

**Section 10:
Shared Expenses**

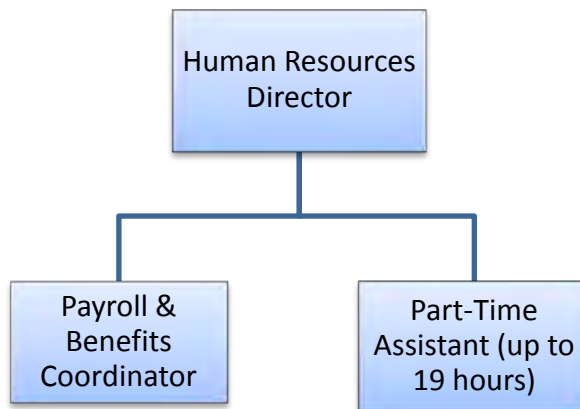
HUMAN RESOURCES

MISSION STATEMENT

The Human Resources Department provides a broad range of efficient and effective Human Resources services consistent with community expectations, to enhance the quality of life for the present and past workforce of the City, and to ensure that the City continues to be a desirable place to live, work, and do business.

The Human Resources Department serves as a confidential resource for the City's regular, seasonal and temporary employees and also to City and School retirees on issues relating to: policies and procedures; classification and compensation plans; actions regarding compliance; recruitment, selection, and retention of employees; employee recognition and development activities; workers' compensation case management; and administering employee benefit programs. The Human Resources Department advises department managers, supervisors, and employees on personnel matters; and assists in labor negotiations and contract administration.

ORGANIZATIONAL OVERVIEW



Position	FY2017 Actual	FY2018 Actual	FY2019 Budgeted
Human Resources Director	1.0	1.0	1.0
Payroll & Benefits Coordinator	1.0	1.0	1.0
Human Resources Assistant	0.0	0.0	0.5
Total Full Time-Equivalents	2.0	2.0	2.5

PERFORMANCE MEASUREMENTS

Performance Indicator	Unit of Measure	Actual FY2016	Actual FY2017	Estimated FY2018
Number of City Positions Filled	#	28	25	24
Number of City Full Time Employees	#	219	229	228
Number of City Part Time Employees	#	42	43	44
Number of City Seasonal Employees	#	70	62	66
Number of Active <u>City Employees</u> Enrolled in Health Insurance	#	178	177	178
Number of Active <u>School Employees</u> Enrolled in Health Insurance	#	292	294	281
Number of <u>City Retirees/Retiree Spouses</u> Enrolled in Health Insurance	#	206	215	210
Number of <u>School Retirees/Retiree Spouses</u> Enrolled in Health Insurance	#	251	256	272

FY2018 ACCOMPLISHMENTS

- Fully integrated new Payroll system including enhanced reporting, employee portal with self service capabilities for updating tax withholdings and demographics
- Managed full cycle recruiting including creation of job posting, screening, creation of interview questions, interviewing, reference checks and offering of position for all City openings
- Hired new Third Party Administrator Health Reimbursement Account (HRA) administration of extraordinary prescription expenses for active and retiree health plan subscribers
- Successfully negotiated three collective bargaining agreements for three year periods, and led negotiation efforts for AFSCME collective bargaining agreement, expiring in June 2018
- Created performance evaluation system and self-evaluation program for Department Head staff, including setting of professional development objectives
- Streamlined workers compensation process outlining responsibilities, pay process, and use of accrual balances, resulting in formalized policy
- Surveyed City and School employees on Training and Development interests and Wellness topics of interest and scheduled programs to cater to most sought after programs

FY2019 TRENDS

In FY2019 the Human Resources Department will continue to serve as a confidential resource for employees and retirees, acting as a liaison, mediator, and facilitator to address and resolve the current and future needs and expectations of the City of Newburyport. In FY2019 this department will look to provide more efficient services to the over 900 health plan subscribers by adding a part-time human resources assistant to the staff to increase efficiency in fielding inquiries from City and School retirees, keep the website and employee portal up-to-date, coordinate the daily flow of information between the Retirement office, the School business office, and all Departments across the City. FY2019 is about working smarter and more efficiently, leveraging technology as much as possible to create workflow as new hires come in, statuses change, and employees resign or retire. The Human Resources Department will continue to provide support services, policy direction, and leadership development to all employees and retirees across the City.

FY2019 GOALS & OBJECTIVES

GOAL 1: TECHNOLOGY / INCREASE EFFICIENCIES

Objectives:

- Integrate Time and Attendance module of Payroll software
 - Increase payroll efficiencies with timesheets at department level
 - Automate Time Off Tracking and Requests
 - Report on Employee Accruals
- Improve workflow
 - Payroll to Accounting (G/L accounts)
 - New hire process
 - Orientation / onboarding
 - Review of new hire probationary period
 - Retirement process
- Employee Self-service
 - On-line check stubs
 - Updating personal information (change of address, etc.)
 - Changing deductions

GOAL 2: COMMUNICATION / EDUCATION

Objectives:

- Benefits
 - Serve as Mayor's liaison to Public Employee Committee (PEC)
 - Simplify and promote understanding of health plan benefits
 - Inform subscribers of cost effective programs (e.g. SmartShopper)
 - Educate employees and retirees on supplemental options (life, disability, FSA)
 - Research new options (vision, accident, critical illness)

- Streamline enrollment and change process with school employees and retirees
- Safety
 - Implement new policies, procedures and practices for the prevention and elimination of work-related injuries and health hazards
 - Increase participation and training in internal safety committee
 - Maintain partnership with risk management for best practices with similar communities
 - Decrease workers compensation claims and increase follow up communication and return to work time
- Employee Relations
 - Update and streamline Employee Handbook
 - Leverage EAP program for more training initiatives including lunch time webinars
 - Create a more formal new hire onboarding process to engage and retain staff
 - Enhance exit interview process to enhance current and future staff needs
 - Research implementing an employee engagement survey tool
 - Update anti-discrimination and acceptance policies

GOAL 3: TALENT MANAGEMENT

Objectives:

- Hiring
 - Research new sourcing strategies
 - Build relationships with schools and member organizations for hard to fill positions / trades
 - Improve applicant tracking
- Leadership
 - Assess leadership skills across City departments
 - Create supervisory learning opportunities
 - Implement succession planning strategies

Personnel Management

- Development and maintenance of personnel files
- Recruitment and Hiring
- Legal Compliance
 - Civil Rights Act (Title VII)
 - ADA
 - ADAAA
 - HIPAA
 - FSLA
 - FMLA
- Employee Relations
- New employee orientation/Exit Interviews
- Harassment Allegations
- Participate in Labor Relations
- Resolution of Performance issues
- Workers Compensation

Payroll & Benefits Management

- Legal compliance
 - HIPAA
 - Section 18, etc.
- Process changes in enrollments
- Negotiate plans/rates with vendors
- Manage vendor performance
- Manage COBRA process
- Manage Life Insurance Program
- Coordinate Payroll Changes
- Coordinate Retirement Calculations
- Prepare biweekly census for OBRA
- Prepare and distribute W2 Forms at year-end

HUMAN RESOURCES DEPARTMENT (01-152)

	FY2016 ACTUAL	FY2017 ACTUAL	FY2018 BUDGET	FY2019 PROPOSED	\$ CHANGE	% CHANGE
001 - PERSONNEL SERVICES						
51101 - HR SAL DIRECTOR	76,042	75,258	85,000	86,700	1,700	2.0%
51102 - HR PAYROLL & BENEFITS COORD	59,089	58,335	61,369	62,596	1,227	2.0%
51166 - HR PART-TIME ASSISTANT	0	0	0	19,760	19,760	
001 - PERSONNEL SERVICES Total	135,131	133,593	146,369	169,056	22,687	15.5%
002 - PURCHASE OF SERVICES						
53001 - HR TIME & ATTENDANCE SOFTWARE	0	0	0	11,000	11,000	
53003 - HR COBRA ADMIN	2,100	1,100	1,200	1,200	0	0.0%
53004 - HR GIC ANALYSIS	7,000	0	0	0	0	
53005 - HR HRA ADMINISTRATION	4,096	1,620	1,950	750	(1,200)	-61.5%
53006 - HR FSA ADMINISTRATION	9,005	9,621	9,635	7,800	(1,835)	-19.0%
53007 - HR UNEMPLOYMENT CLAIMS	28,141	15,990	25,000	20,000	(5,000)	-20.0%
53008 - HR WORKER'S COMPENSATION	64,644	72,400	88,328	97,161	8,833	10.0%
53009 - HR ADVERTISING	2,806	1,616	1,200	1,500	300	25.0%
53010 - HR PAYROLL	13,234	16,099	16,350	10,100	(6,250)	-38.2%
53011 - ASSESSMENT CENTER	8,564	0	0	0	0	
002 - PURCHASE OF SERVICES Total	139,589	118,446	143,663	149,511	5,848	4.1%
004 - SUPPLIES						
54200 - HR SUPPLIES	2,479	3,000	1,500	1,500	0	0.0%
004 - SUPPLIES Total	2,479	3,000	1,500	1,500	0	0.0%
007 - OTHER CHARGES & EXPENSES						
57300 - HR MEMBERSHIP DUES	500	0	200	200	0	0.0%
007 - OTHER CHARGES & EXPENSES Total	500	0	200	200	0	0.0%
Grand Total	277,699	255,039	291,732	320,267	28,535	9.8%

INSURANCE GROUP (01-914)

	FY2016	FY2017	FY2018	FY2019	\$	%
	ACTUAL	ACTUAL	BUDGET	PROPOSED	CHANGE	CHANGE
001 - PERSONNEL SERVICES						
51166 - CH 32B PART TIME SUPPORT	0	0	0	0	0	
51700 - INS HEALTH INSURANCE PREMIUMS	7,643,882	8,380,171	8,952,570	9,320,040	367,469	4.1%
51701 - INS DENTAL CONTRIBUTION	42,120	43,780	51,000	51,000	0	0.0%
51702 - INS HRA PROGRAM	14,816	36,090	30,000	30,000	0	0.0%
51703 - INS MEDICARE REIMBURSEMENTS	59,625	37,552	45,000	0	(45,000)	-100.0%
51704 - INS LIFE INSURANCE	53,908	55,504	60,000	60,000	0	0.0%
51705 - INS MEDICARE PENALTIES	36,837	46,242	49,200	47,114	(2,086)	-4.2%
51706 - INS WELLNESS PROGRAM	16,382	12,079	11,934	0	(11,934)	-100.0%
51707 - INS FICA PAYROLL TAXES	0	181,965	205,000	211,150	6,150	3.0%
001 - PERSONNEL SERVICES Total	7,867,570	8,793,383	9,404,704	9,719,304	314,600	3.3%
Grand Total	7,867,570	8,793,383	9,404,704	9,719,304	314,600	3.3%

RETIREMENT SYSTEM

The Newburyport Retirement System is funded through annual appropriations from the City of Newburyport, members’ deductions and investment returns. Pension Funds are invested with the Public Retirement Investment Trust or PRIT, a state run agency that pools pension contributions from around the state in order to maximize returns and reduce management fees.

The annual assessment is determined by the Public Employees Retirement Administration Commission (PERAC) and is based on salaries, age, and service time of unit participants that comprise the Newburyport Retirement System. These units include the Newburyport Housing Authority, Harbormaster Office, DPS Water Division, DPS Sewer Division, school workers (non-teaching personnel), and City employees. The unfunded liability is a significant factor in determining the annual assessment.

RETIREMENT BOARD (01-911)

	FY2016	FY2017	FY2018	FY2019	\$	%
	ACTUAL	ACTUAL	BUDGET	PROPOSED	CHANGE	CHANGE
001 - PERSONNEL SERVICES						
51740 - RET APPROP CITY/SCHOOL	3,560,812	3,779,790	3,924,742	4,132,415	207,673	5.3%
001 - PERSONNEL SERVICES Total	3,560,812	3,779,790	3,924,742	4,132,415	207,673	5.3%
Grand Total	3,560,812	3,779,790	3,924,742	4,132,415	207,673	5.3%

DEBT SERVICE

Debt Service appropriations provide for the payment of principal and interest costs for long and short term bonds issued by the City for capital projects for General Fund purposes. The debt service appropriations for the Water, Sewer, and Harbormaster Enterprise Funds appear in their respective budgets (Section 11 of this budget document).

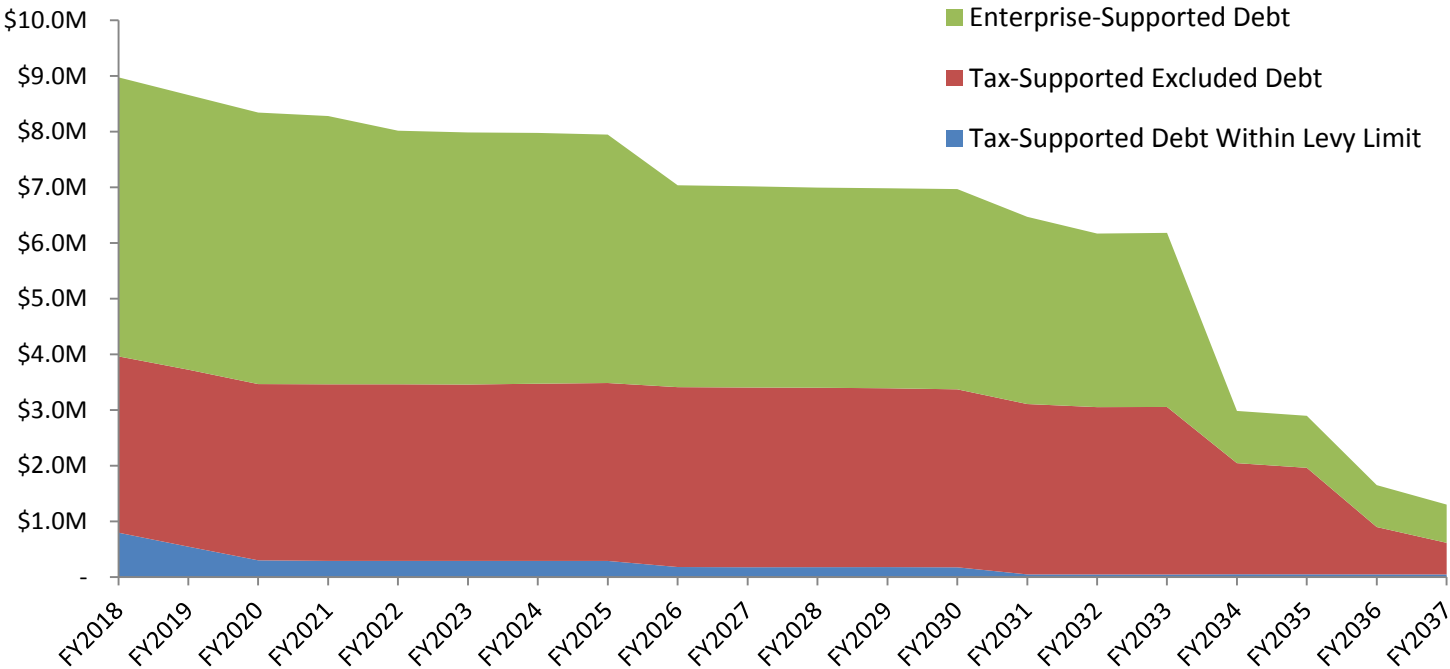
EXCLUDED DEBT SERVICE (01-710)

	FY2016 ACTUAL	FY2017 ACTUAL	FY2018 BUDGET	FY2019 PROPOSED	\$ CHANGE	% CHANGE
009 - DEBT SERVICE						
59101 - LIBRARY PRINCIPAL	255,000	249,000	205,000	200,000	(5,000)	-2.4%
59102 - HIGH SCHOOL PRINCIPAL	406,100	394,400	391,700	411,700	20,000	5.1%
59103 - BRESNAHAN SCHOOL PRINCIPAL	418,000	516,000	480,000	500,000	20,000	4.2%
59104 - NOCK-MOLIN SCHOOL PRINCIPAL	64,000	248,425	255,398	280,000	24,602	9.6%
59105 - SENIOR COMM CENTER PRINCIPAL	213,000	220,000	235,000	245,000	10,000	4.3%
59106 - NOCK-MOLIN FIELD PRINCIPAL	0	0	105,000	110,000	5,000	4.8%
59151 - LIBRARY INTEREST	25,463	19,725	13,500	7,350	(6,150)	-45.6%
59152 - HIGH SCHOOL INTEREST	160,706	150,553	134,777	119,109	(15,668)	-11.6%
59153 - BRESNAHAN SCHOOL INTEREST	663,264	676,129	656,269	638,169	(18,100)	-2.8%
59154 - NOCK-MOLIN SCHOOL INTEREST	472,129	578,801	468,444	458,813	(9,631)	-2.1%
59155 - SENIOR COMM CENTER INTEREST	210,106	102,391	187,906	177,131	(10,775)	-5.7%
59156 - NOCK-MOLIN FIELD INTEREST	0	0	33,615	31,465	(2,150)	-6.4%
59250 - INTEREST ON TEMPORARY LOANS	103,899	81,825	0	0	0	
009 - DEBT SERVICE Total	2,991,666	3,237,248	3,166,609	3,178,737	12,128	0.4%
Grand Total	2,991,666	3,237,248	3,166,609	3,178,737	12,128	0.4%

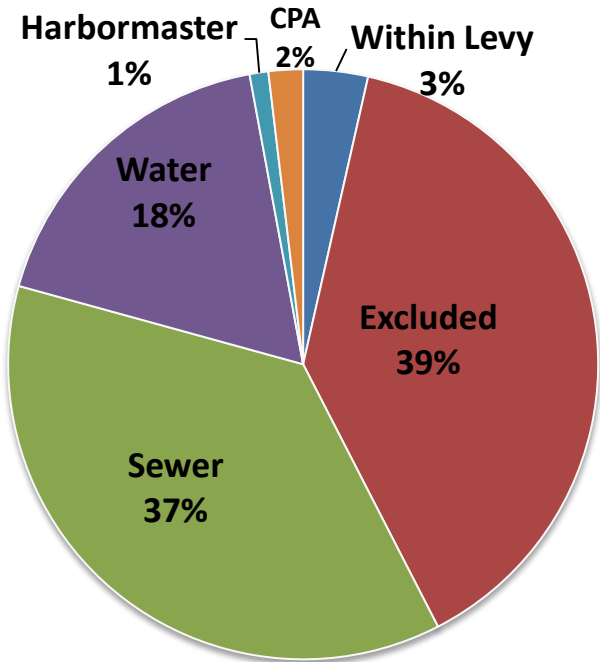
ORDINARY (NON-EXCLUDED) DEBT SERVICE (01-720)

	FY2016 ACTUAL	FY2017 ACTUAL	FY2018 BUDGET	FY2019 PROPOSED	\$ CHANGE	% CHANGE
009 - DEBT SERVICE						
59100 - LONG TERM DEBT PRINCIPAL	598,400	752,700	709,600	620,000	(89,600)	-12.6%
59150 - LONG TERM DEBT INTEREST	124,989	102,515	85,682	284,098	198,416	231.6%
59250 - INTEREST ON TEMPORARY LOANS	0	15,212	25,000	50,000	25,000	100.0%
009 - DEBT SERVICE Total	723,389	870,427	820,282	954,098	133,816	16.3%
Grand Total	723,389	870,427	820,282	954,098	133,816	16.3%

ANNUAL DEBT SERVICE



OUTSTANDING DEBT BY SOURCE



General Fund	
Within Tax Levy	\$3,784,600
Excluded	\$41,584,098
Total - General Fund	\$45,368,698
Enterprise Funds	
Sewer	\$39,370,401
Water	\$19,038,584
Harbormaster	\$1,096,602
Total – Enterprise Funds	\$59,505,587
CPA	\$2,015,000
Total – All Funds	\$106,889,285