



BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

AB 5690
May 19, 2020
Consent Calendar

AGENDA BILL INFORMATION

TITLE:	AB 5690: 2020 Human Resources Support Allocation	<input type="checkbox"/> Discussion Only
RECOMMENDED ACTION:	Approve allocation of \$170,000 for one-time support in the Human Resources Department in 2020.	<input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

DEPARTMENT:	Human Resources
STAFF:	Ali Spietz, Chief of Administration
COUNCIL LIAISON:	n/a
EXHIBITS:	n/a
CITY COUNCIL PRIORITY:	2. Articulate, confirm, and communicate a vision for effective and efficient city services. Stabilize the organization, optimize resources, and develop a long-term plan for fiscal sustainability.

AMOUNT OF EXPENDITURE	\$ 170,000
AMOUNT BUDGETED	\$
APPROPRIATION REQUIRED	\$ 170,000

SUMMARY

The City has an immediate resource need in the Human Resources (HR) Department to address a number of one-time work items related to benefits administration, policy updates, new software implementation, and conversion of paper records to electronic format. These are generally short-term work items that will be completed by the end of 2020. Many of these work items arose from the results of the recent State Audit and other recent staff findings.

Staff recommends utilizing two to three employees from the recently announced layoffs to complete the following work items:

- Provide administrative support with the payroll audit, benefit payments, DRS reporting, unemployment benefits tracking, and leave accruals.
- Research and apply retention requirements for personnel files and payroll records. (Paper personnel files are currently archived through 1960.)
- Digitize current personnel files and payroll records.
- Research and respond to backlogged requests for information from the Department of Retirement Systems.

- Implement the NEOGOV software platform that will automate current manual processes and support the entire employee lifecycle, including online applications acceptance, performance management, and automated forms. The main component is implementing an HRIS system that includes payroll, benefits administration, and automated time and attendance tracking.

The City retained a consultant in January to assist and advise on this vast body of outstanding HR work. The anticipated costs associated with the consultant contract are included as part of this allocation request.

Currently, the Human Resources Department consists of a Human Resources Specialist and a Payroll Specialist. The Chief of Administration has been supporting the Department since January in an almost full-time capacity. Due to the COVID-19 Pandemic, all progress on the software implementation and other one-time projects has ceased and HR staff have been focusing primarily on supporting employee transitions.

In the HR Department, there is \$177,000 in projected annual salary and benefits savings due to the vacant HR Director position. Staff is requesting an allocation of \$170,000 from the salary and benefits savings to address the outstanding work items noted above in 2020.

Under the City Manager form of government, the City Manager is authorized to re-appropriate these budgeted funds. Given the financial impacts of the Pandemic, however, the City Manager is requesting City Council approval to proceed with this one-time work in 2020 and expend these funds.

RECOMMENDATION

Approve use of the \$170,000 from the HR Department salary and benefits savings to support temporary Human Resources staff and a consultant to complete the outstanding work items in 2020.