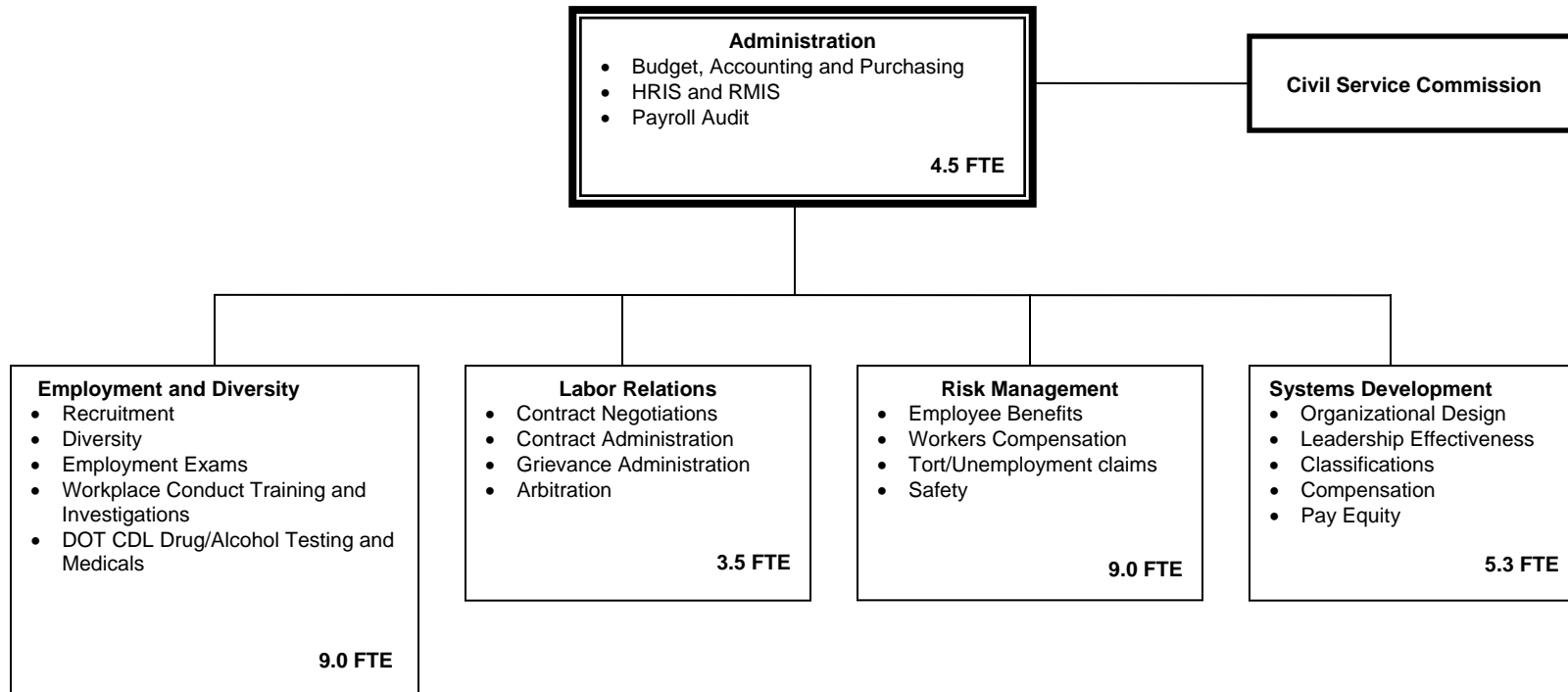


# Human Resources

Be a strategic leader and partner, promoting organizational and individual effectiveness.



(Total 31.3 FTEs)

## About the Office of Human Resources

### What We Do (Description of Services)

Human Resources provides essential and comprehensive services and support to the City's departments and offices and to its 3,100 employees.

- **Administration:** Interpret personnel policies and rules; audit payroll documents to ensure accuracy and compliance with policies; maintain employee service records; and support the office's information service needs.
- **Employment and Diversity:** Work with departments and offices in planning their staffing needs; recruit qualified and diverse candidates for City job openings; conduct targeted recruitment; post job announcements; review applications; develop and administer tests; conduct Workplace Conduct Policy training and investigation.
- **Labor Relations:** Negotiate and administer all of the collective bargaining agreements between the City and employee unions; represent City management in arbitrations, labor management committees, policy development and grievance handling; and advise City managers on employee issues such as sick leave, performance and discipline.
- **Risk Management:** Organize, coordinate, and provide management assistance to all City risk treatment programs; provide financial and program management of all City employee benefit functions; identify, measure, analyze and report property, casualty, and liability risks; and administer the City's workers compensation program.
- **Systems Development:** Develop organizational capacity by redesigning structures, restructuring jobs, enhancing team and leadership effectiveness, addressing performance management issues, and developing strategic and operational plans; perform job analyses; establish class specifications as a tool for management; and determine appropriate compensation based on principles of comparable worth.

### 2006-2007 Accomplishments

We're proud of the following accomplishments for 2006 & 2007:

- Negotiated below industry average health insurance rate increases for 2009 and 2010 with no benefit reductions.
- Completed RFPs and provider selections for property broker, life insurance and health care providers, and workers compensation managed care and bill review services.
- Workers compensation medical bill review process saved \$3.08 million in 2006, 46% of the cost of all bills received.
- In 2006 the City reported 96.2% of workers compensation first report of injuries to the State, highest among all industries.
- Implemented on-line benefits and open enrollment.
- Established insurance requirements with the Risk Management Convention Group to financially protect the City for the RNC.
- Offered workers compensation and general risk management training for City managers and supervisors, increasing departmental interest in reducing injuries and costs.
- Increased flexible spending participation by 20% since 2005.
- Started a new Professional & Technical Development Series.
- Maintained the City's Pay Equity Compliance
- Provided effective, competency-based tools to better meet the City's needs in the areas of classification and structural design, performance management, and problem solving.
- Conducted a national recruitment process for Fire Chief.
- Became a national leader in the area of racial justice by removing the criminal history question from the City's employment application.
- Led New Conversations on Race & Racism for staff & DODs.
- Passed an audit of drug testing procedures and policies to determine compliance with DOT regulations.
- Spearheaded Street Services Worker trainee pilot program.
- Coordinated a summer job fair for Youth Job Corps employees.
- Successfully defended two veteran's preference termination hearings.
- Negotiated five labor contracts.

## Key Performance Measures

**Performance Objective:** Providing excellent customer service to city departments and offices

**Performance Indicator:** Customer Service Ratings (out of 5 points)

MEASURES:	2005 Actual	2006 Actual	2007 Estimated	2008 Projected
Employment and Diversity	4.75	4.5	4.6	4.6
Labor Relations	3.9	4.2	4.3	4.3
Risk Management	n/a	4.4	4.5	4.5
Systems Development	4.7	4.7	4.8	4.8

**Performance Objective:** Aggressively recruit for City job openings to ensure hiring reflects the diversity of the City of Saint Paul

**Performance Indicator:** % of applications received by women and minorities

MEASURES:	2005 Actual	2006 Actual	2007 Estimated	2008 Projected
% of applications received by women	27%	37%	38%	38%
% of applications received by minorities	28%	28%	35%	35%

**Performance Objective:** Keep the yearly increased cost of retiree health insurance below national health care cost inflation.

**Performance Indicator:** % change per year

MEASURES:	2005 Actual	2006 Actual	2007 Estimated	2008 Projected
% increase in cost of retiree health insurance	-0.26	-10.02	2.59	8.96

**Performance Objective:** Keep the cost of employee health insurance at or below the national health care cost. (MN State law requires early retirees to be placed in same pool as active employees, which increases the City's average cost, comparatively.)

**Performance Indicator:** Cost per employee (\$) City contribution plus employee contribution cost

MEASURES:	2005 Actual	2006 Actual	2007 Estimated	2008 Projected
Cost per employee - City	6,393	6,321	6,658	7,485
Cost per employee - national average (govt)	6,908	n/a	n/a	n/a

**Performance Objective:** Reduce the number of worker's compensation lost time days to reduce costs & increase productivity.

**Performance Indicator:** Total number of days lost.

MEASURES:	2005 Actual	2006 Actual	2007 Estimated	2008 Projected
Total number of days lost citywide	2,902	2,535	2,600	2,600

## 2008 Budget Plan

### 2008 Priorities

- Maintain high customer satisfaction ratings by providing exceptional service to our clients and customers.
- Attract, develop and maintain a diverse, professional workforce by fostering inclusive business practices and continuing to utilize aggressive recruiting strategies.
- Continue implementing a competency-based HR system for the City, providing education, practical applications, and streamlined processes as components of the system.
- Provide development opportunities for all levels of the organization in 2008.
- Increase Organizational Development Consulting Services capacity in the City.
- Complete effort to create 100% online access to Systems Development historical files, eliminating paper files.
- Complete negotiations of all open labor agreements in a timely fashion.
- Resolve conflicts in an equitable manner.
- Maintain equitable market positions for job classes.
- Maintain favorable decision rate for arbitrations and civil service hearings.
- Continue to administer the City's workers compensation and tort liability programs in a timely, fiscally responsible manner, and in accordance with state statutes.
- Work with the LMCHI to implement a cost effective health education/wellness program.
- Continue to work with departments to reduce workers compensation expenditures.
- Contract to conduct external assessments of the value of all City properties.
- Increase the number of participants in the medical FSA.
- Practice financially sound claims handling practices.
- Provide quarterly updates to departments, offices, and Saint Paul Regional Water Services (SPRWS).
- Develop a comprehensive procedure manual for benefits.
- Maintain and administer billing of property insurance for the City and SPRWS.

### 2008 Budget Explanation

#### Base Adjustments

The 2007 adopted budget was adjusted to set the budget base for 2008. The base includes the anticipated growth in salaries and fringes for 2008 for employees related to the bargaining process. It also includes 2.5% inflation growth on services and 3% on goods and materials.

#### Mayor's Recommendation

The proposed general fund budget for Human Resources is \$3,161,786, which represents an increase of \$91,164 over the 2007 Adopted Budget. This growth is primarily due to step and merit increases, promotions and inflation. There are 31.3 FTEs budgeted for 2008, a decline of 1.3 FTEs from 2007's total. The department achieved its spending reduction target by eliminating one full time position, removing funding for an intern and by eliminating general fund tuition reimbursements for employees budgeted in special funds.

The special fund budget is \$2,638,000, which is \$140,500 more than the 2007 Adopted Budget. The special fund budget is for the Risk Management Retention Fund, a consolidation of citywide risk related activities including property insurance, tort claims, flexible spending accounts, and workers compensation costs. The growth in this budget is mostly due to workers compensation and property insurance costs.

The proposed budget for HR reflects the office's share of spending for the new Enterprise Technology Initiative (ETI) and includes costs associated with the revised Central Service Cost allocation methodology as described in the Special Fund Highlights.

#### Statistical Profile

- Number of active labor contracts: 22
- Number of organizational design studies: 333
- Total number of exams: 82
- Total number of job applicants: 3,775
- Number of tort files opened: 372
- Number of open tort files at year end: 113
- Number of work comp files opened: 848
- Number of open work comp files at year end: 503

## 2008 Budget Plan (Continued)

### 2008 Budget Explanation (continued)

#### Council Actions

The City Council adopted the Office of Human Resources budget and recommendations as proposed by the Mayor and approved the following changes:

- Accepted technical changes to the special fund budget, which revise spending estimates for property insurance and tort claims.
- Accepted technical changes to the special fund budget, which increase property insurance revenue estimates and reduce the use of fund balance as a revenue source.

The 2008 adopted budget is \$3,161,786 for the general fund and \$2,348,000 in special funds. The adopted budget includes 31.3 general fund FTEs and no special fund FTEs.

# Spending Reports

## Human Resources

Department/Office Director: **ANGELA S NALEZNY**

		2005	2006	2007	2008	2008	Change from	
		2nd Prior	Last Year	Adopted	Mayor's	Council	Mayor's	2007
		Exp. & Enc.	Exp. & Enc.		Proposed	Adopted	Proposed	Adopted
<b>Spending By Unit</b>								
001	GENERAL FUND	3,071,328	2,979,306	3,070,622	3,161,786	3,161,786		91,164
060	RISK MANAGEMENT RETENTION FUND	1,082,166	1,797,821	2,497,500	2,638,000	2,348,000	-290,000	-149,500
Total Spending by Unit		<b>4,153,494</b>	<b>4,777,127</b>	<b>5,568,122</b>	<b>5,799,786</b>	<b>5,509,786</b>	<b>-290,000</b>	<b>-58,336</b>
<b>Spending By Major Object</b>								
	SALARIES	1,712,385	1,857,780	1,919,582	1,981,334	1,981,334		61,752
	SERVICES	935,932	962,122	1,068,465	1,068,866	1,068,866		401
	MATERIALS AND SUPPLIES	55,471	59,844	57,623	59,349	59,349		1,726
	EMPLOYER FRINGE BENEFITS	1,396,110	1,783,428	2,071,452	2,141,737	2,141,737		70,285
	MISC TRANSFER CONTINGENCY ETC	943	113,954	451,000	548,500	258,500	-290,000	-192,500
	DEBT							
	STREET SEWER BRIDGE ETC IMPROVEMENT							
	EQUIPMENT LAND AND BUILDINGS	52,653		0	0	0		
Total Spending by Object		<b>4,153,494</b>	<b>4,777,127</b>	<b>5,568,122</b>	<b>5,799,786</b>	<b>5,509,786</b>	<b>-290,000</b>	<b>-58,336</b>
Percent Change from Previous Year			<b>15.0%</b>	<b>16.6%</b>	<b>4.2%</b>	<b>-5.0%</b>	<b>-5.0%</b>	<b>-1.0%</b>
<b>Financing By Major Object</b>								
	GENERAL FUND	3,071,328	2,979,306	3,070,622	3,161,786	3,161,786		91,164
	SPECIAL FUND							
	TAXES							
	LICENSES AND PERMITS							
	INTERGOVERNMENTAL REVENUE			532,000	400,000	400,000		-132,000
	FEES, SALES AND SERVICES							
	ENTERPRISE AND UTILITY REVENUES							
	MISCELLANEOUS REVENUE	1,444,476	1,794,988	1,582,500	1,590,000	1,730,000		147,500
	TRANSFERS	432,734						
	FUND BALANCES			383,000	648,000	218,000		-165,000
Total Financing by Object		<b>4,948,538</b>	<b>4,774,294</b>	<b>5,568,122</b>	<b>5,799,786</b>	<b>5,509,786</b>	<b>-290,000</b>	<b>-58,336</b>
Percent Change from Previous Year			<b>-3.5%</b>	<b>16.6%</b>	<b>4.2%</b>	<b>-5.0%</b>	<b>-5.0%</b>	<b>-1.0%</b>

## City of Saint Paul 2008 Budget Division Spending Plan Summary Council Adopted Budget

Fund: **001 GENERAL FUND**  
 Department: **03 EXECUTIVE ADMINISTRATION**  
 Division: **0350 HUMAN RESOURCES**

Fund Manager: MATTHEW G SMITH  
 Division Manager: ANGELA S NALEZNY

Division Mission:  
 PROVIDE THE CITY WITH EFFECTIVE AND EFFICIENT HUMAN RESOURCE SERVICES AND EXPERTISE.

	Spending Amount						Personnel FTE/Amount (salary+Allowance+Negotiated Increase)							
	2005	2006	2007	2008		2005	2006	2007	2008		Change from			
	2nd Prior	Last Year	Adopted	Amount	Change/Percent				Authorized	Adopted		Council Adopted	2007	
Exp. & Enc.	Exp. & Enc.				FTE	FTE/Amount	FTE/Amount	FTE/Amount	FTE/Amount					
<b>by Type of Expenditure</b>														
SALARIES	1,712,385	1,857,780	1,919,582	1,981,334	61,752	3.2%								
SERVICES	715,532	485,843	493,465	488,866	-4,599	-0.9%								
MATERIALS AND SUPPLIES	55,471	59,844	57,623	59,349	1,726	3.0%								
EMPLOYER FRINGE BENEFITS	534,625	574,809	598,952	631,237	32,285	5.4%								
MISC TRANSFER CONTINGENCY ETC	663	1,031	1,000	1,000										
DEBT														
STREET SEWER BRIDGE ETC IMPROVEMENT														
EQUIPMENT LAND AND BUILDINGS	52,653		0	0										
Division Total	<b>3,071,328</b>	<b>2,979,306</b>	<b>3,070,622</b>	<b>3,161,786</b>	<b>91,164</b>	<b>3.0%</b>								
<b>by Activity</b>														
00165 HUMAN RESOURCES	3,071,328	2,979,306	3,070,622	3,161,786	91,164	3.0%	32.9	32.4	32.6	1,919,582	31.3	1,981,334	-1.3	61,752
Division Total	<b>3,071,328</b>	<b>2,979,306</b>	<b>3,070,622</b>	<b>3,161,786</b>	<b>91,164</b>	<b>3.0%</b>	<b>32.9</b>	<b>32.4</b>	<b>32.6</b>	<b>1,919,582</b>	<b>31.3</b>	<b>1,981,334</b>	<b>-1.3</b>	<b>61,752</b>
Percent Change from Previous Year		<b>-3.0%</b>	<b>3.1%</b>				<b>-1.5%</b>	<b>0.6%</b>					<b>-4.0%</b>	<b>3.2%</b>



## City of Saint Paul 2008 Budget Fund Spending Plan Summary Council Adopted Budget

Fund: **060 RISK MANAGEMENT RETENTION FUND**

Department: **0350 HUMAN RESOURCES**

Fund Purpose:

THE RISK MANAGEMENT RETENTION FUND IS A CONSOLIDATION OF CITY-WIDE RISK RELATED ACTIVITIES INCLUDING PROPERTY INSURANCE, TORT CLAIMS, FLEXIBLE SPENDING ACCOUNTS AND WORKERS COMPENSATION COSTS.

Fund Manager: ANGELA S NALEZNY

Department Director: ANGELA S NALEZNY

	Spending Amount					Personnel FTE/Amount (salary+Allowance+Negotiated Increase)				
	2005	2006	2007	2008		2005	2006	2007	2008	Change from
	2nd Prior Exp. & Enc.	Last Year Exp. & Enc.	Adopted	Council Adopted Amount	Change/Percent	Authorized FTE	Adopted FTE/Amount	Council Adopted FTE/Amount	Change from 2007 FTE/Amount	
<b>by Type of Expenditure</b>										
SALARIES										
SERVICES	220,401	476,280	575,000	580,000	5,000	0.9%				
MATERIALS AND SUPPLIES										
EMPLOYER FRINGE BENEFITS	861,486	1,208,619	1,472,500	1,510,500	38,000	2.6%				
MISC TRANSFER CONTINGENCY ETC	280	112,923	450,000	257,500	-192,500	-42.8%				
DEBT										
STREET SEWER BRIDGE ETC IMPROVEMENT										
EQUIPMENT LAND AND BUILDINGS										
Spending Total	<b>1,082,166</b>	<b>1,797,821</b>	<b>2,497,500</b>	<b>2,348,000</b>	<b>-149,500</b>	<b>-6.0%</b>				
<b>by Activity</b>										
10120 WORKERS COMPENSATION	861,486	1,207,860	1,472,500	1,508,000	35,500	2.4%				
10121 PROPERTY INSURANCE	181,383	541,932	900,000	750,000	-150,000	-16.7%				
10122 FSA RESERVE	39,297	47,271	75,000	80,000	5,000	6.7%				
10123 TORT CLAIMS		759	50,000	10,000	-40,000	-80.0%				
Fund Total	<b>1,082,166</b>	<b>1,797,821</b>	<b>2,497,500</b>	<b>2,348,000</b>	<b>-149,500</b>	<b>-6.0%</b>			<b>0.0</b>	<b>0</b>
Percent Change from Previous Year		<b>66.1%</b>	<b>38.9%</b>							

# Financing Reports

## Financing by Major Object Code

Department: **0350HUMAN RESOURCES**

### GENERAL FUND

		2005 2nd Prior Exp. & Enc.	2006 Last Year Exp. & Enc.	2007 Adopted	2008 Council Adopted	Change from 2007 Adopted
4306	DUPLICATING -XEROX-MULTILIT-ETC.	134	27			
4399	SERVICES N.O.C.			241,543	241,543	
<b>FEES, SALES AND SERVICES</b>		134	27	241,543	241,543	0
6905	CONTRIB. & DONATIONS - OUTSIDE	2,320	3,576	600	600	
6914	REFUNDS - JURY DUTY PAY		60			
6915	REFUNDS - NOT OTHERWISE CLASSIFIED	306	49			
6999	OTHER MISCELLANEOUS REVENUE N.O.C.	241,543	241,543			
<b>MISCELLANEOUS REVENUE</b>		244,169	245,228	600	600	0
7303	TRANSFER FROM INTERNAL SERVICE FUND		100,000			
7305	TRANSFER FROM SPECIAL REVENUE FUND					
<b>TRANSFERS</b>		0	100,000	0	0	0
Fund Total		244,303	345,255	242,143	242,143	0

## Financing by Major Object Code

Department: **0350HUMAN RESOURCES**

### SPECIAL FUNDS

	2005 2nd Prior Exp. & Enc.	2006 Last Year Exp. & Enc.	2007 Adopted	2008 Council Adopted	Change from 2007 Adopted
3404 WORKERS COMP BENEFITS			532,000	400,000	-132,000
<b>INTERGOVERNMENTAL REVENUE</b>	0	0	532,000	400,000	-132,000
6906 CONTRIBUTIONS FROM OTHER FUNDS	1,378,903	1,556,130	1,582,500	1,650,000	67,500
6908 DAMAGE CLAIM RECOVERY FROM OTHERS	1,497	207,579			
6915 REFUNDS - NOT OTHERWISE CLASSIFIED	834				
6917 REFUNDS - OVERPAYMENTS	27,215				
6999 OTHER MISCELLANEOUS REVENUE N.O.C.	36,027	31,279		80,000	80,000
<b>MISCELLANEOUS REVENUE</b>	1,444,476	1,794,988	1,582,500	1,730,000	147,500
7303 TRANSFER FROM INTERNAL SERVICE FUND	296,530				
7305 TRANSFER FROM SPECIAL REVENUE FUND	136,204				
<b>TRANSFERS</b>	432,734	0	0	0	0
9830 USE OF FUND BALANCE			383,000	218,000	-165,000
<b>FUND BALANCES</b>	0	0	383,000	218,000	-165,000
Fund Total	1,877,210	1,794,988	2,497,500	2,348,000	-149,500

<b><u>Department Total</u></b>	<b><u>2,121,513</u></b>	<b><u>2,140,243</u></b>	<b><u>2,739,643</u></b>	<b><u>2,590,143</u></b>	<b><u>-149,500</u></b>
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## City of Saint Paul Financing Plan by Department and Activity

Fund: **001 GENERAL FUND**

Fund Manager: MATTHEW G SMITH

**Assumptions for Major Revenue Sources and Explanation for Significant Financing Changes:**

THE GENERAL FUND RECEIVES THE VAST MAJORITY OF ITS REVENUE FROM PROPERTY TAXES, STATE AIDS AND FRANCHISE FEES.

Department	Activity	2005 2nd Prior Exp. & Enc.	2006 Last Year Exp. & Enc.	2007 Adopted	2008 Council Adopted	Change from 2007
<b>0350</b>	<b>HUMAN RESOURCES</b>					
00165	HUMAN RESOURCES	244,303	345,255	242,143	242,143	
	<b>Department Total</b>	<b>244,303</b>	<b>345,255</b>	<b>242,143</b>	<b>242,143</b>	<b>0</b>
	<b><u>Financing by Major Object</u></b>					
	TAXES					
	LICENSES AND PERMITS					
	INTERGOVERNMENTAL REVENUE					
	FEES, SALES AND SERVICES	134	27	241,543	241,543	
	ENTERPRISE AND UTILITY REVENUES					
	MISCELLANEOUS REVENUE	244,169	245,228	600	600	
	TRANSFERS		100,000			
	FUND BALANCES					
	<b>Total Financing by Object</b>	<b>244,303</b>	<b>345,255</b>	<b>242,143</b>	<b>242,143</b>	<b>0</b>

## City of Saint Paul

### Financing Plan by Department and Activity

Fund: **060 RISK MANAGEMENT RETENTION FUND**

Fund Manager: ANGELA S NALEZNY

**Assumptions for Major Revenue Sources and Explanation for Significant Financing Changes:**

REVENUE FOR THIS FUND COMES FROM CITY DEPARTMENTS' SHARE OF WORKERS COMPENSATION AND PROPERTY INSURANCE COSTS.

Department	Activity	2005 2nd Prior Exp. & Enc.	2006 Last Year Exp. & Enc.	2007 Adopted	2008 Council Adopted	Change from 2007
<b>0350 HUMAN RESOURCES</b>						
10120	WORKERS COMPENSATION	826,847	1,155,348	1,472,500	1,508,000	35,500
10121	PROPERTY INSURANCE	850,917	608,361	900,000	750,000	-150,000
10122	FSA RESERVE	199,446	31,279	75,000	80,000	5,000
10123	TORT CLAIMS			50,000	10,000	-40,000
<b>Department Total</b>		<b>1,877,210</b>	<b>1,794,988</b>	<b>2,497,500</b>	<b>2,348,000</b>	<b>-149,500</b>
<b><u>Financing by Major Object</u></b>						
TAXES						
LICENSES AND PERMITS						
INTERGOVERNMENTAL REVENUE						
FEES, SALES AND SERVICES						
ENTERPRISE AND UTILITY REVENUES						
MISCELLANEOUS REVENUE						
TRANSFERS						
FUND BALANCES						
<b>Total Financing by Object</b>		<b>1,877,210</b>	<b>1,794,988</b>	<b>2,497,500</b>	<b>2,348,000</b>	<b>-149,500</b>

# Personnel Reports

**City of Saint Paul  
 Personnel Summary by Fund, Department, Division and Activity**

**GENERAL FUND**

Department		2005	2006	2007	2008	Change from
Division	Activity	Adopted FTE	Adopted FTE	Adopted FTE	Council Adopted FTE	2007 Adopted
0350	HUMAN RESOURCES					
0350	HUMAN RESOURCES					
	00165 HUMAN RESOURCES	32.9	32.4	32.6	31.3	-1.3
	<b>Division Total</b>	<b>32.9</b>	<b>32.4</b>	<b>32.6</b>	<b>31.3</b>	<b>-1.3</b>
	<b>Department Total</b>	<b>32.9</b>	<b>32.4</b>	<b>32.6</b>	<b>31.3</b>	<b>-1.3</b>