

A black and white photograph of a brick building with large windows. An American flag is flying on a pole to the right. A white rectangular box with a black border is centered over the image, containing the text.

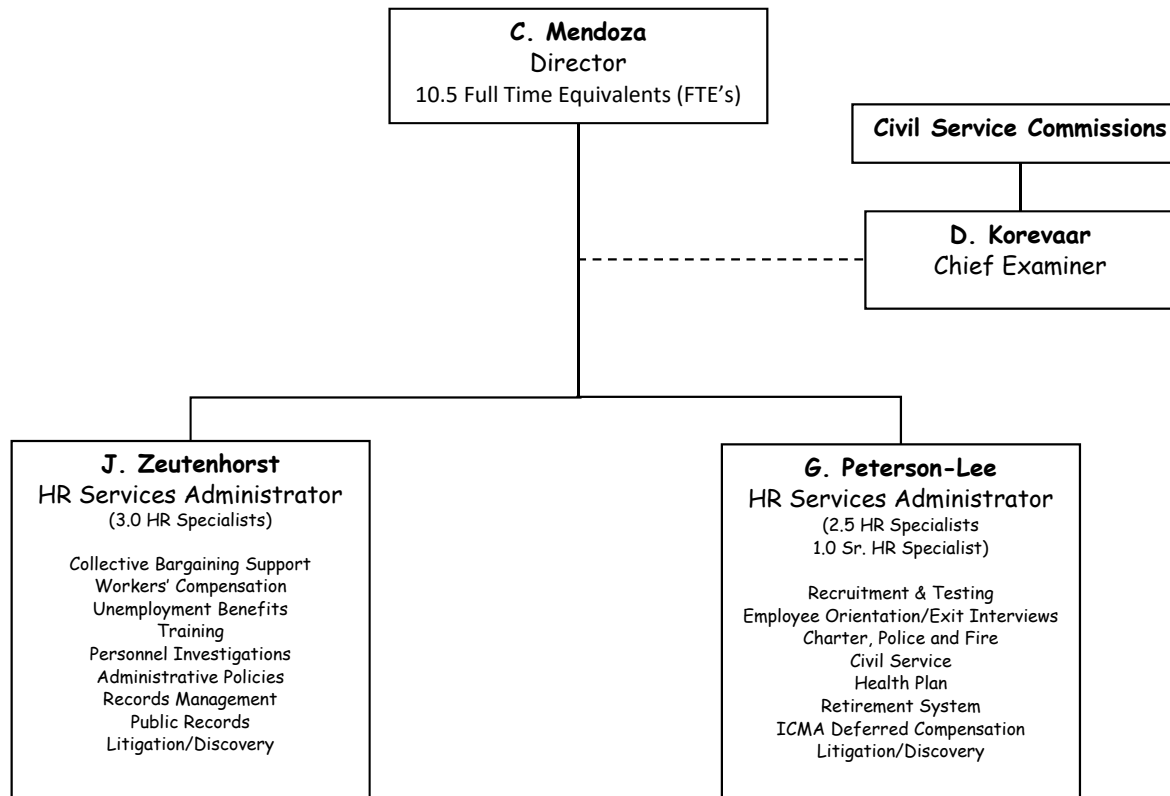
HUMAN RESOURCES

Budget Presentation 2023

HUMAN RESOURCES

- ❑ The City of Yakima Human Resources Department provides consulting and support services for the City and our workforce.
- ❑ We are responsible for the administration of a comprehensive human resource management program in accordance with state, federal and local regulations. This includes managing legal compliance issues and equal employment opportunity mandates, while fulfilling the requirements of our City Charter, and promoting a variety of programs to ensure workforce diversity.
- ❑ Our staff is comprised of team members who are customer-driven and service-oriented. We provide resources, guidance, and assistance, to grow our organization's need for a diverse, well-qualified workforce.
- ❑ Our mission is to serve as a center of excellence by providing proactive leadership in policy development, implementation, and education.
- ❑ It's our goal to be reliable and credible stewards of both innovation and public trust by being knowledgeable, accurate, consistent, proactive, and helpful which will ensure the City of Yakima is an employer of choice in our region.

ORGANIZATIONAL CHART



EMPLOYEE AND LABOR RELATIONS

- ❑ Labor law compliance and contract negotiations
 - 9 collective bargaining units
 - Labor contract interpretation
 - Grievance processing
 - Unfair labor practice/arbitration hearings
 - Coordinate and conduct investigations and complaints
 - Advise departments and participate in disciplinary procedures and disciplinary actions
- ❑ Policy development and administration
- ❑ Legal compliance, equal opportunity employment & workforce diversity
 - Equal Employment Opportunity Commission (EEOC) Compliance (Federal mandate)
 - Americans with Disabilities Act (ADA) Administration (Federal and State mandate)
 - Family and Medical Leave Act (FMLA) Administration (Federal and State Mandate)
 - Paid Family Medical Leave (PFML) Administration (Unfunded State Mandate)
 - Washington Cares Act Administration (State Mandate)
 - FTA/DOT random drug testing administration (Federal Mandate)
 - Employment eligibility verification (I-9) (Federal mandate)
 - Record Retention Act (State mandated Chapter 40.12 RCW)
 - Fair Labor Standards Act (FLSA) (Federal mandate)

EMPLOYEE BENEFIT ADMINISTRATION

- ❑ Health benefits administration
 - Benefit plan design, development, implementation
 - Broker/third party administrator contract administration
 - Annual open enrollment process
 - Provide customer service support for 1,900+ plan participants
 - Assist with eligibility, claim processing/resolution, coordination of benefits
 - Stop-Loss insurance administration & processing
 - Employee Assistance Program (EAP)
 - HRA/VEBA Administration
- ❑ Coordinating health and wellness programs
 - Wellness program
 - Annual employee health & wellness fair
 - Employee appreciation picnic
- ❑ Retirement system benefits administration support (State mandated Chapter 41.28 RCW)
- ❑ Administer deferred compensation 457 plan
- ❑ Life insurance program & claims processing support
- ❑ Disability insurance claim processing
- ❑ AFLAC contract administration
- ❑ New employee orientation
- ❑ Employee training and development

WORKERS' COMPENSATION & SAFETY ADMINISTRATION

❑ HR Administration

- Process workers' compensation claims and provide internal case management.
- Serve as liaison between injured worker, supervisors and third party claims manager.
- Administer return to work program and time loss compensation benefits.
- Participate in required compliance audits performed by WA State.
- Third party administrator contract administration
- Claim acceptance, benefit approvals, etc. as determined by WA State Labor and Industries.

❑ Challenges

- Presumption laws have changed, increasing the number of qualified occupations/illnesses/diseases
 - Increased number of claims
 - Increased costs
- Risk insurance premiums have increased 70% since 2019

❑ Estimated Savings as Self-Insured Program

| | |
|------|--------|
| 2022 | \$1.3m |
| 2021 | \$530k |
| 2020 | \$352k |

UNEMPLOYMENT COMPENSATION ADMINISTRATION

- ❑ Coordinate information exchange with Employment Security Department
- ❑ Comply with ongoing claim activity
- ❑ Audit findings, process appeals, etc.

- ❑ Administration of program now managed in-house
 - Annual budget savings \$6k - \$10k
 - Control unemployment insurance costs by completing inquiries more timely
 - 6 successful appeals (2022 - YTD 2023) - \$83,161 credit

- ❑ Identify unemployment fraudulent benefits
 - 53 unemployment fraud claims identified (2020) - \$481,156 potential loss
 - 2 unemployment fraud claims identified (2021) - \$41,678 potential loss
 - 2 unemployment fraud claims identified (2022) - \$39,676 potential loss

CIVIL SERVICE

- ❑ Mandated by City Charter and RCW 41
- ❑ Requires the City establish a system of personnel administration based on merit principles and governing the appointment, promotion, transfer, layoff, removal, discipline and welfare of its employees, and other incidents of city employment.
- ❑ The Chief Examiner is the staff representative responsible for supporting and implementing the work of the Commissions.
 - Administer and oversee the recruitment, screening, testing required for each new and/or promotional appointment.
 - Classification creation and updates.
 - Determination of pay allocation.
 - Processes reduction in force (RIF) notifications, planning, placements, etc.
 - Provides evaluation support and compliance.
 - Assists in the resolution of miscellaneous personnel issues.
- ❑ Requires the City provide a minimum annual budget in the sum equal to one half of one per cent of the preceding year's total payroll for support of the commissions.

| | 2020 | 2021 | 2022 | 2023 | 2024 |
|---------------------------------------|--------|--------|-----------|-----------|-----------|
| | Actual | Actual | Estimated | Projected | Projected |
| Personnel Requisitions | 156 | 172 | 220 | 190 | 180 |
| Applications Received | 1,483 | 1629 | 2000 | 1800 | 1700 |
| Employment Tests Administered | 160 | 161 | 175 | 160 | 150 |
| Number of Candidates Scheduled/Tested | 454 | 444 | 480 | 460 | 450 |
| Personnel Hired | 96 | 139 | 175 | 140 | 130 |
| Classification Studies Completed | 30 | 35 | 37 | 35 | 30 |

BUDGET

General Fund Budget
2024

10% Reduction

\$1,218,599

\$121,860

Proposed Reduction
Item

Estimated
Savings

Sr Human
Resources
Assistant
(vacant)

\$123,718*

Total Reduction:

10.15%



IMPACTS

- ❑ By implementing a staff reduction in HR, it will negatively impact cost savings in every other department in a direct and significant way.
- ❑ Delays in recruitment:
 - Cause negative public opinion
 - Immediate and long-term decreases in applicant interest
 - Less effective success with recruiting talented and experienced employees
 - Increase overtime expenditures
 - Impact employee retention due to decreased morale and burnout
- ❑ Delays on follow-up to worker's comp:
 - Cause employees to be out longer, which particularly in public safety, cause deficits in staffing
 - Significant overtime increases and less "deployable" personnel
 - Increased risk of penalties and/or litigation
- ❑ Employee leave laws and medical situations are extremely complex, delays in FMLA/PMFL lead to longer absences, and/or more time spent correcting payroll issues etc.
- ❑ A lack of appropriate medical plan follow-up often results in:
 - Employees being out for longer periods of time
 - Not receiving appropriate guidance or care
 - Over-payments
 - Claims processing issues
 - Negative impacts to employee health, wellness and financial situations

❑ Delays in dealing with personnel issues, complaints, etc. result in:

- Escalations in issues which create liabilities and risk to the City
- Cause more in-depth investigations
- Increase potential litigation
- Decreases productivity in the departments/divisions impacted
- Ultimately affects the level of service provided

❑ Delays or inability to work efficiently with legal representatives, would result in less successful litigation results

❑ Delays in addressing union issues impacts:

- Working relationships
- Long-term success with negotiations

❑ With an already lean staff, the cut of this position could:

- Dramatically affect the ability to respond to immediate situations which regularly occur and the ability to provide efficient support to other City management staff.
- Increase the already existing challenges of responding timely to changes in case-law, legislation, and mandates, with limited ability to be proactive in policy updates and development
- The impacts would be felt by the entire organization as well as the public.

An aerial photograph of a city, likely Las Vegas, showing a mix of residential and commercial areas with hills in the background. A large white rectangular box is centered over the image, containing the word 'QUESTIONS?'. The box has a thick black border on its top and left sides, and a thinner black border on its right side. The text 'QUESTIONS?' is written in a bold, black, sans-serif font.

QUESTIONS?