

CITY OF MINNEAPOLIS

# 2015 Mayor's recommended budget

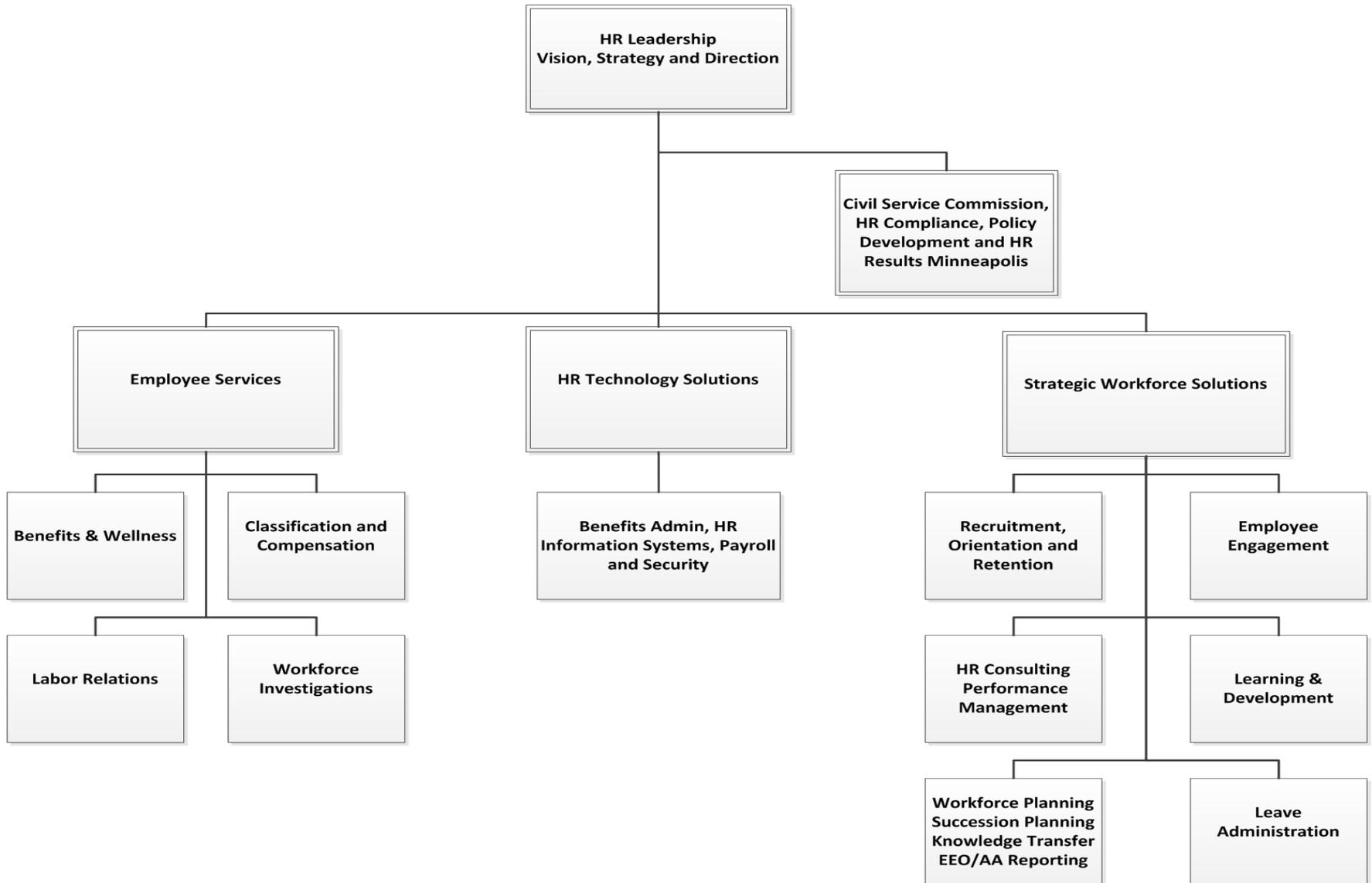
Human Resources Department

October 10, 2014

Budget Book Pages F99 to F108



# Department Organizational Chart



# Recommended budget program overview

| Program name                                     | Current funding |                  | Enhancements (new dollars) |                  | FTEs    |            | Select type of funding |          |
|--|-----------------|------------------|----------------------------|------------------|---------|------------|------------------------|----------|
|  | General fund    | Non-general fund | General fund               | Non-general fund | Current | Additional | One time               | On-going |
| 1. HR Administration*                            | \$2,474,851     |                  |                            |                  | 3.0     |            |                        | X        |
| 2. Strategic Workforce Solutions                 | \$3,475,750     | \$300,714        | \$100,000                  |                  | 29.0    | 1.0        |                        | X        |
| 3. HR Technology Solutions                       | \$372,225       | \$572,441        | \$35,000                   |                  | 7.0     |            |                        | X        |
| 4. Employee Services                             | \$748,168       | \$983,277        |                            |                  | 11.8    |            |                        | X        |
| 5. Enterprise Employee Recognition Program (New) | NA              |                  | \$25,000                   |                  | 0.0     |            |                        | X        |

\*All Internal Service Fund charges (\$2,015,997) for the HR General Fund Budget are allocated to HR Administration.

**Enhancements:**

- 1) \$100,000 for FTE in Strategic Workforce Solutions (HRG Team assigned to Public Works).
- 2) \$35,000 for HR Technology Solutions (Annual licensing fees for the NEOGov Applicant Tracking System)
- 3) \$25,000 to fund an enterprise employee recognition program.

# HR Administration #1

- **HR Administration:**

- Ensures HR strategic direction aligns with City values and goals.
- Civil Service Commission: Ensures fair human resource practices in hiring, selection and promotion.
- HR Policy Development
- HR Results Minneapolis
- EEO and Affirmative Action leadership
  - Ensure affirmative action goals and timelines are developed and integrated into enterprise-wide plans.
- Ensures integration of racial equity processes into HR programs, policies and practices.

**Equity:** Ensures the design of policies, practices and policies are designed to promote ethics and fairness in employee decisions.

**Run the City Well:** Ensures HR direction aligns with City values and goals.

# Links to goals and values #1

## Goals

Does this program move the City closer to achieving any of the following goals?

|   |   |
|---|---|
| <p><b>Living well:</b><br/>Minneapolis is safe and livable and has an active and connected way of life</p>              |   |
| <p><b>One Minneapolis:</b><br/>Disparities are eliminated so all Minneapolis residents can participate and prosper</p>  |   |
| <p><b>A hub of economic activity and innovation:</b><br/>Businesses, big and small, start, move, stay and grow here</p> |   |
| <p><b>Great places:</b><br/>Natural and built spaces work together and our environment is protected</p>                 |   |
| <p><b>A City that works:</b><br/>City government runs well and connects to the community it serves</p>                  | X |

## Values

Does this program move the City closer to achieving any of the following values?

|                             |   |
|-----------------------------|---|
| <p><b>Equity</b></p>        | X |
| <p><b>Safety</b></p>        |   |
| <p><b>Health</b></p>        |   |
| <p><b>Vitality</b></p>      |   |
| <p><b>Connectedness</b></p> | X |
| <p><b>Growth</b></p>        |   |

# Strategic Workforce Solutions (#2)

- **Strategic Workforce Solutions** provides employee and organizational opportunities that enable increased employee skills and effective and efficient leadership of the employees who conduct the City's work. Programming is focused on attracting, retaining, leading and managing the City's workforce; and includes:
  - Recruitment and retention
  - Performance Management
  - Employee Engagement
  - Orientation and onboarding
  - Training and Development
  - Workforce Planning
  - Legal Compliance
- **Running the City well**
  - Provides structure that enables consistent application of process
  - Increases employee capacity
  - Improves efficiency and effectiveness
  - Reduces risk to the City
- **Equity**
  - Regular review of recruiting and hiring process exposes potential adverse impact
  - Disruption of day-to-day practices leads to new, more equitable ways of doing things
  - Analysis of business needs surfaces opportunities for more equitable administration of new systems

# Strategic Workforce Solutions (#2) enhancements

- **Addition of one FTE**
  - Created in partnership with Public Works
  - Housed at the Hiawatha Facility
  - Potential benefits are:
    - Proactive planning to avoid/manage employee relations issues
    - Greater focus on “respect in the workplace” practices
- **Running the City well**
  - Increased ability to meet diverse needs across the spectrum of work units
  - Enhanced capability to manage performance and avoid performance concerns before they become issues
  - Reduced number of work interruptions caused by employee relations issues
- Measures to be determined

# Links to goals and values #2

## Goals

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| <p><b>Great places:</b><br/>Natural and built spaces work together and our environment is protected</p>                 |   |
| <p><b>A City that works:</b><br/>City government runs well and connects to the community it serves</p>                  | X |

## Values

Does this program move the City closer to achieving any of the following values?

|               |   |
|---------------|---|
| Equity        | X |
| Safety        |   |
| Health        |   |
| Vitality      |   |
| Connectedness |   |
| Growth        |   |

# HR Technology Solutions (#3)

Provides implementation, training and ongoing support enterprise-wide on system applications for hiring, benefits, compensation, performance management and compliance.

These programs work together in the Mayor's priority areas by:

## **Running the City Well:**

- Streamlines processes and workflow to ensure effective and efficient use of resources
- Communicates relevant shared data to enhance data driven decisions.

## **Equity:**

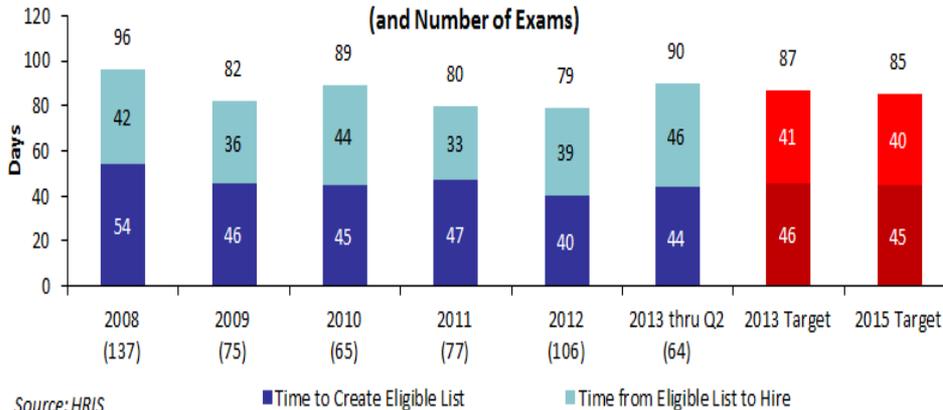
- Provides real-time demographic data to enhance equity decisions.

# HR Technology Solutions (#3) enhancements

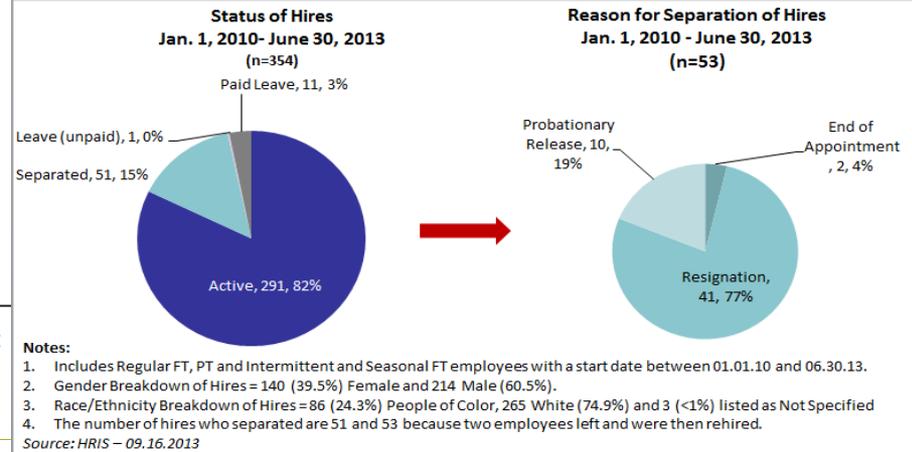
- **NeoGov** – Applicant Tracking System
  - Ongoing annual license fees

# Results Minneapolis measures impacted by enhancement requests

**Average Number of Calendar Days to Fill a Vacant Position (and Number of Exams)**

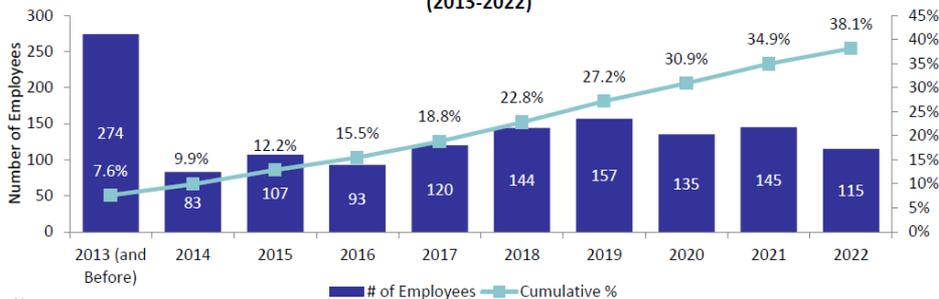


## Hiring and Retention



## Hiring and Retention

**Employees Eligible to Retire (2013-2022)**



# Links to goals and values #3

## Goals

Does this program move the City closer to achieving any of the following goals?

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| <p><b>A City that works:</b><br/>City government runs well and connects to the community it serves</p>                  | X |

## Values

Does this program move the City closer to achieving any of the following values?

|                      |   |
|----------------------|---|
| <b>Equity</b>        | X |
| <b>Safety</b>        |   |
| <b>Health</b>        |   |
| <b>Vitality</b>      |   |
| <b>Connectedness</b> |   |
| <b>Growth</b>        |   |

# Employee Services (#4)

- Labor Relations – Provides strategic and operational leadership for all of the City's collective bargaining.
- Benefits and Wellness
  - Design, negotiation and implementation of health and wellness programs
  - MetroPass Subsidy
  - Nice Ride
- Classification Administration
- Compensation Administration
- Employee Complaint Investigations

# Employee Services (#4)

These programs work together in the Mayor's priority areas by:

## **Equity:**

- Assuring non-discriminatory application of competitive wages, benefits and other terms and conditions of employment
- Allowing early intervention into claims of discrimination, harassment, and retaliation and reducing litigation
- Assuring compliance with State mandated Pay Equity requirements

## **A City That Runs Well:**

- Effectively controlling the cost of benefits
- Engaging employees in their own health and wellness
- Assuring, within the parameters of the law, managers have the tools to effectively operate their operations
- Assuring compliance with all State and Federal posting requirements

# Links to goals and values #4

## Goals

Does this program move the City closer to achieving any of the following goals?

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|---|---|
| <b>Living well:</b><br>Minneapolis is safe and livable and has an active and connected way of life              | X |
| <b>One Minneapolis:</b><br>Disparities are eliminated so all Minneapolis residents can participate and prosper  | X |
| <b>A hub of economic activity and innovation:</b><br>Businesses, big and small, start, move, stay and grow here |   |
| <b>Great places:</b><br>Natural and built spaces work together and our environment is protected                 |   |
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## Values

Does this program move the City closer to achieving any of the following values?

|               |   |
|---------------|---|
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| Safety        |   |
| Health        | X |
| Vitality      |   |
| Connectedness |   |
| Growth        |   |

# Enterprise Employee Recognition Program (#5)

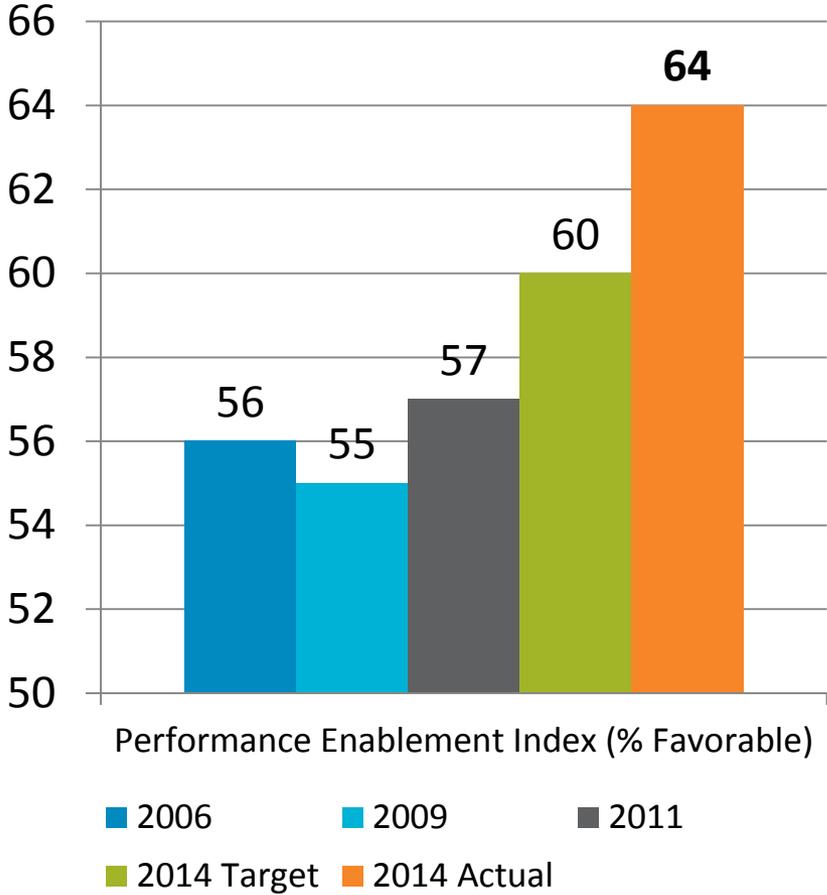
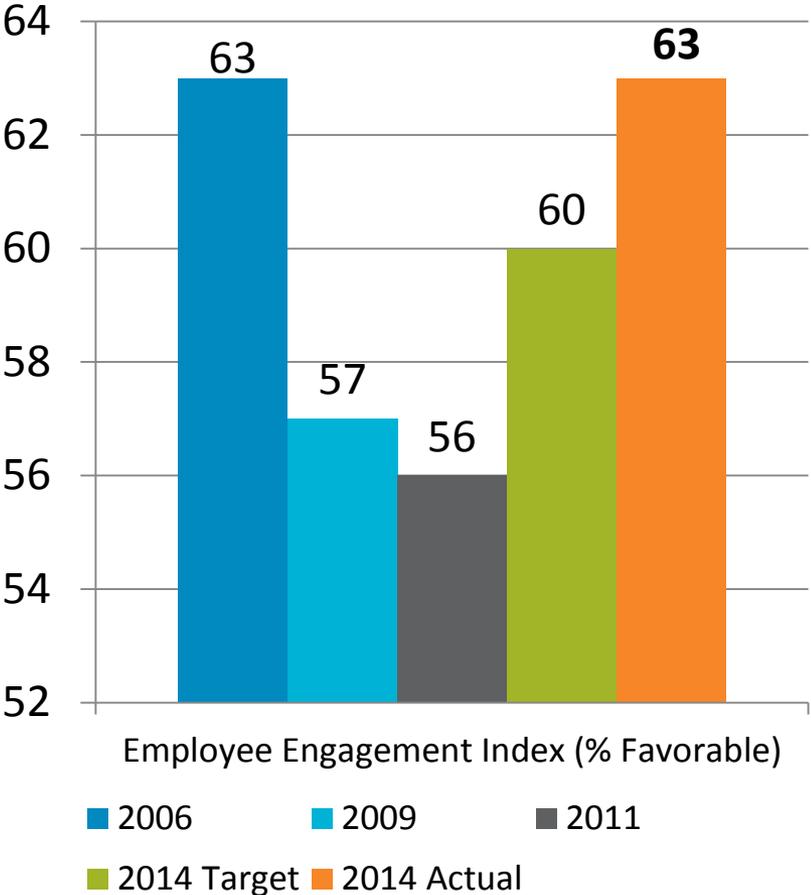
Program request responds to need identified in 2011-12 (and 2014) Employee Engagement Survey. Follow-up employee recognition survey done in 2013.

The employee recognition survey found that:

- More than 90 percent of City employees said they want their work to be valued and recognized.
- Less than half felt their contributions are recognized in a meaningful way.

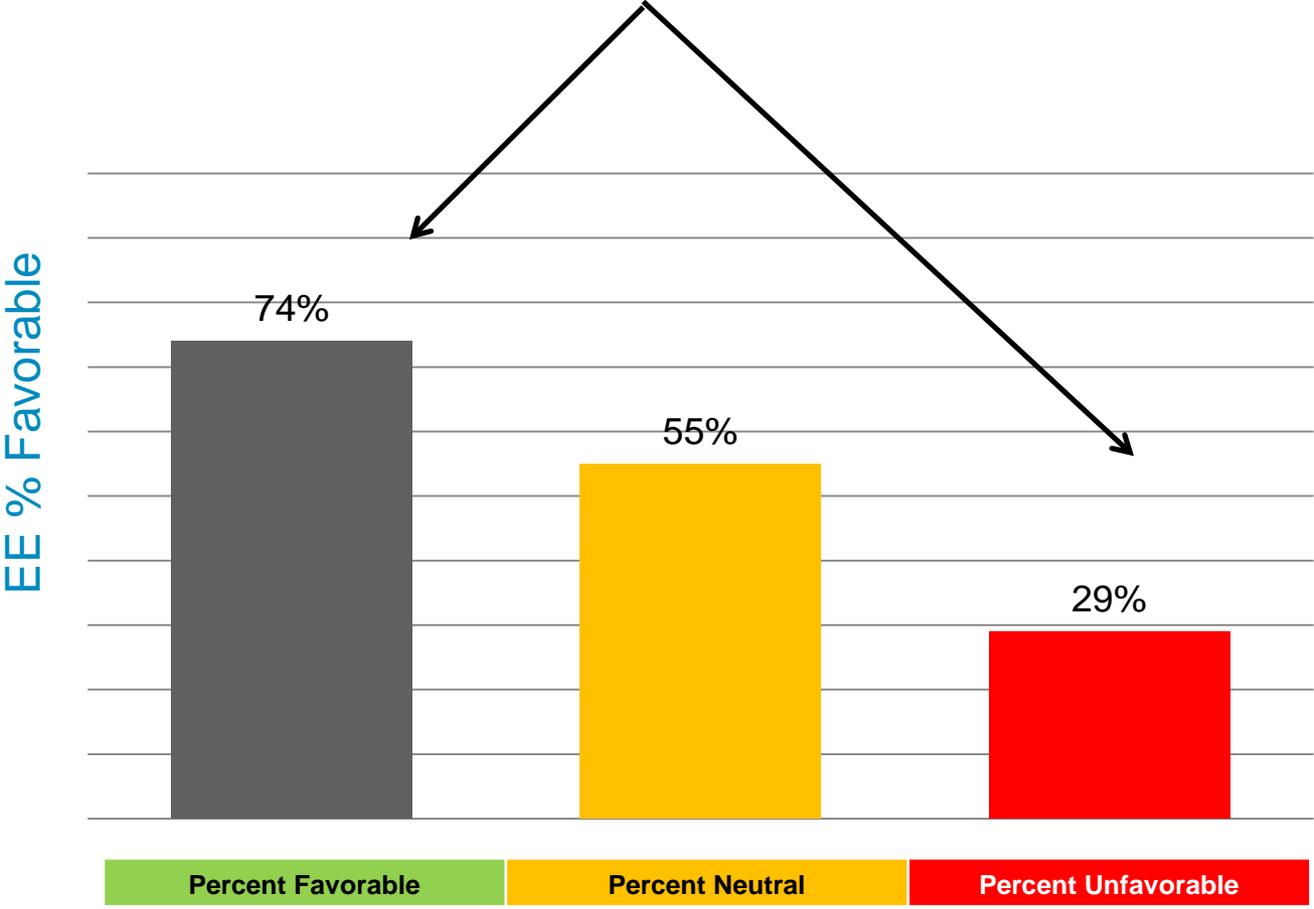
Showing employees they are valued and supported is aligns with newly adopted [City values](#).

# Justification: *Results Minneapolis* measures #5



# Justification: *Results Minneapolis* measures THE IMPORTANCE OF ACTION!

In 2011, employees who say their department leadership took action on the results of the 2009 Employee Engagement survey were **45** points more engaged than those employees who responded unfavorably.



# Links to goals and values #5

## Goals

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## Values

Does this program move the City closer to achieving any of the following values?

|                      |  |
|----------------------|--|
| <b>Equity</b>        |  |
| <b>Safety</b>        |  |
| <b>Health</b>        |  |
| <b>Vitality</b>      |  |
| <b>Connectedness</b> |  |
| <b>Growth</b>        |  |

# How is the department doing?

- **Hiring**

- 2013 – 12, 024 applications processed; 147 new hires
- 2014 - 75% increase in applications; 50% increase in new hires over previous year

- **Benefits & Wellness**

- Wellness Program participation rate above local and national norms (2014 Participation Rate = 76%)
- Health risk scores continue to decline for program participants
- Positive renewal results from Medica for 2015

- **Labor Relations**

- 100% of labor contracts within budget
- No job actions or interest arbitrations

# 2015 Expenditure Budget Highlights

- Total HR budget increases from \$8.7 million to \$9.1 million or a 4.5% increase.
- Budget changes include:
  - \$100,000 - one FTE to support Strategic Workforce Solutions
  - \$35,000 - license fees for applicant tracking system
  - \$25,000 - for an enterprise employee recognition program (STAR Awards pilot currently underway)

# 2015 Budget Compared to 2014

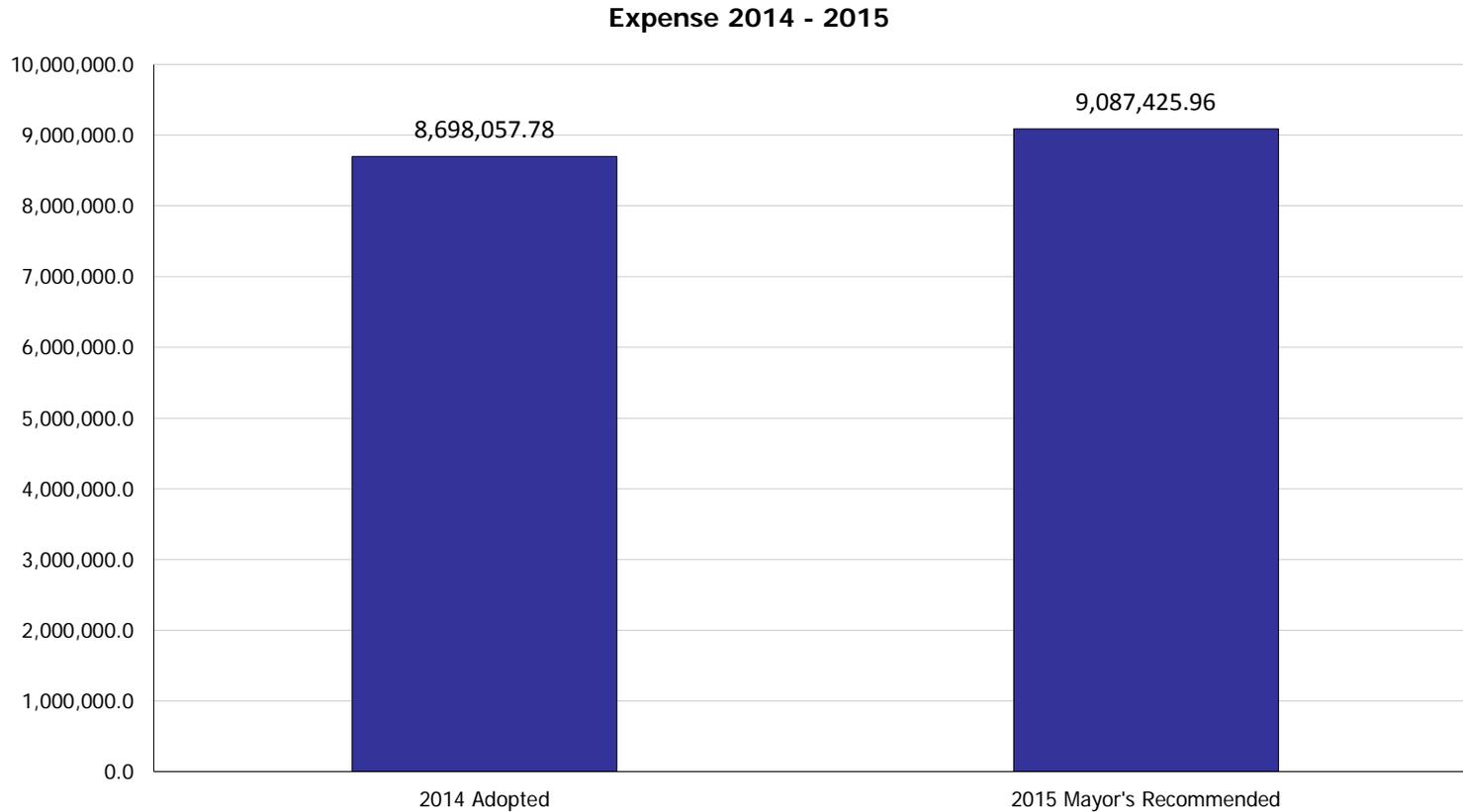
## EXPENSE INFORMATION

| EXPENSE                       | 2014 Adopted     | 2015 Mayor's Recommended | Percent Change | Change         |
|-------------------------------|------------------|--------------------------|----------------|----------------|
| <b>GENERAL</b>                |                  |                          |                |                |
| SALARIES AND WAGES            | 3,057,305        | 3,160,006                | 3.4%           | 102,701        |
| FRINGE BENEFITS               | 1,241,324        | 1,281,784                | 3.3%           | 40,460         |
| CONTRACTUAL SERVICES          | 1,902,856        | 1,895,019                | -0.4%          | (7,837)        |
| OPERATING COSTS               | 784,739          | 894,185                  | 13.9%          | 109,446        |
| <b>TOTAL GENERAL</b>          | <b>6,986,224</b> | <b>7,230,994</b>         | <b>3.5%</b>    | <b>244,770</b> |
| <b>INTERNAL SERVICE</b>       |                  |                          |                |                |
| SALARIES AND WAGES            | 716,927          | 775,358                  | 8.2%           | 58,431         |
| FRINGE BENEFITS               | 270,851          | 299,371                  | 10.5%          | 28,521         |
| CONTRACTUAL SERVICES          | 651,470          | 709,116                  | 8.8%           | 57,646         |
| OPERATING COSTS               | 72,586           | 72,586                   | 0.0%           | 0              |
| <b>TOTAL INTERNAL SERVICE</b> | <b>1,711,834</b> | <b>1,856,432</b>         | <b>8.4%</b>    | <b>144,598</b> |
| <b>TOTAL EXPENSE</b>          | <b>8,698,058</b> | <b>9,087,426</b>         | <b>4.5%</b>    | <b>389,368</b> |

## REVENUE INFORMATION

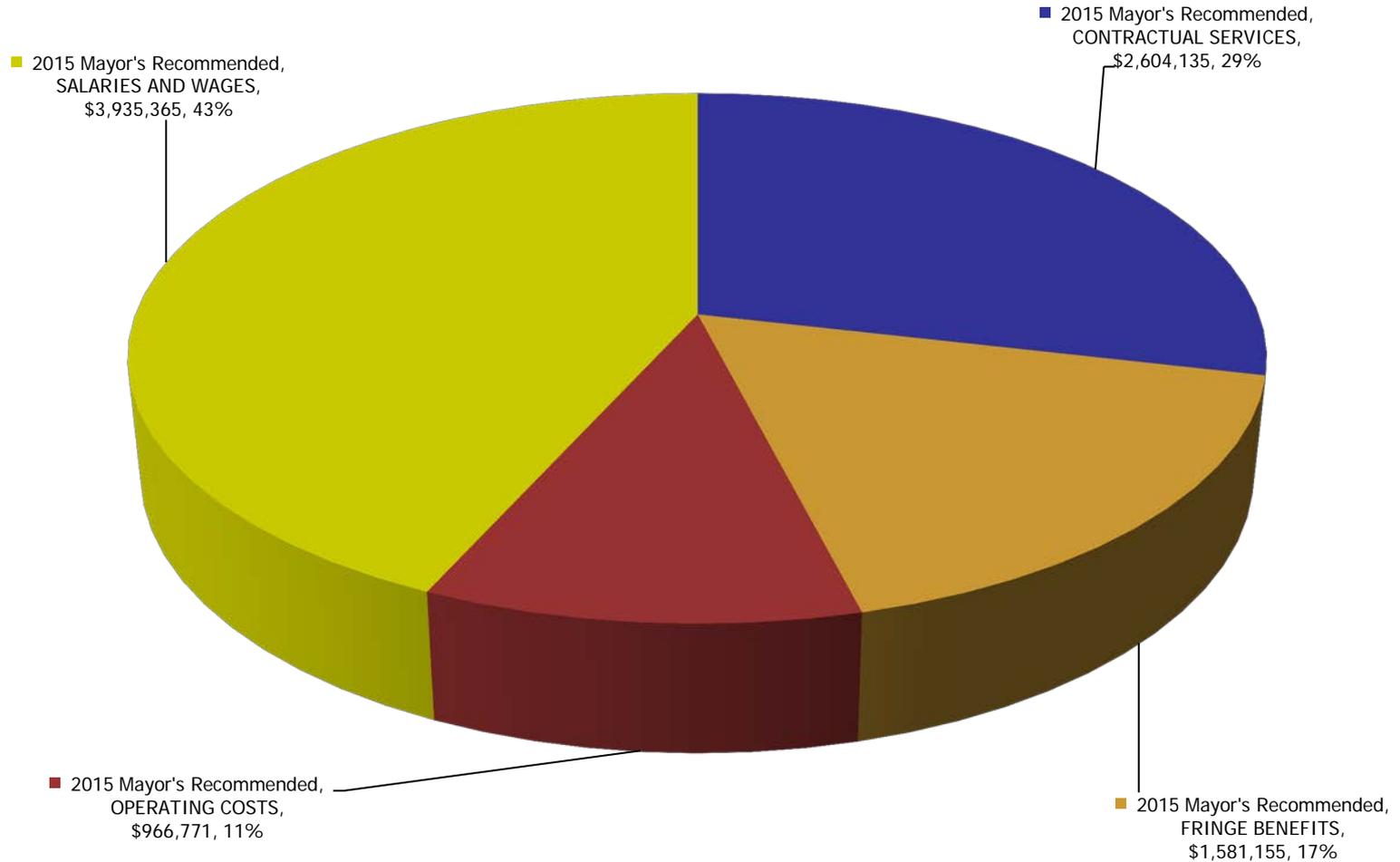
| REVENUE                 | 2014 Adopted     | 2015 Mayor's Recommended | Percent Change | Change         |
|-------------------------|------------------|--------------------------|----------------|----------------|
| <b>GENERAL</b>          |                  |                          |                |                |
| CHARGES FOR SERVICES    |                  |                          | 0.0%           | 0              |
| OTHER MISC REVENUES     |                  |                          | 0.0%           | 0              |
| <b>TOTAL GENERAL</b>    |                  |                          |                | <b>0</b>       |
| <b>INTERNAL SERVICE</b> |                  |                          |                |                |
| CHARGES FOR SERVICES    | 1,434,713        | 1,541,914                | 7.5%           | 107,201        |
| FINES AND FORFEITS      |                  |                          | 0.0%           | 0              |
| OTHER MISC REVENUES     |                  |                          | 0.0%           | 0              |
| <b>INTERNAL SERVICE</b> | <b>1,434,713</b> | <b>1,541,914</b>         | <b>7.5%</b>    | <b>107,201</b> |
| <b>TOTAL REVENUE</b>    | <b>1,434,713</b> | <b>1,541,914</b>         | <b>7.5%</b>    | <b>107,201</b> |

# 2015 Budget Compared to 2014



# 2015 Recommended HR Budget

Expense by Category



Questions?

THANK YOU