

HUMAN RESOURCES

Description

The Department of Human Resources (HR) consists of nine divisions: Classification and Compensation; Employee Benefits; Employee Health Services; Employee Relations; Financial and Administrative Services; Fitness and Wellness; Employment and Staffing; Employee Development and Training; and the Human Resources Management System – HRMS STEP Team.

The Human Resources Department is responsible for managing a centralized, full-service human resources function including such areas as: employment and staffing, classification and compensation management, benefits administration, employee development and training, volunteer services, employee health, fitness and wellness, employee relations, employee and applicant records, and information systems including personnel and payroll transactions. Federal and State legislation is monitored to ensure that all departments and agencies conform to a myriad of personnel laws and regulations. The employee grievance procedure, equal employment opportunity complaint procedure, health and dental coverage, income protection plans, employee assistance program, leadership development program, Family Medical Leave Act (FMLA), Fair

Labor Standards Act (FLSA), employee service awards program, excellence in public service awards program, and unemployment compensation are also administered by the Department of Human Resources.

Objectives

- To remain an employer-of-choice.
- To maintain the Oracle Human Resources Management System.
- To continue our efforts to attract and retain employees at all job levels.
- To endeavor to maintain high employment and low turnover.
- To strive to enhance employee health, fitness, and wellness efforts in an attempt to manage rising health care costs.
- To continue to place employee development and training as a high priority.

Annual Fiscal Plan

| <u>Description</u> | <u>FY08 Actual</u> | <u>FY09 Original</u> | <u>FY10 Approved</u> | <u>Change 09 to 10</u> |
|--------------------------|------------------------|--------------------------|--------------------------|----------------------------|
| Personnel | \$ 3,661,878 | \$ 3,830,823 | \$ 4,011,923 | 4.7% |
| Operation | 1,357,511 | 1,382,678 | 1,317,807 | (4.7%) |
| Capital | 4,847 | 0 | 0 | 0.0% |
| Total | <u>\$ 5,024,236</u> | <u>\$ 5,213,501</u> | <u>\$ 5,329,730</u> | <u>2.2%</u> |
| Employee Services (1) | \$ 507,114 | \$ 2,660,419 | \$ 951,447 | (64.2%) |
| Total Budget | <u>\$ 5,531,350</u> | <u>\$ 7,873,920</u> | <u>\$ 6,281,177</u> | <u>(20.2%)</u> |
| Personnel Complement (2) | 51 | 51 | 53 | 2 |

- (1) Includes funding for the employee wage adjustment, retiree hospitalization, and unemployment insurance.
 (2) Two positions, (a Division Manager and an Office Assistant IV) associated with the Fitness and Wellness initiative, were transferred to the complement during FY2008-09.

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| Performance Measures | | | | |
|---|-------------|-------------|-------------|----------------------------|
| | FY08 | FY09 | FY10 | Change 09 to 10 |
| Workload Measures | | | | |
| Applications Received | 40,532 | 37,615 | 42,305 | 4,690 |
| Retirements (FY) | 87 | 70 | 60 | (10) |
| Efficiency Measures | | | | |
| % of Applicants who learned of job via Internet | 72% | 85% | 85% | 0% |
| Effectiveness Measures | | | | |
| Turnover Rate | 8.5% | 8.2% | 8.1% | -0.1% |

- To ensure leadership readiness through our award-winning career enrichment, succession management and leadership development programs.
- To continue to offer technology training to County employees.
- To continue Henrico's tradition of sound management and excellent service to our customers.
- To promote EEO awareness among County employees and supervisors by promoting EEO/diversity initiatives.
- To continue our efforts to keep the County's compensation and benefits at a competitive level including pay, health, fitness and wellness, and financial awareness.
- To maintain all records in an orderly and efficient fashion.
- To ensure that all federal and state laws and regulations are adhered to.
- To continue to recognize volunteers for their contributions.
- To maintain the job description/job classification system in an efficient and effective manner including the unified pay plan with Henrico County Public Schools.

- To expand the use of web-based survey tools to obtain, compile, analyze, and interpret data in a more efficient, effective, and timely manner.
- To continue to serve as an internal consultant to the County Manager's Office and to operating departments with regard to human resources.
- To continue to provide assistance to employees and supervisors in areas impacting employee relations.
- To continue to be organizationally astute to the needs of the County of Henrico.

Budget Highlights

The Department of Human Resources approved budget for FY2009-10 totals \$6,281,177, representing an overall decrease of \$1,592,743 or 20.2 percent from the previous approved budget. The Human Resources budgets include both the departmental budget and the group benefits budget. Each of these components is noted in the following narrative.

The Human Resources section of the FY2009-10 approved budget is \$5,329,730, which represents an overall increase of \$116,229 or 2.2 percent from the previous fiscal year. The personnel component increased by \$181,100 or 4.7 percent and was the driver of the overall increase. This increase in personnel is due primarily to the salaries and benefits

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associated with two new positions, a Division Manager and an Office Assistant IV, which were transferred within the personnel complement during FY2008-09 to support the County's employee fitness initiative. Salary adjustments as well as the rising health care expenditures associated with existing staff accounted for the remaining personnel component increase.

The increases in the personnel component were offset by the reductions in the operating component. The operating component decreased by \$64,871 or 4.7 percent from the previous fiscal year. This decrease reflects a County-wide adjustment in technology replacement as well as several other accounts.

The FY2009-10 budget for the Group Benefits section of the Human Resources budget is \$951,447, representing a reduction of \$1,708,972 or 64.2 percent from the previous approved fiscal year budget. The County-wide wage adjustment is currently budgeted at \$250,000, which is an amount estimated by the Office of Management and Budget and reflects a reduction of \$1,750,000 from the previous approved budget.

Health care premiums for disabled retirees total \$158,969, decreasing by \$12,842 from the previous fiscal year. In FY2009-10, this amount will provide health care premiums for twenty-seven disabled retirees which represent a reduction of two disabled retirees from the previous fiscal year. The Group Benefits budget also captures the costs associated with the retiree health benefit supplement, which was authorized by the Board of Supervisors effective January 1, 2003. This County-wide benefit is included at a cost of \$472,478 and currently covers 373 retirees at an average monthly cost of \$105 per retiree. Unemployment insurance for the entire County is managed by HR and budgeted within this area at \$70,000 for FY2009-10.

The Human Resources Department continues to offer a wide variety of training opportunities to supervisory and non-supervisory employees. Over 3,700 employees/participants took advantage of these excellent training offerings in FY2007-08, which were attractively marketed through the comprehensive training catalogs as well as published on-line. The electronic newsletter for supervisors, the "Leadership

Link", a communication tool covering timely topics of interest, continues to be published on a quarterly basis exclusively for the County's 800 plus supervisors, providing them with pertinent and timely information to assist them in their leadership roles. Providing training and consultation to employees and supervisors is an important service offered by Human Resources and one that adds value to the entire role of government. The Department takes a lead role in this regard and will continue this effort in FY2009-10.

The Human Resources Department's Employee Health Services Clinic together with the Benefits Division and the Fitness/Wellness Division will continue its fitness and wellness efforts for FY2009-10. Providing classes and personal training sessions for employees in the area of fitness and wellness continues to be well received. The Department of Human Resources' fitness initiatives have enjoyed great success in their rather short tenure – over 5,500 participants in the first year alone. The Department is expanding its fitness and wellness effort, focusing more on weight management, nutrition, walking/running clubs, fitness assessments, strength and conditioning, and an even wider array of classes requested by County employees. These offerings are intended to encourage employees' efforts to improve their overall health and reduce health care costs.

One of the many responsibilities of the Human Resources Department is to develop, implement, and maintain a competitive compensation program for the County's workforce. FY2009-10 will continue to present the Human Resources Department with unique challenges as it strives to effectively address compensation issues within a restricted fiscal environment. Federal and State compensation regulations, attraction and retention strategies, increased demand for services, and the economic outlook, all impact efforts in this regard. Henrico County continues to be extremely competitive in this area and is considered to be an employer-of-choice.

The Department places a high priority on maintaining timely and accurate information and relies on the Internet/Intranet as a means for communicating information. The HR Department will continue to focus on this tool for all areas of human resources management as it looks for ways to improve communication to all customers through recruitment,

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training, employee health, wellness and fitness, employee relations, technology, records, compensation, benefits, and administration.

The Human Resources Department will continue to promote efforts to attract the best applicants to fill County vacancies through the on-line applicant system. In FY2007-08, the Department received over 40,000 applications through its automated system. Despite the County's hiring freeze, the number of applicants in FY2008-09 is expected to remain relatively stable. Even greater interest in employment

from applicants is expected in FY2009-10 due to the economy.

Funding was approved by the Board of Supervisors for the new Human Resources Management System in FY2005-06. A cross functional team including Schools was assembled to implement the new system. During FY2008-09, the team completed the development and implementation of this system including an enhanced payroll system using Oracle software; an improved capability to produce management reports; and training of users and staff.