

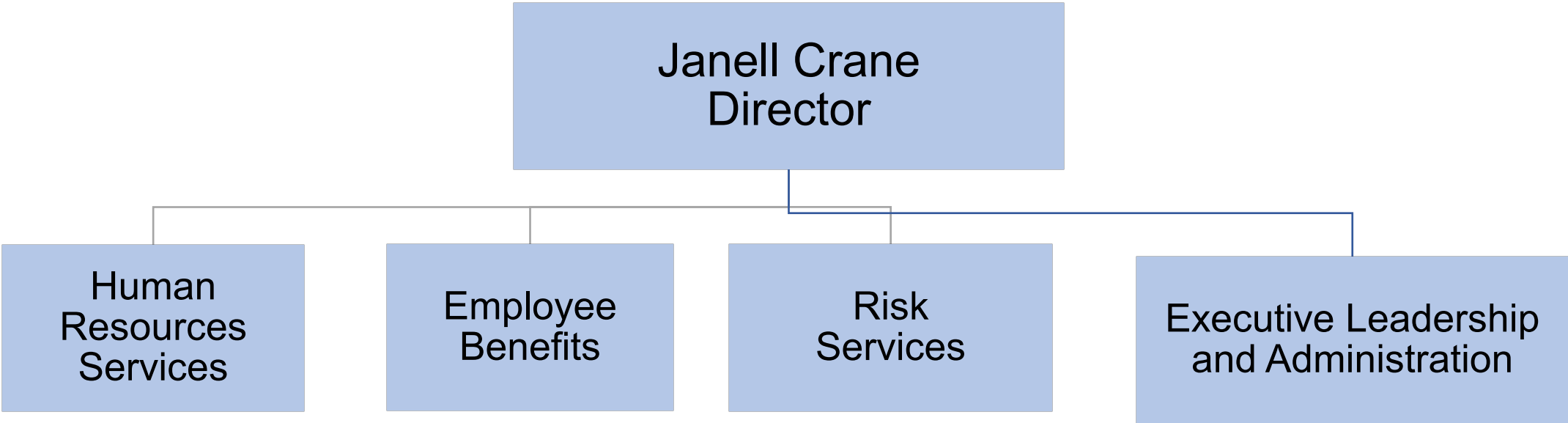
Human Resources Department

FY 2025-26 Preliminary Budget



Department Overview

	Operating Expenditures	FTE
FY 2024-25 Adopted	\$ 148,690,068	68.50
FY 2025-26 Preliminary	\$ 149,850,863	68.50
Net Change	\$ 1,160,795	0.00



Departmental Expenditures

FY 2025-26 Service Area Expenditures	Preliminary Budget	FTE
Human Resources Services	\$8,020,941	33.00
Employee Benefits	\$57,166,844	8.00
Risk Services	\$83,722,489	18.50
Executive Leadership & Administration	\$4,664,235	9.00
Gross Departmental Expenditures	\$153,574,509	68.50
Less Internal Departmental Transfers	\$3,723,646	n/a
Departmental Operating Expenditures	\$149,850,863	

Departmental Funding Sources

FY 2025-26 Funding Sources	Preliminary Budget
General Fund Contribution	\$14,629,013
Fees & Charges for Services*	\$101,631,022
State, Federal & Other Funds	\$175,000
Other Departmental Revenue**	\$3,697,856
Use of Fund Balance	\$27,600,692
Transfers & Reimbursements within the County***	\$5,840,926
Total Sources	\$153,574,509

**Fees and Charges for Services includes internal service fund revenues collected from departments/agencies associated with Risk Services and Employee Benefits.*

***Other Departmental Revenue includes interest revenue on fund balances, including miscellaneous revenue and refunds associated with County Health Plan and ISF's.*

****Transfers within the County reflect all funds that are transferred both within this department as well as between departments.*

State and Federal Budget/Policy Implications

While Human Resources does not anticipate direct impacts due to potential legislative or budgetary changes at the State or Federal level, if other departments were to experience staffing or operational changes, Human Resources would provide guidance and strategic support in navigating any resulting impacts on the workforce.

Key Opportunities and Challenges

- **Employee Engagement and Workforce Experience**

- Collaborate with employees and department heads to review feedback and identify key areas for improvement.
- Develop a plan that addresses key findings with the goal of improving employee experience.

- **HR Service Delivery for County Departments**

- Analyze feedback from County departments to determine where HR services can be improved within existing resources.
- Assess technology and automation solutions to enhance self-service options and data analytics capabilities for departments.

- **Risk Management**

- Continue to assess options for managing the fiscal impacts of the current hard insurance market by analyzing coverages and deductibles.
- Support departments in risk mitigation actions to reduce claims.

Key Operational Objectives

1. Prepare for and complete the majority of successor labor contract negotiations
2. Complete Racial Equity Action Plan – Year 1 Objectives
3. Conduct a needs assessment in advance of developing and issuing a Request for Proposal for a new Human Resources Information System (HRIS), in collaboration with the Auditor-Controller-Trax Collector's Office, County Executive's Office, and Information Systems Department. The current system has been in use since 2010 and is nearing the end of its life cycle.

Program Change Requests

Classification Study Funding, \$100,000 one-time, Discretionary

The Recruitment and Classification Unit currently has a significant backlog of classification studies (50+) due to the necessary prioritization of work associated with recruiting and filling positions. The average length of a classification study is currently 18 months, with the oldest study dating back to 2020.

This funding will make it possible for the Unit to:

- Hire class consultants who will focus on the reducing the backlog of studies

Lengthy class studies can have negative impacts on applicants, employees, departments, and the organization as they can affect compensation; organizational structures and effectiveness; and create barriers to employment.

Program Change Requests

Workforce Development Enhancements, \$130,000 ongoing, Discretionary

The County's current spend on centralized employee training is approximately \$275 per FTE. 2024 talent development industry data shows other organizations spend approximately \$1,283 per employee. Approval of this PCR would bring the County's average spend to approximately \$305 per FTE in FY 25-26.

The funding will make it possible for Workforce Development to:

- Better support county employee professional growth and retention by investing in high quality training
- Expand supervisor and leadership program offerings
- Expand inclusion and belonging training offerings

Increasing professional development opportunities will lead to greater employee engagement and job satisfaction, which will build a more inspired and diverse workforce to render excellent service to the community.

Program Change Requests

Performance Management Process Improvement and Software Implementation

- 1.0 FTE Department Program Manager-Project
- \$4,000 one-time, \$308,000 ongoing limited term, funded from Human Resources Information Systems Internal Service Fund

The funding for this position/initiative supports:

- A thoughtful and well-designed implementation plan for departments of all sizes
- Timely and meaningful performance feedback & goals for employees
- Support for career development and clear promotional pathways
- Consistent monitoring of employee performance and expectations across the organization