

HUMAN RESOURCES

Department Overview

The Human Resources Department (HR) serves as a support system and strategic partner with other City departments by providing all major employment, risk, and benefit services for the City. These services are delivered through ten service areas: Human Resources Administration, Class and Compensation, Employee and Labor Relation, Talent Acquisition, Employee Training, Benefit Administration, Leave Administration, Risk Administration, Workers' Compensation Administration, and Payroll Administration.

	FY19 Actuals	FY20 Actuals	FY21 Amended	FY22 Proposed
5 PERSONNEL SERVICES	839,184	890,023	909,182	949,109
6 MATERIALS & SERVICES	8,168,614	10,092,721	11,668,194	11,818,290
7 CAPITAL OUTLAY	103,191	-	-	-
9 NON-DEPARTMENTAL	981,514	0	-	-
Grand Total	10,092,502	10,982,744	12,577,376	12,767,399

*5,6 & 7 indicated in table above are the numeric categories used in the general ledger to represent the different expense types.

Budget Summary – FY2022

Staffing

The Department's 7 FTE count for FY22 will remain the same as FY21. The Department's day-to-day activities are performed by staff with a reliance on technology support to handle the daily work volume.

Department Funding

The resources necessary to support the Department are primarily either tax supported (subsidized) or internal service charges levied against the City's enterprise and special revenue funds for services provided.

Service Level Changes

There are currently no significant changes proposed for the HR Department.

Accomplishments FY2021

- **Implemented a replacement for the City's on-line recruitment system** – HR replaced the software program used to manage recruitments. This new tool has improved the application experience for recruitment by allowing on-line notification for new job postings, streamlining the application process, and producing new efficiencies for both advertisements and interview scheduling.
- **League of Oregon Cities Silver Safety Award for the 5th consecutive year** – This important recognition not only memorializes the City's dedication to employee safety and injury prevention, but also the outcome of having a low injury rate helps to control annual insurance rate cost increases.
- **Implementation of an Enterprise Risk Management (ERM) Program.** – Enterprise Risk Management is the systematic methods and processes used by organizations to manage risks and

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seize opportunities related to the achievement of City-wide objectives. A committee was formed in July 2020 and the work of identifying, prioritizing and mitigating risks is ongoing.

- **Implementation of a Risk Management Information System (RMIS)** – The Department has started the implementation of a new Risk Management Information System (RMIS). Once fully implemented, this will improve the efficiency of managing incidents and claims. The system will help the City ensure compliance with required federal and state reporting and potentially increase the City’s ability to collect reimbursements related to damage of City-owned property.
- **Supported City Operational changes as a result of COVID-19 and the Holiday Farm fire.** HR implemented new policies and procedures, to not only ensure compliance with Federal and State requirements, but also found solutions that allowed employees to continue to work and deliver City services. HR also continues to actively partner with and provide support measures to first responders and provided staffing support for EOC Operations for both the City and County.

Initiatives FY2022

- **Vendor Solution for Administering Protected Leave** – The HR Department needs to ensure compliance with its administration of protected leaves including Oregon’s new paid leave law. The Department has neither the current technology nor staffing levels to keep up with regulatory compliance, and as a result, will complete a review and make a recommendation for changes to be made in FY23.
- **Deferred Compensation Provider** – Currently, the City offers employees three vendors for voluntary participation in deferred compensation. This requires increased HR administration, including maintaining three contracts, scheduling three vendors for site visits, and reporting and payments to each vendor biweekly. HR Department intends to complete an RFP to move to a single vendor to help manage costs, reduce administrative overhead, and offer more robust plan options.
- **Implement a New Background Check Vendor** – Last year, the HR Department received funding approval to outsource pre-employment background checks. HR completed a review of potential vendors during the prior year and is planning to complete the RFP process during the FY22 fiscal year.
- **Complete a Probable Maximum Loss (PML) Study** – The study is needed to ensure adequate property coverage and reserves to account for losses related to a catastrophic event.
- **Enterprise Risk Management (ERM).** Work is ongoing to facilitate the executive ERM team’s work in identifying, ranking, prioritizing, and mitigating city-wide risks. This work supports the executive strategic planning effort by allowing executives to compare widely different risks from all departments.
- **Diversity and Inclusion** – The HR Department will continue its work to improve diversity and inclusion efforts within the City. Roughly 9% of the City’s current workforce self-identified as a person of color which falls below the demographics of the community as a whole. The HR Department made significant changes over the last four years in its hiring process to promote inclusiveness. Over the next year the HR Department will develop interview training to include adverse impact and improve its data tracking.
- **Workers Compensation Vendor Transition.** City County Insurance Services (CIS), the City’s current workers’ compensation vendor, is transitioning away from workers’ compensation services which will require the City to change carriers to the State Accident Insurance Fund (SAIF).

Future Year Considerations FY2023-FY2026

- **Benefit Cost** – For the last eight (8) years the City’s benefit design plan has successfully kept costs flat with no rate increases to employees. Future work to continue to keep cost increases under control will include looking for opportunities to reduced administrative expenses, exploring lower cost health care options for retirees, managing prescription costs, mental health care, and on-going wellness initiatives.
- **Turnover & Recruitment** – The City has seen continual increases in both voluntary and retirement turnover which puts more strain on the City’s recruitment efforts. During FY22, the City will implement the outcome of the market wage study. Maintaining competitive wages are important for both recruitment and retention. Additionally, HR is working to resolve leadership and staff level confusion regarding the City’s classification and compensation philosophy which will include staff/leader education, redesign of the job descriptions, and working with department leadership to create both development opportunities to support hard-to-fill positions and develop future City leaders. Additionally, HR will need to develop education programs to develop and strengthen leadership competencies.
- **Insurance Costs** – As part of the effort to ensure the City is making informed decisions, the HR Department needs to complete an evaluation of workers compensation funding, review the property insurance program to determine if the City should purchase excess coverage outside of the region, and partner with Emergency Management on a business continuity plan with regards to major disaster events. Additionally, the Department will need to develop a proposal to increase City funding for ergonomic workstations.
- **Administration of Leaves** – Management of protected leaves, coordination of short and long term disability plans, and management of return to work initiatives is an administrative challenge that will continue to grow in complexity. The passing of HB 2005, Oregon Family and Medical Leave Insurance program, will add additional administrative burden. It is critical for HR to implement operational changes which may include an outsource option to meet compliance with current and upcoming regulatory requirements.
- **Technology** – The HR Department will continue to rely heavily on technology solutions to continue its work. This includes solutions to track and monitor protected leaves, recruitment, benefit administration, payroll, time keeping, and risk management. Additionally the HR Department needs to assess the feasibility and cost/benefit analysis of requesting and implementing a learning management system and a software product for performance evaluations.
- **City-wide Employee Development and Training** – Training and employee development are vital to the long term sustainable success of City services. In addition to both regulatory requirements and risk management strategies, many City positions are hard-to-fill and require certifications by state statute. The addition of a City program dedicated to development and training will afford the City the opportunity to ensure compliance requirements, support department succession planning needs, and to develop programs to improve employee competencies.

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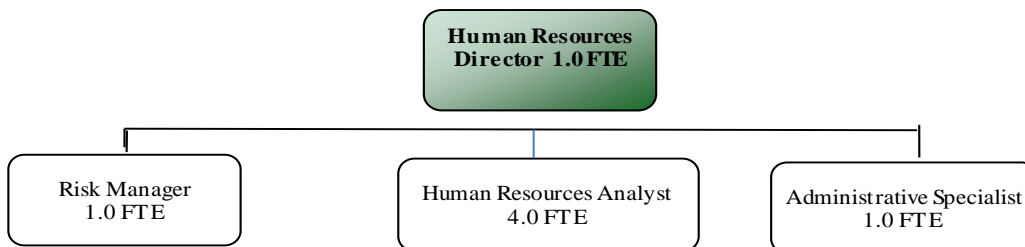
Financial Summary by Fund

	FY19 Actuals	FY20 Actuals	FY21 Amended	FY22 Proposed
100 General Fund	644,449	548,797	657,730	688,070
707 Insurance Fund	9,448,053	10,433,946	11,915,646	12,079,329
713 Vehicle & Equipment Fund	-	-	4,000	-
Grand Total	10,092,502	10,982,744	12,577,376	12,767,399

Financial Summary by Program

	FY19 Actuals	FY20 Actuals	FY21 Amended	FY22 Proposed
7000 Department Administration	38,180	498,865	1,084,888	1,450,839
7050 Organizational Development	125,400	485	-	-
7051 Class and Compensation	28,261	58,910	-	-
7052 Employee and Labor Relations	144,357	62,222	-	-
7053 Talent Acquisition	160,290	122,304	-	-
7056 Employee Training	24,775	912	-	-
7057 Benefit Administration	319,220	68,936	-	-
7059 Leave Administration	46,902	63,327	-	-
7060 Property & Liability	252,032	1,206,045	1,254,158	1,058,895
7062 Workers Compensation	509,107	854,999	1,022,347	950,180
7063 Liability & Property Claims Mgmt	(0)	0	-	-
7064 Volunteer Administration	290	-	-	-
7065 Payroll Administration	122,708	129,250	-	-
8300 Self-Funded Medical	6,430,765	6,992,098	8,126,708	8,199,567
8301 Self-Funded Dental	561,243	557,533	689,600	711,145
8350 Wellness Center	347,459	366,858	395,675	396,773
9000 Non-Program	981,514	0	4,000	-
Grand Total	10,092,502	10,982,744	12,577,376	12,767,399

Organizational Structure



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Summary of Full-Time Equivalent by Position

	FY19 FTE	FY20 FTE	FY21 FTE	FY22 FTE
Administrative Specialist	1.00	1.00	1.00	1.00
Human Resources Analyst	3.00	3.00	3.00	3.00
Human Resources Director	1.00	1.00	1.00	1.00
Risk Manager	1.00	1.00	1.00	1.00
Payroll Analyst	1.00	1.00	1.00	1.00
Grand Total	7.00	7.00	7.00	7.00

Summary of Full-Time Equivalent by Fund

	FY19 FTE	FY20 FTE	FY21 FTE	FY22 FTE
100 General Fund	4.00	4.00	4.00	4.00
707 Insurance Fund	3.00	3.00	3.00	3.00
Grand Total	7.00	7.00	7.00	7.00

Summary of Full-Time Equivalent by Program

	FY19 FTE	FY20 FTE	FY21 FTE	FY22 FTE
7000 Department Administration	0.20	2.00	5.50	7.00
7050 Organizational Development	0.20	0.00	0.00	0.00
7051 Class and Compensation	0.20	0.50	0.00	0.00
7052 Employee and Labor Relations	1.00	0.50	0.00	0.00
7053 Talent Acquisition	1.20	1.00	0.00	0.00
7056 Employee Training	0.20	0.00	0.00	0.00
7057 Benefit Administration	1.10	0.50	0.00	0.00
7059 Leave Administration	0.40	0.50	0.00	0.00
7062 Workers Compensation	0.50	0.00	0.75	0.00
7065 Payroll Administration	1.00	1.00	0.00	0.00
7060 Property & Liability	1.00	1.00	0.75	0.00
Grand Total	7.00	7.00	7.00	7.00