

# 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.

	FY22 Actuals	FY23 Actuals	FY24 Amended	FY25 Proposed
5 PERSONNEL SERVICES	1,003,744	1,087,022	1,264,646	1,222,700
6 MATERIALS & SERVICES	9,601,211	9,082,109	11,576,631	11,884,417
<b>Grand Total</b>	<b>\$ 10,604,955</b>	<b>\$ 10,169,131</b>	<b>\$ 12,841,277</b>	<b>\$ 13,107,117</b>

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

## Budget Summary – FY2025

### Staffing

The Department's day-to-day activities are performed by staff with a reliance on technology support to handle the daily work volume. The Department's FTE count for FY25 will reduce to eight (8) FTE by eliminating an unfilled training analyst position to support addressing a general deficit spend to the general fund.

### 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

The HR department, in collaboration with the Springfield School District, is spearheading a pilot initiative to integrate physical therapy services into the City's employee wellness center. This strategic partnership aims to enhance employee well-being, promote holistic health, and improve productivity within our two agencies.

The City administration intends to optimize its Employee at Injury Program (EAIP) reserve funds to bolster employee wellness initiatives by incorporating exercise spaces within City Hall. This proactive measure not only fosters a healthier work environment but also underscores the City's commitment to employee welfare and engagement.

## Accomplishments – FY2024

- **Technology** – The HR Department successfully completed the initial implementation of NEOGOV’s software solutions for:
  - **Learn** – A training software module which assists the City in streamlining department and City-wide education and training plans.
  - **Perform** – A performance evaluation system which offers an automated and transparent approach to assessing employee performance. This technology solution facilitates continuous feedback, fosters talent development, tracks goals, and provides tools for leaders to ensure a fair and objective evaluation process.
  - **Power DMS** – A policy management software solution which, once fully implemented, will ensure that all employees have easy access to up-to-date administrative regulations, department policies, standard operating procedures, labor contracts, and forms.
- **Employee Wellness** – The HR Department advanced employee wellness by transitioning from the “Know Your Numbers” (i.e. basic biometrics) to a more comprehensive annual physical/exam program. This program included annual physicals for employees and specific physicals for fire suppression employees.
- **DEI** – The HR Department created a DEI page on the City’s website to increase transparency about City demographics, provide resources, and acknowledge our continued commitment to diversity, equity, and inclusion. The HR Department has also made changes to the Recruitment & Selection Administrative Regulation to reflect the City’s efforts to eliminate bias in hiring and further the monitoring of hiring demographics.

## Initiatives – FY2025

- **Benefit Costs** – Recognizing the importance of promoting employee wellness, HR will allocate funds from the Employee at Injury Program (EAIP) reserve fund to procure fitness equipment and build a space within City Hall for employees to prioritize their health and wellness. The department will also work with the Springfield School District and amend its contract with Cascade Health to add an on-site physical therapy service to the City’s Employee Wellness Center.
- **Turnover & Recruitment** – The City recognizes the critical importance of addressing turnover and recruitment challenges by innovating our compensation strategy. We aim to propose a new market-based compensation approach specifically tailored for non-represented employees. This initiative underscores our commitment to attract, retain, and motivate top talent while ensuring equitable and competitive compensation practices.
- **City-Wide Employee Development and Training** – With the successful implementation of the NEOGOV’s software suite, the HR team will work to further enhance services in the areas of continuous training, required annual trainings, and the tracking of licensures and certifications.

# HUMAN RESOURCES

## Future Year Considerations – FY2026-FY2028

- Benefit Cost** – For the last eleven (11) years, the City’s benefit plan design has successfully kept claim costs flat with no rate increases to employees. Future work to continue to keep cost increases under control will include looking for opportunities to reduce 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. Maintaining competitive wages is important for both recruitment and retention. HR is working to improve the classification system 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 develop education programs to develop and strengthen competencies.
- Insurance** – 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, evaluate cyber security readiness, and partner with Emergency Management on a Continuity of Operations Plan with regards to major disaster events.
- 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.

### Financial Summary by Fund

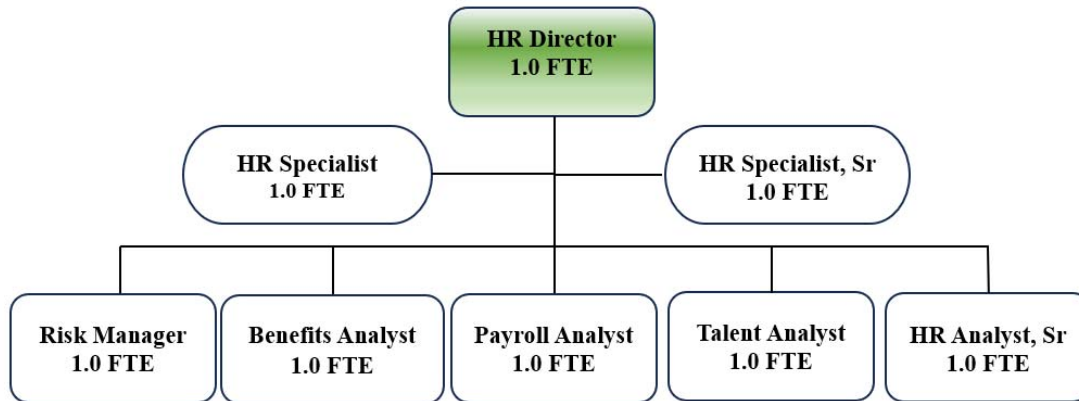
	FY22 Actuals	FY23 Actuals	FY24 Amended	FY25 Proposed
100 General Fund	715,594	695,409	949,736	829,394
204 Special Revenue Fund	-	84,433	104,835	56,845
707 Insurance Fund	9,885,944	9,389,289	11,782,705	12,220,878
713 Vehicle & Equipment Fund	3,417	-	4,000	-
<b>Grand Total</b>	<b>\$ 10,604,955</b>	<b>\$ 10,169,131</b>	<b>\$ 12,841,277</b>	<b>\$ 13,107,117</b>

### Financial Summary by Program

	FY22 Actuals	FY23 Actuals	FY24 Amended	FY25 Proposed
7000 Department Administration	1,409,226	1,532,097	1,607,712	1,504,461
7053 Talent Acquisition	5,736	5,237	-	-
7060 Property & Liability	1,034,684	1,101,145	2,003,254	2,134,936
7062 Workers Compensation	863,039	726,503	690,488	1,330,851
8300 Self-Funded Medical	6,304,038	5,816,751	7,443,376	6,883,641
8301 Self-Funded Dental	600,120	591,678	633,010	642,620
8350 Wellness Center	384,696	395,720	459,437	610,608
9000 Non-Program	3,417	-	4,000	-
<b>Grand Total</b>	<b>\$ 10,604,955</b>	<b>\$ 10,169,131</b>	<b>\$ 12,841,277</b>	<b>\$ 13,107,117</b>

# HUMAN RESOURCES

## Organizational Structure



### Summary of Full-Time Equivalent by Position

	FY22	FY23	FY24	FY25
	FTE	FTE	FTE	FTE
HR Specialist II	1.00	1.00	1.00	1.00
HR Specialist, Senior	-	-	1.00	1.00
HR Training Coordinator	-	-	1.00	-
Human Resources Analyst II	2.00	2.00	2.00	2.00
Human Resources Analyst, Sr	1.00	1.00	1.00	1.00
Human Resources Director	1.00	1.00	1.00	1.00
Human Resources Specialist	-	1.00	-	-
Payroll Analyst	1.00	1.00	1.00	1.00
Risk Manager	1.00	1.00	1.00	1.00
<b>Grand Total</b>	<b>7.00</b>	<b>8.00</b>	<b>9.00</b>	<b>8.00</b>

### Summary of Full-Time Equivalent by Fund

	FY22	FY23	FY24	FY25
	FTE	FTE	FTE	FTE
100 General Fund	4.00	4.00	5.00	4.50
204 Special Revenue Fund	-	1.00	1.00	0.50
707 Insurance Fund	3.00	3.00	3.00	3.00
<b>Grand Total</b>	<b>7.00</b>	<b>8.00</b>	<b>9.00</b>	<b>8.00</b>

### Summary of Full-Time Equivalent by Program

	FY22	FY23	FY24	FY25
	FTE	FTE	FTE	FTE
7000 Department Administration	7.00	8.00	9.00	8.00
<b>Grand Total</b>	<b>7.00</b>	<b>8.00</b>	<b>9.00</b>	<b>8.00</b>

# HUMAN RESOURCES

## Performance Measures

Measure	FY24 Target	FY24 Est. Actual	FY25 Target
1.) Percent of turnover, excluding limited duration, temp positions, and retirements	5%	6.5%	5%
<p><b>Why this measure is important:</b> Turnover is a common data point used to evaluate employee culture and business health.</p> <p><b>Why was this target not met:</b> Recent inflation exacerbates the turnover issues over the last year as stagnant wages coupled with rising living costs prompt employees to seek better-paying opportunities elsewhere, compounding the challenges faced by the City in retaining its workforce.</p>			
2.) General Liability Loss Ratio	<60%	271%	<60%
<p><b>Why this measure is important:</b> This measures the ratio of claim costs to premiums paid over the last five years. Anything over 100% means that the carrier is paying more in claims than they are receiving in premiums. The 60% mark is usually the threshold where carriers evaluate future insurability.</p> <p><b>Why was this target not met:</b> Out of the previous five years FY19 was almost \$5M paid out, with the following four year total at 59% of FY19's. When FY19 drops off the loss ratio should drop significantly.</p>			
3.) Workers' Compensation Experience Modification Factor	<1.0	.90	<1.0
<p><b>Why this measure is important:</b> Your experience modification is a numerical representation of your claim's history. It is the ratio of the costs of your company's actual workers' compensation claims compared to the expected costs for companies of similar size in the same industry. It can be either above or below the industry average of 1.0. Above 1.0 means your claims history is worse than the industry's average for workers' compensation insurance while below 1.0 means it is better.</p>			
4.) Percent of minorities employed at the City	13.5%	12.55%	13.5%
<p><b>Why this measure is important:</b> The City is committed to fostering an environment that values diversity and inclusion. The long term target is 17.6% is reflective of the diverse community that we are here to serve.</p> <p><b>Why was this target not met:</b> This is an on-going process, and the 12.55% workforce diversity is an improvement from prior years. The City continues to make efforts to improve diversity, equity, and inclusion in such areas as hiring, retention, workplace culture, and community outreach.</p>			

# HUMAN RESOURCES

Chaim Hertz, Human Resources Director    Chertz@springfield-or.gov

541.726.3787

**THIS PAGE LEFT INTENTIONALLY BLANK.**

