

gwinnettcounty

Human Resources



a great place to live and work

2011 Business Plan



2011 Budget Request – Human Resources

	<u>Total</u>
2010 Adopted Budget	\$ 2,828,820
Contribution to Capital	\$ -
Recon Adj Contribution to Capital	\$ -
Reconciliation Adjustments	\$ 220,000
2010 Reconciliation Base	\$ 3,048,820
2011 Base Budget	\$ 2,853,299
Difference in budget from 2010	\$ (195,521)



2011 Budget Request –

Group Self Insurance Fund

	<u>Total</u>
2010 Adopted Budget	\$ 59,264,589
Contribution to Capital	\$ -
Recon Adj Contribution to Capital	\$ -
Reconciliation Adjustments	\$ (117,299)
2010 Reconciliation Base	\$ 59,147,290
 2011 Base Budget	 \$ 55,855,390
 Difference in budget from 2010	 \$ (3,291,900)



2011 Budget Request –

Workers Compensation Fund

	<u>Total</u>
2010 Adopted Budget	\$ 4,680,506
Contribution to Capital	\$ -
Recon Adj Contribution to Capital	\$ -
Reconciliation Adjustments	\$ -
2010 Reconciliation Base	\$ 4,680,506
 2011 Base Budget	 \$ 4,733,579
 Difference in budget from 2010	 \$ 53,073

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Department Overview

Mission

To provide quality programs and services to attract, develop, motivate, and retain a strategically-aligned workforce within a supportive work environment



Department Overview

- Centralized service supporting all departments including elected officials and constitutional officers
- Provide resources, services, and consulting to employees and managers
- Manage employee life cycle



Department Overview

- Responsible for managing overall budget for employee benefits, worker's compensation claims and retirement plans
 - Costs charged back to departments on per employee basis
 - Only 4.5% of HR Budget for staff and operating costs



Services Provided

- Develop and Manage **Compensation and Benefit Plans**
 - Job classification
 - Pay for performance
 - Health Insurance
 - Leave and Disability
 - Life Insurance
 - Salary structure
 - Incentive plans
 - Retirement
 - Financial Planning
 - Workers' Comp



Services Provided

- **Workforce Planning**
- **Custodian of Records**
- **Compliance** with applicable employment laws
- **Employee Relations** support to employees and managers



Services Provided

- Coordinate **Recruitment and Selection** process
- Coordinate and conduct **Training and Development** programs
- **Employee Safety** awareness and training



Employees

Administrative Team	5
Program & Project Management	2
HR Systems & Reporting	2
HR Operations/Service Teams	19
Employee Benefits & Safety	7
Total	35

Staffing Ratio = 1:138



Major Financial Themes

- **Revenue Decreasing**
 - Impacts Balanced Compensation Policy which limits salary and benefits to 70% of General Fund revenues
- **Pension Plan Costs Increasing**
 - As retirement plan costs increase, portion of funds available for other benefits decreases



Key Environmental Factors

- Medical and Prescription Drug Costs
 - Healthcare Reform
- Number of employees eligible for retirement
- Employee Morale/Turnover
- Economy/Unemployment Rate



Major New Initiatives

- Revise **Performance Appraisal** tools, processes, and rewards system
- Develop **Long-Term Strategy** to address funding for **defined benefit retirement plan**
- Evaluate **Leave Policies** to ensure they are aligned with business plans and financial resources



Major New Initiatives

- Implement an **Employee Clinic**
 - Utilize outsourced model
 - Return on investment to exceed cost
 - Break even likely to occur in year 1
 - Increase employee productivity by reducing time lost due to doctor appt by 1 to 2 hours
 - Estimated annual cost avoidance =
\$22K – \$45K
 - Reduce claims cost
 - Provide low cost alternative for employees
 - Estimated annual savings to plan in year 1
\$296K up to \$555K in year 5



Core Budget Changes

- Decrease **General Fund** budget by 5.5%
 - Reduce operating expenses by \$167,492
 - Reduce Merit Board expenses as a result of fewer meetings scheduled
 - Continue to gain efficiencies to support increasing number of employees without need for additional staffing



Core Budget Changes

- Reduce **GSI Fund** contribution percentage from 16.5% to 13%
 - Required to reduce expenses by \$3.3 million to comply with balanced compensation policy
 - Reductions in costs for medical plans achieved through:
 - Lower administrative costs
 - Plan design changes
 - Improved wellness program
 - Cost sharing which encourages employees to enroll in less costly plans



Core Budget Changes

- Reduce **Risk Fund** by 1.8%
 - Reduce operating expenses by \$2,340
- Increase **Worker's Comp Fund** by 1.1%
 - Based on actuarial study of projected claims experience

Overall budget decrease of 5.1%



Resources

- **No changes proposed**
- Continue with restructuring plan that was implemented in 2009/2010
- Evaluate additional ways to gain efficiencies through automation, changes to work processes, better alignment of work assignments, and cross-training