

HUMAN RESOURCES

Description

With significant leadership transitions, continued organizational and cultural changes, a heightened emphasis on cost savings, and the ongoing importance of continuing to provide the best possible service to its customers, the County has risen to the challenge. As an agency reporting directly to the County Manager, the Department of Human Resources (HR) has worked to support the County’s mission and vision in all of its endeavors. HR continues to focus on the three Cs (communication, collaboration, and credibility), while providing services in the areas of employment and compensation management, employee and talent development and organizational learning, benefits administration, fitness and wellness, risk management, employee health services, job classification, employee relations, employee and applicant records, and information systems, including personnel and payroll transactions.

- To attract and retain the “right” employees in the “right” seats at all job levels.
- To maintain high employment and low turnover.
- To enhance employee health, fitness, and wellness efforts in an attempt to manage rising health care costs.
- To provide innovative training programs for County employees in customer service and technology as well as training to promote continued employee development.
- To ensure leadership readiness through the award-winning career enrichment, succession management, leadership development programs, and the Emerging Leaders program.
- To keep the County’s compensation and benefits at a competitive level, and to partner with Henrico County Public Schools to maintain a unified pay plan.

Objectives

- To focus on Communication, Collaboration, and Credibility as we serve our customers.
- To remain an employer-of-choice.

Annual Fiscal Plan

<u>Description</u>	<u>FY15 Actual</u>	<u>FY16 Original</u>	<u>FY17 Proposed</u>	<u>Change 16 to 17</u>
Personnel	\$ 3,147,099	\$ 3,519,828	\$ 3,576,818	1.6%
Operation	414,340	573,213	583,699	1.8%
Capital	200	350	350	0.0%
Total	\$ 3,561,639	\$ 4,093,391	\$ 4,160,867	1.6%
Employee Services	\$ 782,571	\$ 877,324	\$ 895,732	2.1%
Total Budget	\$ 4,344,210	\$ 4,970,715	\$ 5,056,599	1.7%
Personnel Complement	45	46	46	0

Human Resources (cont'd)

Performance Measures				
	FY15	FY16	FY17	Change 16 to 17
Workload Measures				
Applications Received	34,496	35,500	36,000	500
Retirements (FY)	121	115	100	(15)
Effectiveness Measures				
Turnover Rate	9.8%	9.2%	9.0%	(0.2%)

- To provide assistance to employees and supervisors in areas impacting employee relations and promote EEO and diversity awareness.
- To maintain all personnel records in an effective and efficient manner.
- To ensure that all laws, regulations and policies are followed.
- To attract and utilize volunteers in all departments.
- To be organizationally astute to the needs of the County of Henrico and serve as an internal consultant to the County Manager's Office and to operating departments regarding human resource management.

Budget Highlights

The Department of Human Resources budget for FY2016-17 totals \$5,056,599, representing a net increase of \$85,884 or 1.7 percent from the previous approved budget. The Human Resources budget includes 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 FY2016-17 budget is \$4,160,867, which represents a net increase of \$67,476 or 1.6 percent from the previous fiscal year. This increase is driven by the personnel component, which includes the 2.372 percent salary increase. Although this component experienced an overall increase, it is important to note that a reduction in the contributions to the VRS system is also reflected. The operating component totals \$583,699, increasing by \$10,486 when compared to the previous fiscal year. This component includes budget adjustments of \$8,908 for education and training and \$1,578 for tuition.

Funding associated with these adjustments was previously captured in a central reserve and have been reallocated to the Department's budget.

The FY2016-17 budget for the Group Benefits section of the Human Resources budget is \$895,732, increasing by a net difference of \$18,408 or 2.1 percent from the previous approved fiscal year budget. This budget 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 \$829,440, increasing by \$19,739 from the previous fiscal year. It provides coverage for 491 retirees at an average monthly cost of \$108 per retiree and provides coverage for 80 Voluntary Retirement Incentive Program (VRIP) retirees at an average monthly cost of \$198.

The Group Benefits budget also includes health care premiums for disabled retirees which total \$66,292 for FY2016-17, decreasing by \$1,331 from the previous fiscal year. This amount will provide health care premiums for eight disabled retirees which represents a reduction of one disabled retiree from the previous fiscal year.

With an increased emphasis on cost savings, the Department of Human Resources has implemented, on behalf of the Board of Supervisors and the County Manager, a very stringent hiring freeze, resulting in savings in salary and benefit costs.

The employee turnover rate was reported at 9.8 percent this past year. This marked the twenty-eighth consecutive year Henrico has maintained a single-digit turnover rate. These efforts and more have further validated Henrico County as one of the "leanest" local governments in the Commonwealth, with one of the lowest employee-to-citizen population ratios.

Human Resources (cont'd)

One of the more visible and also highly valuable services provided as a department and as an employer is in employee attraction and retention, which HR accomplishes through competitive benefits and strategic initiatives to increase the overall well-being of County employees. And despite the hiring freeze and difficult budgetary conditions, the County of Henrico remains a preferred employer, as evidenced by a high number of applications - 34,496 total.

The County Manager's message and vision for the County and workplace culture are certainly taking root among the organization's supervisors, as can be observed in an increase in executive coaching sessions and increased participation in the Leadership Development Program (LDP). With this in mind, HR increased its efforts to foster leadership at all levels and a deeper understanding of the Henrico Way with its non-supervisory employees by launching the new Emerging Leaders Certification Program (ELCP). Within the same year as its launch, ELCP has already been expanded to two enrollment periods per year due to demand. The program facilitates not only leadership growth for employees County-wide, but also an increased knowledge of various County work functions.

Programs like LDP and ELCP are wonderful opportunities for professional development, but maintaining that growth even after an employee has completed the program is important. For the first time, HR encouraged LDP emeritus to stay involved, inviting them to serve as presenters for the Employee Academy (part of ELCP), to serve as LDP Level IV review panel members, to write articles for The County Connection surrounding themes of leadership at all levels and the Henrico Way, to be interviewed by ELCP participants regarding their LDP experiences, and to participate in ELCP discussion groups.

The County's Internship Program also saw tremendous growth in both its scope and participation this past fiscal year. The interns bring their expertise and fresh perspectives to provide high level service to the County. Their work projects include designing and teaching classes for employees and citizens, reviewing construction plans, conducting research and analysis, organizing community outreach programs and events, and developing software and code. This work not only allows them to practice their skills, but also in many cases reaffirms their interest in and commitment to their field of study, seventeen County agencies are already benefiting from their contributions, and there are still numerous opportunities to bring interns into the workplace and invest in tomorrow's workforce.

HR played a significant role in the implementation of the County's second Voluntary Retirement Incentive Program (VRIP), resulting in 53 participants choosing to retire between July and September 2014. Not only did this create vacancies, providing advancement opportunities within the organization, but it also generated a savings of \$1.34 million.

Inevitably, when there are advancements within the organization, the result is entry level vacancies. New employees bring new ideas and a wealth of possibility. In its desire to ensure fair and measured review of all applicants and better ensure the goal of getting the right people into the right roles, HR created a standard application matrix, creating consistency between applicant rankings.

Having received a joint NACo award with the Police Division for the *Police Fitness & Wellness Initiative*, which included the launch of a special Crossfit training program for Police personnel, HR undertook the expansion of the Crossfit training program to include personnel in the Division of Fire. A Crossfit blog was also launched as a tool to communicate daily workouts and other information to program participants.

HR staff also collaborated with the Division of Fire on the creation of the *Fire Fit Program* in response to the Fire Chief's vision for improved fitness and desire for a protocol that supported personnel's preparation for the annual Work Performance Evaluation (WPE). HR partnered with Fire to develop a manual which outlines the 12-week training program, designed to be completed prior to the WPE, with a tiered approach for all fitness levels and exercises which can be done anywhere, anytime. HR staff delivered a two-day training for peer fitness trainers in the Division of Fire, as well as creating a *Fire Fit* class for those who did not pass their last WPE, consisting of 24 hour of training on fitness, nutrition, and how to increase one's energy level.

Also in service to new hires, HR launched a completely redesigned New Employee Orientation (NEO) to better relay to new employees the County Manager's vision and discussing the Henrico Way through a more storytelling, less directive style. HR also streamlined the new employee work eligibility verification process by removing the federal I-9 paper forms in favor of electronic verification through a federally-hosted Web site, which immediately proves work eligibility.

Human Resources (cont'd)

Over the past several years, HR staff observed that retiree healthcare rates continued to rise. In consideration of this and the fact that most retirees are living on a fixed income, HR opted to transition those retirees over 65 years of age from the previous Medicare Advantage group plan to enrollment in individual plans with OneExchange. Knowing that the move from UnitedHealthcare to OneExchange was a big change for our customers, information sessions were held for retirees regarding the transition and their new health reimbursement accounts (HRAs). This change lowers costs for retirees through the use of a health exchange and allows for plans tailored to the individual's needs.

For the past few years, the Department of Human Resources has embraced a change in its culture to reflect "Communication, Collaboration, and Credibility." This approach is not a "fad" or a mission statement framed on a wall – it is an embedded philosophy and a set of behaviors that can be seen and experienced by HR's customers. It serves as a mirror which is held up to all of the Department's undertakings, to reflect on daily work alignment with the goals both of the Department and of the organization. HR continues to actively seek opportunities to partner with other agencies; to cultivate and nurture employees; and to improve efficiency and transform existing services to better meet ever-changing organizational needs.



**Department Operating Budget
Henrico County, Virginia
FY2016-17
HUMAN RESOURCES**

Account Description	Prior Year Actual	Approved Budget	Proposed Budget	Dollar Inc/Dec	Percent Inc/Dec
50100 Full-Time Salaries and Wages - Regular	2,305,661	2,627,382	2,814,503	187,121	7.1%
50101 Full-Time Salaries and Wages - Overtime	225	2,324	2,324	0	0.0%
50104 Temporary Salaries and Wages - Regular	33,169	0	0	0	0.0%
50107 27th Pay Adjustment	0	0	-124,194	-124,194	-100.0%
50108 Hybrid Disability Prgm (Prev Wage Adj)	632	0	0	0	0.0%
50109 Vacancy Savings	0	-64,795	-67,077	-2,282	-3.5%
50110 FICA	173,828	200,858	214,668	13,810	6.9%
50111 Retirement VRS	341,615	398,311	366,167	-32,144	-8.1%
50112 Hospital/Medical Plans	1,047,762	1,198,128	1,228,726	30,598	2.6%
50113 Group Insurance - Life (VRS)	26,778	34,944	37,433	2,489	7.1%
50200 Medical Services	3,200	13,350	13,350	0	0.0%
50201 Legal Services	0	550	0	-550	-100.0%
50207 Professional Education Services	70,465	92,500	92,500	0	0.0%
50209 Other Professional Services	24,954	25,500	25,500	0	0.0%
50211 Maintenance Service Contracts	0	1,500	3,000	1,500	100.0%
50220 Lease/Rent Of Equipment	10,380	10,000	10,000	0	0.0%
50221 Lease/Rent Of Buildings	31,830	32,000	32,000	0	0.0%
50240 Printing and Binding	6,878	12,500	12,500	0	0.0%
50250 Advertising	5,089	10,000	10,000	0	0.0%
50270 Other Contractual Services	38,358	76,000	76,000	0	0.0%
50410 Postal Services	9,932	16,000	16,000	0	0.0%
50412 Telecommunications	16,185	18,000	18,000	0	0.0%
50430 Mileage	587	1,000	1,000	0	0.0%
50431 Education and Training	5,407	0	8,908	8,908	100.0%
50450 Dues And Association Memberships	2,947	3,000	3,000	0	0.0%
50455 Tuition	61,509	136,563	138,141	1,578	1.2%

Account Description	Prior Year Actual	Approved Budget	Proposed Budget	Dollar Inc/Dec	Percent Inc/Dec
50500 Office Supplies	17,337	18,200	18,200	0	0.0%
50501 Food Supplies and Food Service Supplies	4,955	0	5,000	5,000	100.0%
50503 Medical and Laboratory Supplies	562	0	7,600	7,600	100.0%
50505 Linen Supplies	648	0	1,000	1,000	100.0%
50512 Books and Subscriptions	5,020	11,550	7,000	-4,550	-39.4%
50514 Other Operating Supplies	70,661	65,500	55,500	-10,000	-15.3%
50515 Road Materials	0	0	0	0	0.0%
50521 Computer Software	27,436	29,500	29,500	0	0.0%
50833 Telecommunications Equipment- Replacement Less Than \$5000	200	350	350	0	0.0%
Total Department	4,344,210	4,970,715	5,056,599	85,884	1.7%



Operating Line Item Budget By Cost Center
Henrico County, Virginia
FY2016-17
HUMAN RESOURCES

Cost Center	Prior Year Actual	Approved Budget	Proposed Budget	Dollar Inc/Dec	Percent Inc/Dec
11001 Human Resources					
50100 Full-Time Salaries and Wages - Regular	2,305,661	2,627,382	2,814,503	187,121	7.1%
50101 Full-Time Salaries and Wages - Overtime	225	2,324	2,324	0	0.0%
50104 Temporary Salaries and Wages - Regular	33,169	0	0	0	0.0%
50107 27th Pay Adjustment	0	0	-124,194	-124,194	-100.0%
50108 Hybrid Disability Prgm (Prev Wage Adj)	632	0	0	0	0.0%
50109 Vacancy Savings	0	-64,795	-67,077	-2,282	-3.5%
50110 FICA	173,828	200,858	214,668	13,810	6.9%
50111 Retirement VRS	341,615	398,311	366,167	-32,144	-8.1%
50112 Hospital/Medical Plans	265,191	320,804	332,994	12,190	3.8%
50113 Group Insurance - Life (VRS)	26,778	34,944	37,433	2,489	7.1%
50200 Medical Services	3,200	13,350	13,350	0	0.0%
50201 Legal Services	0	550	0	-550	-100.0%
50207 Professional Education Services	70,465	92,500	92,500	0	0.0%
50209 Other Professional Services	24,954	25,500	25,500	0	0.0%
50211 Maintenance Service Contracts	0	1,500	3,000	1,500	100.0%
50220 Lease/Rent Of Equipment	10,380	10,000	10,000	0	0.0%
50221 Lease/Rent Of Buildings	31,830	32,000	32,000	0	0.0%
50240 Printing and Binding	6,878	12,500	12,500	0	0.0%
50250 Advertising	5,089	10,000	10,000	0	0.0%
50270 Other Contractual Services	38,358	76,000	76,000	0	0.0%
50410 Postal Services	9,932	16,000	16,000	0	0.0%
50412 Telecommunications	16,185	18,000	18,000	0	0.0%

Cost Center	Prior Year Actual	Approved Budget	Proposed Budget	Dollar Inc/Dec	Percent Inc/Dec
50430 Mileage	587	1,000	1,000	0	0.0%
50431 Education and Training	5,407	0	8,908	8,908	100.0%
50450 Dues And Association Memberships	2,947	3,000	3,000	0	0.0%
50455 Tuition	61,509	136,563	138,141	1,578	1.2%
50500 Office Supplies	17,337	18,200	18,200	0	0.0%
50501 Food Supplies and Food Service Supplies	4,955	0	5,000	5,000	100.0%
50503 Medical and Laboratory Supplies	562	0	7,600	7,600	100.0%
50505 Linen Supplies	648	0	1,000	1,000	100.0%
50512 Books and Subscriptions	5,020	11,550	7,000	-4,550	-39.4%
50514 Other Operating Supplies	70,661	65,500	55,500	-10,000	-15.3%
50521 Computer Software	27,436	29,500	29,500	0	0.0%
50833 Telecommunications Equipment- Replacement Less Than \$5000	200	350	350	0	0.0%
Total Cost Center	3,561,639	4,093,391	4,160,867	67,476	1.6%
11002 Group Benefits					
50112 Hospital/Medical Plans	782,571	877,324	895,732	18,408	2.1%
Total Cost Center	782,571	877,324	895,732	18,408	2.1%