

HUMAN RESOURCES

MISSION

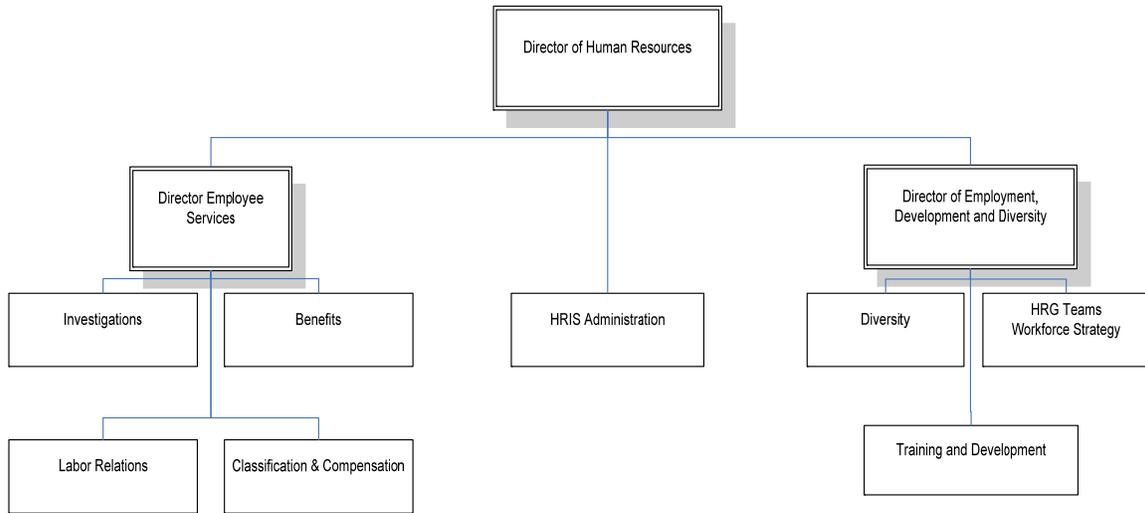
To strategically partner with City departments to hire, develop and retain an excellent workforce.

BUSINESS LINES

The HR Department has three primary business lines – Employee Services, Diversity and Workforce Strategy Services and Administration/HRIS. Because the work of our department involves more than just one business line, it is necessary that the employees of each division engage in cross-divisional cooperation so that the department can accomplish goals and eliminate the existence of ‘silo-mentality’ across the departments.

- **Administration/ HRIS:** The key services associated with this business line are twofold. Key activities include: administration of the department to include policy development and implementation, business planning and strategic direction, and Civil Service Commission oversight. Also important to this business line are services provided by the HRIS Team, which include: enterprise employment information management, managing and providing information to City, Independent Boards and Agencies for decision making purposes and supporting Enterprise Learning Management (ELM) and Enterprise Resource Planning (ERP) related efforts and initiatives.
- **Employment, Development and Diversity:** Designs and implements enterprise-focused diversity initiatives to include: developing and implementing an Affirmative Action Plan, targeted recruitment efforts, and strategic direction for workforce strategies. Also important to this business line are the services provided by the HR Generalist teams, which include: customer-focused strategic and operational advice, staffing, and performance management consultation. This business line provides learning opportunities for managers, supervisors and employees to maximize their development and to minimize organizational risk.
- **Employee Services:** Provides strategic and operational leadership for all of the City’s collective bargaining. In addition to the collective bargaining responsibilities, the key activities essential to this business line are: contract administration, compensation administration, classification administration, complaint investigation, the implementation of the Return-to-Work Program; and designing, negotiating and implementing employee healthcare and wellness programs.

ORGANIZATION CHART



Overview of Services	City Council Department Services	Other Agencies Services
Services required by Federal Law, State Statutes and City Charter/ Ordinance	Yes	Yes
Advertising	Yes	Yes
Job Classification	Yes	Yes
Civil Services Commission Appeals	Yes	Yes
HRIS (Payroll, Benefits, Records)	Yes	Yes
Administer Compensation	Yes	No
Administer Benefits	Yes	Yes (fee based)
Negotiate and Administer Labor Contracts	Yes	No
Compliance Investigations	Yes	No
Policy Training (Respect in the Workplace, Ethics)	Yes	No
Return to Work/Job Bank	Yes	No
Discretionary Services (Promoting Cost-effective, centralized services)	Yes	No
Training and Development	Yes	No
Management Consultation	Yes	No
Alternative Dispute Resolution	Yes	No
Affirmative Action (AA) Support	Yes	Some
Recruiting	Yes	No

FIVE YEAR DEPARTMENT GOALS AND OBJECTIVES		
City Goals and Strategies	Department Goals	Objectives
2 – One Minneapolis 4 – Connected Communities 6 – A Premier Destination	The City of Minneapolis has a work environment and diverse workforce that fosters success.	Create a workforce that reflects the communities the City serves. Work with departments to improve the City's work environment.
1 – A Safe Place to Call Home 2 – One Minneapolis 3 – Lifelong Learning Second to None 5 – Enriched Environment 6 – A Premier Destination	Provide departments the strategic support and information they need to make informed and timely business decisions.	Continue to develop HRIS as the system of record. Develop HR Intranet and related tools to improve and make HR information and tools more accessible to the customer.
1 – A Safe Place to Call Home 2 – One Minneapolis 3 – Lifelong Learning Second to None 6 – A Premier Destination	Assist departments in the hiring and development of a workforce to achieve City, department and individual goals.	Streamline hiring process. Provide strategic recruitment guidance to departments. Provide training opportunities to supervisor, manager and leadership levels. Revise design and implement comprehensive performance management systems.
2 – One Minneapolis 3 – Lifelong Learning Second to None	Provide the City and its employees a competitive compensation program.	Negotiate equitable collective bargaining agreements. Establish a health and wellness program.

RESULTS MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE						
Measure Name	2004	2005	2006	2007	2008 Target	2011 Target
% Female Applicants	36.5%	46.9%	38.3%	43.1%	45.0%	45.0%
# of Female Applicants	2382	3654	4417	4691	4950	4500
% Female Eligible for hiring consideration.	35.3%	42.2%	45.3%	41.1%	45.0%	45.0%
# Of Female Eligible for hiring consideration.	1016	1444	2202	1992	2250	1800
% Female Hires	34.8%	32.9%	35.7%	43.3%	36.5%	45.0%
# of Female Hires	98	118	153	123	100	100
% People of Color Applicants	35.5%	34.7%	31.7%	30.9%	31.0%	35.0%
# of People of Color Applicants	2316	2704	3607	3367	3685	3500
% People of Color Eligible for hiring consideration.	34.6%	31.0%	25.0%	29.4%	31.0%	35.0%
# of People of Color Eligible for	995	1061	1216	1426	1550	1400

RESULTS MINNEAPOLIS MEASURES, DATA AND TARGETS TABLE						
Measure Name	2004	2005	2006	2007	2008 Target	2011 Target
hiring consideration.						
% People of Color Hires	32.3%	34.0%	28.7%	28.2%	31.0%	35.0%
# of People of Color Hires	91	122	123	80	85	85
Females by EEO-4 Category (%)						
• Officials & Administrators	NA	NA	NA	45.2%	TBD	TBD
• Professionals	NA	NA	NA	47.7%	TBD	TBD
• Technicians	NA	NA	NA	20.4%	TBD	TBD
• Protective Service	NA	NA	NA	16.9%	TBD	TBD
• Paraprofessionals	NA	NA	NA	75.9%	TBD	TBD
• Administrative Support	NA	NA	NA	80.5%	TBD	TBD
• Skilled Craft	NA	NA	NA	2.9%	TBD	TBD
• Service Maintenance	NA	NA	NA	10.6%	TBD	TBD
Employees of Color by EEO-4 Category (%)						
• Officials & Administrators	NA	NA	NA	15.4%	TBD	TBD
• Professionals	NA	NA	NA	19.6%	TBD	TBD
• Technicians	NA	NA	NA	16.3%	TBD	TBD
• Protective Service	NA	NA	NA	25.0%	TBD	TBD
• Paraprofessionals	NA	NA	NA	17.2%	TBD	TBD
• Administrative Support	NA	NA	NA	27.9%	TBD	TBD
• Skilled Craft	NA	NA	NA	11.5%	TBD	TBD
• Service Maintenance	NA	NA	NA	30.4%	TBD	TBD
# of Days to Complete Classification Studies	12	10	26	12	14	14
# of Days to Create an Eligible List	83	65	64	59	55	50
Satisfaction with Staffing Services	4.4	4.3	4.3	4.6	4.5	4.5
Hard to Fill Positions	NA	NA	NA	NA	TBD	TBD
Hard to Keep Filled Positions	NA	NA	NA	NA	TBD	TBD
% of Employees with Completed Performance Review in HRIS	5.6%	6.7%	10.1%	34.6%	40.0%	90.0%
Health Insurance Cost Growth to City & Employee	\$6848	\$7939	\$9118	\$9938	\$11,392	\$14,720
Training & Development (Initiatives and Value of Investment)	NA	NA	NA	NA	TBD	TBD

What key trends and challenges does the department face and how will each be addressed?

The department continues to face the challenges of meeting enterprise needs with diminishing resources. The department's workforce plan demonstrates how the department intends to balance its resources so that the department is able to provide operational services, where appropriate, while the department builds staff capacity to truly become strategic partners with customer departments.

What remains unresolved is the cost of future upgrades to the HRIS/COMPASS enterprise system. Historically funding for upgrades has been through annual departmental savings, which are no longer realized as the department has experienced

budget reductions. In 2011, upgrade costs will exceed \$1M, and unless there is a new model for funding these initiatives, there will not be resources available for the upgrade.

Talent management – assisting the organization with the hiring, training & development, and retention of a highly qualified, diverse workforce – is a key challenge for the department and for the City. While the department works to address these issues through improvements, the ability to develop and deliver other enterprise initiatives (recruitment, leadership development, employee engagement and recognition, feeder programs and management consultation) is challenged because of continued resource reductions. The department business plan addresses these concerns, making every effort to deliver needed services. It will take the department longer to provide these services. The department expects that this will result in individual departments hiring out these services, thus minimizing both economies of investments and consistency of information.

Increases in health care cost also continue to be both a trend and a challenge. The department is addressing these challenges by implementing comprehensive health & wellness programs. In addition, the highly successful Benefits Labor Management Committee continues to look for new ways to enhance and/or re-design benefits packages.

What changes to the ordinance are needed to improve services and/or reduce cost?

A change to the City Charter (Rule of 1) and Minnesota State law (Rule of 3) allowing the City to use Rule of the List for all hiring in the Classified Service has the potential to improve services to customer departments seeking to fill vacant positions. This change also could result in reduced costs and improved results in a number of department performance measures (Protected Class Hires, Hard to Fill Positions, # of days to create an eligible list and satisfaction with staffing services)

The City's policy development and review process needs to be improved as the current process can be lengthy if the proposed or updated policy needs to be reviewed, by department heads, citywide LMC, Executive Committee, Ways & Means/Budget committee and the full City Council.

FINANCIAL ANALYSIS

EXPENDITURE

The 2009 budget for this department is \$7.9 million, a 5.2% or \$374,000 increase over the 2008 adopted budget. The budget includes a 41% increase to operating expenditures due to a reclassification of training costs from contractual to operating. The 2009 budget includes elimination of the Enterprise Services division and a shift in budget distribution, allocating more resources to employee training and registration and less to contractual services within Administration, Employee Services, and Employment Services.

The budget for this department includes \$18,314 in property services rent charges based on the Council's adoption and implementation of a City-wide charge for City Hall space will now be reflected in department budgets. This charge was previously not

reflected in departmental budgets. See Schedule 13 for more detailed information. Backing out this charge, the 2009 budget for Human Resources is \$7.9 million, a 5% increase over the 2008 Adopted budget.

REVENUE

The department's revenue budget reflects an 11.1% or \$137,000 increase from 2008 to 2009, primarily attributable to the benefits administration fee that is charged to customer departments through the self-insurance rate model.

FUND ALLOCATION

The majority (80%) of the department's budget comes from the general fund. The department also operates the benefits administration function out of the self-insurance fund and enterprise training out of the intergovernmental services fund.

ORIGINAL BUDGET

With the Mayor's recommended budget, the department received a reduction to growth of \$30,000. The Mayor also recommended an increase to Health Benefit Administration fees charged to other departments in order to offset the cost of total compensation statements (\$30,000) and providing a one-time employee incentive to use bike station programs (\$75,000). The Council approved the Mayor's recommendations.

MAYOR'S REVISED BUDGET

The Mayor recommended a reduction of \$320,000. The Mayor also directed Human Resources to develop and communicate a citywide policy restricting the use of permit employees.

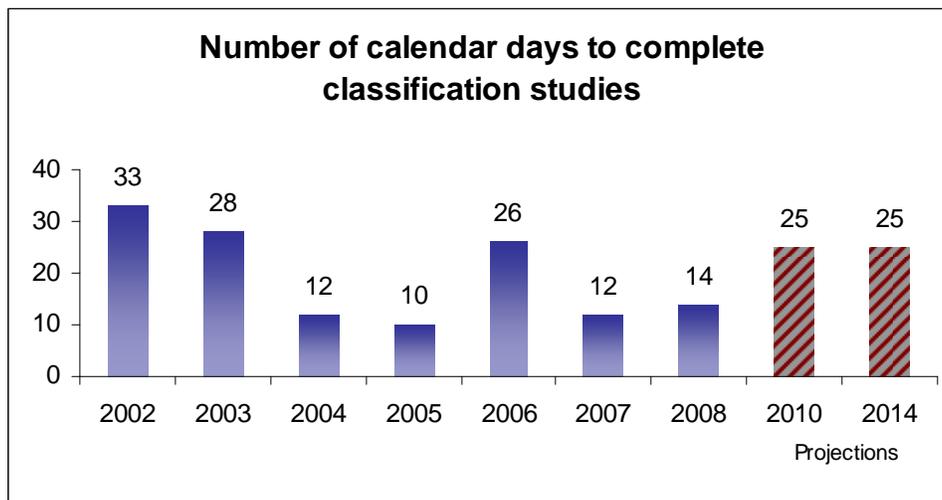
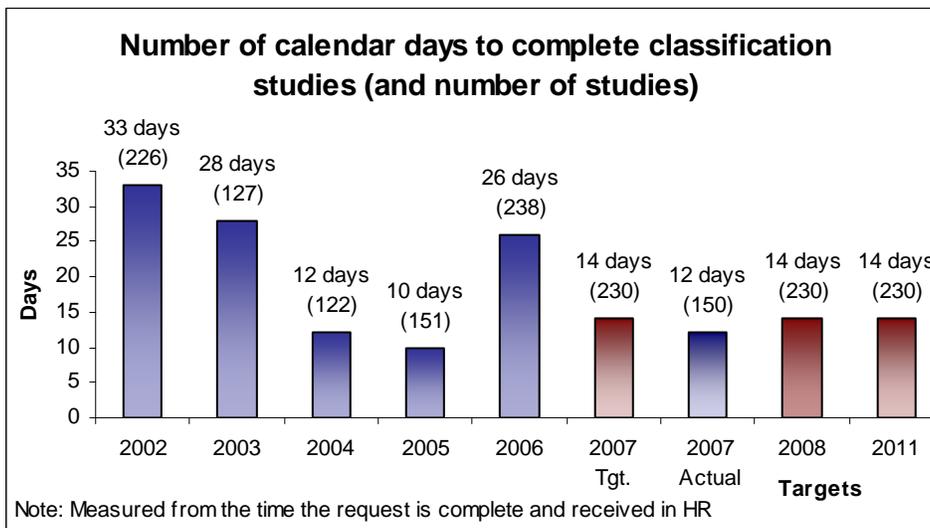
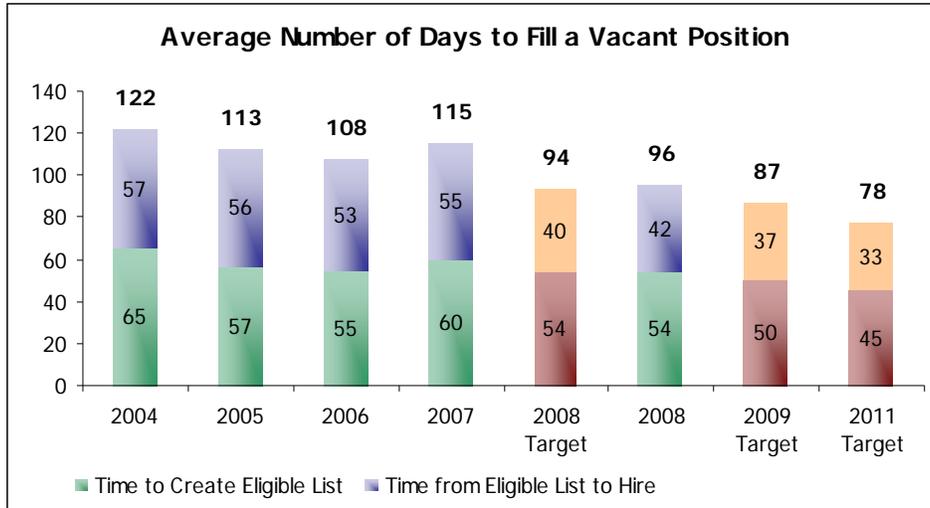
COUNCIL REVISED BUDGET

The Council concurs with the Mayor's recommendations.

The budget for this department includes a reduction of BIS charges of \$26,400 due to the Council's actions to reduce the BIS budget by \$725,000. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Backing out this reduction in charges, the 2009 supplemental budget for Human Resources is \$5,947,851 a 2% decrease over the 2008 Adopted budget.

RESULTS IMPLICATIONS

The following charts show the projected impacts to the department's *Results Minneapolis* measures due to the Council's revised budget.

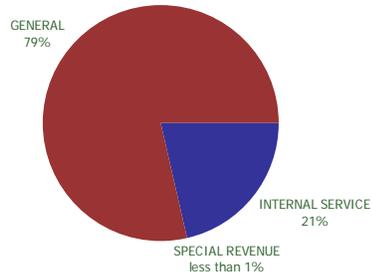


HUMAN RESOURCES EXPENSE AND REVENUE INFORMATION

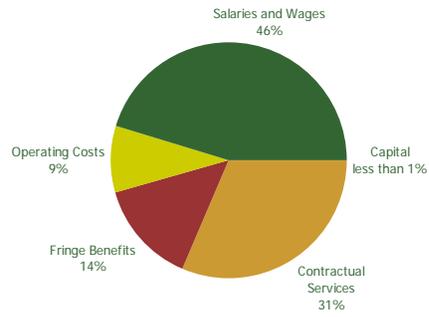
EXPENSE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
GENERAL						
Salaries and Wages	2,775,671	2,803,567	2,997,440	2,830,179	-5.6%	(167,261)
Fringe Benefits	689,102	714,918	854,783	882,305	3.2%	27,522
Contractual Services	2,135,549	2,013,295	1,744,996	1,693,297	-3.0%	(51,699)
Operating Costs	311,790	498,836	472,958	542,070	14.6%	69,112
Capital	0	0	823		-100.0%	(823)
TOTAL GENERAL	5,912,112	6,030,616	6,071,000	5,947,851	-2.0%	(123,149)
SPECIAL REVENUE						
Salaries and Wages	47,514	45,980	0		0.0%	0
Fringe Benefits	18,643	19,632	0		0.0%	0
Contractual Services	0	120,117	0		0.0%	0
Operating Costs	1,347	13,808	10,000		-100.0%	(10,000)
TOTAL SPECIAL REVENUE	67,504	199,537	10,000		-100.0%	(10,000)
INTERNAL SERVICE						
Salaries and Wages	397,796	503,571	582,470	602,471	3.4%	20,001
Fringe Benefits	107,097	146,817	187,668	201,422	7.3%	13,754
Contractual Services	750,179	631,378	656,635	679,111	3.4%	22,476
Operating Costs	21,552	31,914	35,610	140,504	294.6%	104,894
TOTAL INTERNAL SERVICE	1,276,624	1,313,680	1,462,383	1,623,507	11.0%	161,124
TOTAL EXPENSE	7,256,240	7,543,833	7,543,383	7,571,359	0.4%	27,976

REVENUE	2006 Actual	2007 Actual	2008 Adopted Budget	2009 Revised Budget	Percent Change	Change
GENERAL						
Other Misc Revenues	8,837	15,139	5,000	5,000	0.0%	0
TOTAL GENERAL	8,837	15,139	5,000	5,000	0.0%	0
SPECIAL REVENUE						
Other Misc Revenues	196	13,925	10,000		-100.0%	(10,000)
TOTAL SPECIAL REVENUE	196	13,925	10,000		-100.0%	(10,000)
INTERNAL SERVICE						
Charges for Service	857,723	1,116,895	1,218,772	1,365,863	12.1%	147,091
TOTAL INTERNAL SERVICE	857,723	1,116,895	1,218,772	1,365,863	12.1%	147,091
TOTAL REVENUE	866,756	1,145,959	1,233,772	1,370,863	11.1%	137,091

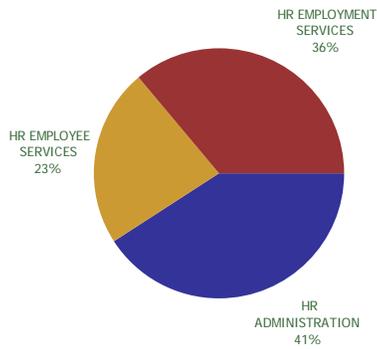
Expense by Fund, 2009 Revised Budget



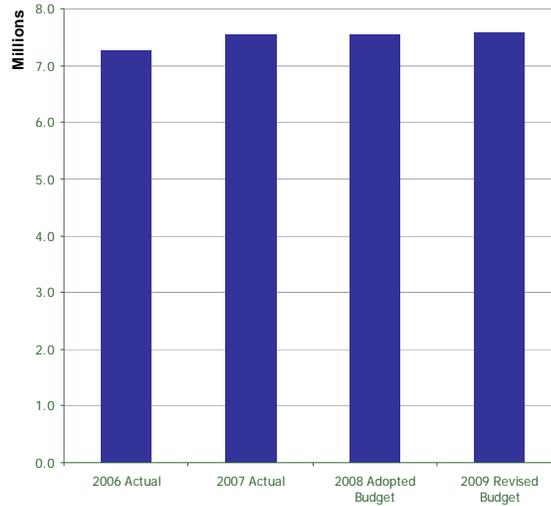
Expense by Category, 2009 Revised Budget



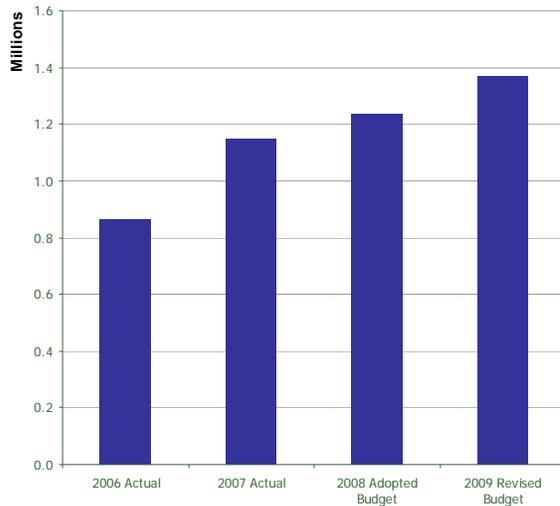
Expense by Division, 2009 Revised Budget



Expense 2006 - 2009



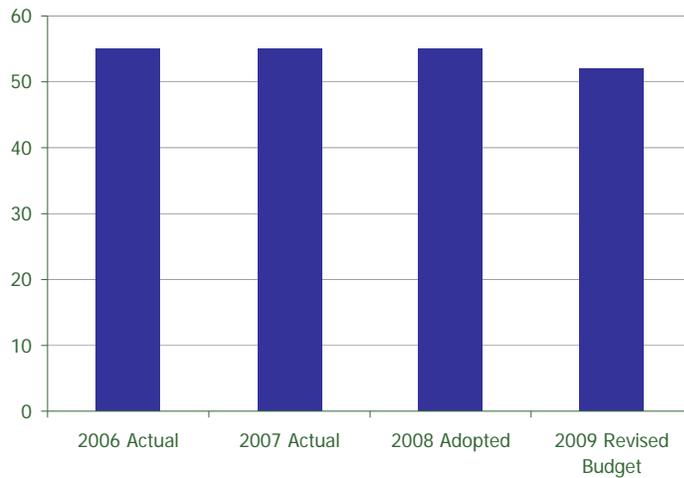
Revenue 2006 - 2009



HUMAN RESOURCES Staffing Information

Expense	2006 Actual	2007 Actual	2008 Adopted	2009 Revised	% Change	Change
HR ADMINISTRATION	2	2	2	10	402.5%	8
HR EMPLOYEE SERVICES	10	9	9	12	32.8%	3
HR EMPLOYMENT SERVICES	26	27	27	30	11.1%	3
HR ENTERPRISE SERVICES	17	17	17		-100.0%	(17)
TOTAL	55	55	55	52	-5.5%	(3)

Positions 2006-2009



Positions by Division 2009 Revised Budget

