

**CITY OF MERCED
2015-2016 COUNCIL APPROVED BUDGET**

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**PERSONNEL
FUND NO. 672
ACCOUNT NO. 0402**

DESCRIPTION

The Personnel Department is responsible for ensuring that the City's system of recruitment, selection, hiring, labor negotiations, and employee relations is kept up-to-date and relevant to the organizational structure and purposes, and that it operates in compliance with personnel rules, regulations and procedures. This involves studies and analysis of occupational data, job observation and employee and supervisor interviews to determine physical, mental, and training requirements of jobs. This information assists the Department to develop and maintain job descriptions and specifications, and lines of career movement. Department staff processes employment applications, payroll status changes, administers Federal and State Leave Laws, oversees selection procedures and monitors oral interview boards to ensure compliance with applicable laws and regulations.

MISSION

The mission of the Personnel Department is to ensure fair and impartial professional and technical support services in the overall administration of the City's personnel program.

GOALS

- Establish a culture and reputation of superior customer service for both internal and external customers.
- Develop and maintain a program that affords staff development and retention.
- Disseminate information to all City departments relating to statewide litigation, federal litigation, and legislation concerning personnel administration in the City of Merced

OBJECTIVES

1. Monitor all state and federal case law and legislation that could impact personnel administration in the City of Merced.

***PERFORMANCE
MEASUREMENTS/INDICATORS***

Distribution by January 1 of Annual Labor Law Posters, legislative reports and new state and federal laws to appropriate departments.

PERSONNEL

- | | |
|--|--|
| 2. Continue to implement an HRIS system including performance appraisal software and an applicant tracking system to streamline processes. | Have all departments using the new systems for all recruitments and evaluations. |
| 3. Continue revision of Personnel Rules and review of Administrative Polices. | Continue the process of finalizing the rules and of meeting and conferring with employee groups, |
| 4. Begin a Classification Review. | Select a vendor to provide a complete Classification Review. |
| 5. Labor Negotiations | Complete the ongoing negotiations with the unsettled units. |
| 6. Employee Recognition | Continue to provide annual employee recognition with increased employee participation, and to seek opportunities for additional employee appreciation. |

2015/2016 Budget Highlights

Recruitments are expected to continue at a high volume during the 2015-16 fiscal year, particularly in the Police, Fire and Public Works Departments. The use of Neogov is providing a streamlined recruitment process, greater exposure for City job opportunities, and cost savings in postage, advertisement and staff time. By implementing Neogov Performance Evaluation software the department anticipates greater efficiency, compliance, and cooperation throughout all City Departments. Continuing labor negotiations will require a large amount of the department's resources dedicated to the endeavor. Employee retention is a priority and providing recognition and increased participation for employee recognition will be a focus. Personnel places a high priority on keeping abreast of the changes in the state and federal laws and applying them to the organization. Continuing to improve and maintain efficiency and organization will be the hallmark of the efforts in Personnel this fiscal year. The addition of software programs for recruitments and performance evaluations will assist with the process.

BUDGET DETAIL EXPENSES

672-0402 Personnel							
ACCT. NO.	ACCOUNT DESCRIPTION	ACTUAL 2012-13	ACTUAL 2013-14	FINAL BUDGET 2014-15	DEPT. HEAD REQUEST 2015-16	CITY MGR. RECOM. 2015-16	COUNCIL APPROVAL 2015-16
511.01-00	Regular Salaries	191,229	206,669	210,510	214,707	214,707	214,707
511.03-00	Extra Help	2,480	0	0	0	0	0
511.04-01	Regular Overtime	475	1,970	2,538	0	0	0
511.10-02	Unused Sick Leave	254	152	0	0	0	0
511.10-05	Retirement PERS Classic	39,834	44,555	49,230	53,081	53,081	53,081
511.10-06	Social Security-OASDI	11,472	12,715	12,904	12,908	12,908	12,908
511.10-07	Social Security-Medicare	2,862	3,080	3,133	3,140	3,140	3,140
511.10-12	Workers Compensation	574	715	793	492	492	492
511.10-20	Earned Benefit	726	559	0	0	0	0
511.10-24	Vehicle Allowance	4,869	5,702	5,645	5,796	5,796	5,796
511.10-27	PTS Plan FICA Alternative	34	0	0	0	0	0
511.10-32	Cash Back-Biweekly Allow	726	1,380	1,416	0	0	0
511.10-33	Core Allowance	36,524	30,134	47,070	49,111	49,294	49,294
511.10-35	Post Employment Benefits	15,162	15,741	15,620	8,989	8,989	8,989
	Personnel Services	307,221	323,372	348,859	348,224	348,407	348,407
512.12-00	Telephone	294	268	309	321	321	321
512.13-00	Postage	878	861	530	551	551	551
512.14-00	Advertising	2,667	6,883	5,150	5,356	5,356	5,356
512.15-00	Office Supplies	1,477	1,610	1,545	1,488	1,488	1,488
512.17-00	Professional Services	60,400	95,625	192,567	200,269	200,269	200,269
512.18-00	Travel and Meetings	878	1,010	2,000	2,198	2,040	2,040
512.20-00	Training Expense	923	2,013	1,230	1,279	1,255	1,255
512.21-00	Rents/Leases	0	0	0	9,250	9,250	9,250
512.24-00	Memberships, Subscription	1,326	2,148	2,230	2,319	2,319	2,319
512.29-00	Other Materials Supplies	2,125	4,534	16,650	17,316	17,316	17,316
512.30-01	Dept Share of Insurance	4,854	3,865	3,619	4,902	4,576	4,576
512.34-00	Contingency Reserve	0	0	29,301	0	12,060	12,060
512.45-00	Facilities Maint Charge	32,978	34,715	24,986	26,137	26,046	26,046
	Supplies and Services	108,800	153,532	280,117	271,386	282,847	282,847
514.91-01	Adm Exp-City Manager	2,186	4,520	2,662	3,980	3,258	3,258
514.91-02	Adm Exp-City Attorney	235	1,204	799	1,433	708	708
514.91-03	Adm Exp-City Clerk	0	0	7,276	3,953	2,713	2,713
514.91-09	Adm Exp-Finance	8,610	9,223	12,146	13,501	11,623	11,623
514.91-10	Adm Exp-Purchasing	1,084	1,270	1,550	1,610	1,381	1,381
514.91-16	Adm Exp-City Council	852	878	1,194	1,574	1,304	1,304
	Administrative	12,967	17,095	25,627	26,051	20,987	20,987
**	Personnel	428,988	493,999	654,603	645,661	652,241	652,241

SUPPORT SERVICES – PERSONNEL

- 14-00 Advertising for recruitments
- 17-00 Physical exams for new employees, public safety pre-employment physical exams, lease of exam materials for recruitments, disability hearing charges (administrative law judge), Assessment Centers.
- 18-00 League of California Cities Employee Relations Institute, California Public Employees Labor Relations Conference (CALPELRA), International Personnel Managers Association (IPMA), Employee Risk Management Authority meetings, CalPERS Educational Forum, Western Regional and Central California meetings, and travel associated with training in Line 20-00 below
- 20-00 Registration fees for conferences and meetings listed in Line 18-00 above.
- 24-00 CALPELRA; IPMA; Jobs Available; Personnel Testing Council; and related publications and updates
- 29-00 Recruitment oral board and Personnel Board miscellaneous expenses, workplace posters.

**INFORMATION TECHNOLOGY
FUND NO. 672
ACCOUNT NO. 0403-0405**

DESCRIPTION

The function of the Information Technology Department is to provide the City with technological support to enhance its mission and to support the City's strategic goals. The department strives to improve City services through the use of technology to bring as many governmental services to the community as possible while making internal staff more effective and productive.

MISSION

To serve our community by exploring, implementing and supporting effective and innovative use of technology through teamwork, collaboration, innovation, and accountability to our departmental partners to improve the quality of life for the citizens of Merced.

Our service delivery objective is to provide the leadership and vision necessary to carry out the City's strategic goals by utilizing sound project management practices to plan, implement, secure and support the IT systems and networks throughout the City of Merced while providing high quality service to our customers.

GOALS

- ◇ Focus on services to the community with technology improvements including online services and field operations improvements.
- ◇ Plan and implement projects in an enterprise manner.
- ◇ Maintain the city's network and business systems at a satisfactory level for our customers supporting their ability to serve the community effectively.
- ◇ Maintain strong vendor relationships to ensure the City's business systems are stable, secure, compliant, supported and cost effective.
- ◇ Bring government services to the community through the use of internet and advance phone services.

INFORMATION TECHNOLOGY

OBJECTIVES

PERFORMANCE MEASUREMENTS/INDICATORS

Application Projects

A1: Expansion of the SunGARD system with the employee self-service module, enhanced reporting software, and if funded an ePlan Check, Planning and Engineering Module.

To have this expansion of the SunGard application suite complete by the end of FY15/16.

A2: Upgrade the email system that would give the City the ability to perform E-Discovery, Litigation holds, PRA searches, and archive email for city staff.

To have these new features available to staff by the start of calendar 2016.

A3: Upgrade the City's Public safety computer systems.

Support the Police Department in servicing the community by upgrading the Computer Aided Dispatch system for public safety, and to have complete in Q3 of FY15/16

Community Transparency Project

C1: Install a new citizen engagement application that allows citizens to submit request for services from an app on their smartphone. This would send the city a picture and address of the reported problems.

To be useable to citizens of Merced by the start calendar year 2016.

Technology Infrastructure Project

T1: Replacement of old Windows server software technology no longer supported by Microsoft.

To have these systems upgraded to new server software technology by Q3 of FY15/16.

Services Deliverable Project

S1: Audit of credit card systems and compliance with newest payment card industry 3 guidelines.

To have this audit complete by the first half of fiscal year 15/16.

S2: Create a policy for how City will use cloud based technologies.

To have this policy complete and approved by the first half of fiscal year 15/16.

S3: Create a security awareness program for the City. Train City staff on basic Information Technology security principals that are relevant to their work activities.

To have this program designed by the end of fiscal year 15/16.

2015-2016 BUDGET HIGHLIGHTS

Complete the transition of the New World System Computer Aided Dispatch system to their enterprise product line, allowing the Fire Department to use proximity based dispatching.

Install a new citizen engagement system for the community. Allow citizens to have more way to request service and check on the status of service requests. Allow them to submit written request in their native language, English, Spanish, or Hmong and automatically transcribe to English for city staff. Provide another line communication with citizens that have the application installed on their smartphone.

BUDGET DETAIL EXPENSES

672-0403	Information Tech - Admin			FINAL	DEPT. HEAD	CITY MGR.	COUNCIL
ACCT. NO.	ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	BUDGET	REQUEST	RECOM.	APPROVAL
		2012-13	2013-14	2014-15	2015-16	2015-16	2015-16
511.01-00	Regular Salaries	707,287	738,781	842,249	753,060	753,060	753,060
511.03-00	Extra Help	12,100	12,568	12,676	13,114	13,114	13,114
511.04-01	Regular Overtime	8,433	12,139	8,755	8,755	8,755	8,755
511.10-02	Unused Sick Leave	2,089	2,089	0	0	0	0
511.10-05	Retirement PERS Classic	147,029	146,530	153,557	128,170	128,170	128,170
511.10-06	Social Security-OASDI	45,170	47,295	54,047	49,080	49,080	49,080
511.10-07	Social Security-Medicare	11,009	11,439	12,936	11,668	11,668	11,668
511.10-10	Retirement-PERS New Membr	0	10,860	40,588	54,281	54,281	54,281
511.10-12	Workers Compensation	3,655	15,994	13,964	8,344	8,344	8,344
511.10-17	Stand By Pay	30,555	31,500	32,218	32,218	32,218	32,218
511.10-20	Earned Benefit	7,451	7,340	4,597	4,529	4,529	4,529
511.10-24	Vehicle Allowance	8,114	8,145	8,064	8,280	8,280	8,280
511.10-27	PTS Plan FICA Alternative	157	163	165	171	171	171
511.10-33	Core Allowance	112,707	117,477	150,979	124,914	125,555	125,555
511.10-35	Post Employment Benefits	16,352	14,683	12,210	17,881	17,881	17,881
Personnel Services		1,112,108	1,177,003	1,347,005	1,214,465	1,215,106	1,215,106
512.12-00	Telephone	33,728	31,155	32,905	30,141	30,141	30,141
512.13-00	Postage	8	778	400	400	400	400
512.15-00	Office Supplies	5,164	4,936	5,400	5,616	5,000	5,000
512.17-00	Professional Services	100,348	105,650	51,394	77,802	77,802	77,802
512.18-00	Travel and Meetings	5,986	5,297	11,412	10,102	9,298	9,298
512.20-00	Training Expense	9,944	15,652	17,800	16,907	15,187	15,187
512.21-00	Rents/Leases	25,023	25,001	20,652	181,124	181,124	181,124
512.22-00	Office Equipment O & M	249,513	296,222	334,321	250,654	250,654	250,654
512.23-00	Vehicle Operations/Maint	2,781	2,781	1,388	1,095	1,082	1,082
512.24-00	Memberships, Subscription	9,928	11,435	8,646	8,620	8,620	8,620
512.29-00	Other Materials Supplies	5,621	6,014	7,395	10,395	10,395	10,395
512.30-01	Dept Share of Insurance	13,994	10,702	12,668	15,814	14,850	14,850
512.35-84	Retro Fee Expense	50	0	0	0	0	0
512.45-00	Facilities Maint Charge	41,186	43,437	40,457	42,418	42,277	42,277
Supplies and Services		503,274	559,060	544,838	651,088	646,830	646,830
513.43-00	Machinery/Equipment	0	4,800	0	0	0	0
Property		0	4,800	0	0	0	0
514.91-01	Adm Exp-City Manager	2,365	3,373	2,149	5,006	4,513	4,513
514.91-02	Adm Exp-City Attorney	255	1,057	645	1,802	980	980
514.91-03	Adm Exp-City Clerk	0	0	4,871	4,125	2,825	2,825
514.91-09	Adm Exp-Finance	9,314	8,099	9,805	16,979	16,099	16,099
514.91-10	Adm Exp-Purchasing	1,173	1,115	1,252	2,025	1,913	1,913
514.91-16	Adm Exp-City Council	922	771	964	1,980	1,806	1,806
Administrative		14,029	14,415	19,686	31,917	28,136	28,136
613.64-00	Depreciation Expense	80,806	32,419	0	0	0	0
Property		80,806	32,419	0	0	0	0
**	Information Tech - Admin	1,710,217	1,787,697	1,911,529	1,897,470	1,890,072	1,890,072

INFORMATION TECHNOLOGY

- 17-00 Professional assistance with implementation of networking, Internet access, website design, and systems integration/database support
- 18-00 Municipal Information Systems Association of California (MISAC), Innoprise Software Inc., and New World Systems conferences, and training
- 20-00 Travel associated with conferences and training in line 18
- 21-00 Computer room alarm monitoring, high speed internet connection, and offsite data storage
- 22-00 Maintenance and support of printers, Servers, Uninterruptible Power Supply, AS/400 and attached devices, business systems software support, imaging system support, disaster recovery support, and on-site service and support for network
- 23-00 Maintenance and operation of department vehicles
- 24-00 Memberships and subscriptions
- 29-00 Tapes, print heads, toner, and other computer related supplies

PC REPLACEMENT AND MAINTENANCE
FUND NO. 673
ACCOUNT NO. 0403

PROGRAM

Contingent upon available funding, user departments contribute to this internal service which supports the replacement of the City's investment in personal computers, printers, plotters, scanners, servers, network infrastructure, and other peripherals.

BUDGET DETAIL EXPENSES

673-0403	PC Maintenance & Repair						
ACCT. NO.	ACCOUNT DESCRIPTION	ACTUAL 2012-13	ACTUAL 2013-14	FINAL BUDGET 2014-15	DEPT. HEAD REQUEST 2015-16	CITY MGR. RECOM. 2015-16	COUNCIL APPROVAL 2015-16
512.22-00	Office Equipment O & M	12,147	13,154	15,000	15,000	15,000	15,000
512.24-00	Memberships, Subscription	116,691	117,645	117,648	117,648	117,648	117,648
	Supplies and Services	128,838	130,799	132,648	132,648	132,648	132,648
513.43-00	Machinery/Equipment	138,508	197,262	806,612	460,708	460,766	460,766
	Property	138,508	197,262	806,612	460,708	460,766	460,766
613.64-00	Depreciation Expense	138,845	103,625	0	0	0	0
	Property	138,845	103,625	0	0	0	0
908.93-01	Trsf-General Fund (001)	0	15,085	1,915	1,915	1,915	1,915
	Other	0	15,085	1,915	1,915	1,915	1,915
**	PC Maintenance & Repair	406,191	446,771	941,175	595,271	595,329	595,329

**PEG ACCESS FEE
FUND NO. 051
ACCOUNT NO. 0416**

PROGRAM

Used to account for funds received for Public, Education and Governmental (PEG) access paid as part of the state franchise agreements with local cable providers.

BUDGET DETAIL EXPENSES

051-0416 PEG Access							
ACCT. NO.	ACCOUNT DESCRIPTION	ACTUAL 2012-13	ACTUAL 2013-14	FINAL BUDGET 2014-15	DEPT. HEAD REQUEST 2015-16	CITY MGR. RECOM. 2015-16	COUNCIL APPROVAL 2015-16
512.17-00	Professional Services	16,554	15,546	18,500	22,000	22,000	22,000
	Supplies and Services	16,554	15,546	18,500	22,000	22,000	22,000
513.43-00	Machinery/Equipment	0	21,813	0	0	0	0
	Property	0	21,813	0	0	0	0
617.65-00	Capital Imp. Projects	70,000	142,605	232,095	267,177	267,177	267,177
	Capital Outlay	70,000	142,605	232,095	267,177	267,177	267,177
**	PEG Access	86,554	179,964	250,595	289,177	289,177	289,177

RISK MANAGEMENT AND SAFETY

RISK MANAGEMENT AND SAFETY

FUND NOS. 666, 667, 668 & 672

ACCOUNT NOS. 0409, 0410, 0411, & 0412

DESCRIPTION

The City of Merced Risk Management and Safety program encompasses two operational divisions.

The Worker's Compensation Division administers the self-insured worker's compensation program, including preparation of reports for management, benefit approval and payment authorization, coordination with a third party worker's compensation administrator, and coordination with the City Attorney's office in litigated claims. The workers' compensation self-insurance retention is \$350,000.

The Liability Insurance Division provides a mechanism through which the City purchases general liability, property and fire, boiler and machinery, fidelity, Public Official bonds and airport liability. Expenses are allocated to departmental operating accounts and transferred into the liability insurance fund from which the expenses are paid. The general liability insurance is funded through the Central San Joaquin Valley Risk Management Authority (CSJVRMA). This is a fully insured policy with a self-insurance retention of \$100,000 for general liability. City staff coordinates efforts with a third party administrator. Employment practices coverage is also available under the CSJVRMA through the Employment Risk Management Authority (ERMA) with a self-insurance retention of \$100,000. The commercial property, fire, and boiler and machinery coverage is purchased through the Public Entity Property Insurance Program. The commercial property and fire carry a \$10,000 deductible, and the boiler and machinery has a \$2,500 deductible. The fidelity coverage (crime/dishonesty employee bond) has a \$1 million limit per loss with a \$5,000 deductible. The City's airport is fully insured for \$20 million combined single limit per aircraft/per occurrence, with no deductible.

RISK MANAGEMENT AND SAFETY

INSURANCE ADMINISTRATION

The City of Merced Insurance Administration Division includes all personnel with assignments in the risk management area, as well as accompanying operational expenses.

MISSION

The mission of the Insurance Administration Division is to provide technical support for the administration of the insurance function.

GOALS

- ◇ Review and evaluate alternate methods of providing adequate insurance coverage in all areas of City needs.
- ◇ Administer a citywide safety program.

OBJECTIVES

PERFORMANCE MEASUREMENTS/INDICATORS

- | | |
|---|--|
| 1. Review insurance coverage obtained in all areas of City needs. | Meet with Broker of Record annually in month of May for all lines of coverage to insure premium are cost effective in the insurance marketplace. |
| 2. Provide health education to all City employees. | Conduct a Health Fair each Fall in conjunction with annual open enrollment of employee benefits in October. |
| 3. Citywide Safety Review Committee. | Conduct quarterly Committee meetings in an effort to increase employee safety involvement and help promote safety communication. |
| 4. Citywide Wellness Program. | Improve overall employee participation to at least 10% in various wellness and fitness related programs with the use of the Corporate Wellness Strategic Plan. |

Risk Management Admin.

E X P E N S E S	Actual 2012-13	Actual 2013-14	Final Budget 2014-15	Dept.Head Request 2015-16	City Mgr. Recom. 2015-16	Council Approval 2015-16
Personnel Expenses	190,340	213,940	215,511	224,969	225,107	225,107
Supplies and Services	47,013	52,408	56,334	59,809	57,853	57,853
Debt Service	0	0	0	0	0	0
Acquisitions	0	0	0	0	0	0
Capital Improvements	0	0	0	0	0	0
<hr/> TOTAL	<hr/> 237,353	<hr/> 266,348	<hr/> 271,845	<hr/> 284,778	<hr/> 282,960	<hr/> 282,960

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F I N A N C I N G S O U R C E S	Actual 2012-13	Actual 2013-14	Final Budget 2014-15	Estimated 2015-16
PERS-EE Share 2.5% @ 55	9,705	12,584	13,537	11,224
Support Servcs-Charges	232,292	244,793	244,880	253,366
Other Revenues	4,644-	8,971	13,428	18,370
<hr/> TOTAL	<hr/> 237,353	<hr/> 266,348	<hr/> 271,845	<hr/> 282,960

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P E R S O N N E L Number of Positions

Classification	Funded In Budget 2014-15	Dept.Head Request 2015-16	City Mgr. Recom. 2015-16	Council Approval
Director of Support Services	.30	.30	.30	.30
Insurance Coordinator	.85	.85	.85	.85
Personnel Technician I/II	1.00	1.00	1.00	1.00
<hr/> TOTAL	<hr/> 2.15	<hr/> 2.15	<hr/> 2.15	<hr/> 2.15

BUDGET DETAIL EXPENSES

672-0409	Risk Management Admin.			FINAL	DEPT. HEAD	CITY MGR.	COUNCIL
ACCT. NO.	ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	BUDGET	REQUEST	RECOM.	APPROVAL
		2012-13	2013-14	2014-15	2015-16	2015-16	2015-16
511.01-00	Regular Salaries	120,598	138,409	138,792	143,712	143,712	143,712
511.10-02	Unused Sick Leave	1,437	859	0	0	0	0
511.10-05	Retirement PERS Classic	25,082	29,796	32,424	35,499	35,499	35,499
511.10-06	Social Security-OASDI	7,350	8,414	8,347	8,682	8,682	8,682
511.10-07	Social Security-Medicare	1,766	2,013	2,002	2,082	2,082	2,082
511.10-12	Workers Compensation	343	443	494	301	301	301
511.10-20	Earned Benefit	0	49	0	0	0	0
511.10-24	Vehicle Allowance	1,623	2,444	2,419	2,484	2,484	2,484
511.10-33	Core Allowance	27,149	26,384	25,981	27,158	27,296	27,296
511.10-35	Post Employment Benefits	4,992	5,129	5,052	5,051	5,051	5,051
	Personnel Services	190,340	213,940	215,511	224,969	225,107	225,107
512.12-00	Telephone	278	282	309	321	321	321
512.13-00	Postage	497	520	721	749	749	749
512.15-00	Office Supplies	29	144	206	214	214	214
512.17-00	Professional Services	2,791	3,736	5,403	5,619	5,619	5,619
512.18-00	Travel and Meetings	837	128	721	749	735	735
512.20-00	Training Expense	440	900	489	508	499	499
512.24-00	Memberships, Subscription	932	3,621	3,775	3,775	3,775	3,775
512.30-01	Dept Share of Insurance	3,856	3,106	3,041	4,102	3,804	3,804
512.35-84	Retro Fee Expense	0	100	0	0	0	0
512.45-00	Facilities Maint Charge	32,978	34,715	32,591	34,091	33,973	33,973
	Supplies and Services	42,638	47,252	47,256	50,128	49,689	49,689
514.91-01	Adm Exp-City Manager	738	1,201	983	1,518	1,310	1,310
514.91-02	Adm Exp-City Attorney	79	379	295	547	284	284
514.91-03	Adm Exp-City Clerk	0	0	2,303	1,251	819	819
514.91-09	Adm Exp-Finance	2,905	2,901	4,484	5,150	4,672	4,672
514.91-10	Adm Exp-Purchasing	366	399	572	614	555	555
514.91-16	Adm Exp-City Council	287	276	441	601	524	524
	Administrative	4,375	5,156	9,078	9,681	8,164	8,164
**	Risk Management Admin.	237,353	266,348	271,845	284,778	282,960	282,960

RISK MANAGEMENT ADMINISTRATION

- 17-00 Safety posters, hearing and vision tests, Hepatitis B vaccinating, lumbar corsets, wrist braces, and other ergonomic supplies/equipment
- 18-00 Quarterly claims reviews with Worker's Compensation Administration, Worker's Compensation training sessions, CSJVRMA Annual Retreat, and Annual Conference of Public Agency Risk Managers (PRIMA/PARMA), and miscellaneous meetings
- 20-0 Registration fees for PRIMA/PARMA Annual Conference, CSJVRMA, and various Worker's Compensation and computer training sessions
- 24-00 Public Risk Insurance Managers Association (PRIMA); Public Agencies Management Association (PARMA); Council of Self-Insured Public Agencies; Occupational Safety and Health Magazine; General Industry Safety Order; ADA Monthly & Annual Updates; Worker's Compensation Law Bulletin.

RISK MANAGEMENT AND SAFETY

WORKER'S COMPENSATION

MISSION

The mission of the Worker's Compensation Division is to provide professional and technical support for the administration of the self-insured worker's compensation program.

GOALS

- ◇ Ensure that the City is receiving the most competitive worker's compensation excess insurance coverage and premium levels that can be obtained in the open market.
- ◇ Maintain a high quality of service to employees and ensure that price and service levels are competitive for third party administration.
- ◇ Process all claims in a timely manner.
- ◇ Prevent accidents/reduce personal injury/occupational injury by maintaining an Injury and Illness Prevention Program.

OBJECTIVES

PERFORMANCE MEASUREMENTS/INDICATORS

- | | |
|---|--|
| 1. In-house administration of claims and employee training. | Reduction in the number of active files by effective claims administration and supervision/manager training. Currently, 90% of claims are processed within 24 hours of notice. Conduct in-house accident investigation training no later than December 31, 2015 and draft development of a Hearing Conservation Program prior to June 30, 2016. |
| 2. Review the work product of the third party claims administrator. | Meet quarterly with the third party administrator to monitor litigated and non-litigated claims and insure there are no violations of regulations.

Examples of indicators would be prevention of accidents, reduction of personal injury and occupational illness, and compliance with all safety and health standards through orientation and training to all employees. |

BUDGET DETAIL EXPENSES

666-0410	Insurance: Workers Comp	ACTUAL	ACTUAL	FINAL	DEPT. HEAD	CITY MGR.	COUNCIL
ACCT. NO.	ACCOUNT DESCRIPTION	2012-13	2013-14	BUDGET	REQUEST	RECOM.	APPROVAL
				2014-15	2015-16	2015-16	2015-16
512.17-00	Professional Services	115,231	113,892	90,480	117,104	117,104	117,104
512.30-10	Wrk Cmp-Medical	966,552	718,722	800,455	770,220	770,220	770,220
512.30-11	Wrk Cmp-Permanent Disblty	599,198	789,423	262,500	288,750	288,750	288,750
512.30-12	Legal	183,324	297,417	321,300	285,000	285,000	285,000
512.30-13	Wrk Cmp-Umbrella Coverage	257,913	303,006	337,475	363,964	363,964	363,964
512.34-00	Contingency Reserve	0	0	378,068	393,282	397,488	397,488
512.35-00	Special Dept. Expense	34,437	1,460	11,966	11,966	11,966	11,966
512.38-00	Support Services	30,789	24,904	22,247	24,983	23,487	23,487
	Supplies and Services	2,187,444	2,248,824	2,224,491	2,255,269	2,257,979	2,257,979
514.91-01	Adm Exp-City Manager	3,462	10,009	4,076	5,225	4,909	4,909
514.91-02	Adm Exp-City Attorney	373	2,867	1,223	1,881	1,066	1,066
514.91-03	Adm Exp-City Clerk	0	0	8,697	5,974	4,742	4,742
514.91-09	Adm Exp-Finance	13,635	21,973	18,600	17,723	17,512	17,512
514.91-10	Adm Exp-Purchasing	1,717	3,025	2,374	2,114	2,081	2,081
514.91-16	Adm Exp-City Council	1,349	2,092	1,828	2,067	1,964	1,964
	Administrative	20,536	39,966	36,798	34,984	32,274	32,274
515.92-01	Interdept DSC-General Fnd	72,501	101,535	122,647	125,389	125,389	125,389
	Interdepartmental	72,501	101,535	122,647	125,389	125,389	125,389
521.10-13	WC ContinuingDeathBenefit	0	0	0	40,000	40,000	40,000
	Personnel Services	0	0	0	40,000	40,000	40,000
**	Insurance: Workers Comp	2,280,481	2,390,325	2,383,936	2,455,642	2,455,642	2,455,642

INSURANCE: WORKER'S COMPENSATION

- 17-00 Administrative contract with Tristar Risk Management and for review of medical bills.
- 30-10 Medical payments to physicians, surgeons, chiropractors, psychologists, etc., for treatment resulting from a work injury as defined by Labor Code Section 4600.
- 30-11 Permanent disability payments for work injuries that result in a medically documented permanent limitation as defined in Labor Code Sections 4658-4663.
- 30-12 Miscellaneous case costs (records costs, subpoenas, investigation, etc.).
- 30-13 Excess Worker's Compensation policy to cover losses in excess of \$250,000 self-insured retention (LAWCX), California user funding assessment and California insurance fraud investigation assessment, injury benefits trust fund, and uninsured employer benefits fund.
- 34-00 Contingency for unanticipated claims and reserve for claims both reported and unreported.
- 35-00 Vocational rehabilitation funds necessary to provide benefits to workers who are medically unable to return to work at their pre-injury jobs. Vocational service may include, but is not limited to, evaluation, counseling, job analysis, job modification assistance, retraining, and job placement assistance as defined Labor Code Sections 4635 – 4647; and advance payments to CalPERS for public safety disability retirements.

RISK MANAGEMENT AND SAFETY

LIABILITY

MISSION

The mission of the Liability Insurance Division is to provide adequate insurance coverage and establish risk management practices to reduce liability exposure where possible.

GOALS

- ◇ Improve risk management practices to reduce liability exposure when possible.
- ◇ Ensure that the services of the third party claims administrator meet the City's needs and the needs and requirements of the liability excess insurance carrier.

OBJECTIVES

PERFORMANCE MEASUREMENTS/INDICATORS

- | | |
|---|---|
| 1. Review work product of the third party claims administrator for efficiency and reliable claims administration. | Meet and review claims on a quarterly basis with the third party administrator to monitor effectiveness, and reduction in litigation. |
| 2. Review effectiveness and cost-savings for liability claims filed against the City of Merced and improve efforts of cost recovery for property damages and workers' compensation claims, when applicable. | 10% reduction in liability claims and increase in cost savings through training provided by continued membership and coverage through the Central San Joaquin Valley Risk Management Authority. Quarterly review with Insurance Department staff to monitor efficiency and effectiveness of in-house subrogation demands. |
| 3. Review effectiveness and cost-reduction efforts for employment practices claims. | Elimination or reduction in claims for unlawful employment practices through training provided by continued membership and coverage through the Employment Risk Management Authority (ERMA) offered through the CSJVRMA. |
| 4. Review effectiveness and cost savings for property insurance and boiler and machinery coverage. | Monitor current and new City acquisitions annually in March to insure proper coverage. |

BUDGET DETAIL EXPENSES

667-0411	Insurance: Liability						
ACCT. NO.	ACCOUNT DESCRIPTION	ACTUAL 2012-13	ACTUAL 2013-14	FINAL BUDGET 2014-15	DEPT. HEAD REQUEST 2015-16	CITY MGR. RECOM. 2015-16	COUNCIL APPROVAL 2015-16
511.01-00	Regular Salaries	140,000	0	0	0	0	0
511.10-06	Social Security-OASDI	6,826	0	0	0	0	0
511.10-07	Social Security-Medicare	2,030	0	0	0	0	0
	Personnel Services	148,856	0	0	0	0	0
512.30-12	Legal	38,594	12,558	724,453	649,453	649,453	649,453
512.30-20	Liab-General Liability	1,039,558	1,116,843	1,129,697	1,333,098	1,333,098	1,333,098
512.30-23	Liab-Reserve for Self Ins	67,279	1,336,857	201,692	201,325	200,526	200,526
512.30-24	Subrogation Claims Expens	19,881	6,949	50,000	50,000	50,000	50,000
512.30-25	Liab-General Claims	85,000	0	0	0	0	0
512.38-00	Support Services	40,762	40,762	40,762	40,762	40,762	40,762
	Supplies and Services	1,156,516	2,513,969	2,146,604	2,274,638	2,273,839	2,273,839
514.91-01	Adm Exp-City Manager	4,372	5,290	2,283	3,340	3,378	3,378
514.91-02	Adm Exp-City Attorney	471	1,667	685	1,202	734	734
514.91-03	Adm Exp-City Clerk	0	0	4,192	2,751	2,113	2,113
514.91-09	Adm Exp-Finance	17,220	12,776	10,416	11,327	12,051	12,051
514.91-10	Adm Exp-Purchasing	2,169	1,759	1,330	1,351	1,432	1,432
514.91-16	Adm Exp-City Council	1,704	1,217	1,024	1,321	1,352	1,352
	Administrative	25,936	22,709	19,930	21,292	21,060	21,060
515.92-01	Interdept DSC-General Fnd	258,582	145,645	215,505	179,845	179,845	179,845
515.92-17	Interdept DSC-Develop Svc	34,477	30,093	30,072	37,503	37,503	37,503
	Interdepartmental	293,059	175,738	245,577	217,348	217,348	217,348
958.93-57	Trsf-Water System Fu(557)	0	38,727	0	0	0	0
	Other	0	38,727	0	0	0	0
**	Insurance: Liability	1,624,367	2,751,143	2,412,111	2,513,278	2,512,247	2,512,247

INSURANCE: LIABILITY

30-12 Case-driven costs incurred by City Attorney for litigation related to PCE issues and general liability; Personnel Board outside legal costs

30-20 Insurance Premiums:

Pooled Excess Liability (CSJVRMA and ERMA)
Property and Boiler and Machinery
Fidelity
Airport Liability

30-23 Reserves for payment of present and future out-of-court and court-mandated settlements and general liability claims

30-24 Subrogation Claim Expense

RISK MANAGEMENT AND SAFETY

UNEMPLOYMENT INSURANCE

MISSION

The mission of the Unemployment Insurance Division is to provide benefits to employees who have left the City services and qualify for unemployment compensation.

GOALS

- ◇ Maintain adequate financial reserves to protect the City against any unknown and unpredictable monetary demands on this fund in any given fiscal year.
- ◇ Ensure that former employees are qualified to receive benefits.

OBJECTIVES

PERFORMANCE MEASUREMENTS/INDICATORS

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|---|---|
| 1. Monitor all unemployment claim pay-outs to ensure the accuracy of charges being made against the City's self-funded account by the State of California EDD office. | Payments only made to approved claims. |
| 2. Investigate and challenge unauthorized filings. | No payments to unauthorized past-employees. |

2015-2016 BUDGET HIGHLIGHTS

The Insurance Division continues to review safety and workers' compensation programs as outlined in the Injury and Illness Prevention Program (IIPP) to insure the organization is in compliance with state and federal regulations.

BUDGET DETAIL EXPENSES

668-0412	Insurance: Unemployment						
ACCT. NO.	ACCOUNT DESCRIPTION	ACTUAL 2012-13	ACTUAL 2013-14	FINAL BUDGET 2014-15	DEPT. HEAD REQUEST 2015-16	CITY MGR. RECOM. 2015-16	COUNCIL APPROVAL 2015-16
512.30-30	Unemp Ins-Unemployment	85,146	68,705	182,024	164,141	160,631	160,631
512.34-00	Contingency Reserve	0	0	36,114	15,466	26,589	26,589
512.38-00	Support Services	8,402	1,522	2,095	1,746	1,775	1,775
	Supplies and Services	93,548	70,227	220,233	181,353	188,995	188,995
514.91-01	Adm Exp-City Manager	884	1,322	279	723	625	625
514.91-02	Adm Exp-City Attorney	95	417	84	260	136	136
514.91-03	Adm Exp-City Clerk	0	0	485	596	391	391
514.91-09	Adm Exp-Finance	3,482	3,193	1,274	2,454	2,228	2,228
514.91-10	Adm Exp-Purchasing	439	440	163	293	265	265
514.91-16	Adm Exp-City Council	345	304	125	286	250	250
	Administrative	5,245	5,676	2,410	4,612	3,895	3,895
968.93-66	Trsf-Workers Comp (666)	0	277,975	0	0	0	0
	Other	0	277,975	0	0	0	0
**	Insurance: Unemployment	98,793	353,878	222,643	185,965	192,890	192,890

FUND NO. 668
ACCOUNT NO. 0412

INSURANCE: UNEMPLOYMENT

30-30 Unemployment insurance

**EMPLOYEE BENEFITS
FUND NO. 669
ACCOUNT NO. 0413**

DESCRIPTION

The Employee Benefits budget provides the mechanism through which the City pays the cost of health, long-term disability, life, dental and vision insurance for all eligible employees. Monies are budgeted in departmental operating accounts and then transferred during the year into the Employee Benefit fund from which benefit payments are actually made.

The City Council has established an Employee Benefits Committee. The Committee is advisory to the City Council on health and welfare issues and is comprised of representatives from each of the City's bargaining units and unrepresented management.

MISSION

The mission of the Employee Benefits Division is to provide negotiated benefits to City employees while recognizing cost containment needs.

GOAL

- ◇ Review and evaluate employee benefit cafeteria plan and Section 125 tax deferred plan and make changes/enhancements as needed going forward.

OBJECTIVES

***PERFORMANCE
MEASUREMENTS/INDICATORS***

- | | |
|---|--|
| 1. Continue to provide city-wide cafeteria and Section 125 tax deferred plan for employee benefits. | Re-evaluate on an ongoing basis the employee benefit cafeteria plan and Section 125 tax deferred plan and make changes/enhancements when indicated. |
| 2. Establish and maintain an adequate reserve fund. | At the end of the fiscal year, June 30, 2016, an adequate reserve fund will be available for year-to-year stability within the self-insured employee benefits program. |

EMPLOYEE BENEFITS

2015-2016 BUDGET HIGHLIGHTS

There are no anticipated significant changes in program direction, expenditures or revenues contingent upon fiscal stability. Group medical benefits for active, temporary and retired employee will meet Affordable Care Act requirements.

Employee Benefits

EXPENSES	Actual 2012-13	Actual 2013-14	Final Budget 2014-15	Dept.Head Request 2015-16	City Mgr. Recom. 2015-16	Council Approval 2015-16
Personnel Expenses	15,947	0	12,775	12,003	285,452	285,452
Supplies and Services	8,571,644	8,499,197	9,220,489	9,602,545	9,648,772	9,648,772
Debt Service	0	0	0	0	0	0
Acquisitions	0	0	0	0	0	0
Capital Improvements	0	0	0	0	0	0
* Undefined *	500,000	0	0	0	0	0
TOTAL	9,087,591	8,499,197	9,233,264	9,614,548	9,934,224	9,934,224

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FINANCING SOURCES	Actual 2012-13	Actual 2013-14	Final Budget 2014-15	Estimated 2015-16
Group Health/Accident Fee	5,367,342	5,260,590	6,007,141	6,448,505
Group Life Insurance Fees	28,791	56,986	31,596	32,255
Disability Insurance Fees	57,582	83,356	63,191	105,261
Vision Care Fees	56,969	52,606	96,854	56,499
Dental Care Fees	615,021	684,655	610,776	572,549
Group Health/Retirees	530	0	0	0
Post Employment Fees	1,458,031	1,490,980	1,458,582	1,475,858
Retiree Drug Subsidy(RDS)	14,188	9,247	10,000	10,000
CORE Plan-Pre-Tax-EEShare	727,445	754,324	771,796	808,600
CORE-Life/LTD/Dom Partner	44,963	46,184	46,936	52,733
Flexible Spending Medical	43,028	30,337	29,398	34,932
Flexible Spending DepCare	15,675	14,749	20,000	16,300
Investment Earnings	346	1,705	500	890
Other Revenues	657,680	13,478	86,494	319,842
TOTAL	9,087,591	8,499,197	9,233,264	9,934,224

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BUDGET DETAIL EXPENSES

669-0413	Employee Benefits			FINAL	DEPT. HEAD	CITY MGR.	COUNCIL
ACCT. NO.	ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	BUDGET	REQUEST	RECOM.	APPROVAL
		2012-13	2013-14	2014-15	2015-16	2015-16	2015-16
511.10-06	Social Security-OASDI	343	0	736	691	16,440	16,440
511.10-07	Social Security-Medicare	222	0	172	162	3,845	3,845
511.10-20	Earned Benefit	15,382	0	11,867	11,150	265,167	265,167
	Personnel Services	15,947	0	12,775	12,003	285,452	285,452
512.17-00	Professional Services	3,353	19,175	18,000	35,000	35,000	35,000
512.30-40	Emp Bnft-Group Health/Acc	6,031,459	6,034,332	6,614,680	7,032,732	7,044,968	7,044,968
512.30-41	Group Health Ins Retirees	1,410,462	1,407,861	1,468,582	1,485,858	1,485,858	1,485,858
512.30-42	Emp Bnft-Group Life	59,206	63,653	31,596	32,256	32,255	32,255
512.30-43	Emp Bnft-Sht & Lg Trm Dis	84,267	80,181	63,191	105,265	105,261	105,261
512.30-45	Emp Bft-Dentl/Vision Care	745,434	673,698	707,630	628,084	629,048	629,048
512.30-47	Emp Bnft-Rsrvd For Retent	0	0	67,405	12,508	54,391	54,391
512.30-61	Flexible Spending-Medical	10,555	8,562	29,398	34,932	34,932	34,932
512.30-62	Flexible Spending-DepCare	3,392	9,801	20,000	16,300	16,300	16,300
512.38-00	Support Services	134,735	98,323	91,070	103,023	99,987	99,987
	Supplies and Services	8,482,863	8,395,586	9,111,552	9,485,958	9,538,000	9,538,000
514.91-01	Adm Exp-City Manager	14,967	24,137	12,549	18,287	17,769	17,769
514.91-02	Adm Exp-City Attorney	1,611	7,607	3,766	6,584	3,860	3,860
514.91-03	Adm Exp-City Clerk	0	0	22,424	15,061	11,114	11,114
514.91-09	Adm Exp-Finance	58,946	58,292	57,261	62,025	63,386	63,386
514.91-10	Adm Exp-Purchasing	7,424	8,024	7,309	7,398	7,533	7,533
514.91-16	Adm Exp-City Council	5,833	5,551	5,628	7,232	7,110	7,110
	Administrative	88,781	103,611	108,937	116,587	110,772	110,772
968.93-66	Trsf-Workers Comp (666)	500,000	0	0	0	0	0
	Other	500,000	0	0	0	0	0
**	Employee Benefits	9,087,591	8,499,197	9,233,264	9,614,548	9,934,224	9,934,224

EMPLOYEE BENEFITS

30-40 Group health premiums to Anthem Blue Cross of California.

30-42 Group life insurance premiums.

30-43 Long-term disability premiums.

30-45 Claims payment for fully-insured dental and vision programs.

30-46 Amount held in contingency as reserve for retention.