

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, despite the continued tightening of budgetary constraints. 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 development and training, 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 newly-created 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>FY14 Actual</u>	<u>FY15 Original</u>	<u>FY16 Proposed</u>	<u>Change 15 to 16</u>
Personnel	\$ 3,391,095	\$ 3,554,201	\$ 3,519,828	(1.0%)
Operation	490,748	573,563	573,213	(0.1%)
Capital	350	0	350	0.0%
Total	<u>\$ 3,882,193</u>	<u>\$ 4,127,764</u>	<u>\$ 4,093,391</u>	<u>(0.8%)</u>
Employee Services	<u>\$ 720,077</u>	<u>\$ 805,576</u>	<u>\$ 877,324</u>	<u>8.9%</u>
Total Budget	<u>\$ 4,602,270</u>	<u>\$ 4,933,340</u>	<u>\$ 4,970,715</u>	<u>0.8%</u>
Personnel Complement*	48	47	46	(1)

*One HR Analyst II position was transferred to Risk Management, one TSS IV position was transferred to Information Technology, and one Senior Management Specialist position was added to HR's complement.

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Performance Measures

	FY14	FY15	FY16	Change 15 to 16
Workload Measures				
Applications Received	39,165	33,924	35,500	1,576
Retirements (FY)	152	115	115	-
Effectiveness Measures				
Turnover Rate	9.1%	8.4%	9.2%	0.8%

- 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 FY2015-16 totals \$4,970,715, representing a net increase of \$37,375 or 0.8 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 FY2015-16 budget is \$4,093,391, which represents a net decrease of \$34,373 or 0.8 percent from the previous fiscal year. This reduction is driven solely by the personnel component and reflects several positions which were vacated during the year as well as the transfer of one Human Resources Analyst II position to Risk Management and the transfer of one Technology Support Specialist IV position to Information Technology. This reduction was offset by the partial year impact of the 2.0 percent raise as well as rising health care costs. This reduction was also offset by the addition of

a new Senior Management Specialist position, which is being created to act as a liaison between the County and its growing senior community. The operating component totals \$573,213 and remains relatively flat from the previous fiscal year although various accounts have been adjusted to more accurately reflect current actuals.

The FY2015-16 budget for the Group Benefits section of the Human Resources budget is \$877,324, increasing by a net difference of \$71,748 or 8.9 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 \$809,701, increasing by \$87,707 from the previous fiscal year. It provides coverage for 475 retirees at an average monthly cost of \$106 per retiree and provides coverage for 83 Voluntary Retirement Incentive Program (VRIP) retirees at an average monthly cost of \$205.

The Group Benefits budget also includes health care premiums for disabled retirees which total \$67,623 for FY2015-16, decreasing by \$15,959 from the previous fiscal year. This amount will provide health care premiums for nine disabled retirees which represents a reduction of two disabled retirees 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 8.4% this past year. This marked the twenty-seventh 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,

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with one of the lowest employee-to-citizen population ratios.

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 – 33,924 total.

In further alignment with the County Manager's vision, HR revised the County's nine core competencies to reflect the importance of encouraging leadership at all levels of the organization and a greater focus on engagement of County employees. Training classes were reviewed and updated with a goal of reinforcing the County's changing culture, and the employee newsletter *The County Connection* strategically targeted numerous stories featuring areas of innovation, collaboration, and high level service throughout the organization, in order to educate, engage and inspire current employees.

Still in its infancy, the County's Internship Program also saw a tremendous growth in both its scope and participation this past fiscal year. Initially it had focused primarily on summer interns and is now a year-round program, and the County has had its first full-time hire from the emeritus interns of this revised program. 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, fifteen County agencies are already benefitting from their contributions, and there are still numerous opportunities to bring interns into the workplace and invest in tomorrow's workforce.

HR made exciting changes to several of its training classes and professional development program

offerings, as well. Of particular note, HR launched the new Emerging Leaders Certification Program (ELCP), which incorporates a focus on customer service skills while expanding on the themes of leadership growth and accountability for all employees, regardless of their position within the organization.

The Leadership Development Program (LDP) was likewise redesigned to make it more challenging and engaging to participants, requiring a lighter level of thought and reflection. Revisions include mandatory participation in a feedback assessment by one's peers, direct reports, and supervisors; identifying themes and goals for development; justifying one's hours of learning to an advisor review panel; and participation in leadership discussion groups.

In addition to professional development opportunities, HR continues to offer employees support in improving and maintaining their overall physical health through gym and weight room access, fitness classes, physical training sessions, and numerous diverse program offerings, such as Team Henrico events, the socially driven F.I.T.T. Club, and the Diabetes Wellness Series. All programs are strategically designed to cater directly to the needs of our customers, either in response to gathered wellness data, to aid the development of an employee's wellness support network or to garner new membership and retention. In one year Henrico F.I.T.T. Club members logged 16,262 hours of exercise, measurably improved cardiovascular fitness, increased flexibility by an average of 2.75 inches and cumulatively lost 133 pounds of body weight.

Looking forward to next year, the Department of Human Resources is already excited about a number of new projects that are on the horizon, the seeds of which were planted this past year. HR is in the process of making significant changes to New Employee Orientation (NEO) to reflect the changing culture of the organization. The County Manager has already begun attending NEO on a regular basis to greet new employees, introduce his vision, share his expectations, and answer questions, and many more initiatives will be implemented beginning in early FY2014-15. Around the same time, HR will be launching its first series of Vision to Performance (V2P) classes, which are specifically aligned with the

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Henrico way, the development goal of leadership at all levels, and the County Manager's vision.

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.

HUMAN RESOURCES

Department Operating Budget

		Prior Year	Approved Budget	Proposed Budget	Dollar Inc/Dec	Percent Change
50100	Full-Time Salaries and Wages - Regular	2,490,355	2,657,124	2,627,382	-29,742	-1.1%
50101	Full-Time Salaries and Wages - Overtime	0	2,324	2,324	0	0.0%
50104	Temporary Salaries and Wages - Regular	20,690	0	0	0	0.0%
50109	Vacancy Savings	0	-65,147	-64,795	352	-0.5%
50110	FICA	186,634	202,963	200,858	-2,105	-1.0%
50111	Retirement VRS	365,633	402,820	398,311	-4,509	-1.1%
50112	Hospital/Medical Plans	1,018,800	1,124,353	1,198,128	73,775	6.6%
50113	Group Insurance - Life (VRS)	29,060	35,340	34,944	-396	-1.1%
50200	Medical Services	7,971	3,200	13,350	10,150	317.2%
50201	Legal Services	331	0	550	550	100.0%
50207	Professional Education Services	84,149	90,000	92,500	2,500	2.8%
50209	Other Professional Services	19,704	20,000	25,500	5,500	27.5%
50211	Maintenance Service Contracts	860	0	1,500	1,500	100.0%
50220	Lease/Rent of Equipment	8,656	17,000	10,000	-7,000	-41.2%
50221	Lease/Rent of Buildings	28,475	32,000	32,000	0	0.0%
50240	Printing and Binding	9,991	15,000	12,500	-2,500	-16.7%
50250	Advertising	6,580	20,000	10,000	-10,000	-50.0%
50270	Other Contractual Services	60,315	76,000	76,000	0	0.0%
50410	Postal Services	13,278	9,000	16,000	7,000	77.8%
50412	Telecommunications	16,366	14,455	18,000	3,545	24.5%
50430	Mileage	480	1,000	1,000	0	0.0%
50431	Travel	640	0	0	0	0.0%
50450	Dues And Association Memberships	2,792	3,000	3,000	0	0.0%
50455	Tuition	123,394	120,844	136,563	15,719	13.0%
50500	Office Supplies	13,157	20,500	18,200	-2,300	-11.2%
50512	Books and Subscriptions	9,543	15,000	11,550	-3,450	-23.0%
50514	Other Operating Supplies	56,827	88,564	65,500	-23,064	-26.0%
50521	Computer Software	27,239	28,000	29,500	1,500	5.4%
50833	Telecommunications Equipment-Replacement Less Than \$5	350	0	350	350	100.0%
Total Department		4,602,270	4,933,340	4,970,715	37,375	0.8%

Henrico County, Virginia

Operating Line Item Budget By Cost Center

Cost Center		Prior Year	Approved Budget	Proposed Budget	Dollar Inc/Dec	Percent Change
11001	Human Resources					
50100	Full-Time Salaries and Wages - Regular	2,490,355	2,657,124	2,627,382	-29,742	-1.1%
50101	Full-Time Salaries and Wages - Overtime	0	2,324	2,324	0	0.0%
50104	Temporary Salaries and Wages - Regular	20,690	0	0	0	0.0%
50109	Vacancy Savings	0	-65,147	-64,795	352	-0.5%
50110	FICA	186,634	202,963	200,858	-2,105	-1.0%
50111	Retirement VRS	365,633	402,820	398,311	-4,509	-1.1%
50112	Hospital/Medical Plans	298,723	318,777	320,804	2,027	0.6%
50113	Group Insurance - Life (VRS)	29,060	35,340	34,944	-396	-1.1%
50200	Medical Services	7,971	3,200	13,350	10,150	317.2%
50201	Legal Services	331	0	550	550	100.0%
50207	Professional Education Services	84,149	90,000	92,500	2,500	2.8%
50209	Other Professional Services	19,704	20,000	25,500	5,500	27.5%
50211	Maintenance Service Contracts	860	0	1,500	1,500	100.0%
50220	Lease/Rent of Equipment	8,656	17,000	10,000	-7,000	-41.2%
50221	Lease/Rent of Buildings	28,475	32,000	32,000	0	0.0%
50240	Printing and Binding	9,991	15,000	12,500	-2,500	-16.7%
50250	Advertising	6,580	20,000	10,000	-10,000	-50.0%
50270	Other Contractual Services	60,315	76,000	76,000	0	0.0%
50410	Postal Services	13,278	9,000	16,000	7,000	77.8%
50412	Telecommunications	16,366	14,455	18,000	3,545	24.5%
50430	Mileage	480	1,000	1,000	0	0.0%
50431	Travel	640	0	0	0	0.0%
50450	Dues And Association Memberships	2,792	3,000	3,000	0	0.0%
50455	Tuition	123,394	120,844	136,563	15,719	13.0%
50500	Office Supplies	13,157	20,500	18,200	-2,300	-11.2%
50512	Books and Subscriptions	9,543	15,000	11,550	-3,450	-23.0%
50514	Other Operating Supplies	56,827	88,564	65,500	-23,064	-26.0%
50521	Computer Software	27,239	28,000	29,500	1,500	5.4%
50833	Telecommunications Equipment-Replacement Less Tha	350	0	350	350	100.0%
Total Cost Center		3,882,193	4,127,764	4,093,391	-34,373	-0.8%
11002	Group Benefits					
50112	Hospital/Medical Plans	720,077	805,576	877,324	71,748	8.9%
Total Cost Center		720,077	805,576	877,324	71,748	8.9%