

DEPARTMENT OF HUMAN RESOURCES

The mission of the Department of Human Resources (HR) is to provide the necessary human resources to City Departments in order to promote the highest quality workforce and a productive work environment, and maintain the city's operational and fiscal stability through the utilization of effective risk management techniques.

The Department provides a complete spectrum of human resources programs and personnel administrative services, and administers the City's Risk Management and Employee Benefits Programs. Additionally, it serves as the focal point for interaction with the City's collective bargaining units.

PRIORITIES FOR FISCAL YEAR 2017
<ul style="list-style-type: none"> • Enhance the delivery of human resources services to City Departments through the implementation of revised legislation, policies and procedures, and management information systems. • Promote harmonious and effective working relationships with all collective bargaining units affiliated with the City of Wilmington. • Manage the City's risk exposure by implementing more effective personnel, health and safety, insurance, and claims management practices and programs. • Provide management and employee training to continue to develop the city's work force and enhance productivity. • Effectively monitor productive and non-productive time through use of ongoing audits of the electronic timekeeping system. • Recognize and reward employees for exemplary contributions to the City of Wilmington.

SUMMARY OF FUNDING FOR THE DEPARTMENT OF HUMAN RESOURCES

TOTAL ALL FUNDS*	ACTUAL	ACTUAL	BUDGET	PROPOSED
HUMAN RESOURCES	FY 2014	FY 2015	FY 2016	FY 2017
Personal Services	1,899,531	2,110,910	2,203,342	2,265,837
Materials, Supplies & Equipment	2,560,945	2,782,898	3,392,012	4,106,793
Internal Services	483,291	491,778	607,784	618,902
Debt Service	22,314	22,567	24,674	24,761
Depreciation	6,277	0	12,554	12,554
Special Purpose	20,687,415	26,276,541	19,733,250	25,465,720
TOTAL	25,659,773	31,684,694	25,973,616	32,494,567
STAFFING LEVELS	21.00	22.00	22.00	22.00

*Differs from Summary of All Funds Combined – Expenditures table on page 7 due to inclusion of Internal Service Funds.

GENERAL FUND HUMAN RESOURCES	ACTUAL FY 2014	ACTUAL FY 2015	BUDGET FY 2016	PROPOSED FY 2017
Personal Services	1,277,340	1,379,149	1,327,458	1,365,436
Materials, Supplies & Equipment	95,021	141,786	166,935	158,161
Internal Services	433,143	449,063	570,282	580,874
Debt Service	22,314	22,567	24,674	24,761
TOTAL	1,827,818	1,992,565	2,089,349	2,129,232
STAFFING LEVELS	14.00	14.00	13.55	13.55

RISK MANAGEMENT FUND HUMAN RESOURCES	ACTUAL FY 2014	ACTUAL FY 2015	BUDGET FY 2016	PROPOSED FY 2017
Personal Services	141,726	210,965	204,609	189,192
Materials, Supplies & Equipment	1,833,421	1,952,926	2,329,024	3,045,809
Internal Services	32,578	25,534	26,913	27,416
Depreciation	6,277	0	12,554	12,554
Special Purpose	1,570,173	2,984,376	0	0
TOTAL	3,584,175	5,173,801	2,573,100	3,274,971
STAFFING LEVELS	1.30	1.80	1.95	1.55

WORKERS' COMPENSATION FUND HUMAN RESOURCES	ACTUAL FY 2014	ACTUAL FY 2015	BUDGET FY 2016	PROPOSED FY 2017
Personal Services	374,572	407,295	496,983	515,338
Materials, Supplies & Equipment	591,831	626,631	718,903	724,173
Internal Services	15,200	14,625	7,579	7,602
Special Purpose	2,190,469	3,756,789	2,115,000	2,715,000
TOTAL	3,172,072	4,805,340	3,338,465	3,962,113
STAFFING LEVELS	4.50	4.50	4.65	4.65

HEALTH AND WELFARE FUND HUMAN RESOURCES	ACTUAL FY 2014	ACTUAL FY 2015	BUDGET FY 2016	PROPOSED FY 2017
Personal Services	105,893	113,501	174,292	195,871
Materials, Supplies & Equipment	40,672	61,555	177,150	178,650
Internal Services	2,370	2,556	3,010	3,010
Special Purpose	16,926,773	19,535,376	17,618,250	22,750,720
TOTAL	17,075,708	19,712,988	17,972,702	23,128,251
STAFFING LEVELS	1.20	1.70	1.85	2.25

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
GENERAL FUND**

- Personal Services costs increased \$37,977. Increases in Regular Salaries (\$20,952) and Hospitalization (\$38,870) were partially offset by savings in Pensions (a net reduction of \$24,183). Regular Salaries increased as a result of step increases and COLAs, and the City-wide increase in Hospitalization is discussed in the budget summary section. Pensions decreased due to changes in the actuarial targets.
- Materials, Supplies & Equipment decreased \$8,774. Professional Fees were reduced \$9,209, as all Background Investigations not related to residency will now be charged to the Risk Management Fund.
- Internal Services increased \$10,592, fueled almost entirely by higher Data Processing costs.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
INTERNAL SERVICE FUNDS**

- Personal Services increased \$24,517 across all three Internal Services Funds. Step and COLA adjustments led to increases in Regular Salaries of \$12,875, and Hospitalization is up \$18,190. Those increases were partially offset by savings in Pensions.
- In the Risk Management Fund, total Insurance costs increased \$698,651. Insurance Claims were the bulk of the increase (up \$560,429) based on a new actuarial report. Insurance Claims-Legal Defense was increased (up \$131,000) on the recommendation of the Law Department based on expected litigation.
- Professional Fees increased \$42,400. Consultants increased \$25,400, with an equal offset to Equipment. Fire proof cabinets were determined structurally unsafe for the floor, and as a result, the Department is moving forward with a digital file conversion plan. Background Investigations increased \$17,000 to cover initial and ongoing background checks for employees.
- In the Workers' Compensation Fund, total Self-Insurance Costs increased \$600,000. The self-insurer's tax increased \$30,000 as a result of a rate increase from the State and COLAs pushing up the wage base. Additionally, Workers' Compensation claims are on the rise, and expected to increase by \$570,000 for FY 2017. The Department is currently looking into ways to reduce the growth in claims.
- In the Health and Welfare Fund, Self-Insurance Costs increased by \$5.1 million dollars. This account group encompasses the cost centers for employee Hospitalization, Prescription and Dental coverage, and Life Insurance. After several years of relatively modest employee medical benefit cost increases, inflationary pressure and increases in utilization have contributed to a 34.4% increase in Self-Insurance Costs since FY 2014. The Department is currently involved in short and long-term strategic plan meetings with an insurance broker in an effort to greatly reduce the above trend.
- Medical Administration Fees and fees associated with the Affordable Care Act have been broken out of Medical Costs into separate accounts for greater transparency and to better track expenditures by category.