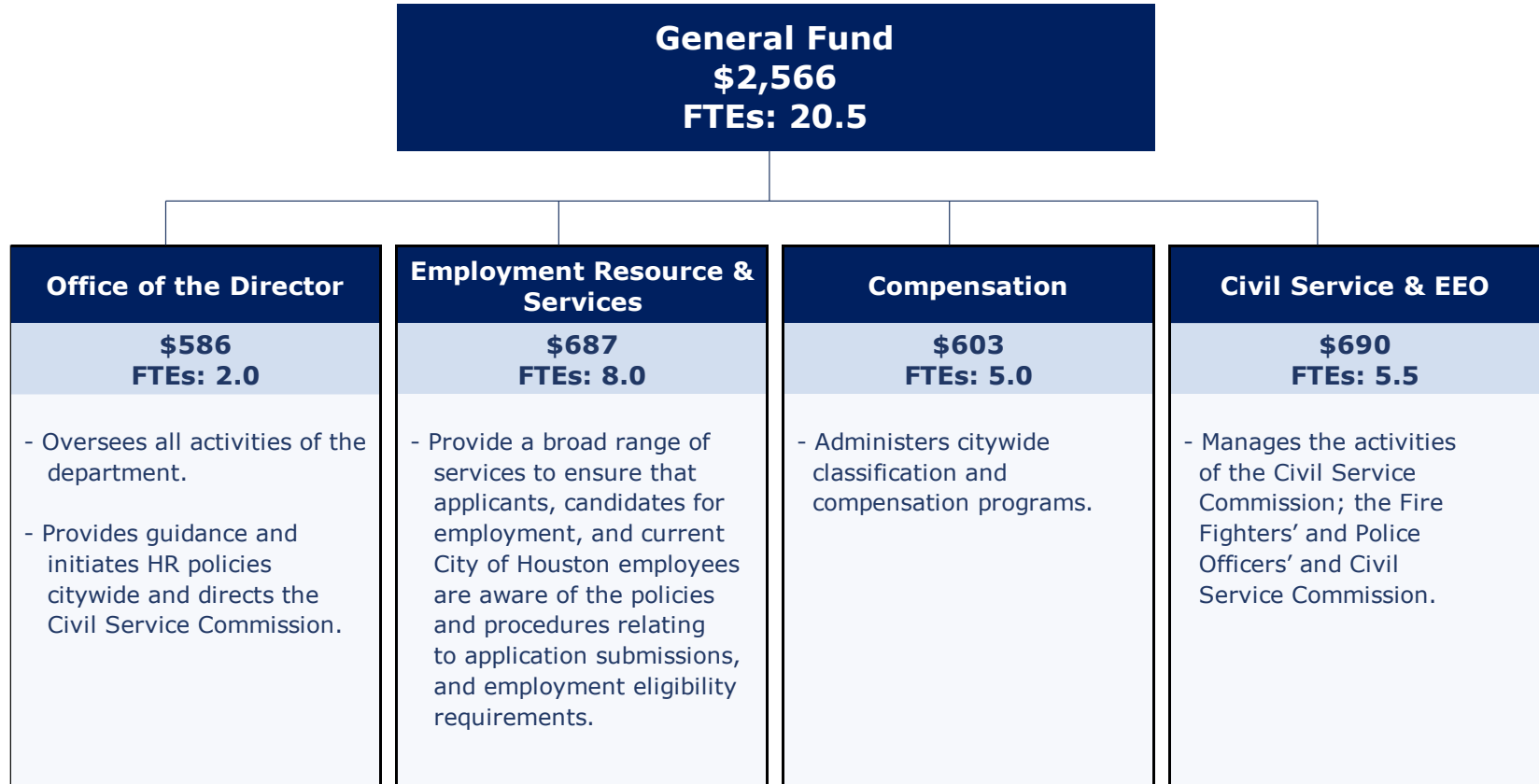
Human Resources
\$472,246
FTEs: 308.0

General Fund (1000)	Central Service Revolving Fund (1002)	Workers' Compensation Fund (1011)	Health Benefits Fund (9000)	Long Term Disability Fund (9001)
\$2,566 FTEs: 20.5	\$26,289 FTEs: 170.3	\$31,366 FTEs: 65.0	\$410,635 FTEs: 52.2	\$1,390 FTEs: 0.0
<ul style="list-style-type: none"> - Director's Office - Employee Resource & Services - Compensation - Civil Service & EEO 	<ul style="list-style-type: none"> - Client Services - General Relations - Shared Services - Classified Testing - Records Administration - Contingent Workforce - Learning & Development Center 	<ul style="list-style-type: none"> - Safety - Physical Exam and Drug Testing - Workers' Compensation 	<ul style="list-style-type: none"> - Strategic Benefits Operations - Wellness - Employee Assistance Program - Communications - Information Management 	<ul style="list-style-type: none"> - Long Term Disability

Human Resources Department

General Fund 1000 Functional Organizational Chart

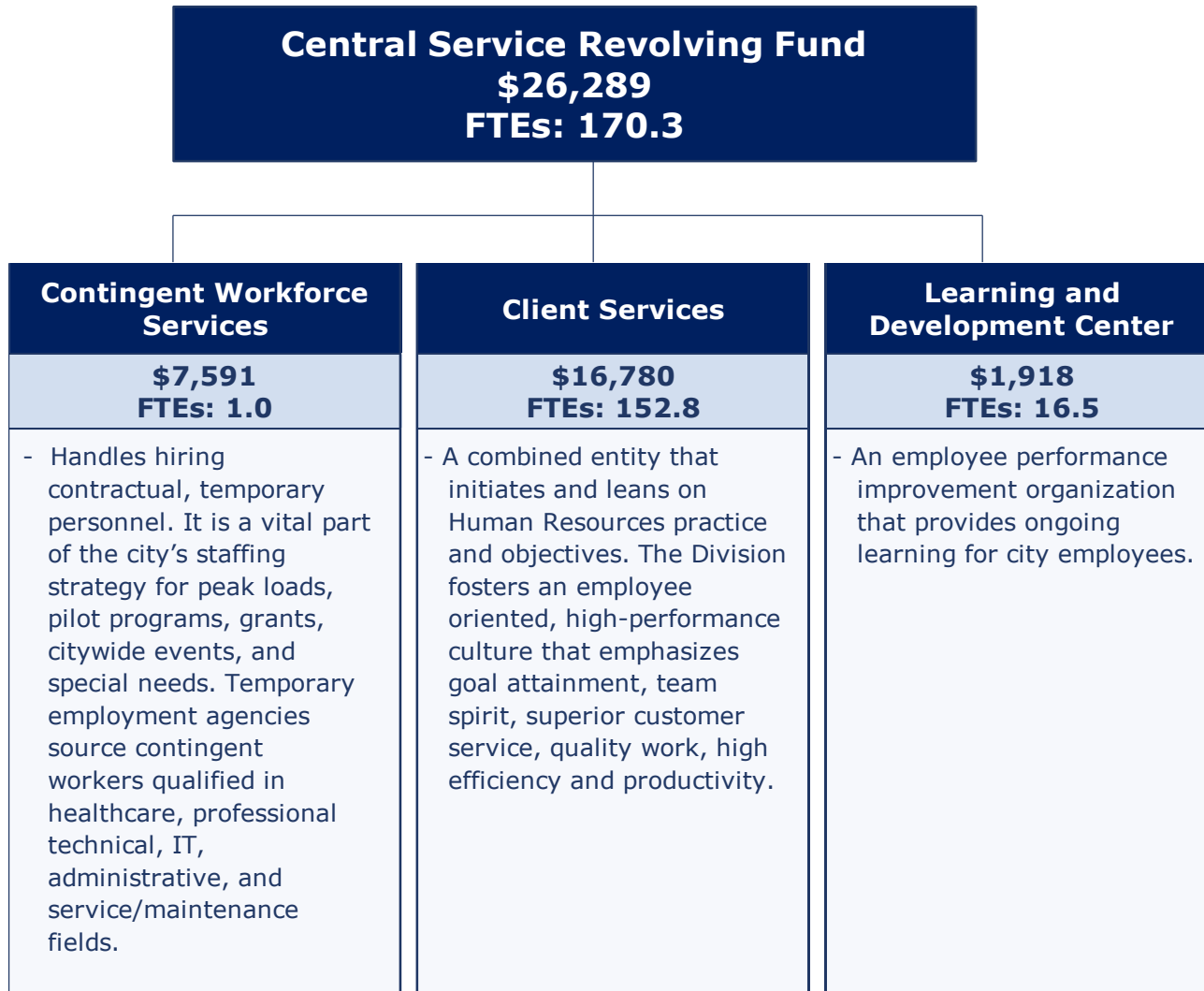
(\$ in thousands)



Functional Organizational Chart

Central Service Revolving Fund 1002

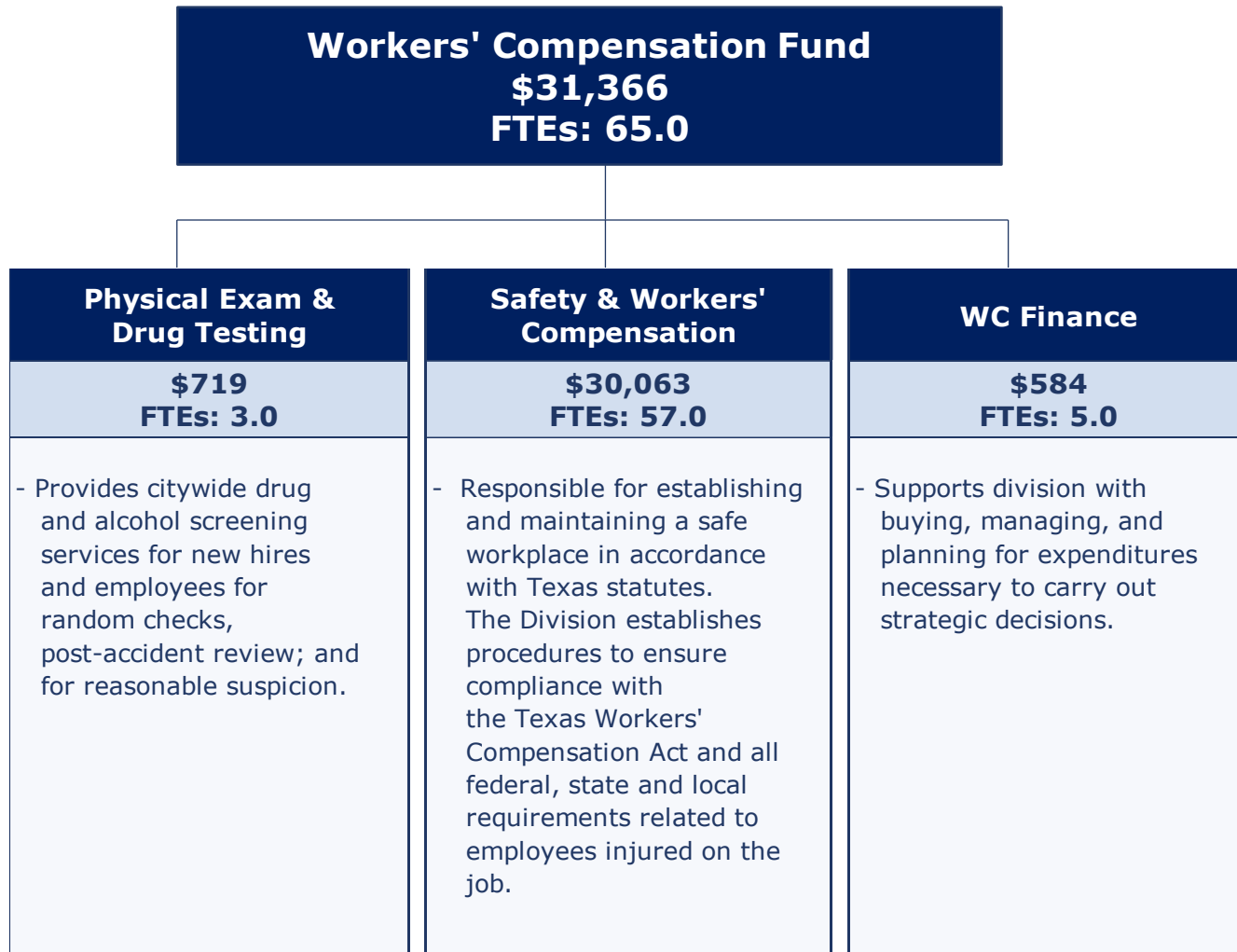
(\$ in thousands)



Functional Organizational Chart

Workers' Compensation Fund 1011

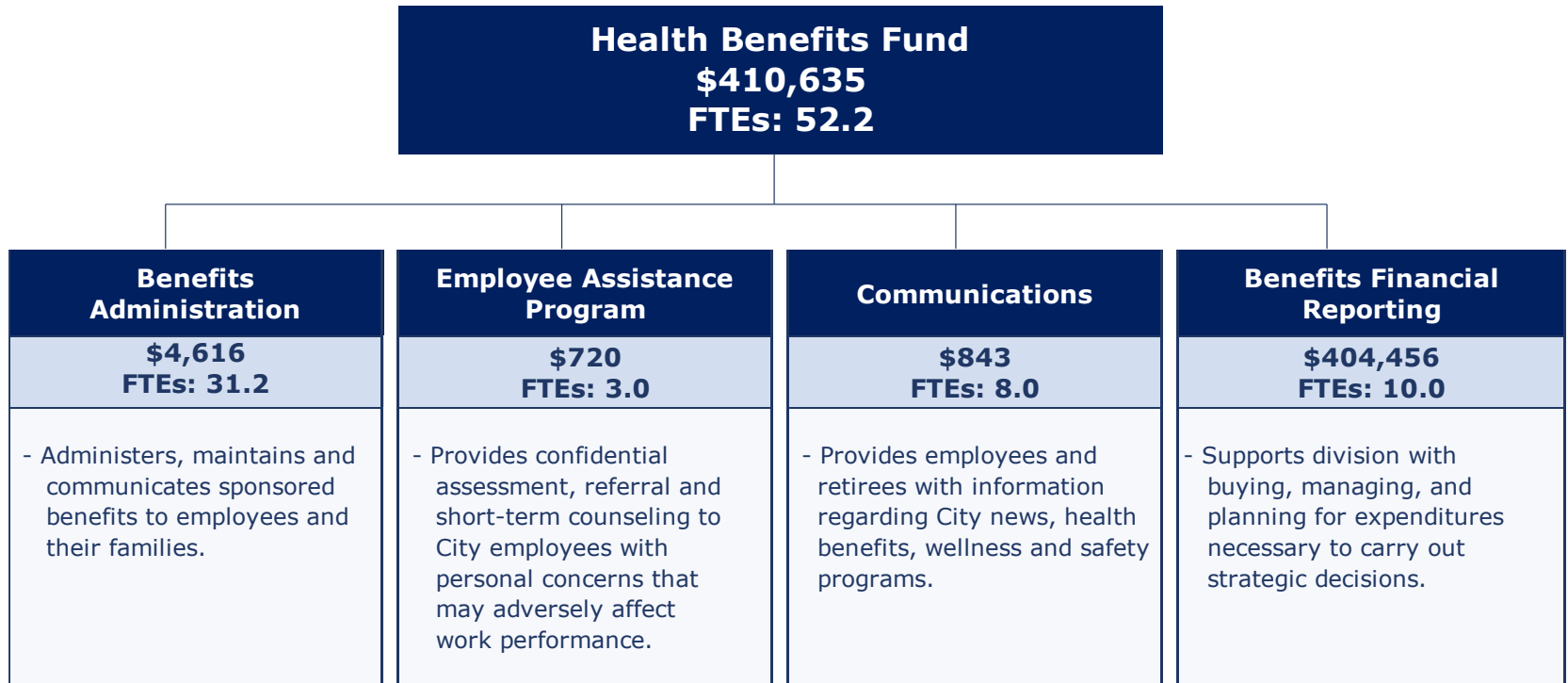
(\$ in thousands)



Functional Organizational Chart

Health Benefits Fund 9000

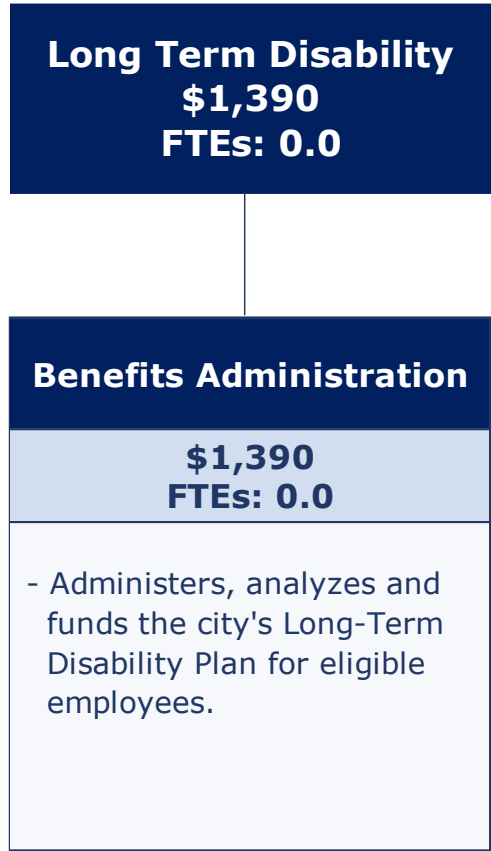
(\$ in thousands)



Functional Organizational Chart

Long Term Disability Fund 9001

(\$ in thousands)



Revenues by Funds

(\$ in thousands)



Fund	FY18 Actual	FY19 Budget	FY19 Estimates	FY20 Proposed	Variance FY20 Prop/ FY19 Est	% Change
General Fund (1000)	\$6	\$5	\$5	\$5	\$0	0.0%
Central Services Revolving Fund (1002)	29,493	25,939	25,361	26,289	928	3.7%
Workers' Compensation Fund (1011)	22,816	28,925	28,925	31,628	2,703	9.3%
Health Benefits Fund (9000)	387,412	411,400	404,663	411,789	7,126	1.8%
Long Term Disability Fund (9001)	1,450	1,389	1,493	1,448	(45)	(3.0%)
TOTAL	\$441,177	\$467,653	\$460,447	\$471,159	\$10,712	2.3%

Human Resources Department

Revenue Highlights – compared to FY2019 Estimate



- ❑ **General Fund 1000**
 - Revenues are generated from open records requests

- ❑ **Central Services Revolving Fund 1002** - Increase of \$928K or 3.7%
 - Personnel costs*

- ❑ **Workers' Compensation Fund 1011** - Increase of \$2.7M or 9.3%
 - Personnel costs*
 - Catastrophic claims

- ❑ **Health Benefits Fund 9000** - Increase of \$7.1M or 1.8%
 - Personnel costs*
 - Health benefits claims

- ❑ **Long Term Disability Fund 9001** - Decrease of \$45K or 3.0%
 - Long Term Disability claims

*Pension adjustments and HOPE contractual pay increases.

Expenditures by Funds

(\$ in thousands)



Fund	FY18 Actual	FY19 Budget	FY19 Estimates	FY20 Proposed	Variance FY20 Prop/ FY19 Bud	% Change
General Fund (1000)	\$3,018	\$2,752	\$2,565	\$2,566	(\$186)	(6.8%)
Central Services Revolving Fund (1002)	29,493	25,939	25,361	26,289	350	1.3%
Workers' Compensation Fund (1011)	22,816	28,676	28,676	31,366	2,690	9.4%
Health Benefits Fund (9000)	375,612	409,635	396,151	410,635	1,000	0.2%
Long Term Disability Fund (9001)	(1,046)	1,695	1,695	1,390	(305)	(18.0%)
TOTAL	\$429,893	\$468,697	\$454,448	\$472,246	\$3,549	0.8%

Human Resources Department

Expenditure Highlights – compared to FY2019 Estimate



- ❑ **General Fund 1000** - Decrease of \$186K or 6.8%
 - Delimit position
 - Lower IT application costs

- ❑ **Central Services Revolving Fund 1002** - Increase of \$350K or 1.3%
 - Personnel costs*
 - Restricted accounts

- ❑ **Workers' Compensation Fund 1011** - Increase of \$2.7M or 9.4%
 - Catastrophic claims
 - Personnel expansion

- ❑ **Health Benefits Fund 9000** - Increase of \$1.0M or .2%
 - Personnel costs*
 - Health benefits claims

- ❑ **Long Term Disability Fund 9001** - Decrease of \$305K or 18.0%
 - Long Term Disability claims

*Pension adjustments and HOPE contractual pay increases.

Budget Expenditures

Net Change – General Fund 1000

(\$ in thousands)



FY2020 General Fund Budget Expenditures		
Net Change to FY2019 Current Budget		
FY2019 Current Budget		<u>Notes</u>
Operating Budget	\$2,877	
Restricted Budget	(125)	1
FY2019 Current Budget	<u>\$2,752</u>	
Explanation of FY2019 Incremental Increase/(Decrease)		
Operating Budget Adjustments		
Budget reduction initiatives	(93)	2
Subtotal Operating Budget Adjustments	<u>(\$93)</u>	
% Change from FY19 Operating Budget	<u>(3.2%)</u>	
Contractual or Mandated Adjustments:		
Health Benefits Active Civilian	(\$21)	
Municipal Pension	5	
Restricted Accounts	(112)	1
HOPE	36	
Subtotal Contractual/Mandated Increases	<u>(\$93)</u>	
FY2019 Proposed Budget		
Operating and Contractual Adjustments	(\$186)	
FY2020 Proposed Budget	<u>\$2,566</u>	
% Change from FY19 Current Budget	<u>(6.8%)</u>	
Notes:		
1. Restricted Budget includes service chargeback accounts (Data Services, Voice Services, Insurance Fees, etc.)		
2. Division Manager position eliminated.		

Personnel vs. Non Personnel Spending

Human Recourses Department - Combined

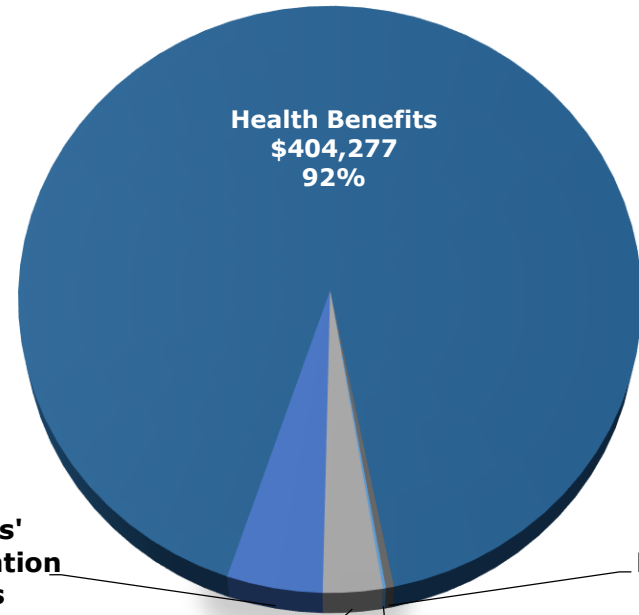
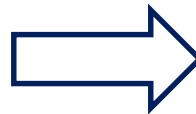
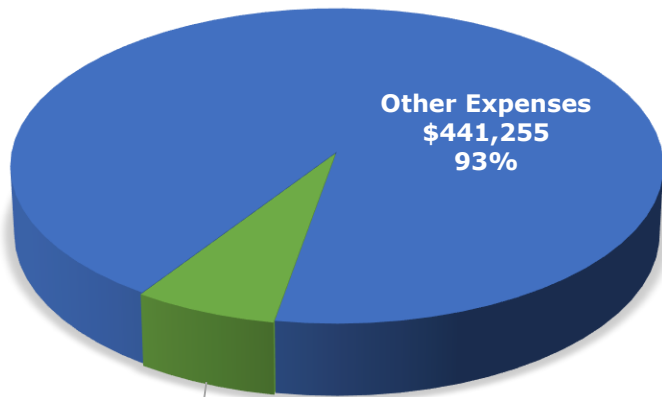
(\$ in thousands)



FY2020 Proposed Budget

\$472,246

308.0 FTEs



Personnel
\$30,991
7%

Workers' Compensation Claims
\$21,305
5%

Contractual & Other Services
\$13,208
3%

Supplies/ Non-Capital/ Capital
\$681
0%

Restricted Accounts
\$1,785
0%

Personnel vs. Non Personnel Spending

General Fund 1000

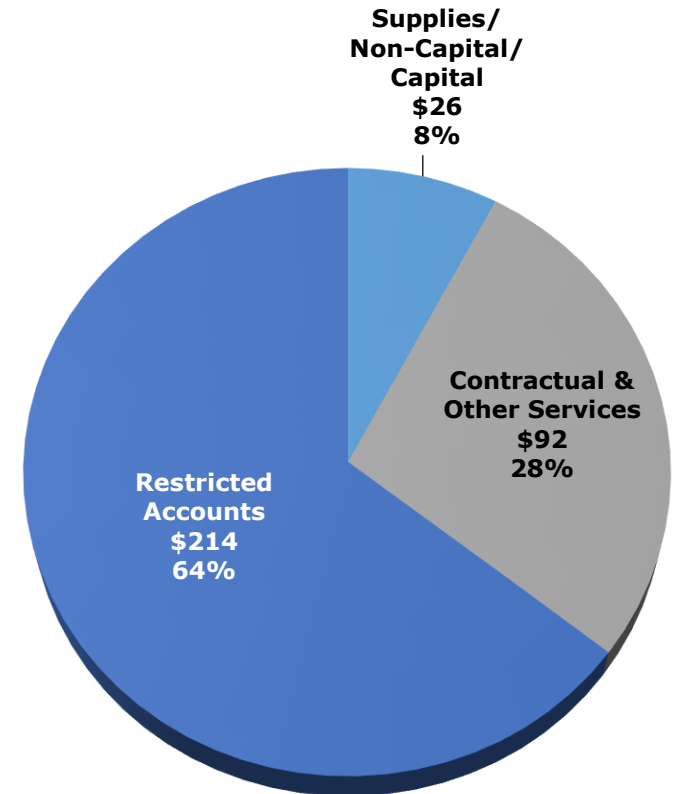
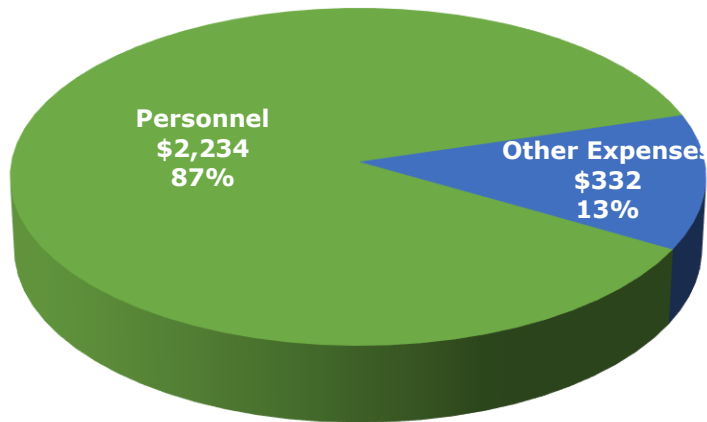
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FY2020 Proposed Budget

\$2,566

20.5 FTEs



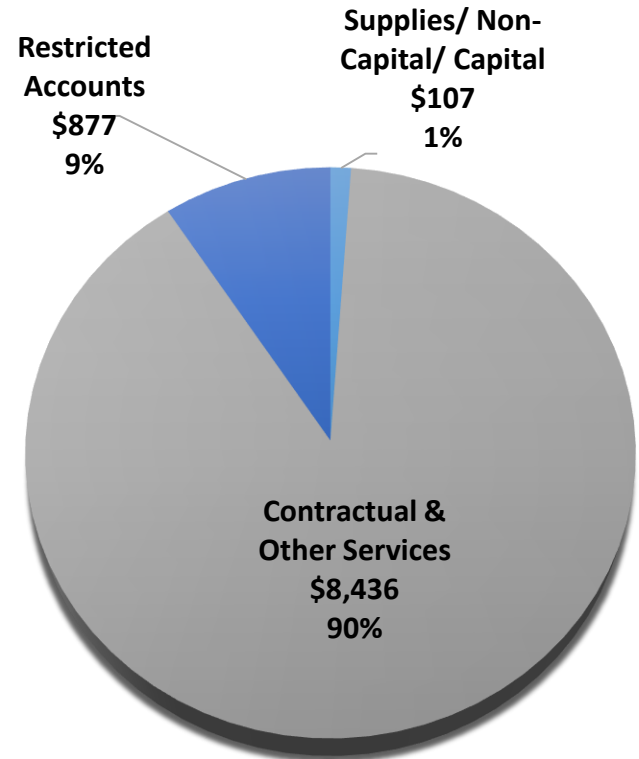
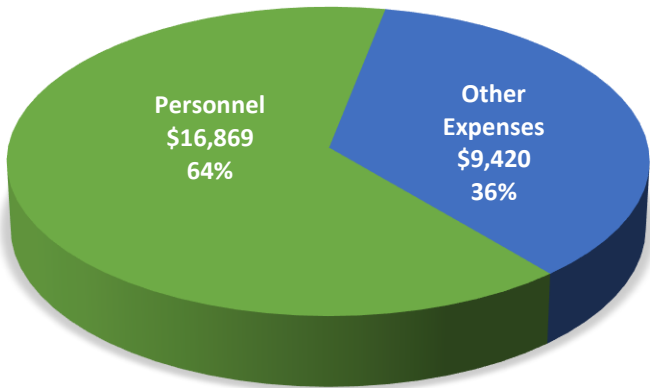
Personnel vs. Non Personnel Spending

Central Service Revolving Fund 1002

(\$ in thousands)



FY2020 Proposed Budget
\$26,289
170.3 FTEs



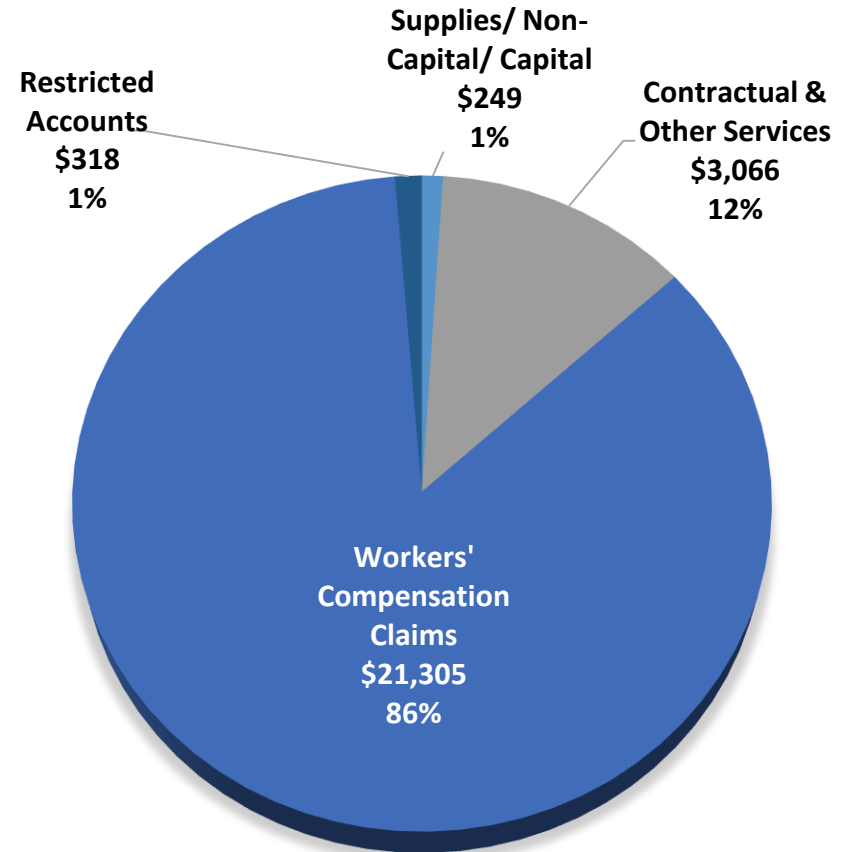
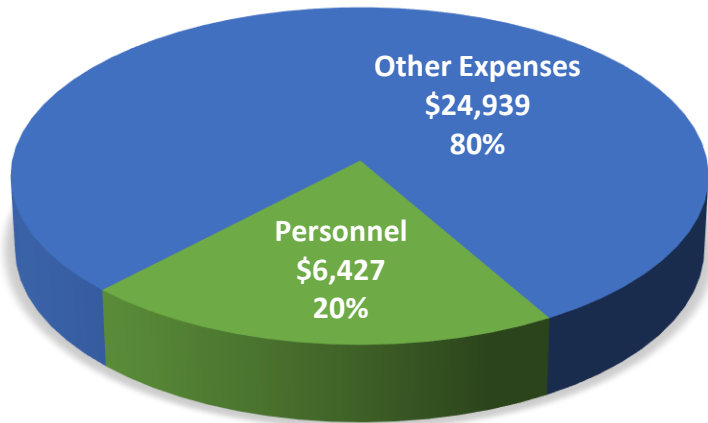
Personnel vs. Non Personnel Spending

Workers' Compensation Fund 1011

(\$ in thousands)



FY2020 Proposed Budget
\$31,366
65.0 FTEs



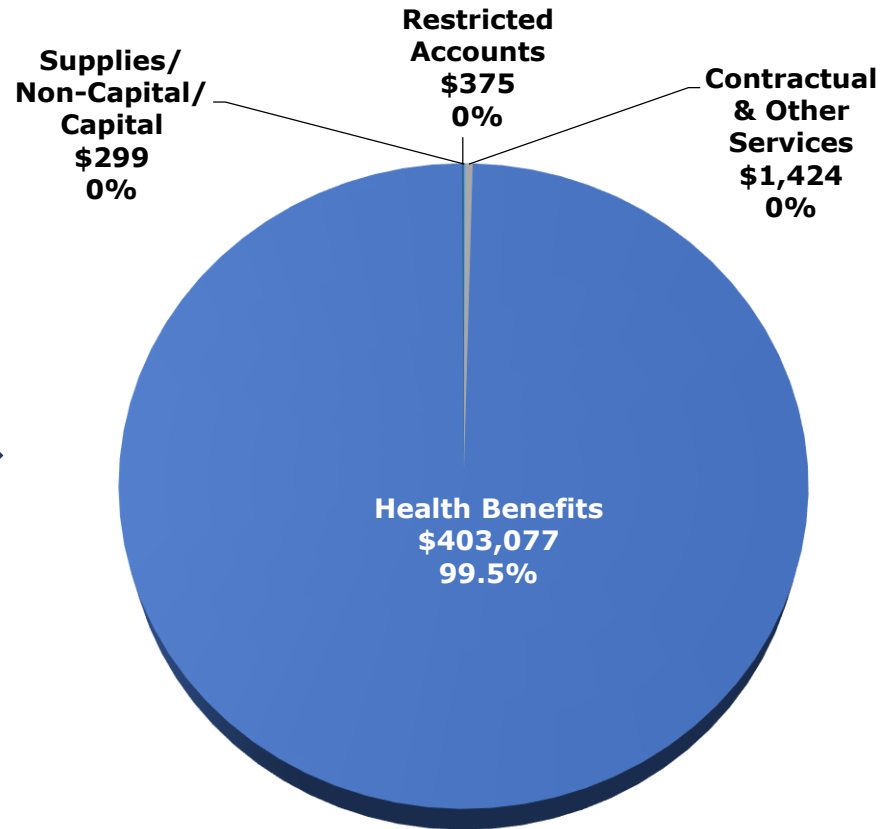
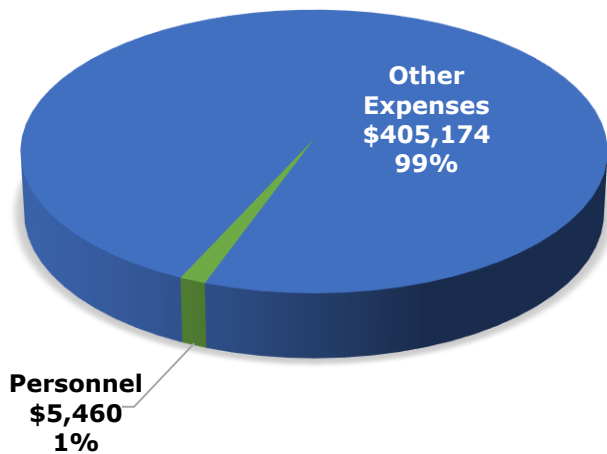
Personnel vs. Non Personnel Spending

Health Benefits Fund 9000

(\$ in thousands)



FY2020 Proposed Budget
\$410,635
52.2 FTEs



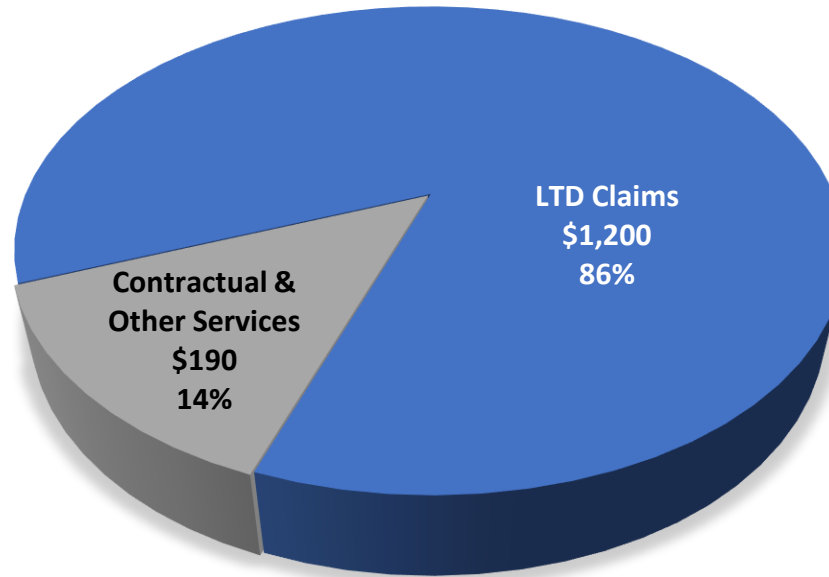
Personnel vs. Non Personnel Spending

Long Term Disability Fund 9001

(\$ in thousands)



FY2020 Proposed Budget
\$1,390
No Personnel Costs



Human Resources Department

Budget Reductions (based on budget comparison)

(\$ in thousands)



Fund	FY18 Actual	FY19 Estimate	FY20 Proposed	3-Year Total
General Fund (1000)	\$0	(\$437)	(\$186)	(\$624)
Central Services Revolving Fund (1002)	0	(11,170)	0	(\$11,170)
Workers' Compensation Fund (1011)	0	0	0	\$0
Health Benefits Fund (9000)	0	0	0	\$0
Long Term Disability Fund (9001)	0	0	(305)	(305)
TOTAL	\$0	(\$11,607)	(\$491)	(\$12,099)



Questions



Appendix

Budget History

(\$ in thousands)



General Fund (1000)	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Estimate	FY20 Proposed Budget
Current Budget	\$3,590	\$3,637	\$3,056	\$3,189	\$2,752	\$2,566
Actual/ Projections	3,285	3,390	2,980	3,018	2,566	2,566
SURPLUS/ (DEFICIT)	\$305	\$247	\$76	\$171	\$186	\$0

Central Services Revolving Fund (1002)	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Estimate	FY20 Proposed Budget
Current Budget	\$34,525	\$35,521	\$36,116	\$37,108	\$25,939	\$26,288
Actual/ Projections	32,332	35,190	35,184	29,493	25,361	\$26,288
SURPLUS/ (DEFICIT)	\$2,193	\$331	\$932	\$7,615	\$578	\$0

Budget History - *continued*

(\$ in thousands)



Workers' Compensation Fund (1011)	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Estimate	FY20 Proposed Budget
Current Budget	\$22,198	\$20,951	\$21,869	\$23,610	\$28,676	\$31,366
Actual/ Projections	21,026	20,102	21,594	22,816	28,676	31,366
SURPLUS/ (DEFICIT)	\$1,172	\$849	\$275	\$794	\$0	\$0

Health Benefits Fund (9000)	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Estimate	FY20 Proposed Budget
Current Budget	\$343,800	\$348,477	\$366,777	\$387,765	\$409,635	\$410,634
Actual/ Projections	325,913	348,452	\$366,509	\$375,612	\$396,151	\$410,634
SURPLUS/ (DEFICIT)	\$17,887	\$25	\$268	\$12,153	\$13,484	\$0

Budget History - *continued*

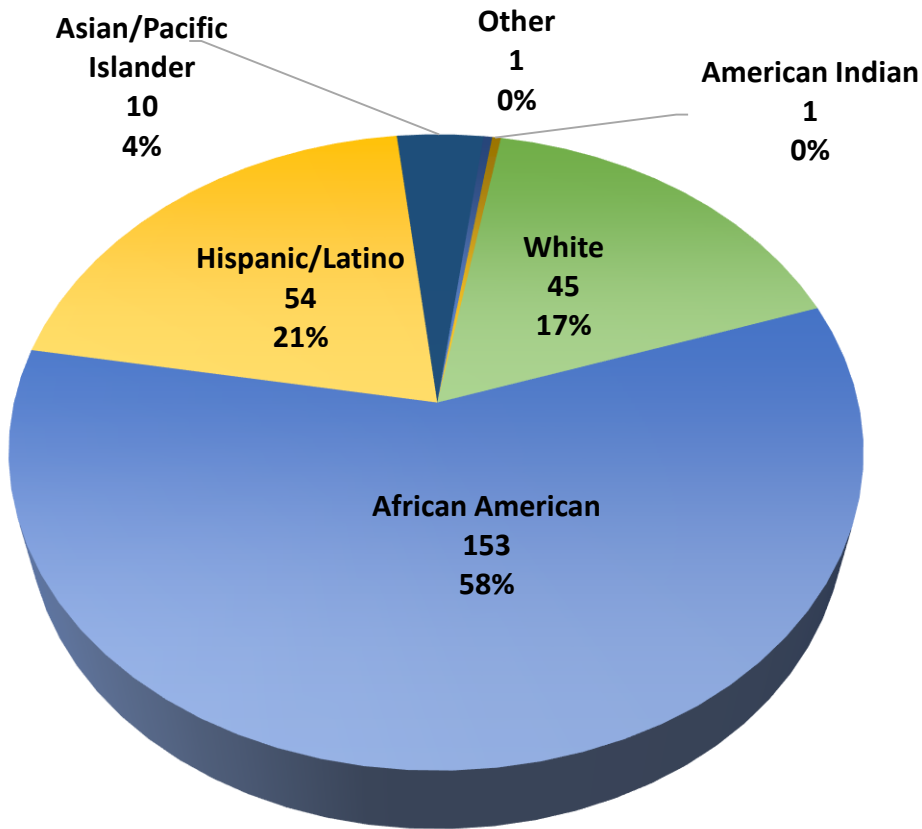
(\$ in thousands)



Long Term Disability Fund (9001)	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Estimate	FY20 Proposed Budget
Current Budget	\$1,551	\$1,667	\$1,644	\$1,664	\$1,695	\$1,390
Actual/ Projections	1,973	974	1,063	(1,045)	1,695	1,390
SURPLUS/ (DEFICIT)	(\$422)	\$693	\$581	\$2,709	\$0	\$0

Demographics

(Gender and Ethnicity)



Employees	Female	Male	Total
TOTAL	197	67	264

Managers	Female	Male	Total
White	4	5	9
African American	29	5	34
Hispanic/ Latino	5	2	7
Asian/ Pacific Islander	1	1	2
Other	1	0	1
American Indian	0	0	0
TOTAL MANAGERS	40	13	53

Performance Measures



Business Process Measures	Priorities	FY18 Actual	FY19 Budget	FY19 Estimates	FY20 Proposed
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General Fund 1000

1 Year Involuntary Turnover Rate	Services & Infrastructure	2%	0%	0%	1%
1 Year Voluntary Turnover Rate	Services & Infrastructure	3%	1%	1%	1%
90 Day Involuntary Turnover Rate	Services & Infrastructure	0%	0%	0%	1%
90 Day Voluntary Turnover Rate	Services & Infrastructure	1%	0%	0%	1%
Involuntary Turnover Rate	Services & Infrastructure	4%	4%	4%	5%
Retirement Rate	Services & Infrastructure	4%	2%	2%	5%
Time to Fill	Services & Infrastructure	78	85	85	65
Voluntary Turnover Rate	Services & Infrastructure	7%	8%	8%	8%



Performance Measures

Business Process Measures	Priorities	FY18 Actual	FY19 Budget	FY19 Estimate	FY20 Proposed
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Central Service Revolving Fund 1002

Temporary Employee pay rate	Service & Infrastructure	\$22	\$23	\$23	\$23
Temporary Employee utilization by headcount	Service & Infrastructure	448	215	212	215
Temporary Employee utilization by hours worked	Service & Infrastructure	625,927	323,179	279,443	323,179

Business Process Measures	Priorities	FY18 Actual	FY19 Budget	FY19 Estimate	FY20 Proposed
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Workers Compensation Fund 1011

HPW-Facility inspections, safety surveys & gate checks	Service & Infrastructure	1,698	3,300	3,000	3,300
Return to work within 7 days of injury	Service & Infrastructure	86%	80%	77%	80%
Return to work within maximum disability guidelines	Service & Infrastructure	73%	70%	69%	70%

Performance Measures



Business Process Measures	Priorities	FY18 Actual	FY19 Budget	FY19 Estimate	FY20 Proposed
Health Benefit Fund 9000					
Generic drug utilization	Service & Infrastructure	80%	88%	88%	88%
Health assessment completion	Service & Infrastructure	74%	90%	73%	90%



FY2019 Accomplishments

- ❑ Successfully negotiated the Meet and Confer Agreement for Municipal employees
- ❑ Implemented new pay programs for Police and Municipal employees
- ❑ Conducted total compensation surveys for Police, Fire and Municipal employees
- ❑ Coordinated Captain and Sr. Captain exams
- ❑ Consolidated HPW and HFD workers' compensation and safety functions into HR
- ❑ Initiated the implementation of the Zero is Possible program (ZIP), the safety standard ANSI Z10 Occupational Health and Safety Management Systems, an American National Standard for the City of Houston
- ❑ Introduced DocuSign into several key processes