Purpose

To provide the BCC with an overview of the Human Resources Department Proposed Budget
Overview of Department

- Overview of Human Resources
  - Mission
  - Organizational Chart
  - Levels of Service
  - Accomplishments
  - Efficiencies
  - Benchmarks
- Proposed Division Budget
- Mandated/Required expenditures
- Unfunded Challenges
- Departmental Budget
- Other Issues
- Summary
- Requested Action
Human Resources Department Overview
Human Resources Department

Mission
The mission of the Human Resources Department is to assist the County Commission through the development, implementation and facilitation of cost effective and efficient programs for managing county employees, employee benefits and loss control programs.
Human Resources
Organization Chart
Department Overview
Organizational Chart

Total = 8.7 FTE
Human Resources
Levels of Service
Department Overview
Levels of Service

The Human Resources Section provides services in the areas of:

<table>
<thead>
<tr>
<th>State &amp; Federal Compliance/Reporting</th>
<th>Organizational Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investigations</td>
<td>Training</td>
</tr>
<tr>
<td>Employee/Labor Relations</td>
<td>HRIS</td>
</tr>
<tr>
<td>Policy and Procedures</td>
<td>Records Management</td>
</tr>
<tr>
<td>Contract Negotiations</td>
<td>Class &amp; Compensation</td>
</tr>
<tr>
<td>Performance Management</td>
<td>Status Changes</td>
</tr>
<tr>
<td>Recruitment</td>
<td>Leave Administration</td>
</tr>
<tr>
<td></td>
<td>Employee Recognition</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Discipline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volunteer Coordination</td>
</tr>
<tr>
<td>Benefits Administration</td>
</tr>
<tr>
<td>Workers Compensation Administration</td>
</tr>
<tr>
<td>Property, Casualty, &amp; Liability Administration</td>
</tr>
<tr>
<td>Unemployment</td>
</tr>
<tr>
<td>EEO complaints</td>
</tr>
</tbody>
</table>
• Provides one or more of these services to:
  – Lake County Board of County Commissioners
  – Lake-Sumter Metropolitan Planning Organization
  – Supervisor of Elections
  – Property Appraiser
  – Tax Collector
  – Clerk of Court
  – Lake EMS
  – Water Authority
  – Fifth Judicial Circuit Court
Human Resources

Accomplishments
Health Insurance Plan

- Opened the Employee Clinic on October 7, 2016.
- Comprehensive Health Risk Assessment (HRA) screenings were given to over 875 participants, 1227 visits since October 7, 2016.
- Implemented inter-local agreements for risk and benefits programs with Clerk of Courts, Tax Collector, Lake EMS, Supervisor of Elections, Property Appraiser, Lake County Water Authority, and Lake MPO.
- Implemented and monitored health plan design changes to decrease costs.
Human Resources
Accomplishments

Animal Shelter

- Advertised and recruited for Shelter Manager, Veterinarian, Shelter Supervisor, Live Release Coordinator, Animal Care Technicians and other positions in the Animal Shelter.
- Filled 17 positions.
- Revised and simplified the volunteer application process.
- Increased number of approved volunteers from 14 to 61.
Human Resources
Accomplishments

SAFER Grant

- Advertised vacancies.
- Received 143 applications.
- Participated in 55 first-round interviews and 32 follow-up interviews.
- Completed 28 background checks.
- Scheduled 28 pre-employment medical exams.
- Ultimately filled 18 positions.
- On-boarded 18 employees.
Other Accomplishments

Conducted employee training on a variety of topics including:

- Use of Social Media
- Back Safety
- Office Ergonomics Training and Assessments
- Heat Safety
- CPR
- DOT Substance Abuse Training
- Supervising Successfully
- New Employee Orientation
Human Resources
Accomplishments

Other Accomplishments

- Assisted in the negotiations for the Collective Bargaining Agreement between the County and Professional Fire Fighters of Lake County.
- Designed & implemented a Certification Pay Program.
- Coordinated 16,200 hours of volunteer service.
Human Resources
Efficiencies
Human Resources
Efficiencies

• Self-funded plan – If claims are lower than anticipated, the County can invest any savings and earn interest. In the event that claims are higher than usual, stop-loss insurance coverage can pay for excess costs.

• Use of the Florida Blue network through an Administrative Services Only (ASO) agreement provides discounts, medical services, and pharmacy, and resulted in annual savings of:
  • $14,697,385 savings on billed medical charges
  • $5,632,913 as a result of pharmacy discounts
• Purchased excess loss insurance to protect Lake County from large claims.

• Lake County has been reimbursed from pharmacy rebates, Stop Loss, and wellness contributions:
  – $298,696 Pharmacy Rebates in FY 2016
  – $54,297 Stop Loss reimbursement in FY 2016
  – $634,939 Stop Loss Reimbursements FY 2017 TD
  – $50,000 in Wellness Contributions

• $48,837 in Subrogation Collected in FY 2016
Human Resources
Efficiencies

- Use online application process to recruit and screen potential employees.
- Use County Intranet to schedule and track training of county employees and conduct in-house training whenever possible.
- Conduct employment, driver’s records, and reference checks in-house.
- Researching outsourcing for classifications with high turnover and high workers compensation claims.
Human Resources
Benchmarks
Human Resources Benchmarks

Total Full-Time Employees (FTEs) in Organization

- **Lake**: 807.76
- **Alachua**: 868.4
- **Marion**: 1490.5
- **Orange**: 7135
- **Pasco**: 2159
- **Polk**: 1981
- **St. Lucie**: 613.5
Human Resources Benchmarks
Average Wage Cost per FTE

Lake: $40,840
Alachua: $48,591
Marion: $40,109
Orange: Not Avail
Pasco: $43,257
Polk: $43,465
St. Lucie: $46,822
Human Resources Benchmarks
Average Total Comp. per FTE

Lake: $56,195
Alachua: $64,323
Marion: $52,314
Orange: Not Avail
Pasco: $58,669
Polk: $66,234
St. Lucie: $68,129
Human Resources Benchmarks
Average Days to Fill

- Lake: 60 days
- Alachua: 38 days
- Marion: 64.97 days
- Orange: Not Avail
- Pasco: Not Avail
- Polk: 37 days
- St. Lucie: 77.5 days
Risk Benchmarks
FY 2015 New W/C Claims per 100 FTE

Lake: 6.06
Alachua: 4.80
Marion: 7.78
Orange: 20.70
Pasco: 20.90
Polk: 4.00
St. Lucie: Not Avail
Risk Benchmarks
Average Value per Claim

- Lake: $4,060.00
- Alachua: $11,828.00
- Marion: $3,101.00
- Orange: $3,658.00
- Pasco: $2,280.00
- Polk: $9,406.00
- St. Lucie: $4,060.00
Human Resources
Proposed Budget
<table>
<thead>
<tr>
<th></th>
<th>FY 2017 Adopted Budget</th>
<th>FY 2018 Proposed Budget</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>$671,220</td>
<td>$672,186</td>
<td>0.14%</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$123,456</td>
<td>$123,766</td>
<td>0.25%</td>
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<tr>
<td>Capital Outlay</td>
<td>$0</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td>Other Uses</td>
<td>$0</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td>Grants &amp; Aids</td>
<td>$0</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td>Reserves</td>
<td>$0</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$794,676</strong></td>
<td><strong>$795,952</strong></td>
<td><strong>0.16%</strong></td>
</tr>
</tbody>
</table>
### Property and Casualty Proposed Budget

<table>
<thead>
<tr>
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<th>FY 2017 Adopted Budget</th>
<th>FY 2018 Proposed Budget</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>$0</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$3,556,622</td>
<td>$3,603,909</td>
<td>1.33%</td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>$0</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td>Grants &amp; Aids</td>
<td>$0</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td>Other Uses</td>
<td>$131,996</td>
<td>$132,294</td>
<td>0.23%</td>
</tr>
<tr>
<td>Reserves</td>
<td>$439,157</td>
<td>$150,000</td>
<td>(65.84%)</td>
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<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$4,127,775</strong></td>
<td><strong>$3,886,203</strong></td>
<td><strong>(5.85%)</strong></td>
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# Employee Group Benefits

## Proposed Budget

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2017 Adopted Budget</th>
<th>FY 2018 Proposed Budget</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>$0</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$15,651,296</td>
<td>$16,760,151</td>
<td>7.09%</td>
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<tr>
<td>Capital Outlay</td>
<td>$0</td>
<td>$0</td>
<td>0%</td>
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<tr>
<td>Other Uses</td>
<td>$219,445</td>
<td>$219,850</td>
<td>0.19%</td>
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<tr>
<td>Grants &amp; Aids</td>
<td>$0</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td>Reserves</td>
<td>$2,373,663</td>
<td>$2,429,034</td>
<td>2.33%</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$18,244,404</strong></td>
<td><strong>$19,409,035</strong></td>
<td><strong>6.38%</strong></td>
</tr>
</tbody>
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Human Resources
FY 2018 Estimated Revenues

Property and Casualty $3,025,084
Employee Group Benefits $14,709,195
Other Revenues $44,650
General Fund $795,952

Total Operating Revenue $18,574,881
Estimated Fund Balance $5,516,309
Total Revenue $24,091,190
Human Resources
Revenue Summary

- Funding from General Fund remains status quo
- The Employee Group Benefits Fund is adequately funded
  - Claims expenses have stabilized resulting in an increase in fund balance and adequate reserves
  - No changes are needed to the employer or employee contributions to the health insurance fund
## Human Resources

### Proposed Budget

<table>
<thead>
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<th>FY 2017 Adopted Budget</th>
<th>FY 2018 Proposed Budget</th>
<th>% Change</th>
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<tbody>
<tr>
<td><strong>Personal Services</strong></td>
<td>$671,220</td>
<td>$672,186</td>
<td>0.14%</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td>$19,331,374</td>
<td>$20,487,826</td>
<td>5.98%</td>
</tr>
<tr>
<td><strong>Capital Outlay</strong></td>
<td>$0</td>
<td>$0</td>
<td>0%</td>
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<tr>
<td><strong>Other Uses</strong></td>
<td>$351,441</td>
<td>$352,144</td>
<td>0.20%</td>
</tr>
<tr>
<td><strong>Grants &amp; Aids</strong></td>
<td>$0</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Reserves</strong></td>
<td>$2,812,820</td>
<td>$2,579,034</td>
<td>(8.31%)</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>$23,166,855</td>
<td>$24,091,190</td>
<td>3.99%</td>
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</table>
Human Resources Proposed Budget

16.1%  Property & Casualty
80.6%  Employee Group Benefits
3.3%  Human Resources Administration
Mandated/Required Expenditures
Mandated/Required Expenditures

- Worker’s Compensation Assessment – Section 440.1025, F.S.
- Unemployment Compensation – Section 443.191, F.S.
- ACA requires a Health Insurance Program
- ACA requires a Patient-Centered Outcomes Research Institute Fee (PCORI)
- FEMA Requires Property Insurance
- Automobile Insurance – Section 627.727, F.S.
- First Responder Life Insurance – Sections 112.19 and 112.191, F.S.
Unfunded Challenges
Unfunded Challenges

- Simulator for improved driver safety training.
- Advanced Automatic External Defibrillators at each major County location.
- The Property & Casualty Fund has a declining fund balance due to higher than projected claims. May warrant a change in the future allocation of costs to the user groups.
Other Issues
The current health insurance premium structure has two plans with two tiers each. The full premium equivalent for each tier and the employee 24 pay period deductions amounts are:

<table>
<thead>
<tr>
<th>Plan Type</th>
<th>Full Premium Equivalent</th>
<th>24 Deductions</th>
</tr>
</thead>
<tbody>
<tr>
<td>HMO Employee</td>
<td>$618.68</td>
<td>$30.90</td>
</tr>
<tr>
<td>HMO Family</td>
<td>$1,445.80</td>
<td>$133.23</td>
</tr>
<tr>
<td>PPO Employee</td>
<td>$634.99</td>
<td>$40.79</td>
</tr>
<tr>
<td>PPO Family</td>
<td>$1,483.52</td>
<td>$161.21</td>
</tr>
</tbody>
</table>
Other Issues
Health Insurance Premiums and HRA Incentives

• The Employee Benefits fund is adequately funded. Therefore Staff recommends continuing the employer and employee health insurance contributions at the same level as FY 2017.

• The Health Risk Assessment (HRA) incentive for FY 2017 was very successful. Staff proposes continuing the HRA incentive, for those employees who complete a new HRA between 9/11/2017 and 10/20/2017.
Other Issues
Employee Pre-paid Legal Services Plan

Conducted a RFP

• Entirely employee paid
• Current provider was selected
• Renewed with no cost increase
• Added Optional Identity Theft Protection

Staff is recommending approval of Tab 13 which is the proposed contract with U.S. Legal.
Flexible Spending Accounts

- Funds that an employee can use to pay for dependent care and/or medical expenses.
- They are entirely employee funded.
- Deducted from the employee’s wages pre-tax.

For FY 2018, the Internal Revenue Service has increased the account limits for Medical FSAs from $2550 per year to $2600 per year. Staff is recommending approval of Tab 14 changing our Medical plan limit to $2600 per year.
Other Issues

- Florida Blue has agreed to keep our current ASO fee of $43.25 PEPM through September 30, 2021.
- Staff has conducted a RFP for the employee group dental plan and are recommending Florida Combined Life as the provider.
- Staff is currently finalizing the contracts with these providers which will be brought to the board for approval.
Summary
The Human Resources Department

Work Session Summary

- The Human Resources operating budget is status quo.
- The Property and Casualty Fund has an anticipated increase in the property and liability insurance premiums and will be closely monitored due to the declining fund balance and reserves.
- The Employee Benefits Fund is adequately funded with an expected slight increase in medical claims included in the budget.
- Staff proposes that employee health insurance premiums remain the same.
- Staff proposes to continue the HRA as approved last year.
Requested Action
Requested Action

- Approve Tab 13 Prepaid Legal Contract with U.S. Legal.
- Approve Tab 14 Section 125 Plan amendment for Flexible Spending Account Limits.
- Approve the recommended full premium equivalents and employee premium share amounts for Health Insurance for FY 2018 and approve the proposed continuation of 7% waiver of premium for those employees who complete a new HRA between September 11, 2017 and October 20, 2017.