

**OFFICE OF THE CITY COUNCIL**

**CHERYL L. BROWN** 117 WEST DUVAL STREET, SUITE 425

DIRECTOR 4TH FLOOR, CITY HALL

OFFICE (904) 630-1452 JACKSONVILLE, FLORIDA 32202

FAX (904) 630-2906

E-MAIL: CLBROWN@coj.net

**SPECIAL BUDGET ANALYSIS COMMITTEE MINUTES**

**May 1, 2014**

**3:00 p.m.**

**City Hall**

**117 W. Duval St., 1st Floor**

**Committee Room B**

**Attendance:** Council Members Clay Yarborough (Chair), Richard Clark, Robin Lumb, Don Redman

**Excused:** Council Member Reggie Brown, Warren Jones, Matt Schellenberg

**Also**: Kirk Sherman – Council Auditor’s Office;Paige Johnston – General Counsel Office; Paula Shoup– Legislative Services Division; Yvonne Mitchell – Council Research

See attached sign-in sheet for additional attendees.

Council Member Yarborough called the meeting to order at 3:06 p.m.

CM Yarborough reported there were two more scheduled meetings. Next week the committee will hear from Regulatory Compliance. The final meeting will have a status report from the Budget Office (Mr. Hanson) on the anticipated structure for FY15; and a presentation from Property Appraiser Office.

**EMPLOYEE SERVICES – KELLI O’LEARY (ACTING DIRECTOR)**

The department provided manual copies of the power point presentation. Ms. O’Leary reported that the recent reorganization elevated the department’s focus into three main divisions: Talent Management; Employee & Labor Relations; and Compensation & Benefits. Employee Services provides support to external customers (City departments & Constitutional agencies) and internal customers (department employees). Although there are currently 51 employees, the department needs between 62-65 employees to accommodate a fully functional training section. The typical HR design for support to employees is 1:120; the City’s current ratio is 1:160. Employee Services operates out of two budgets: General Fund (operating budget) and Internal Service Fund (group health). The department has reduced its budget significantly over the past three years with an additional extraordinary lapse of $193,850 in FY13. Year to date projection is a net positive variance under $190,000 that is attributed to the Internal Services Fund; but does not consider underfunded items in professional services. Future planning include metrics driven management/performance results reporting; savings on self-insured platform; increase spend for professional services; staff expansion; and reward & recognition programs. Focus areas for cost saving are self-insurance; staffing design; onsite clinic; telemedicine; and reduction of services.

*TALENT MANAGEMENT DIVISION – Diane Moser, Chief*

Ms. Diane Moser reported recruitment and the classification study are the division’s major initiatives. This is the first comprehensive classification study of all positions in several years. Approximately 2575 employees are included in this study which is being completed through on-line questionnaires. The Management Advisory Group is conducting the study and will submit a market analysis along with additional data. Ms. Moser stated there will be an implementation and maintenance strategy of the new classification system. Recruitment Update on appointed positions includes hiring of the Chief of Environmental Quality (Melissa Long – May 5); and Chief of Senior Services (Gloria Crawford – May 14). The department is still interviewing for Director of Sports & Entertainment; Chief of Compensation & Benefits; and Chief of Transportation Planning. The Chief of Right of Way & Storm position is closed and considering candidates. The Chief of Traffic Engineering position is at the offer stage. Internal candidates are under consideration for the General Counsel position. The Director of Parks, Recreation & Community Services position has been posted externally.

Employees Services is in the process of filing 6 vacancies. Ms. Moser reported that targeted recruitment was a big focus area. The division seeks to be more proactive in recruiting utilizing the social media; posting on professional organization sites; and recruiting at conferences and job fairs specific targeted professions. There is an inadequacy in providing leadership development to City employees due to the lack of training staff. Currently, there is only one professional trainer in this area that provides the basic training such as new employee orientation.

*EMPLOYEE & LABOR RELATIONS DIVISION – Dan Reeves, Chief*

Mr. Dan Reeves reported that the division has 12 FTEs of which one position (Labor Relations Officer II) is vacant. The Employee & Labor Relations Division provides City-wide proactive and strategic leadership and promotes stable and harmonious employee and labor relations. The division’s major initiative is the collective bargaining process. Mr. Reeves provided a brief status update on the bargaining agreements.

Fraternal Order of Police (FOP) – Contract period 10/1/2011 thru 9/30/14. Initial negotiation held 4/25/14. City proposed to waive negotiating benefits through the process to allow the City to negotiate benefits directly with Police & Fire Pension Board. Proposal is pending.

International Association of Firefighters (IAFF) – Contract period 10/1/2012 thru 9/30/15. Initial negotiation held 4/18/14. City proposed to waive negotiating benefits through the process to allow the City to negotiate benefits directly with Police & Fire Pension Board. Proposal is pending.

Communications Workers of America (CWA) – Contract period 10/1/2008 thru 9/30/2011. The process is currently at impasse.

Laborers International Union of North America (LIUNA) - Contract period 10/1/2009 thru 9/30/2012. The process is currently at impasse.

Jacksonville Supervisors Association (JSA) - Contract period 10/1/2012 thru 9/30/2015. The process will reopen on wages only for 2014. The initial meeting was held 2/26/14; follow up session pending.

American Federation of State, County and Municipal Employees (AFSCME) - Contract period 10/1/2012 thru 9/30/2015.

*COMPENSATION & EMPLOYEE BENEFITS DIVISION*

Ms. O’Leary reported that if the City pursues self-insurance the department will need to review organizational chart for redesign to address workload and new initiatives. The City is benefiting from the Florida Blue market discounts. The actuarial evaluation of the plan estimates the City could realize a $6 - $8 million dollar savings in 2015. One of the division’s major initiatives is Healthcare reform impact. There is a 3.8% increase in premium costs due to HCR fees. Florida Blue has funds that are accessible to assist the City with an employee survey to determine where dollars may be best spent for the creation of relevant wellness initiatives.

**CM Clark requested additional information on filled position. Ms. O’Leary agreed to add a third line on page 3 of manual to depict filled positions and submit to committee.** The possibilities for efficiencies may require a staff redesign and reduction in services. She provided a brief summary of her background that includes 15 years in human resources disciplines. Ms. Moser stated that the City’s turnover rate the last three years is 13 – 14.5%. The average government turnover rate is 10%. She provided additional information about division’s recruiting strategy. The constitutional agencies facilitate their own recruiting process.

**CM Lumb requested the number of involuntary separations from the City along with the historical low turnover rate. He requested information on which department had the highest and lowest rate. Ms. Moser committed to submitting the turnover rate of individual departments**. There was discussion about importance of employee morale survey regardless of the results. Ms. Moser replied that a rewards and recognition program is in progress to increase morale along with newsletter to improve communications. There are approximately 250 vacancies within the City. **CM Yarborough requested a copy of the list of vacancies.**

**PUBLIC COMMENT**

Mr. Strasser discussed previous work experience dealing with budgets and utilizing a replacement schedule to assist with the emergency vehicles. The schedule process was handled by the budget office but involved all departments with determining their needs. The process was centralized and effective. His additional comments shared were about systems used such as pay-go (pay as you go) that worked from his perspective.

There being no further business, the meeting was adjourned at 4:01p.

Yvonne P. Mitchell, Council Research Division (904) 630-1679

Posted 05.06.14 5:00 p.m.