

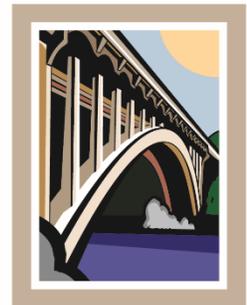


ANNUAL REPORT 2017-2018

Human Resources
Department
City of Folsom

50 Natoma Street
Folsom, CA, 95630

(916) 461-6050
jobs@folsom.ca.us



CITY OF
FOLSOM
HUMAN RESOURCES
DEPARTMENT

Introduction

MISSION STATEMENT

- To contribute to the organizational performance thru the recruitment, retention, and development of well qualified and productive employees in a manner that will be of value to its various stakeholders,
- To encourage and coach employees on providing a work environment that is safe, productive, civil, and promotes good employee relations,
- To minimize organizational risk thru the administration of human resource systems in compliance with Federal, State, and local laws and regulations, and
- To provide desired human resource and benefit programs in a cost-effective manner.

ABOUT THIS REPORT

Welcome to the Office of Human Resources and our first Annual Report; a snapshot of the Human Resources' activities from Fiscal Year 2017 - 2018.

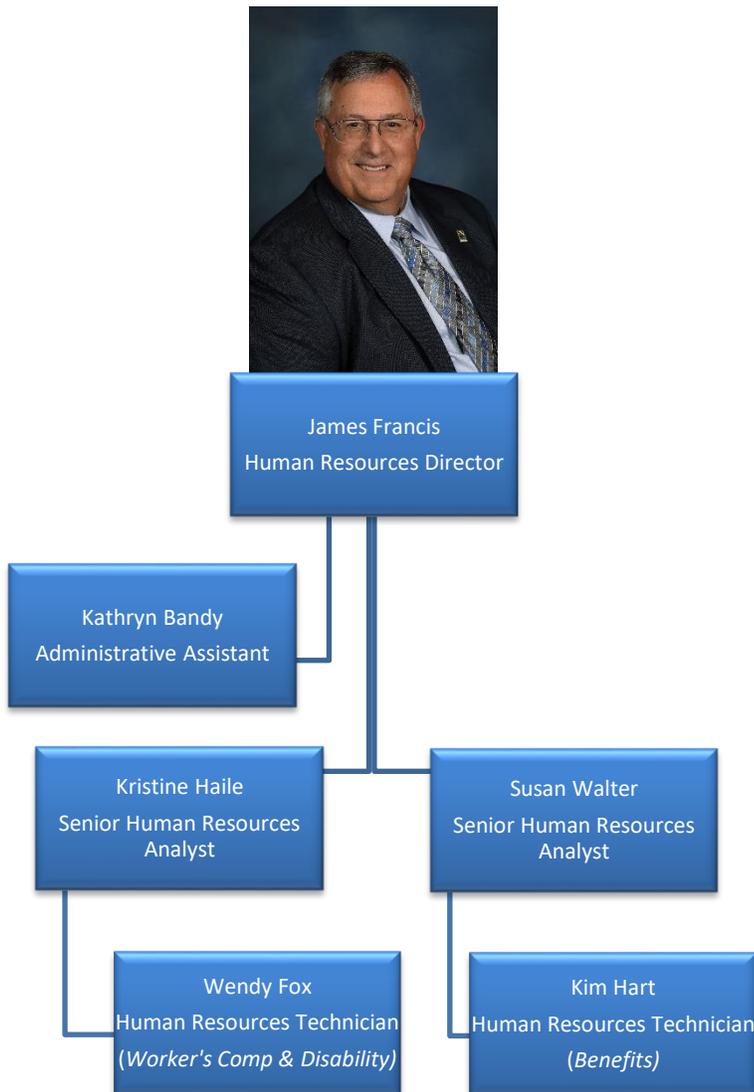
Each area of Human Resources is represented on the following pages: Employment, Recruiting, Compensation Administration and Payroll Changes, Benefits, Risk Management, Workers' Compensation Administration, Training & Development, and Employee and Labor Relations.

The staff in Human Resources invested in two major projects this year. First, we implemented a new paperless applicant tracking program known as NEOGOV, which has significantly improved our recruitment processes. Candidates can now apply to open positions online. In addition to this improvement, www.GovernmentJobs.com has become an excellent source of advertisement for open positions with the City. Also, the department completed a thorough review of benefits, offering an additional medical choice of Sutter Health Plus, with the hope of continuing to provide the best cost/value proposition to our employees and the City.

The economy is good, unemployment is low, and recruiting and retaining key staff has become ever more challenging.

As always, please feel free to call us at (916) 461-6050, email our Administrative Assistant Kathryn Bandy at kbandy@folsom.ca.us, or visit our counter on the 2nd floor of City Hall if you have any questions or concerns.

Human Resources Staffing



The Human Resources Department is led by James Francis, Human Resources Director. Mr. Francis is also the Director of Finance and recently took on the role of Assistant City Manager as well.

The Human Resources Director is supported by five full-time Human Resources staff members: two Senior Human Resources Analysts, two Human Resources Technicians, and one Administrative Assistant.

The two Senior Human Resources Analysts lead and perform Human Resources duties city-wide, with primary departmental assignments.

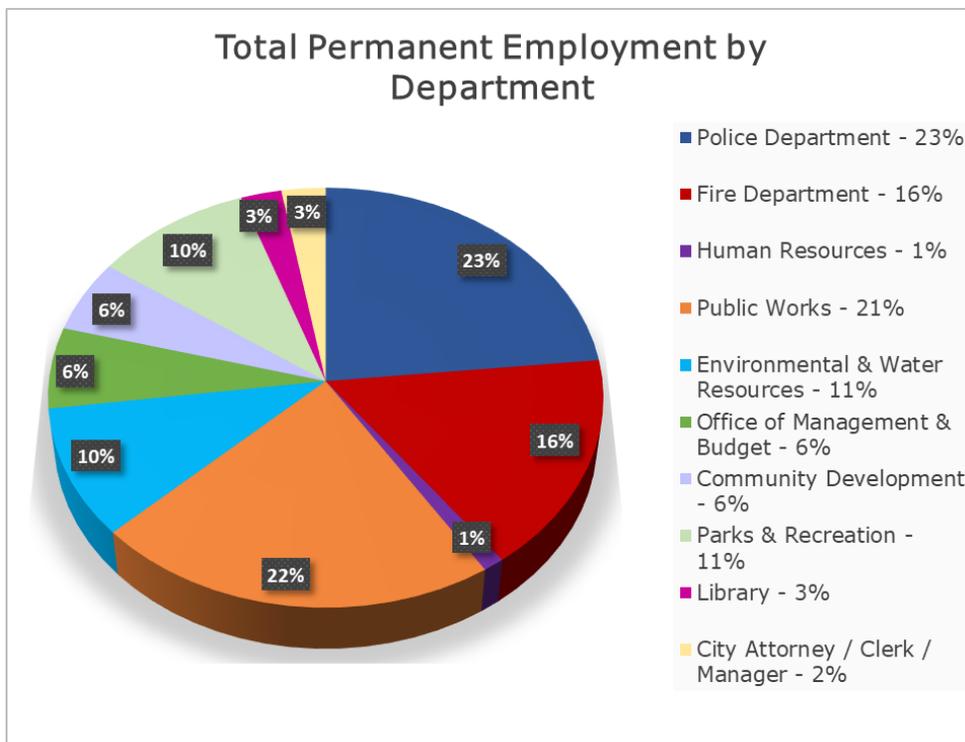
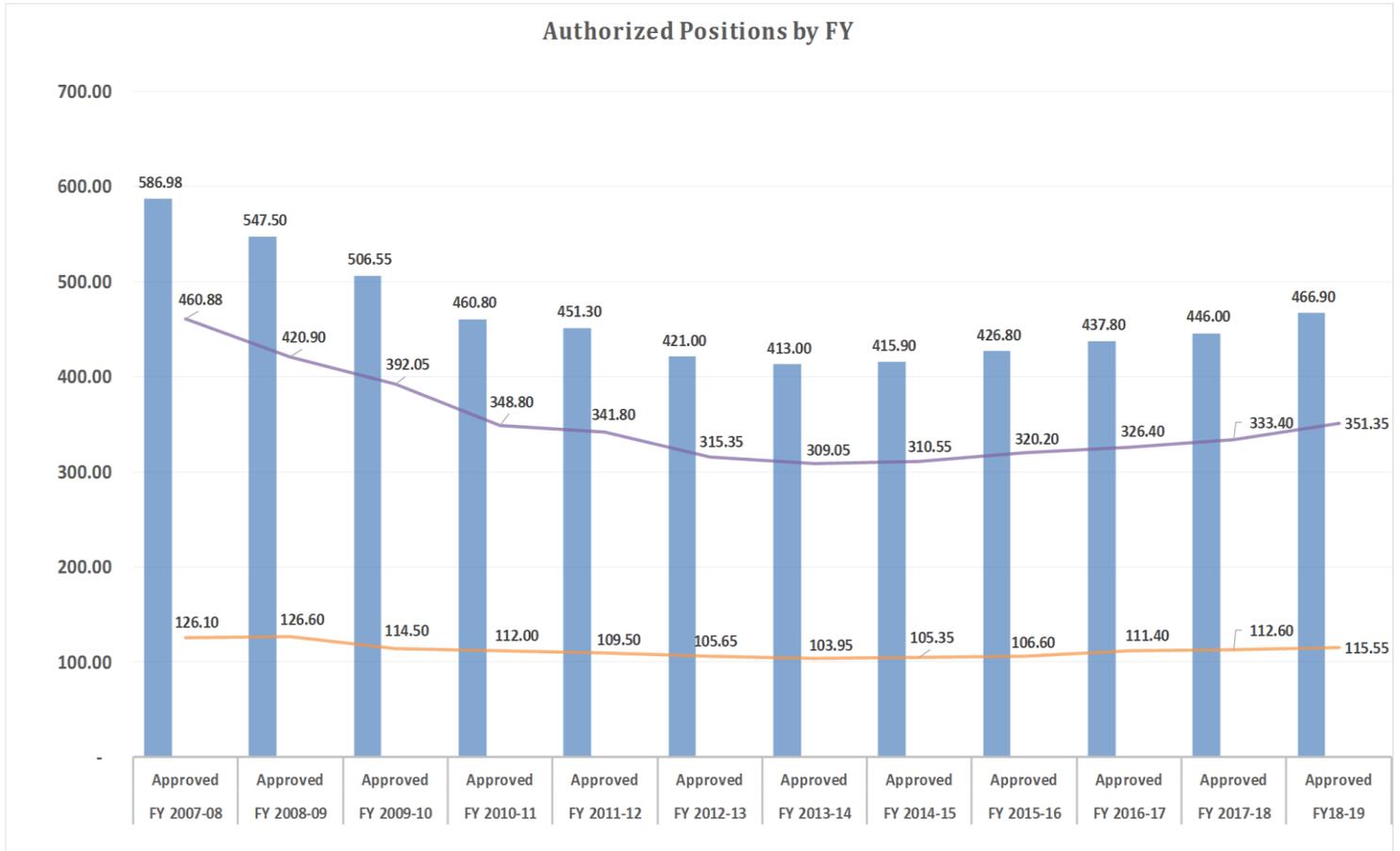
Kristine Haile, Senior Human Resources Analyst:

- General Human Resources support to the Fire Department, Parks & Recreation, Public Works, Water, Wastewater, Solid Waste, and Transit.
- Specialty focus of Risk Management and lead to Wendy Fox, Human Resources Technician.

Susan Walter, Senior Human Resources Analyst:

- General Human Resources support to the Police Department, City Clerk, Information Systems, Library, City Attorney's Office, City Manager's Office, Community Development, Finance, and Human Resources.
- Specialty focus of Benefits and lead to Kim Hart, Human Resources Technician.

Employee Profile

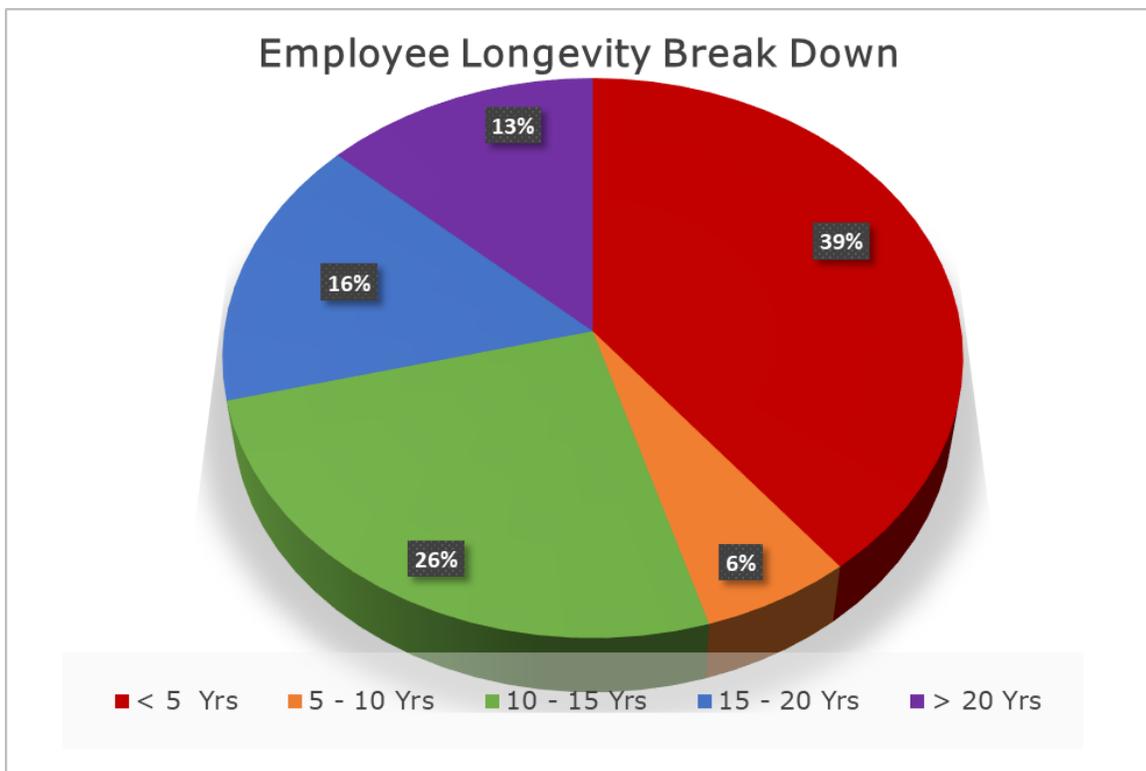


Total Number of Permanent Employees	
Police Department	101
Fire Department	71
Human Resources	5
Public Works	95
Environmental & Water Resources	43
Office of Management & Budget	27
Community Development	24
Parks & Recreation	43
Library	11
City Attorney / Clerk / Manager	12
Total	432
Total Vacant Positions as of 6/30/18	14

Employee Profile (Cont.)

Longevity Breakdown by Department

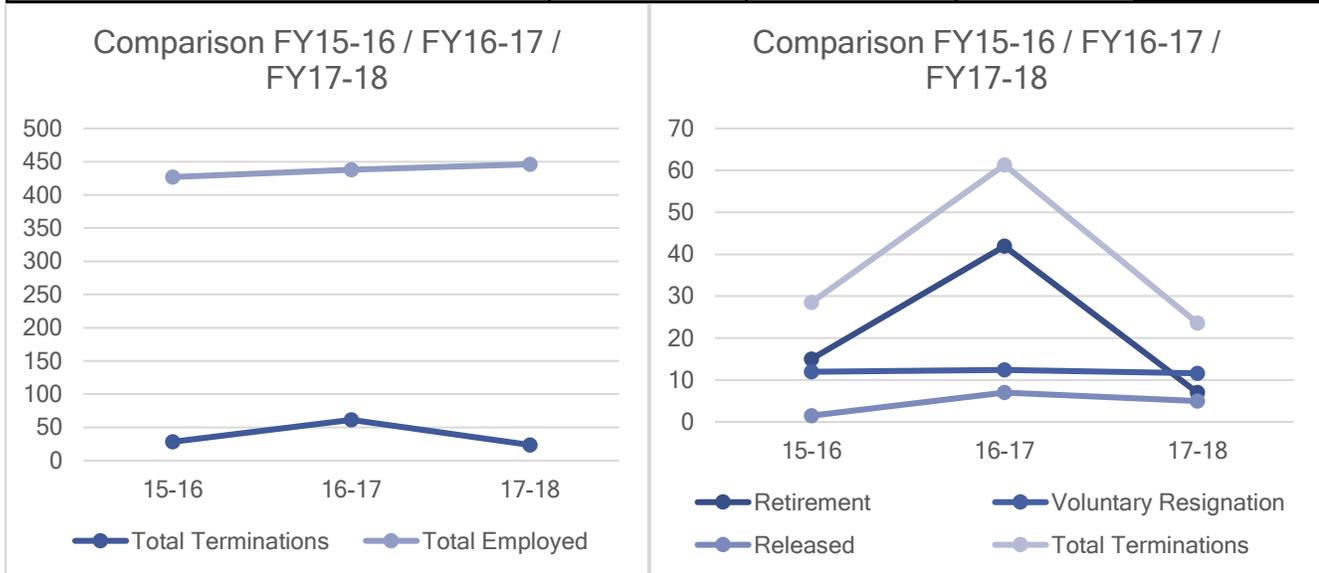
	< 5 Yrs	5 - 10 Yrs	10 - 15 Yrs	15 - 20 Yrs	> 20 Yrs	Total:
City Manager / Attorney / Clerk	5	0	3	3	1	12
Human Resources	2	1	1	0	1	5
Office of Management & Budget	9	2	11	2	3	27
Community Development	12	2	2	4	4	24
Police Department	33	10	37	14	7	101
Fire Department	31	1	15	14	10	71
Public Works	38	7	23	12	15	95
Parks & Recreation	18	0	5	9	11	43
Library	7	1	2	1	0	11
Environmental & Water Resources	15	2	12	9	5	43
Total:	170	26	111	68	57	432
Percentage:	39%	6%	26%	16%	13%	
	45%		55%			



Employee Turnover

Turnover Comparison FY15-16/FY16-17/FY17-18

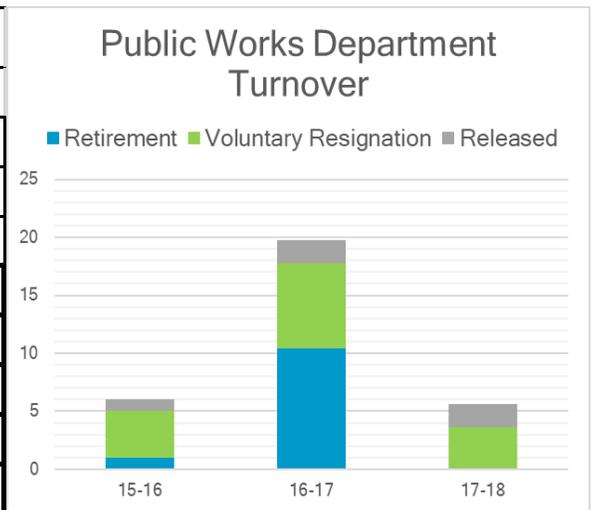
	FY 15-16	FY 16-17	FY 17-18	Totals:
Retirement	15	42	7	64
Voluntary Resignation	12	12	12	36
Released	2	7	5	14
Totals:	29	61	24	113
Total Employed:	427	438	446	
Turnover Rate:	6.68%	14.00%	5.29%	
Retirements:	3.51%	9.57%	1.57%	
Net Turnover Rate:	3.16%	4.43%	3.72%	



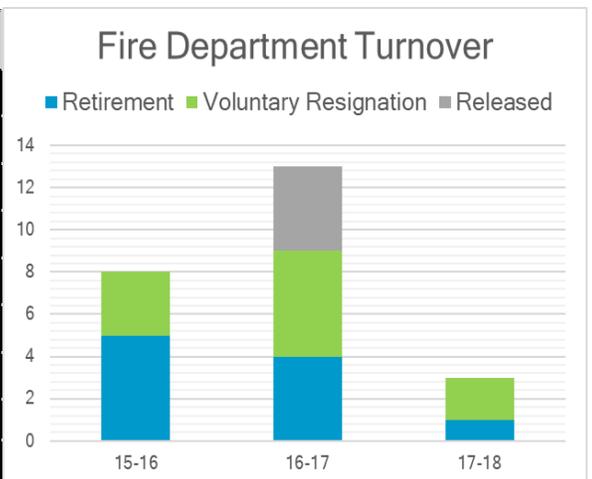
- The total number of employee terminations dropped from 61 in FY 16-17 to just 24 in FY 17-18, making it the lowest total out of the last three fiscal years.
- Out of the 24 terminations of employment in FY 17-18, 50% were due to voluntary employee resignations, 21% were due to releasing employees from employment, and 29% were due to retirement from City service.
- The number of employees electing to retire decreased by 35 total employees. The spike in retirements in FY 16-17 was due to a service incentive granted to those electing to retire.
- The City's net rate of turnover decreased by 0.71% from FY 16-17 to FY 17-18.

Employee Turnover (Cont.)

Public Works Department Turnover			
	15-16	16-17	17-18
Retirement	1	10	0
Voluntary Resignation	4	7	4
Released	1	2	2
Totals:	6	20	6
Total Employed:	89	92	94
Turnover Rate:	6.77%	21.43%	5.96%
Due to Retirement:	1.13%	11.26%	0.00%
Net Turnover Rate:	5.64%	10.17%	5.96%

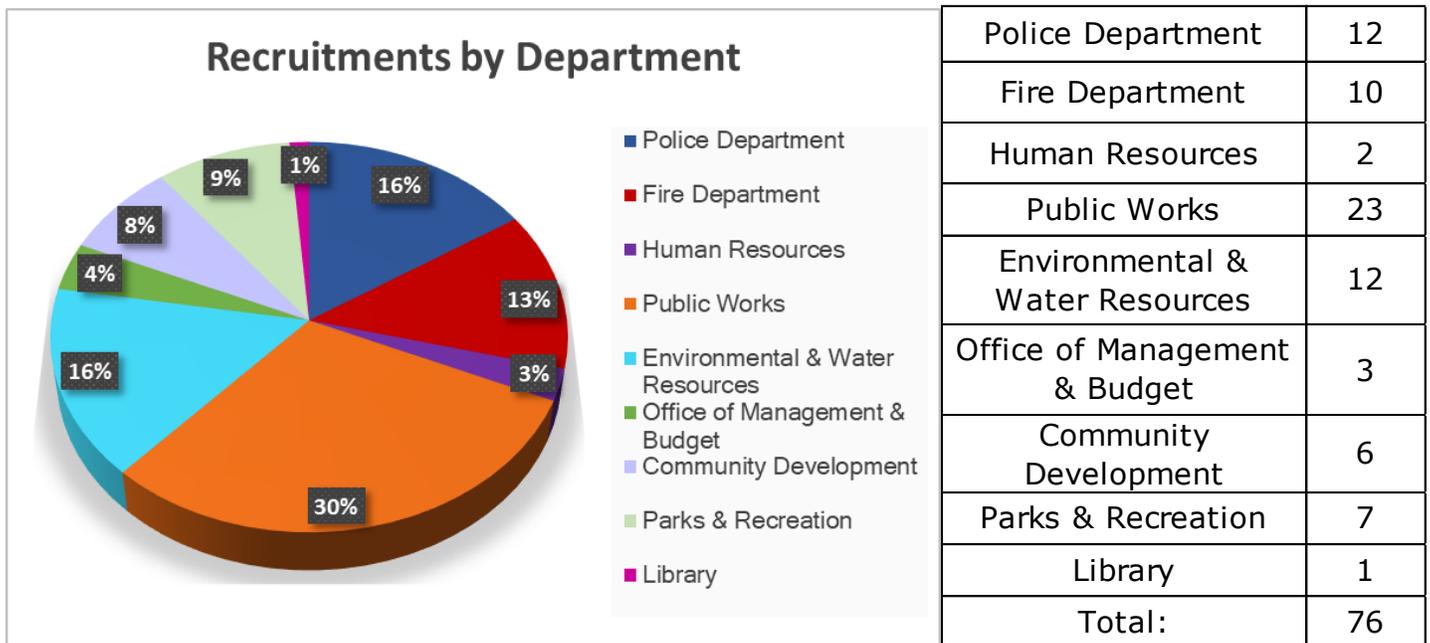


Fire Department Turnover			
	15-16	16-17	17-18
Retirement	5	4	1
Voluntary Resignation	3	5	2
Released	0	4	0
Totals:	8	13	3
Total Employed:	69	69	71
Turnover Rate:	11.59%	18.84%	4.23%
Due to Retirement:	7.25%	5.80%	1.41%
Net Turnover Rate:	4.35%	13.04%	2.82%



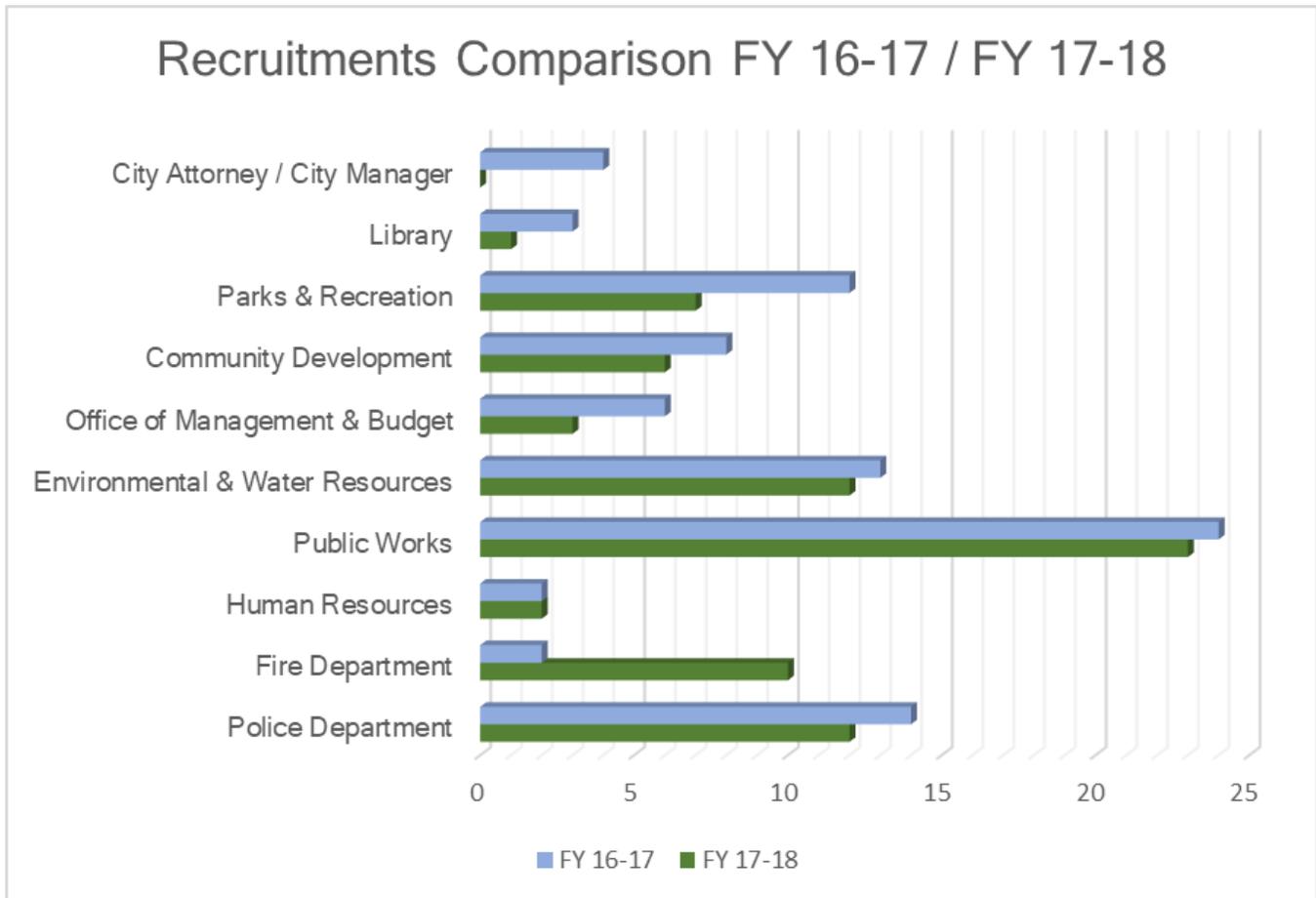
- The Public Works Department and the Fire Department have experienced the highest rates of turnover over the last three fiscal years.
- For the Public Works Department, the resignations of many Refuse Drivers and Transit Drivers as well as retirements from throughout the department as a whole has caused their turnover to spike. The Public Works Department also hires many Transit Drivers to work part time, which can also contribute to an increased rate of turnover.
- A similar trend has occurred in the Fire Department, with several resignations from Firefighters and Retirements from all different ranks. Due to the high standards the City holds for Safety Employees, there was also a spike in probationary Firefighters being released from the academy in FY 16-17.

Recruitments



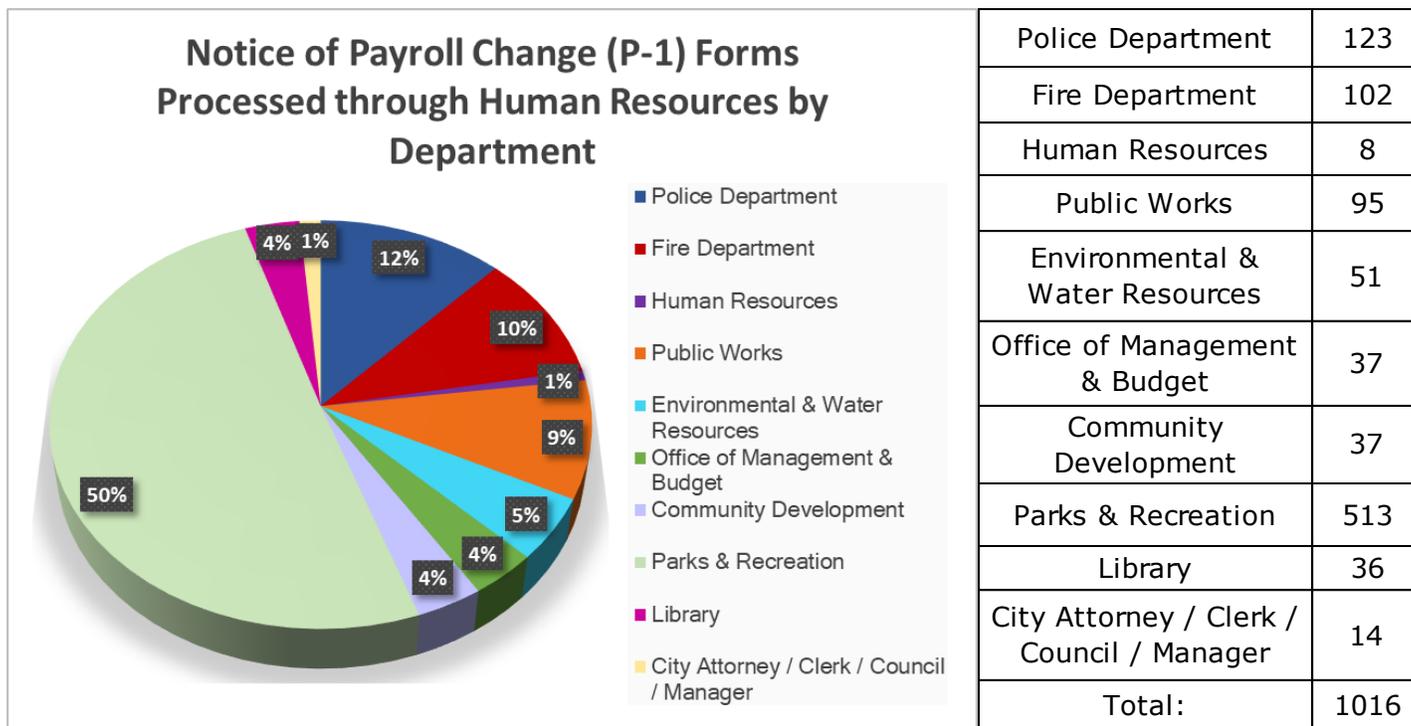
- o In this last fiscal year, the Human Resources Department worked on a total of 76 recruitments, out of which 24 were promotional only opportunities. Some of these recruitments will be completed in FY 18-19, and some of the recruitments that were completed in FY 17-18 were spilled over from FY 16-17.
- o A total of 46 new permanent employees joined the City of Folsom, and a total of 23 employees promoted to new positions with the City.
- o The City hired 10 new Firefighters and completed a recruitment to establish a list for 6 additional openings in FY 18-19, as well as other possible future openings.
 - o 4 employees of the Fire Department promoted during the fiscal year, including the reestablished position of Battalion Chief. Promotional recruitments were also conducted to establish eligibility lists for new positions in FY 17-18.
- o The City hired 4 new Police Officers and 3 new Dispatchers.
 - o 8 employees of the Police Department promoted during the fiscal year, including a new Police Chief.

Recruitments (Cont.)



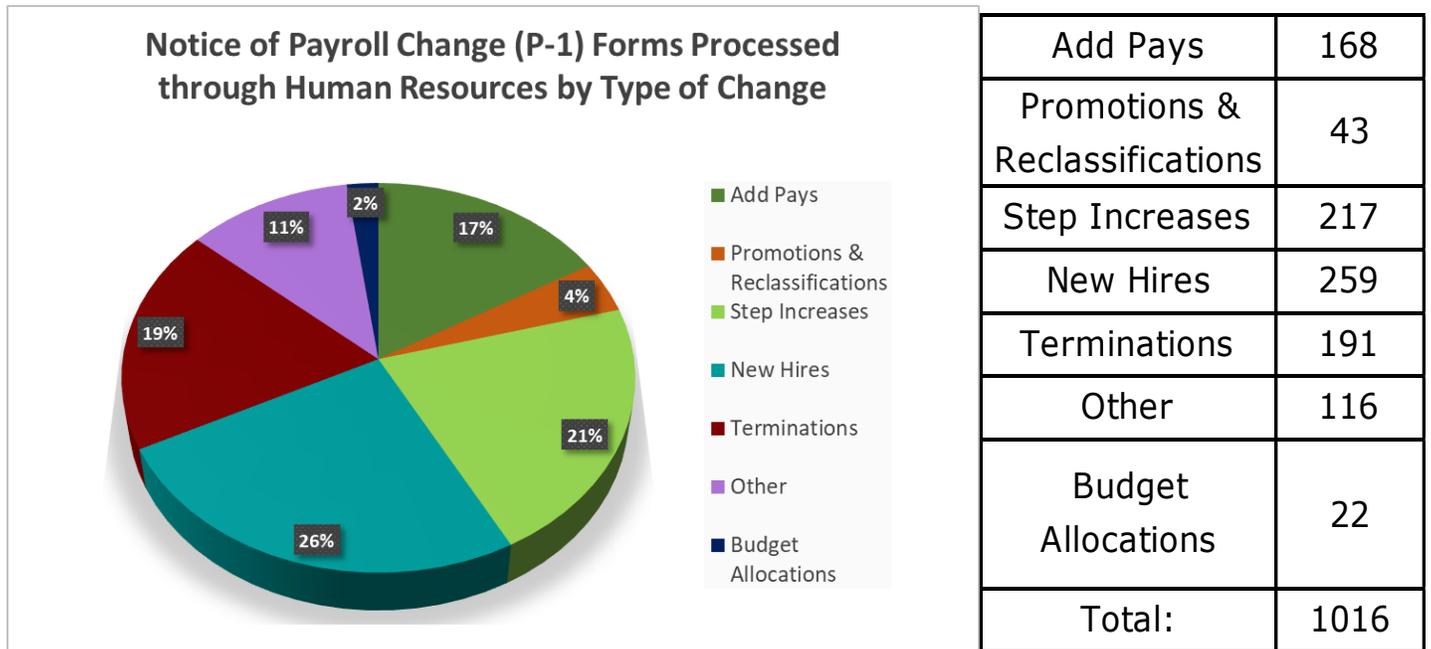
- One significant change from FY 16-17 to FY 17-18 is the increase in recruitments in the Fire Department. This is due to the approval for an increased level of staffing as well as a high turnover rate from retirements and resignations.
- The Public Works Department and Environmental & Water Resources Department consistently have a high volume of recruitments. Some of these positions are difficult to recruit for because of the level of experience desired, as well as a high demand and higher pay available in the private sector.
- The departments with the lowest rates of recruitments are the Human Resources Department, the Library, and the City Attorney, City Clerk, and City Manager's Departments. This is primarily due to the small size of the departments.

Payroll Changes



- o A Notice of Payroll Change (P-1) form is completed for any change to the amount of an employees pay, or to the budget code that they are being paid from.
 - o Most P-1 forms require signatures from Department Heads and either a Human Resources Analyst or the Human Resources Director.
 - o Some P-1 forms must be signed off by the City Manager before they can be processed.
- o The Human Resources Department and Payroll processed a total of 1,016 Notice of Payroll Change (P-1) forms during FY 17-18.
- o 50% of the P-1's processed were for the Parks & Recreation Department. This high volume is primarily caused by the size of the department as well as the constant seasonal hiring that is necessary to run the department.
- o The Police Department and the Fire Department also have a high volume of P-1's processed. This is due to the size of the departments, changes in accruals and schedules, and step increases.

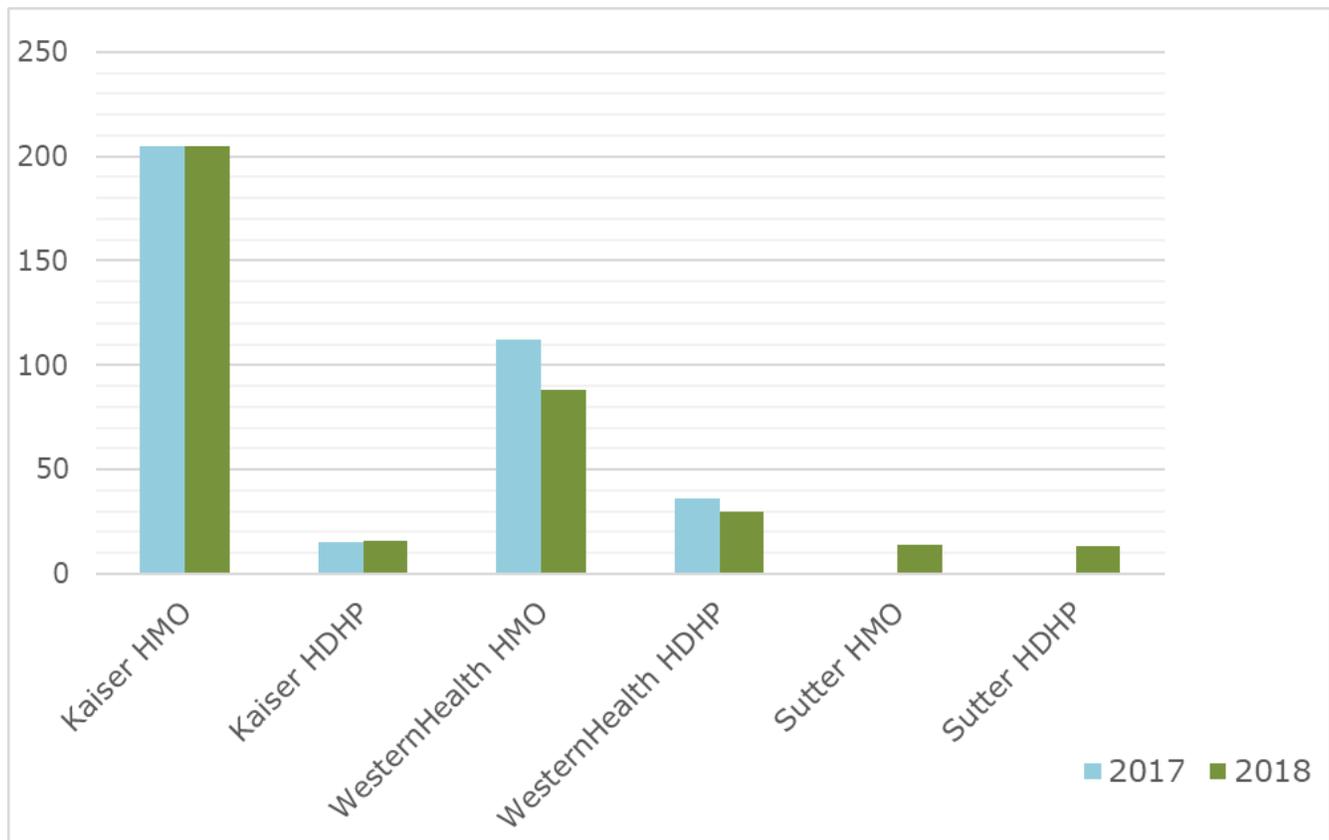
Payroll Changes (Cont.)



- The most common P-1 form processed through Human Resources and Payroll during FY 17-18 was to hire a new employee. Out of the 259 new hire P-1's processed, 213 were for temporary, part-time positions, and 46 were for permanent positions.
 - The majority of the temporary, part-time positions are seasonal jobs in the Parks & Recreation Department.
 - The majority of the termination P-1's processed were for end of seasonal employments in the Parks & Recreation Department.
- P-1's that fall into the "Other" category include actions such as: successful completion of probation, schedule changes, and accrual adjustments.
- 217 step increases were granted in FY 17-18, and 43 employees were either promoted or reclassified into new positions.
- 168 P-1's were processed for various "Add Pays." These add pays include educational incentives, longevity pays, and certification pays. Depending on their bargaining unit and the minimum qualifications for their position, employees are able to increase their total rate of pay for obtaining certain certifications or degrees. Employees should consult their MOU's for more details.

Benefits Administration

Medical Plan Enrollment Changes from 2017 to 2018



- This past fiscal year, the Human Resources Department conducted and completed an audit of all active and retired employee's health benefit accounts.
- The annual health fair was hosted and featured presentations from different medical providers offered to City of Folsom employees.
- Keenan & Associates was hired as the City's new benefit broker.
- The Department negotiated with Sutter Health Plus to add them as a medical provider option for City employees. UC Davis Medical Group is no longer a provider option for City employees.
- A universal enrollment form was developed in order to streamline new benefit enrollments as well as changes.
- The benefits committee met numerous times over the course of the year.
- During open enrollment period, more than 75 employees changed their medical benefit providers.
- The Department designed and produced benefit summaries for all bargaining units for both employee and public information purposes.

Retiree Medical

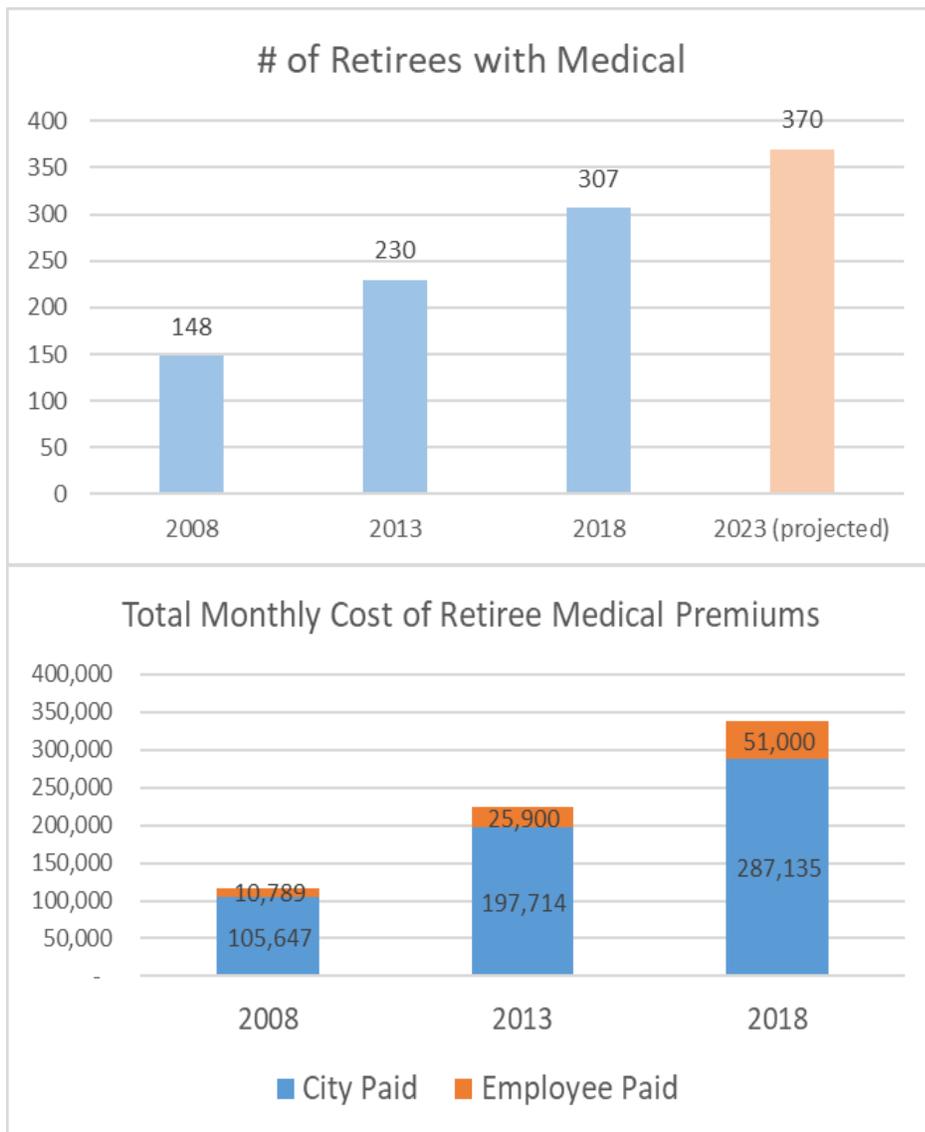
A major expense to the City of Folsom is retiree medical. Realizing this cost was growing rapidly and unsustainable, the City successfully negotiated to end the retiree medical benefit for all employees hired after January 1, 2007.

The City is budgeted to employ 468 full-time equivalent regular staff in FY2018/19. Of these active employees, 56% remain eligible for lifetime retiree medical when they retire. Although phasing out retiree medical, the number of retirees on our medical benefits has more than doubled in the last 10 years, growing from 148 retirees in 2008 to 307 retirees in 2018.

This number will continue to increase annually for the near term.

Retirees require HR time throughout the year explaining and resolving medical benefit issues. This time has increased each year with the growing number of retirees and additional medical offerings. The chart below shows this increase, with a rough projection should 25% of active employees hired pre-2007 retire in the next five years.

Costs have increased significantly for retiree medical due both to increased number of retirees and increased cost of medical premiums. Current cost to the City for retiree medical only (not including dental and vision) is close to \$300,000 per month, nearly tripling in the past 10 years.



Risk Management

- A Hepatitis A Immunizations clinic was hosted for City of Folsom employees from various departments.
- Supervisors and Managers from many departments attended a Safety & Risk Management Tools training hosted by Human Resources and conducted by the City's Risk Consortium, Northern California Cities Self Insurance Fund (NCCSIF).
 - The training covered a variety of topics, including Risk Management Resources, Best Practices, Risk Pooling, and Accident Reporting and Investigation.
- The Human Resources Department is working with Bickmore on a number of safety goals, including the Division of Occupational Safety and Health of California (Cal/OSHA) training, City owned facility inspections, loss analysis, and program development and review.
- All departments have access to an extensive array of on-line safety training resources. These resources include over 300 on-line streaming safety videos, valuable safety training handouts through Bickmore, and hundreds of online web based courses available through CSAC-EIA.
 - A wide variety of training topics are available ranging from OSHA required technical topics to effective communication and HR related topics.
 - Our current risk control contact is Henri Castro from Bickmore.
 - For more information go to <http://riskcontrol.bickmore.net/> and <https://www.csac-eia.org/> or contact Henri - (916) 244-1107 or hcastro@bickmore.net.
- The Department of Motor Vehicles Pull Notice program provides the City with any updates regarding the status of an employee's driver's license. These notices help the City ensure that employees who drive for the city are safe and legally allowed to do so.
- In addition to being in the Pull Notice program, employees who drive city vehicles or are in "Safety Sensitive" positions (such as positions at the Water Treatment Plant) are subject to random pull Department of Transportation Drug Testing.

Worker's Compensation/Leave Administration

Worker's Compensation Overview

Fiscal Year	Frequency	Lost Time Days	Severity
FY 13-14	81	1169	\$ 937,738
FY 14-15	69	1004	\$ 1,167,502
FY 15-16	54	917	\$ 647,043
FY 16-17	84	930	\$ 1,023,976
FY 17-18	79	621	\$ 469,506
Total	367	4641	\$ 4,245,765

Worker's Compensation Claim Status

	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18
Open	7	4	7	18	21
	\$ 654,941	\$ 882,534	\$ 540,961	\$ 880,305	\$ 364,728
Closed	74	65	47	66	58
	\$ 282,797	\$ 284,968	\$ 106,082	\$ 143,671	\$ 104,788

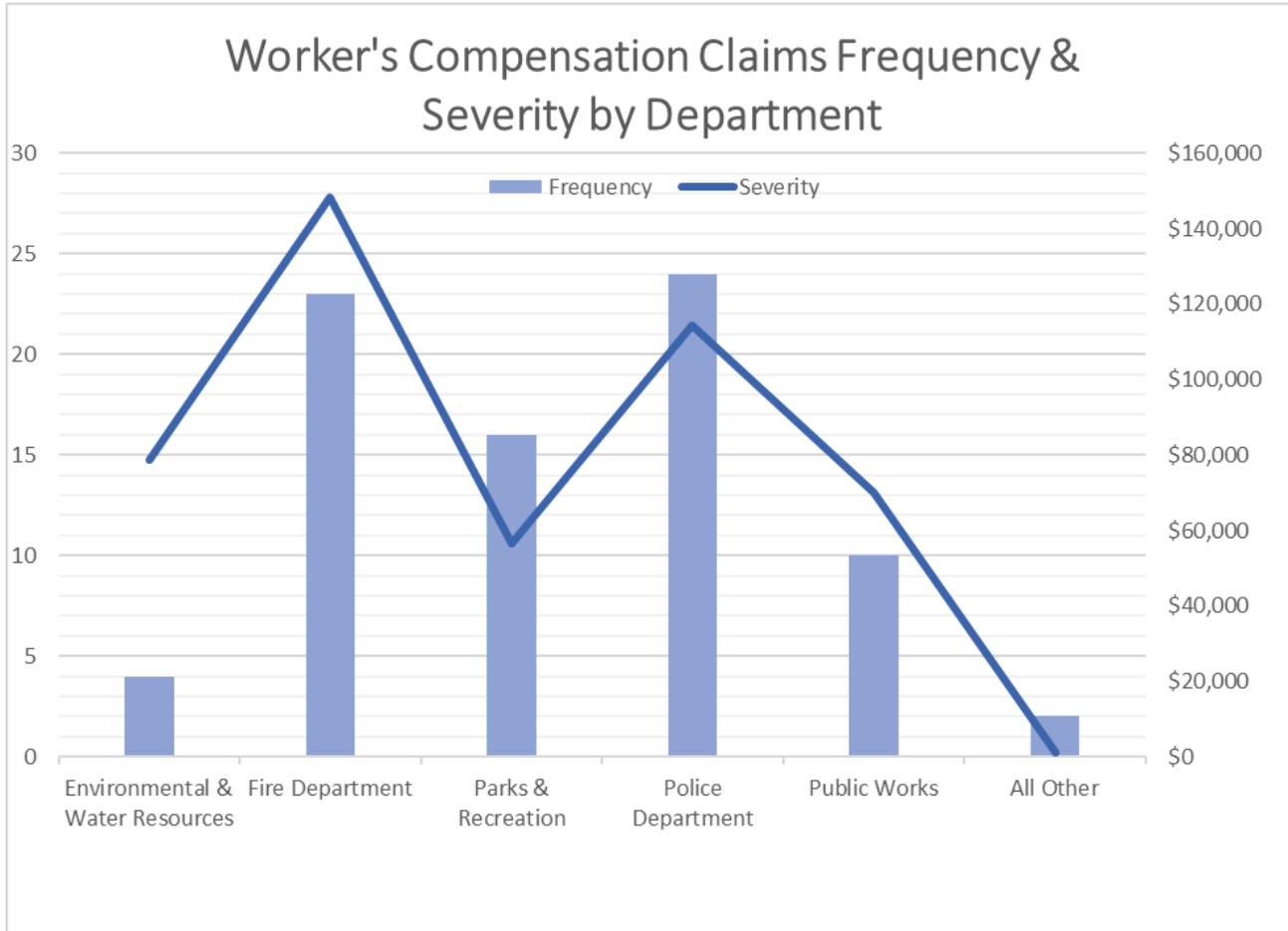
Top 5 Causes of Injuries FY 13-14 through FY 17-18

Cause/Activity	Frequency	Severity
Manual Material Handling	56	\$ 284,670
Slip, Trip, and Falls	44	\$ 350,806
Exposures	38	\$ 183,014
Vehicle/Motorcycle Operations	30	\$ 449,935
Training	27	\$ 967,847
Cumulative Trauma - Regular Duties	26	\$ 1,078,027

FY 17-18 Leave and Return to Work Administration

Leaves and Return to Work	Total
FMLA/CFRA Notices Sent	38
Short Term Disability Claims	15
Long Term Disability Claims	2
Interactive Processes	2

Worker's Compensation Administration (Cont.)



Department	Frequency	Severity
Environmental & Water Resources	4	\$78,680
Fire Department	23	\$148,428
Parks & Recreation	16	\$56,501
Police Department	24	\$114,526
Public Works	10	\$70,091
All Other	2	\$1,280
Total	79	\$469,506

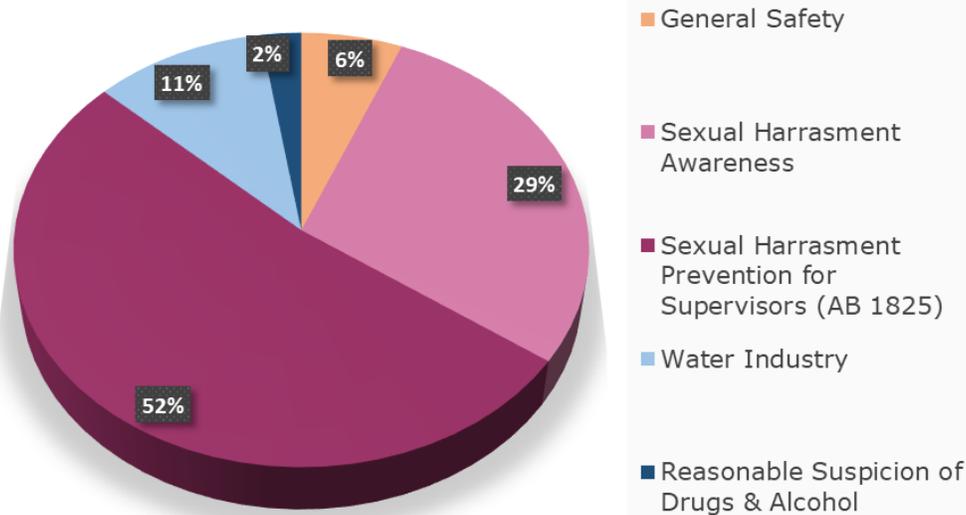
- Claims Frequency (# of reported claims to date) - 79 reported Claims
- Claims Severity (total incurred cost) - \$469,506 as of June 30, 2018

- Open Claim Status - 21 claims/incurred cost \$364,728
- Closed Claim Status - 58 claims/incurred cost \$104,788

- First Aid/Record Only - 4 claims with a total incurred cost of \$365
- Medical Only - 36 claims with a total incurred cost of \$36,379
- Indemnity/Lost Time - 39 claims with a total incurred cost of \$432,762

Training and Development

Target Solutions Trainings Completed by Category



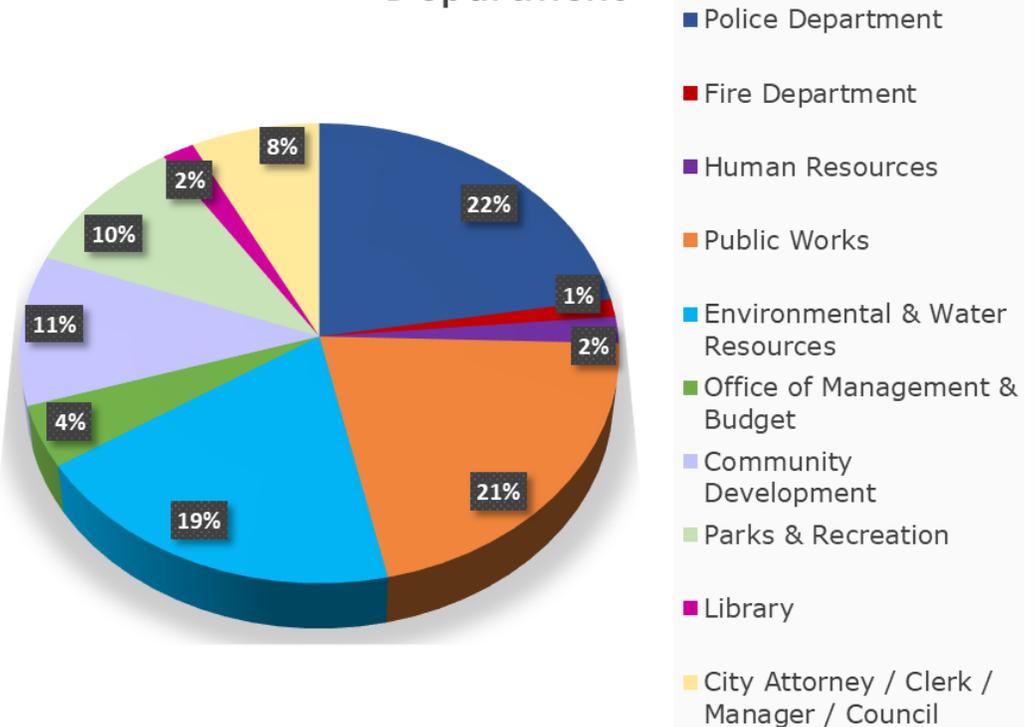
Total Number of Training Sessions Completed

General Safety	10
Sexual Harrasment Awareness	46
Sexual Harrasment Prevention for Supervisors (AB 1825)	84
Water Industry	17
Reasonable Suspicion of Drugs & Alcohol	4
Total:	161

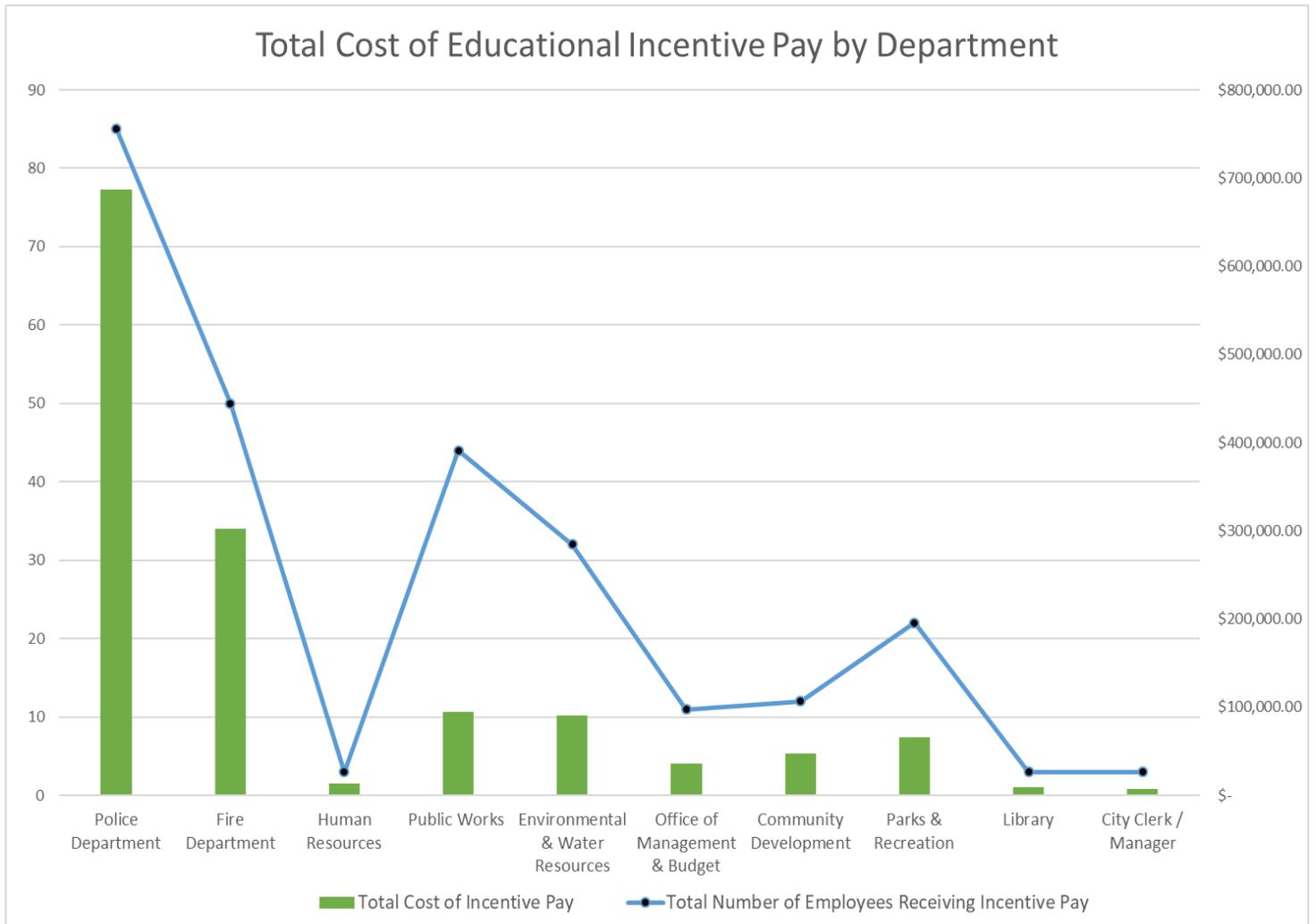
Total Number of Training Sessions Completed

Police Department	36
Fire Department	2
Human Resources	3
Public Works	34
Environmental & Water Resources	31
Office of Management & Budget	7
Community Development	17
Parks & Recreation	16
Library	3
City Attorney / Clerk / Manager / Council	12
Total:	161

Target Solutions Trainings Completed by Department



Training and Development (Cont.)



- A total of 265 City employees currently receive extra pay for having a level of education beyond the minimum qualifications of their job duties.
- The extra pay ranges from 2% to up to 15% of their base salary depending on the employee's bargaining unit's Memorandum of Understanding (MOU).
- Of these 265 employees, 85 (32%) are in the Police Department, 50 (19%) are in the Fire Department, 44 (17%) are in the Public Works Department, and 32 (12%) are in the Environmental & Water Resources Department.
- Educational Incentive pay accounts for 3.58% of the total wages paid to permanent employees of the City.

Noteworthy New Labor Laws

- ❖ **AB 46 - Clarification to Labor Code Section 1197.5**
 - Effective date: October 14th, 2017
 - AB 46 provides clarification that under current Labor Code Section 1197.5 that both private and public entities are considered “employers.”
 - Labor Code Section 1197.5 prohibits employers from paying employees a different wage than the wage paid to members of the opposite sex for significantly similar work, except in certain circumstances.
- ❖ **SB 3 - California’s Minimum Wage Increase in 2018**
 - Effective date: January 1st, 2018
 - Minimum Wage increased from \$10.50 per hour to \$11 per hour.
- ❖ **AB 1008 - “Ban the Box”**
 - Effective date: January 1st, 2018
 - Upon effective date, the City could no longer include any question on an application asking for disclosure of conviction history, inquire about or consider conviction history until a conditional offer has been made to an applicant, or distribute information about a candidate’s conviction history.
- ❖ **AB 168 - New Section of Labor Code - Section 432.3**
 - Effective date: January 1st, 2018
 - Labor Code Section 432.3 prevents prospective employers from seeking out salary history information for candidates.
- ❖ **SB 396 - Additional Supervisor Training for Gender-Based Harassment**
 - Effective date: January 1st, 2018
 - SB 396 requires that in addition to the already required sexual harassment training for supervisory employees, training must also be provided in regards to harassment based on gender identity/expression and sexual orientation.
- ❖ **SB 866 - Janus v. American Federation of State, County, and Municipal Employees**
 - Effective date: June 26th, 2018
 - The ruling in this Supreme Court case determined that it is a violation of an employee’s first amendment rights to require them to pay union dues, therefore nullifying fair-share provision laws and overturning the 1977 case *Abood v. Detroit Board of Education*.
 - In the State of California, only the Union representative can tell the employer whether or not to deduct union fees from an employee’s paycheck.

