

# HUMAN RESOURCES

## **Department Mission/Purpose Statement:**

We are committed to treating each person as a valued customer while contributing positively to achieve the overall goals of the City of Miami Beach through comprehensive programming that displays a thorough understanding of all aspects of the human resource profession, including proactive involvement in areas of legal compliance and service that displays a genuine interest in the lives of others.

## **Department Description:**

The Human Resources Department is responsible for all personnel related activities and the Department is comprised of the following functional areas:

Compensation — Processes payroll changes, tuition assistance, update/initiate W4 and direct deposit forms, union dues, child support, garnishment payments, employment verification, conduct exit interviews, process public records request and leave/attendance for all City employees; maintain the HR personnel files.

Recruitment and Testing — Assists departments in recruiting and selecting qualified job applicants; develops, administers and validates competitive recruitment methods; administers pre-employment and promotional examinations; performs pre-employment background checks.

Labor and Employee Relations — Oversees, consults and processes disciplinary matters; investigates and responds to all EEOC official charges of alleged discrimination; negotiates and administers last chance agreements; administers the City's collective bargaining agreements including costing out the value of proposals, developing language to reflect issues upon which there is agreement between the parties and advising on conflict resolution; administers the grievance/arbitration process; conducts citywide investigations related to employee misconduct and allegations of discriminatory practices.

Risk Management and Benefits Division — Assists in the formulation of employee benefit programs; develops and administers benefit related contracts; assists active employees and retirees; coordinates open enrollment activities. Administers the budget for self and fully-insured benefit plans, oversees the City's wellness program, and ensures compliance with all Patient Protection and Affordable Care Act requirements. The Risk Management section protects the City's assets by identifying, evaluating and controlling loss exposures; administering the City's insurance programs for liability, property/flood and workers' compensation which include contract and claims administration; oversees risk transfer and loss control measures such as requiring liability insurance from City contractors, conducting safety training and inspection of facilities operation for potential hazards.

See attached Table of Organization:

## Assistant City Manager

### Human Resources Administration

Develops and promulgates administrative regulations to implement Commission policy and ensure compliance with the Civil Service Act, Personnel Rules and Federal, State and Local laws and regulations as they relate to human resources; directs operations in the department's functional areas; coordinates all aspects of collective bargaining, including negotiations and costing out proposals; assists the City Manager with personnel related matters; provides advice, counsel and direction to all City employees on personnel related matters; and oversees validation of recruitment and testing procedures.

#### Compensation

Processes payroll and leave/attendance for all City employees; maintains personnel files; maintains the employee Munis (ERP) system; serves as point of contact for employment verifications and public records requests; conducts exit interviews.

#### Benefits

Assists in the formulation of the City's employee benefits program; develops benefits related contracts, administers contracts and programs; assists active and retired employees with benefits matters; coordinates open enrollment activities; ensures employee selections are recorded effectively and in a timely manner; administers budget for self and fully-insured benefit plans; oversees wellness program; ensures compliance with all requirements of the Patient Protection Affordable Care Act.

#### Recruitment and Testing

Assists departments in recruiting and selecting qualified job applicants; develops and administers pre-employment and promotional examinations; performs pre-employment background checks.

#### Labor and Employee Relations

Processes, oversees and consults on disciplinary matters; investigates and responds to all official Equal Employment Opportunity Commission complaints; negotiates and administers last chance agreements; administers the City's collective bargaining agreements; advises on problem and conflict resolution; administers the grievance/arbitration process while focusing on improving labor/management relationships; conducts citywide investigations related to employee misconduct and allegations of discriminatory practices, harassment, hostility, and disparate treatment; maintains employee information to report on the City's diversity program in all aspects associated with employment practices; prepares reports as required by the Department of Justice Office of Civil Rights and Equal Employment Opportunity Commission.

#### Risk Management

Protects assets, both human and physical, by identifying, evaluating and controlling loss exposures throughout the City; administers the City's insurance programs for liability, property/flood and workers' compensation, which includes contractual and claims administration; oversees risk transfer and loss control measures such as requiring liability insurance from City contractors, conducts safety training and operations and facility inspections; administers newly revived subrogation program and self and fully insured risk programs.

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## **Fiscal Environment:**

The allocation of funds for the Department of Human Resources, except for Benefits and Risk Management, comes from the General Fund. The Risk Management and Benefits Division is an internal service fund division sustained by charges to other funds and departments.

## **Business Environment:**

The Human Resources Department provides direction and support regarding a myriad of related competencies. The recruitment and selection processes are the gateway to the City and the labor market is tightening in some professions, which directly challenge endeavors to recruit and maintain a competent workforce.

In terms of the business environment, Human Resources have successfully recruited qualified, competent personnel for the department, thereby creating a strong team of professionals to carry out the duties of this department.

Feedback and data from our customers, particularly the employee service satisfaction, is used to gauge and improve delivery of services.

Staff in the department supports the Personnel Board and Health Advisory Committee.

## **Significant Prior Year Accomplishments:**

- Renewed the City's property insurance program, fine arts, and crime insurance within budget. Since the Convention Center is being insured by a separate builder's risk policy, there was funding available to purchase an additional \$5 million of windstorm coverage, bringing the windstorm total to \$25 million.
- After an assessment of our rising workers' compensation costs, especially the heart related presumption claims that are very costly and with long-term care, the Finance and Citywide Project Committee ("FCWPC") approved the purchase of excess workers' compensation coverage. For reasons unknown, the Administration stop purchasing excess workers compensation coverage in 1997. Currently there are approximately 114 open heart disease presumption claims, which reserves run between \$100,000 and \$1 million, depending on the severity of the claimant. The purchase of this coverage will be beneficial for those high cost claimants.
- Due to proliferation of cyber-attacks and data breaches experienced by many businesses, including governmental agencies, the Risk staff recommended and got the approval from the FCWPC to purchase cyber liability coverage. The purchase of this policy will provide the City with the ability to respond immediately to a data breach, and comply with federal regulations.

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- The Risk Management Division adjusted 123 subrogation claims for both automobile and property damage.
- The City self-insures and self-administers its liability claims (property damage, bodily injury, automobile, police actions, and employment). During the FY2015/16 there were 147 open claims, and 57 claims that were closed.
- The City continues to maintain its annual 5% Drug-Free Work Place ("DFWP") premium credit to its self-insurer Workers' Compensation premium assessment for complying with program criteria such as informing new hires that the City is a Drug-Free Workplace and administering random and post-accident drug testing.
- Since the hiring of a Safety Officer in 2016, the City is now able to receive the 2% reduction to its self-insurer Workers' Compensation premium assessment. Some of the requirements to obtain the credit are conducting facility inspections, investigating/evaluating accidents, and conducting safety-related training.
- Completed contract negotiations with AFSCME, FOP, GSAF, and IAFF. The City reached agreements with four (4) of the bargaining units, except for CWA. The City and CWA are at impasse and scheduled to go in front of a Magistrate July 18-21, 2017.
- Submitted eleven (11) position statements to the Equal Employment Opportunity Commission (EEOC) related to employees' charges of alleged discrimination. The EEOC was unable to conclude violation of statutes for the eleven (11) charges.
- The Recruitment Division successfully developed a vacancy list by department to better manage vacancies within the organization. It will be used to develop appropriate staffing levels per department.
- In order to meet the goal May 5, 2017 "GO LIVE" payroll date, the Compensation staff processed full parallel in both EDEN and MUNIS systems to have comparative data as well as a backup plan in case some unforeseen issue.
- The Compensation team provided continued support for multiple months while the payroll functions were being built in the MUNIS system. Additionally, the Compensation team spent several weeks training and supporting all City payroll coordinators.
- Dual data entry on all payroll transactions was placed on hold to avoid any discrepancies between payrolls in the two systems during the parallel process. In order to restore business practice to normal the Compensation team spent countless nights and weekends processing approximately 95% of the backlog of payroll changes.
- The Compensation Team provides continuous training in order to ensure the Payroll Coordinators are comfortable with the new Munis payroll system, the processing of

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payroll continued to be centralized in the IT Large after the Munis Go Live Training Room through the end of June of 2017.

- After Munis Go Live, a plan was put in place to answer payroll inquiries from employees and departments. A flowchart was created for troubleshooting inquiries.
- The City participates in the Center for Medicare & Medicaid Services (CMS) Retiree Drug Subsidy (RDS) Program each year. The RDS is designed to encourage employers to continue providing prescription drug coverage to their Medicare-eligible retirees despite the availability of the Medicare Part D standard prescription drug benefit. During FY2015/16 we completed the application submission and passed the actuarial test.
- In July of 2016, the Benefits Division enabled and implemented the Eden Benefits Enrollment module in order to go paperless with the annual open enrollment process for the 2016/17 plan year. Maintaining this process within Eden allowed the division to collect the needed information for the forthcoming enrollment file feed which was generated and remitted to Cigna for all new enrollments into the City's medical and dental plans. It also provided our employees with an online, user-friendly platform for completing their benefit elections.
- In March of 2016, the Benefits Division successfully satisfied all reporting requirements in accordance with the Affordable Care Act. Form 1095-C was distributed to all benefit eligible employees as well as to those retirees and COBRA participants who required a form.
- In July of 2016, we updated the Eden database with the information of all retired police officers and fire fighters who participate in the City's medical and dental plan. Maintaining this information within Eden allows the Benefits Division to generate census data, enrollment file feeds and other reports which allow for better administration of the City's medical and dental plans.
- The Benefits Division will be working closely with many of the City's employee benefit vendors to streamline the monthly billing process. Many premium invoices which are manually processed through self-billing will be moved to an automatic, biweekly payroll wire. Allowing premiums to be remitted via wire after payroll is posted eliminates the ongoing process of adjusting and reconciling self-billed invoices.
- The Benefits team is partnering with Unum on providing training to Payroll Coordinators for Family Medical Leave reporting. This will allow each department to track the progress of their employees' leave requests via Unum's secure website without having to call Unum or the Human Resources Department by phone for periodic updates.
- A request for information (RFI) was issued in order to acquire the expertise of a firm which can conduct an eligibility dependent audit of the City's medical and dental plans. Completing this audit will result in the removal of any ineligible dependents which are

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currently enrolled in the City's medical and dental plans and it will also educate the workforce on the definition of "eligible dependent".

- A recurring premium audit will be initiated by the Benefits Division to reconcile premium payments versus medical and dental plan enrollments.

### **Critical Success Factors:**

Several factors are critical to the Human Resources Department's successful achievement of its work plan:

- Ensuring the Human Resources department staff are given the tools, training and motivation to operate in the most efficient and effective manner.
- Recognizing and encouraging the value of diversity in the workplace.
- Establishing, administering and effectively communicating sound policies, rules and practices that treat employees with dignity and equality while maintaining City compliance with federal, state and local employment labor laws, City ordinances, administrative policies and labor agreements.

### **Future Outlook:**

The Human Resources Department is now in a position to act as a catalyst to enable all City employees to contribute at optimum levels toward the success of the city's operations. We will continue to work diligently to:

- Develop an attitude of teamwork and quality in our day-to-day operations.
- Reduce inefficiencies by vigorously pursuing continuous process improvement.
- Commit to doing and to acting openly, equitably and consistently in our pursuit of uncompromising quality.
- Increase participation in city and community activities while seeking knowledge, enthusiasm and an improved quality of life for ourselves, co-workers and the community.
- Respect team member values that may be different from our own.
- Accept responsibility for promoting ethical and legal conduct in personal and business practices.
- Communicate in a candid and fair manner with the diverse workforce from whom our city derives its strength.

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## Performance Plan Highlights

Key Intended Outcome	Performance Indicator	Actual				Target
		FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18
<b>Ensure Expenditure Trends are Sustainable Over the Long Term</b>	KPI: Pension as a % of payroll - Fire & Police	78%	70%	72%	65%	65%
	KPI: Pension as a % of payroll - General	44%	42%	44%	43%	43%
	% of change for group employee medical premium	5%	7%	9%	5%	0%
	% of change for group employee dental premium	5%	7%	0%	5%	0%
<b>Streamline the Delivery of Services Through All Departments</b>	# of applicants processed by recruitment functional area	14,131	15,355	14,486	17,863	15,000
<b>Strengthen Internal Controls to Achieve More Accountability</b>	Employee Hours on Injury Service Connected (ISC)	*	16,126	19,672	17,380	15,500
	Injury Service Connection (ISC) Claims Cost	*	\$473,263	\$627,074***	\$600,986***	\$550,000
	# of total employees drug tested	381	477	419	1,193	1,000
	% of Equal Employment Opportunity Commission charges ruled in City's favor	*	100%	100%	100%	100%
<b>Improve City's Managerial Leadership to Reward Innovation and Performance</b>	# of employees who received tuition reimbursement	68	82	61	50	70
	Total Tuition Reimbursement	\$ 32,782	\$ 30,591	\$30,226	\$78,801	\$90,000
	Reimbursements for Certifications	*	*	*	\$5,135	\$6,000
	Reimbursements for Bachelor Degree's	*	*	*	\$33,670	\$35,000
	Reimbursements for Master's Degree's	*	*	*	\$39,995	\$42,000
	Average Salary	\$ 65,028	\$ 70,903	\$71,133	\$65,580***	\$70,171

A Key Performance Indicator (KPI) is a type of performance measure that expresses the results that the City intends to achieve toward accomplishing its vision in measurable terms. KPIs are included on the Citywide Work Plan, as well as on individual Department Performance Plan Highlights.

\*Indicates measure was not tracked and/or conducted during reporting period

\*\*Data not available until end of year

\*\*\*2 police Officers received ISC extensions due to serious heart conditions

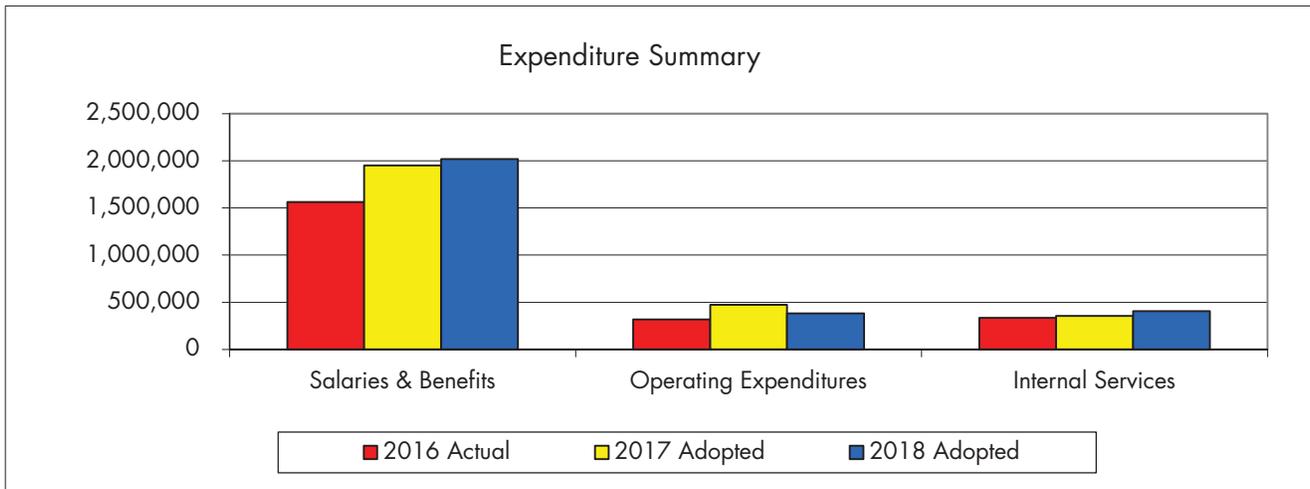
## HUMAN RESOURCES

### General Fund Departmental Financial Summary

<b>Expenditure by Division</b>	<b>2015 Actual</b>	<b>2016 Actual</b>	<b>2017 Adopted</b>	<b>2018 Adopted</b>
Human Resources	1,753,001	1,874,948	2,244,000	<b>2,198,000</b>
Labor Relations	227,188	338,622	536,000	<b>609,000</b>
<b>Total</b>	<b>\$ 1,980,189</b>	<b>\$ 2,213,571</b>	<b>\$ 2,780,000</b>	<b>\$ 2,807,000</b>

<b>Expenditure Area</b>	<b>2015 Actual</b>	<b>2016 Actual</b>	<b>2017 Adopted</b>	<b>2018 Adopted</b>
Salaries & Benefits	1,468,324	1,563,107	1,952,000	<b>2,020,000</b>
Operating Expenditures	213,271	317,203	474,000	<b>381,000</b>
Internal Services	298,594	333,261	354,000	<b>406,000</b>
<b>Total</b>	<b>\$ 1,980,189</b>	<b>\$ 2,213,571</b>	<b>\$ 2,780,000</b>	<b>\$ 2,807,000</b>

**Total Budgeted Positions**                      **19.10 FT + 0 PT**    **19.10 FT + 0 PT**    **19.10 FT + 0 PT**    **18.60 FT + 0 PT**



### Human Resources

<b>Expenditure Area</b>	<b>2015 Actual</b>	<b>2016 Actual</b>	<b>2017 Adopted</b>	<b>2018 Adopted</b>
Salaries & Benefits	1,317,053	1,380,856	1,668,000	<b>1,596,000</b>
Operating Expenditures	173,389	200,202	271,000	<b>230,000</b>
Internal Services	262,559	293,890	305,000	<b>372,000</b>
<b>Total</b>	<b>\$ 1,753,001</b>	<b>\$ 1,874,948</b>	<b>\$ 2,244,000</b>	<b>\$ 2,198,000</b>

**Budgeted Positions**                      **16.60 FT + 0 PT**    **16.60 FT + 0 PT**    **16.60 FT + 0 PT**    **15.10 FT + 0 PT**

### Labor Relations

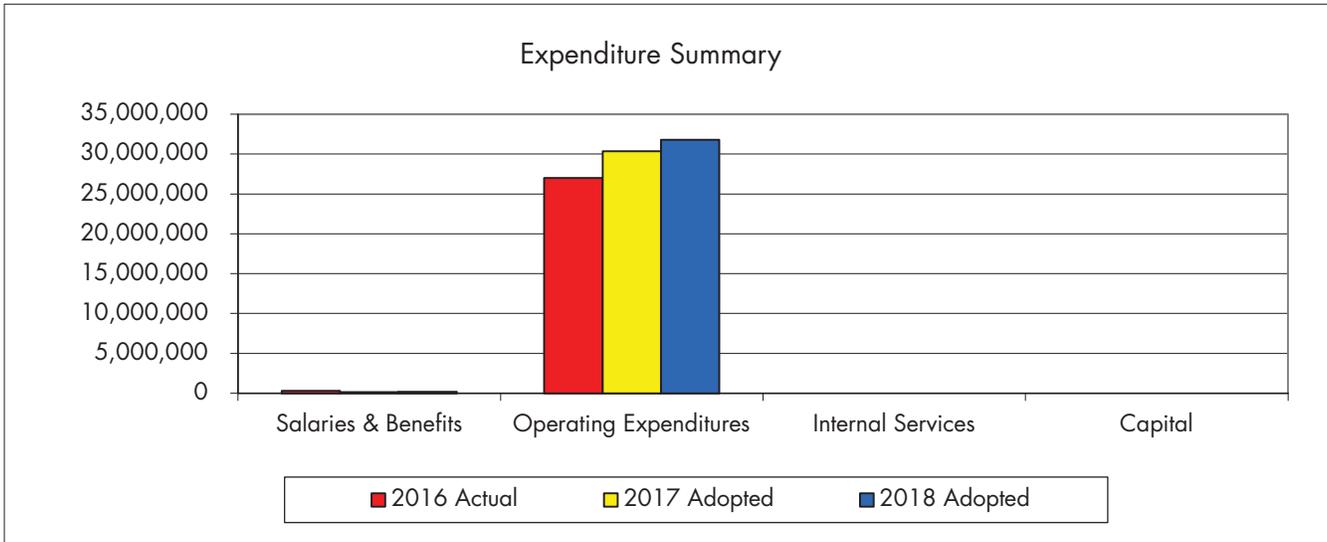
<b>Expenditure Area</b>	<b>2015 Actual</b>	<b>2016 Actual</b>	<b>2017 Adopted</b>	<b>2018 Adopted</b>
Salaries & Benefits	151,272	182,251	284,000	<b>424,000</b>
Operating Expenditures	39,882	117,000	203,000	<b>151,000</b>
Internal Services	36,035	39,371	49,000	<b>34,000</b>
<b>Total</b>	<b>\$ 227,188</b>	<b>\$ 338,622</b>	<b>\$ 536,000</b>	<b>\$ 609,000</b>

**Budgeted Positions**                      **2.50 FT + 0 PT**    **2.50 FT + 0 PT**    **2.50 FT + 0 PT**    **3.50 FT + 0 PT**

## HUMAN RESOURCES - MEDICAL & DENTAL

**Internal Service Fund**  
**Departmental Financial Summary**

<b>Revenue Area</b>	<b>2015 Actual</b>	<b>2016 Actual</b>	<b>2017 Adopted</b>	<b>2018 Adopted</b>
Retiree Subsidy - Medicare Part D	152,448	150,264	152,000	<b>123,000</b>
Employees Deductions	4,135,090	4,476,659	4,307,000	<b>4,514,000</b>
CMB Contributions - Active	8,926,814	9,614,123	10,186,000	<b>9,227,000</b>
Retirees Contributions	4,064,979	3,673,784	3,594,000	<b>3,332,000</b>
Financial Recoveries - Paid Claims	461,137	454,349	500,000	<b>386,000</b>
CMB Contributions - Retirees	4,373,000	4,373,000	4,437,000	<b>4,502,000</b>
CMB Contrib - 3rd Party Insurance	6,945,704	6,680,737	7,356,000	<b>7,878,000</b>
Miscellaneous/Other	0	(2,411)	0	<b>2,000,000</b>
<b>Total</b>	<b>\$ 29,059,172</b>	<b>\$ 29,420,505</b>	<b>\$ 30,532,000</b>	<b>\$ 31,962,000</b>
<b>Expenditure Area</b>				
Salaries & Benefits	112,903	295,723	160,000	<b>172,000</b>
Operating Expenditures	26,005,271	27,001,169	30,372,000	<b>31,790,000</b>
Internal Services	0	0	0	<b>0</b>
Capital	0	0	0	<b>0</b>
<b>Total</b>	<b>\$ 26,118,173</b>	<b>\$ 27,296,892</b>	<b>\$ 30,532,000</b>	<b>\$ 31,962,000</b>
<b>Revenue Less Expenditures</b>	<b>\$ 2,940,999</b>	<b>\$ 2,123,613</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Total Budgeted Positions</b>	<b>1.25 FT + 0 PT</b>	<b>1.25 FT + 0 PT</b>	<b>1.25 FT + 0 PT</b>	<b>1.25 FT + 0 PT</b>

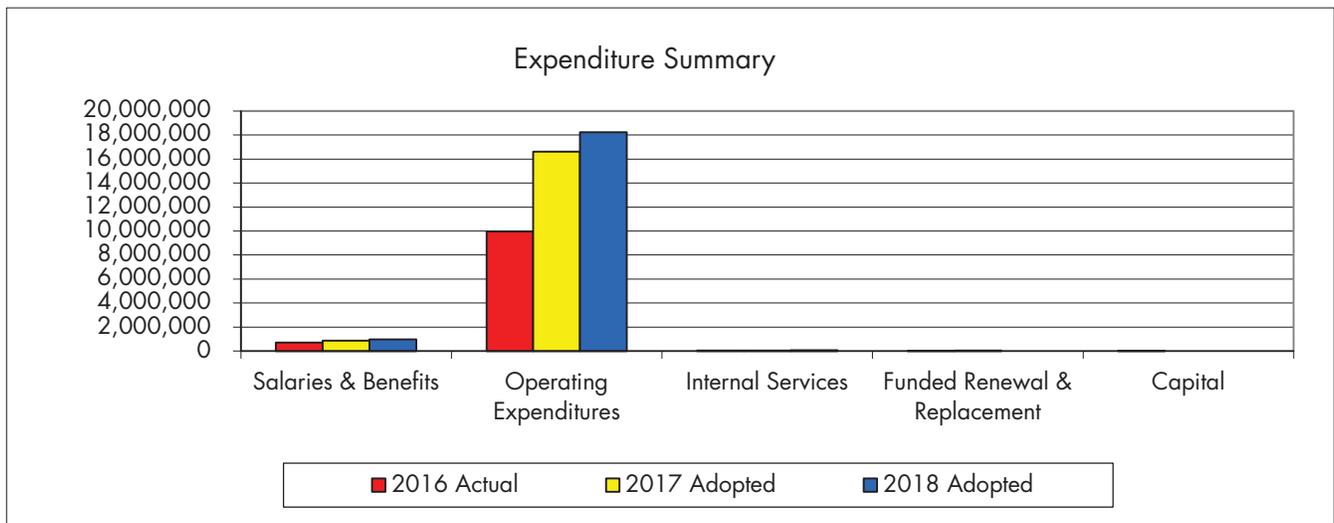


## HUMAN RESOURCES - RISK MANAGEMENT

### Internal Service Fund

#### Departmental Financial Summary

<b>Revenue Area</b>	<b>2015 Actual</b>	<b>2016 Actual</b>	<b>2017 Adopted</b>	<b>2018 Adopted</b>
Interdepartmental Charges	13,939,175	14,442,820	16,698,000	<b>18,536,000</b>
Interest/Other	840,267	1,607,669	882,000	<b>734,000</b>
<b>Total</b>	<b>\$ 14,779,442</b>	<b>\$ 16,050,489</b>	<b>\$ 17,580,000</b>	<b>\$ 19,270,000</b>
<b>Expenditure Area</b>				
Salaries & Benefits	606,305	720,224	874,000	<b>977,000</b>
Operating Expenditures	15,976,773	9,968,329	16,629,000	<b>18,232,000</b>
Internal Services	30,355	47,604	37,000	<b>61,000</b>
Funded Renewal & Replacement	0	2,234	40,000	<b>0</b>
Capital	0	26,807	0	<b>0</b>
<b>Total</b>	<b>\$ 16,613,434</b>	<b>\$ 10,765,198</b>	<b>\$ 17,580,000</b>	<b>\$ 19,270,000</b>
<b>Revenue Less Expenditures</b>	<b>\$ (1,833,992)</b>	<b>\$ 5,285,291</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Total Budgeted Positions</b>	<b>6.65 FT + 0 PT</b>	<b>6.65 FT + 0 PT</b>	<b>7.65 FT + 0 PT</b>	<b>8.15 FT + 0 PT</b>



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## Budget Highlights

### Human Resources

- A significant component of the increase for all departments are increases in employee costs including a 3 percent cost of living adjustment in July 2018, as well as a maximum of 2 percent merit increase for employees, with the exception of the members of FOP and IAFF bargaining units, which include a 5 percent step increase. Merit, step, and cost of living increases apply within existing pay ranges.
- The department's operating budget increased by \$27,000 or 1%, primarily due to costs for salaries and benefits of \$68,000 resulting from the department's internal re-organization of existing personnel to other functions within the department. Operating expenditures decreased by \$93,000 primarily due to a decrease in actuarial fees related to collective bargaining agreement negotiations that were completed in FY2016/17, plus one-time operating expenditures that were budgeted in FY2016/17. Lastly, internal services expenditures increased by \$52,000 due to increases in Information Technology and Risk Management that were slightly offset by decreases in usage of Property Management, Fleet Management and Central Services.

### Risk Management

- A significant component of the increase for all departments are increases in employee costs including a 3 percent cost of living adjustment in July 2018, as well as a maximum of 2 percent merit increase for employees, with the exception of the members of FOP and IAFF bargaining units, which include a 5 percent step increase. Merit, step, and cost of living increases apply within existing pay ranges.
- The operating budget for Risk Management increased by \$1,690,000 or 10%, primarily due to \$1,563,000 in adjustments for Property Insurance and higher actuarial projections related to General Liability Claim Payments, Workers' Compensation Claim Payments, General Compensation, and Police Liability Claims. Other increases included \$103,000 resulting from the department's internal re-organization of existing personnel to other functions within the department and \$24,000 for increased usage of internal services.

### Medical & Dental

- A significant component of the increase for all departments are increases in employee costs including a 3 percent cost of living adjustment in July 2018, as well as a maximum of 2 percent merit increase for employees, with the exception of the members of FOP and IAFF bargaining units, which include a 5 percent step increase. Merit, step, and cost of living increases apply within existing pay ranges.

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- The Medical and Dental operating budget increased by \$1,430,000 or 5%, primarily due to projected increases in medical and dental claims expenditures totaling \$1,799,000. These increases were, however, slightly offset by projected decreases in prescription claims expenditures for both active employees and retirees totaling \$503,000.

### **FY2017/18 Efficiencies**

#### **Human Resources**

- The Human Resources budget includes two efficiencies for FY2017/18 totaling \$153,000. One of the efficiencies would defer hiring of the vacant Assistant Human Resources Director through the end of FY2017/18 and the other reduces funding allocated for travel, professional development training, general office materials, and temporary labor by \$33,000.