

DEPARTMENT: HRD— HUMAN RESOURCES DEPARTMENT**BUDGET REVIEW EXECUTIVE SUMMARY****YEAR ONE: FY 2014-15**Budget Changes

The Department's proposed \$81,807,795 budget for FY 2014-15 is \$3,909,776 or 5.0% more than the original FY 2013-14 budget of \$77,898,019.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2014-15 are 145.28 FTEs, which are 9.96 FTEs more than the 135.32 FTEs in the original FY 2013-14 budget. This represents a 7.4% increase in FTEs from the original FY 2013-14 budget.

Revenue Changes

The Department's revenues of \$69,319,775 in FY 2014-15, are \$2,647,934 or 4.0% more than FY 2013-14 revenues of \$66,671,841. General Fund support of \$12,488,020 in FY 2014-15 is \$1,261,842 or 11.2% more than FY 2013-14 General Fund support of \$11,226,178.

YEAR TWO: FY 2015-16Budget Changes

The Department's proposed \$84,310,083 budget for FY 2015-16 is \$2,502,288 or 3.1% more than the Mayor's proposed FY 2014-15 budget of \$81,807,795.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 146.17 FTEs, which are 0.89 FTEs more than the 145.28 FTEs in the Mayor's proposed FY 2014-15 budget. This represents a 0.6% increase in FTEs from the Mayor's proposed FY 2014-15 budget.

Revenue Changes

The Department's revenues of \$72,049,522 in FY 2015-16, are \$2,729,747 or 3.9% more than FY 2014-15 estimated revenues of \$69,319,775. General Fund support of \$12,260,561 in FY 2015-16 is \$227,459 or 1.8% less than FY 2014-15 General Fund support of \$12,488,020.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2014-15 AND FY 2015-16**

DEPARTMENT: HRD – HUMAN RESOURCES DEPARTMENT

RECOMMENDATIONS

YEAR ONE: FY 2014-15

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$350,100 in FY 2014-15. Of the \$350,100 in recommended reductions, all are ongoing savings. These reductions would still allow an increase of \$3,559,676 or 4.6% in the Department's FY 2014-15 budget.

YEAR TWO: FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$207,388 in FY 2015-16. Of the \$207,388 in recommended reductions, all are ongoing savings. These reductions would still allow an increase of \$2,294,950 or 2.8% in the Department's FY 2015-16 budget.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2014-15 AND FY 2015-16**

DEPARTMENT: HRD – HUMAN RESOURCES DEPARTMENT

SUMMARY OF PROGRAM EXPENDITURES:

Program	FY 2013-2014 Budget	FY 2014-2015 Proposed	Increase/ Decrease from	FY 2015-2016 Proposed	Increase/ Decrease from
			FY 2013-2014		FY 2014-2015
HUMAN RESOURCES					
ADMINISTRATION	1,057,813	1,329,940	272,127	1,400,346	70,406
CLASS AND COMPENSATION	480,605	348,796	(131,809)	352,752	3,956
EMPLOYEE RELATIONS	5,414,599	4,273,319	(1,141,280)	4,283,440	10,121
EQUAL EMPLOYMENT OPPORTUNITY	1,472,618	2,548,224	1,075,606	2,596,535	48,311
HEALTH SERVICE SYSTEM	0	0	0	0	0
RECRUIT/ ASSESS/ CLIENT SERVICES	7,705,039	9,544,649	1,839,610	9,335,698	(208,951)
WORKERS COMPENSATION	61,081,483	62,553,332	1,471,849	65,196,315	2,642,983
WORKFORCE DEVELOPMENT	685,862	1,209,535	523,673	1,144,997	(64,538)
HUMAN RESOURCES	77,898,019	81,807,795	3,909,776	84,310,083	2,502,288

FY 2014-15

The Department's proposed FY 2014-15 budget has increased by \$3,909,776 largely due to:

- Implementation of the Personnel Analyst Development Program, which allows City department staff in the personnel analyst classification series to train in a dedicated program offered by the Human Resources Department.
- Implementation of a new program to increase hiring efficiency, particularly in Information Technology classifications.
- Expansion of the existing City Hall Fellows Program and the launch of a mid-career fellows program, which will allow mid-career professionals to complete limited-term projects with various City departments.
- Transfer of function from the Municipal Transportation Agency and Department of Social Services to the Department of Human Resources for Equal Opportunity complaints and investigations.
- Transfer of function from Public Health to the Department of Human Resources for the Catastrophic Illness Program.

FY 2015-16

The Department's proposed FY 2015-16 budget has increased by \$2,502,288 largely due to:

- Expected increase in the cost of Worker's Compensation insurance and mandated salary and fringe benefits increases.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2014-15 AND FY 2015-16**

DEPARTMENT: HRD – HUMAN RESOURCES DEPARTMENT

SUMMARY OF DEPARTMENT POSITION CHANGES:

FY 2014-15

The number of full-time equivalent positions (FTE) budgeted for FY 2014-15 are 145.28 FTEs, which are 9.96 FTEs more than the 135.32 FTEs in the original FY 2013-14 budget. This represents a 7.4% increase in FTEs from the original FY 2013-14 budget.

A majority of new positions are due to transfers of function for the Equal Employment Opportunity and Catastrophic Illness programs. Additional positions are requested for the hiring efficiency project, Mid-Career Fellows Program, and Personnel Analyst Development Program.

FY 2015-16

The number of full-time equivalent positions (FTE) budgeted for FY 2015-16 are 146.17 FTEs, which are 0.89 FTEs more than the 145.28 FTEs in the Mayor's proposed FY 2014-15 budget. This represents a 0.6% increase in FTEs from the Mayor's proposed FY 2014-15 budget.

The increase in FTE is due to annualization of new positions in the FY 2014-2015 budget. There are no proposed new hires in FY 2015-2016.

INTERIM EXCEPTIONS

The Department has requested approval of 3 positions as an interim exception. The Budget and Legislative Analyst recommends approval of 2 positions as an interim exception and disapproval of 1 position.

- One 1244 Senior Personnel Analyst is necessary for the immediate launch of the Personnel Analyst Development program. One 1232 Training Officer is a 0.5 FTE exception to reflect the full time work of the employee.
- One 0922 Manager I is not recommended for approval because the Budget and Legislative Analyst has proposed elimination of the position.

DEPARTMENT REVENUES:

FY 2014-15

The Department's revenues of \$69,319,775 in FY 2014-15, are \$2,647,934 or 4.0% more than FY 2013-14 revenues of \$66,671,841. General Fund support of \$12,488,020 in FY 2014-15 is \$1,261,842 or 11.2% more than FY 2013-14 General Fund support of \$11,226,178. Specific changes in the Department's FY 2014-15 revenues include:

General Fund support has increased to pay for proposed new positions for which the Department is not recovering costs through work orders with other City departments.

**RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST
FOR AMENDMENT OF BUDGET ITEMS
FY 2014-15 AND FY 2015-16**

DEPARTMENT: HRD – HUMAN RESOURCES DEPARTMENT

FY 2015-16

The Department's revenues of \$72,049,522 in FY 2015-16, are \$2,729,747 or 3.9% more than FY 2014-15 estimated revenues of \$69,319,775. General Fund support of \$12,260,561 in FY 2015-16 is \$227,459 or 1.8% less than FY 2014-15 General Fund support of \$12,488,020.

There are no major changes to funding sources in FY 2015-2016.

RECOMMENDATIONS:

FY 2014-15

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$350,100 in FY 2014-15. Of the \$350,100 in recommended reductions, all are ongoing savings. These reductions would still allow an increase of \$3,559,676 or 4.6% in the Department's FY 2014-15 budget.

FY 2015-16

The Budget and Legislative Analyst's recommended reductions to the proposed budget total \$207,388 in FY 2015-16. Of the \$207,388 in recommended reductions, all are ongoing savings. These reductions would still allow an increase of \$2,294,950 or 2.8% in the Department's FY 2015-16 budget.

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2014-15 and FY 2015-16 Two-Year Budget**

HRD - Human Resources Department

Object Title	FY 2014-15						FY 2015-16							
	FTE		Amount		GF	IT	FTE		Amount		GF	IT		
	From	To	From	To			From	To	From	To			Savings	
Other Professional Services			\$79,361	\$54,361	x				\$79,361	\$54,361			\$25,000	x
Department has requested funding for an Executive Search Consulting contract that will only be used as needed and was previously handled by existing staff.														
FC4 - Employee Relations														
Temporary Salaries			\$227,529	\$200,000	x				\$227,529	\$200,000			\$27,529	x
Department has completed labor negotiations and has not provided sufficient justification for temporary salaries at this level.														
Other Professional Services			\$125,000	\$100,000	x				\$125,000	\$100,000			\$25,000	x
Department does not have justification for this level of spending.														
FAR - Workforce Development														
Manager I	1.00	0.00	\$116,776	\$0				1.00	0.00	\$120,504	\$0		\$120,504	x
Mandatory Fringe Benefits			\$52,124	\$0						\$49,560	\$0.00		\$49,560	x
Senior Personnel Analyst	0.00	0.77	\$0	\$80,919				1.00	1.00	\$108,445	\$0		(\$108,445.00)	x
Mandatory Fringe Benefits			\$0	\$33,590						\$41,484	\$0.00		(\$41,484)	x
Total Savings \$54,391														
Downgrade Manager I position to more accurately reflect responsibilities of the position and fund at .77 to more accurately reflect hiring date.														
Temporary Salaries			\$20,000	\$0						\$20,000	\$0		\$20,000	x
Department has not justified an increase in temporary salaries in Workforce Development.														
FC8 - Equal Employment Opportunity														
Attrition Savings	0.00	(0.96)	\$102	(\$32,640)				0.00	(0.96)	\$102	(\$32,640)		\$32,742	x
Mandatory Fringe Benefits			\$29	(\$9,280)						\$29	(\$9,280)		\$9,309	x
Total Savings \$42,051														
Increase Attrition Savings to more accurately reflect expected turnover.														
FC5 - Recruit/Assess/Client Services														
Temporary Salaries			\$126,490	\$100,000	x					\$126,490	\$50,000		\$76,490	x
Department is increasing expenditure on professional contracts and other areas of Public Safety Exams and has not justified an increase of \$86,490 over FY 2013-2014 budget levels of \$40,000. This reduction would still allow for \$100,000 in temporary salary expenditure.														
The number of requested public safety exams is expected to decrease in FY 2015-2016.														

**Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2014-15 and FY 2015-16 Two-Year Budget**

HRD - Human Resources Department

Object Title	FY 2014-15						FY 2015-16					
	FTE		Amount		GF	1T	FTE		Amount		GF	1T
	From	To	From	To			From	To	From	To		
Attrition Savings	(1.64)	(2.00)	(\$155,483)	(\$189,614)	x		(1.64)	(1.89)	(\$160,448)	(\$195,668)	x	
Mandatory Fringe Benefits			(\$67,980)	(\$82,902)	x				(\$64,881)	\$79,123	x	
			Total Savings	\$49,053					Total Savings	(\$108,784)		
Senior Personnel Analyst	2.31	1.54	\$242,757	\$161,838	x		3.00	2.00	\$325,336	\$216,891	x	
Mandatory Fringe Benefits			\$100,770	\$67,180	x				\$124,453	\$82,969	x	
Junior Clerk	0.00	0.50	\$0	\$23,972	x		0.00	1.00	\$0	\$49,475	x	
Mandatory Fringe Benefits			\$0	\$9,951	x				\$0	\$20,537	x	
			Total Savings	\$80,586					Total Savings	\$79,917		
Increase Attrition Savings to more accurately reflect expected turnover.												
Ongoing savings.												
Downgrade one 1244 Senior Personnel Analyst to 1402 Junior Clerk to more accurately reflect responsibilities of the position and change to .5 FTE to												
Ongoing savings.												

FY 2014-15

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$350,100	\$350,100
Non-General Fund	\$0	\$0	\$0
Total	\$0	\$350,100	\$350,100

FY 2015-16

Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	\$0	\$207,338	\$207,338
Non-General Fund	\$0	\$0	\$0
Total	\$0	\$207,338	\$207,338

