

## **Organization**

The Human Resources Department is comprised of three primary functions: Human Resources (general), Insurance and Risk Management, and Pension Administration. Human Resources is responsible for: recruitment, onboarding, hiring, training, payroll and benefits administration, employee and labor relations, and employee retention. Insurance and Risk Management is responsible for maintaining all insurance coverages for the City and tracking related claims. Pension Administration is responsible for overseeing the City's pension programs for General Employees, Police Officers, and Firefighters.

## **Department Mission Statement**

***Making the City a great place to work.***

## **Goals for FY2026**

The City Council is tasked with setting the Priorities, Goals and Objectives (PGOs) of the Strategic Plan (Plan). The specific departmental goals are to be implemented by the Department Directors.

## **Department Goals**

- Implement the HR ERP module per the project management plan timeline, including the launch of an employee self-service portal. (P4.G3.O2)
- Promote a culture of continuous learning by expanding usage of the Learning Management System (LMS). (P4.G3.O2)
- Obtain competitive quotes and implement an upgraded Pension Death Audit service with a new provider to enhance accuracy, compliance, and proactively mitigate pension overpayments. (P4.G3.O2)
- Develop and distribute Total Compensation Statements to highlight the full value of employee benefits and pay. (P4.G3.O2)
- Enhance recruitment strategies to attract and retain a highly qualified and diverse workforce. (P4.G3.O2)
- Increase community presence by participating in local job fairs and outreach events. (P4.G3.O2)
- Continue developing realistic job previews to support informed candidate decisions and improve employee retention. (P4.G3.O2)
- Update the City's Equal Employment Opportunity Plan to reflect current demographic data and recruitment activities from the past two years. (P4.G3.O2)
- Identify and implement process improvements to enhance departmental efficiency and elevate customer service for both internal and external stakeholders. (P4.G3.O2)
- Create a recruitment metrics dashboard to monitor effectiveness, identify trends, and make informed strategic hiring decisions. (P4.G3.O2)
- Coordinate a minimum of two employee appreciation events to recognize and celebrate staff contributions. (P4.G3.O2)
- Design and sponsor the annual employee wellness initiative, including organizing a comprehensive health fair. (P4.G3.O2)
- Conduct the annual employee stay survey to gain insights into retention drivers and areas of improvement. (P4.G3.O2)
- Conduct quarterly new employee orientation sessions highlighting the City's Core Values, Mission, and Vision. (P4.G3.O2)

- Initiate and successfully complete a Request for Proposal (RFP) process to evaluate and select a provider for the City's Defined Contribution Plans (457b and 401a), ensuring competitive fees, enhanced participant services, and compliance with fiduciary standards. (P4.G3.O2)
- Expand opportunities for employee enrichment, including continuing education and job/industry-related certifications for department staff. (P4.G3.O2)

**General HR:** Human Resources is responsible for managing the employee life cycle. This includes recruitment, onboarding, hiring, training, policy updates, maintaining employee records, payroll and benefits administration, employee relations including performance management, labor relations, and employee retention. Human Resources also helps the City ensure compliance with federal, state, and local employment laws and regulations.

## **Recent Accomplishments/Highlights**

- ✓ Processed 1,958 (930 qualified) applications for 65 open positions, including lifeguard roles.
- ✓ Facilitated the retirement processing of 16 employees: 12 from general, 3 from police, and 1 from fire plans.
- ✓ The Employee's Deferred Compensation Plan total assets increased from \$14.8 million to \$18.1 million. This reflects an increase in employee contributions and strong investment performance.
- ✓ Managed a total of 69 job changes—including promotions, demotions, reclassifications, qualification advancements, and transfers.
- ✓ Completed a comprehensive compensation study including benefits analysis and job description review.
- ✓ Revamped the employee recognition program with upgraded benefits to better reward and motivate staff.
- ✓ Successfully coordinated two major employee events: the Spring Luncheon and the Holiday Luncheon.
- ✓ Organized a variety of employee appreciation initiatives, including the popular "Rita Ice Days".
- ✓ Partnered with Administration to revise and update the City's Personnel Policies.
- ✓ Launched a highly successful, 9-month Employee Wellness Initiative featuring Lunch and Learn sessions and Wellness Passports.
- ✓ Represented the City at 4 community job fairs to raise visibility and promote the City's apprenticeship programs.
- ✓ Conducted the annual Employee Stay Interviews to gain valuable insights into employee retention and potential flight risks.
- ✓ Hosted four quarterly New Employee Orientation sessions, spotlighting the City's Core Values, Mission, and Vision.
- ✓ Redesigned the City's recruitment webpage and developed 10 realistic job previews to better inform candidates about what each position entails.
- ✓ Created and delivered hiring manager training focused on best practices, legal compliance, and effective interviewing techniques.
- ✓ Performed random Department of Transportation drug tests, ensuring compliance with federal and state regulations while supporting a safe workplace.

| General HR Performance Measures                                                                                         | Priority Goal Objective | Frequency   | FY2023 Actual | FY2024 Actual | FY2025 as of 3/31 | FY2026 Target |
|-------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------|---------------|---------------|-------------------|---------------|
| <b>Recruiting and Hiring Outstanding Employees</b>                                                                      |                         |             |               |               |                   |               |
| Number of job/career fairs attended                                                                                     | P4.G3.02                | Annually    | 4             | 4             | 2                 | 4             |
| Total number of qualified applications processed                                                                        | P4.G3.02                | Annually    | 1104          | 930           | 431               | N/A           |
| Average number of qualified candidates per position                                                                     | P4.G3.02                | Annually    | 12.4          | 14.3          | 17.2              | 20            |
| Average number of days from advertisement to fill (Non-Public Safety)                                                   | P4.G3.02                | Annually    | 31            | 34            | 31                | 30            |
| Offer acceptance rate                                                                                                   | P4.G3.02                | Annually    | 84%           | 92%           | 96%               | 95%           |
| Number of employee referrals                                                                                            | P4.G3.02                | Annually    | N/A           | 38            | 11                | N/A           |
| <b>Enhancing Employee Retention</b>                                                                                     |                         |             |               |               |                   |               |
| Percentage of employees completing probation                                                                            | P4.G3.02                | Bi-Annually | 73%           | 72%           | 74%               | 85%           |
| Percentage of employees receiving the EPIC award                                                                        | P4.G3.02                | Annually    | 22%           | 25%           | 18%               | 20%           |
| Number of positions filled internally (does not include police)                                                         | P4.G3.02                | Annually    | 29            | 21            | 7                 | N/A           |
| Number of employees receiving tuition reimbursement                                                                     | P4.G3.02                | Annually    | N/A           | 3             | 4                 | N/A           |
| Number of employees promoted through qualification advancement (select positions only)                                  | P4.G3.02                | Annually    | 15            | 19            | 12                | N/A           |
| First year turnover rate                                                                                                | P4.G3.02                | Annually    | 39%           | 39%           | 26%               | 20%           |
| Total annual employee separation rate (Bureau of Labor Statistics – Government Industry – State and Local 2023 – 18.5%) | P4.G3.02                | Annually    | 15%           | 15%           | 4%                | 10%           |
| <b>Enhancing Employee Development/Engagement</b>                                                                        |                         |             |               |               |                   |               |
| Percentage of employees participating in the wellness initiative                                                        | P4.G3.02                | Annually    | N/A           | 33%           | 18%               | 60%           |
| *Number of classes taken on the LMS                                                                                     | P4.G3.02                | Annually    | 670           | 597           | 169               | 800           |
| *Number of employees utilizing the LMS                                                                                  | P4.G3.02                | Annually    | 78            | 74            | 59                | 150           |
| * These figures do not include compliance/mandated training                                                             |                         |             |               |               |                   |               |
| <b>Payroll Measures</b>                                                                                                 |                         |             |               |               |                   |               |
| Number of payroll remittances                                                                                           | P4.G3.02                | Annually    | 10,256        | 10,727        | 5,332             | 10,833        |
| Number of pension remittances                                                                                           | P4.G3.02                | Annually    | 3,311         | 3,337         | 1,656             | 8,304         |

**Insurance and Risk Management:** Human Resources is responsible for obtaining and maintaining insurance policies to insure its employees, properties, vehicles, and equipment. It evaluates loss exposures, assesses liability, and handles workers compensation claims. In addition, it is responsible for promoting effective safety and training programs in all departments.

## Policies

- Property
- General Liability
- Auto
- Crime
- Cyber
- Flood
- Workers Compensation
- Life, Health, & Dental
- Other insurance as required

## Recent Accomplishments/Highlights

- ✓ Successfully completed a Health Insurance Request for Proposals (RFP) resulting in the retention of our current provider and secured a guaranteed Pro-share arrangement of \$250,000, representing 6.3% of the total annual premium.
- ✓ Successfully completed the RFP process for the City's liability and workers' compensation insurance, securing cost savings of \$170,740.
- ✓ The establishment of a new insurance portal through the Florida League of Cities, streamlining updates to the City's auto and property policies. This upgraded platform offers greater control and convenience, allowing the City to manage coverage and access key policy details anytime, day or night.
- ✓ Coordinated citywide safety audits with the Safety Committee conducting inspections at all buildings to identify and address risks.
- ✓ Facilitated quarterly Safety Committee meetings to analyze workplace accidents and incidents, helping to proactively prevent emerging trends.

| Insurance and Risk Management Performance Measures               | Priority Goal Objective | Frequency | FY2023 Actual | FY2024 Actual | FY2025 as of 3/31 | FY2026 Target |
|------------------------------------------------------------------|-------------------------|-----------|---------------|---------------|-------------------|---------------|
| <b>Providing Affordable Quality Health Benefits</b>              |                         |           |               |               |                   |               |
| Employee participation rate in City Health Insurance offerings   | P4.G3.02                | Annually  | 89.8%         | 90.6%         | 91.6%             | N/A           |
| Average increase to employee paid health insurance premiums      | P4.G3.02                | Annually  | 0%            | 0%            | N/A               | ≤5%           |
| <b>Maintaining Stable Comprehensive Insurance Coverage</b>       |                         |           |               |               |                   |               |
| Total number of liability claims                                 | P4.G3.02                | Annually  | 52            | 60            | 16                | <40           |
| Total number of workers' compensation claims                     | P4.G3.02                | Annually  | 49            | 22            | 12                | <30           |
| Workers' compensation modification rate (industry average is 1%) | P4.G3.02                | Annually  | 1.01          | 1.24          | 1.04              | ≤1.00         |

**Pension Administration:** The City of Jacksonville Beach is the plan sponsor for three separate single employer, defined benefit pension plans. These plans include General Employees' Retirement System (GERS), Police Officers' Retirement System (PORS) and Firefighters' Retirement System (FFRS). Human resources is responsible for the administration and retirement benefit distribution of these pension plans. Administration of these plans include joint pension board meeting coordination, fulfilling state reporting requirements, performing benefit calculations, processing requests for benefits, preparing statistical analysis for pension board presentation, and ensuring pension plans are operated within the guidelines of the City ordinance.

## **Recent Accomplishments/Highlights**

- ✓ Successfully launched the pension software solution to members of all three pension plans (General, Police, Fire). This offers employees convenient self-service functionalities for accessing retirement projections.
- ✓ Funded percentages for the General, Police, and Fire plan are 80.0%, 89.3%, 82.7%, respectively.
- ✓ The pension fund rate of return on investments for FY2024 was 23.44%.

## **Budget Concerns**

- The City's required contribution to the General and Police Plans rose 17.8% and 43%, respectively, from the prior year. These significant increases are primary due to two factors:
  - Wage Growth: 10-year average payroll growth occurred at 4.8% in both plans, a faster pace than the assumed 2.5%. Rising wages particularly impacted the Police plan as the Police plan is more sensitive to final salary levels.
  - Benefit and Assumption Changes: Increasing the pension cap from \$90,000 to \$100,000 and adopting the mortality tables of the Florida Retirement System (FRS) as required under Section 112.63 (1) (f), F.S., increased City costs to the General and Police Plan by \$154,224 and \$213,000 respectively.

## Performance Measures – Pension Plans

|                                                                               | Actual   |          |          |          |          |
|-------------------------------------------------------------------------------|----------|----------|----------|----------|----------|
|                                                                               | 2020     | 2021     | 2022     | 2023     | 2024     |
| <b>Percentage funded (historical)<sup>1</sup>:</b>                            |          |          |          |          |          |
| General                                                                       | 82.0%    | 85.0%    | 84.5%    | 80.5%    | 80.0%    |
| Police                                                                        | 94.2%    | 98.7%    | 97.1%    | 93.5%    | 89.3%    |
| Fire                                                                          | 81.0%    | 83.2%    | 78.0%    | 83.2%    | 82.7%    |
| <b>Accrued unfunded liability (in thousands)<sup>1</sup>:</b>                 |          |          |          |          |          |
| General                                                                       | \$13,162 | \$11,378 | \$11,922 | \$16,067 | \$17,281 |
| Police                                                                        | \$ 1,647 | \$382    | \$895    | \$2,143  | \$3,896  |
| Fire                                                                          | \$ 3,533 | \$3,382  | \$4,960  | \$3,778  | \$4,299  |
| <b>Net assets held for pension benefits (in thousands)<sup>2</sup>:</b>       |          |          |          |          |          |
| General                                                                       | \$60,578 | \$69,891 | \$57,101 | \$60,422 | \$72,021 |
| Police                                                                        | \$26,848 | \$31,983 | \$26,288 | \$28,171 | \$34,094 |
| Fire                                                                          | \$15,276 | \$18,196 | \$15,627 | \$17,370 | \$21,765 |
| <b>Market rate of return (all pension funds combined)<sup>1</sup>:</b>        |          |          |          |          |          |
| All pension funds                                                             | 10.0%    | 18.9%    | (15.9%)  | 9.6%     | 23.3%    |
| <b>Number of retirees &amp; beneficiaries receiving benefits<sup>2</sup>:</b> |          |          |          |          |          |
| General                                                                       | 193      | 199      | 196      | 197      | 198      |
| Police                                                                        | 39       | 42       | 43       | 43       | 46       |
| Fire                                                                          | 24       | 23       | 23       | 22       | 22       |
| <b>Annual benefits paid (in thousands)<sup>2</sup>:</b>                       |          |          |          |          |          |
| General                                                                       | \$5,466  | \$5,150  | \$5,042  | \$5,428  | \$5,748  |
| Police                                                                        | \$1,292  | \$1,265  | \$1,646  | \$1,662  | \$1,869  |
| Fire                                                                          | \$1,149  | \$840    | \$836    | \$812    | \$791    |

<sup>1</sup> Actuarial valuations dated October 1

<sup>2</sup> Audited financial statements dated September 30

| <b>Annual City Contribution<sup>3</sup></b> | <b>2022</b> | <b>2023</b> | <b>2024</b> | <b>2025</b> | <b>2026</b> |
|---------------------------------------------|-------------|-------------|-------------|-------------|-------------|
| General                                     | \$2,405,220 | \$2,356,821 | \$2,334,877 | \$2,839,476 | \$3,346,255 |
| Police                                      | \$402,828   | \$438,601   | \$662,531   | \$701,055   | \$1,047,542 |
| Fire                                        | \$680,045   | \$707,653   | \$707,653   | \$707,653   | \$707,653   |

<sup>3</sup> 2022-2024 from audited financial statements, 2024 and 2025 from actuarial valuation report dated 10.1.23 and 10.1.24.

## Financial Summaries by Resource Allocation, Division, and Fund

| Resource Allocation | Actual 2024       | Original Budget 2025 | Budget 2026       | Increase-<br>Decrease | % Change    |
|---------------------|-------------------|----------------------|-------------------|-----------------------|-------------|
| Personal Services   | 751,980           | 799,549              | 880,616           | 81,067                | 10.1%       |
| Operating-All Other | 14,392,273        | 15,435,456           | 15,718,329        | 282,873               | 1.8%        |
| Transfers           | 20,000            | 20,000               | 20,000            | -                     | 0.0%        |
| <b>Total</b>        | <b>15,164,253</b> | <b>16,255,005</b>    | <b>16,618,945</b> | <b>363,940</b>        | <b>2.2%</b> |

| Division                            | Actual 2024       | Original Budget 2025 | Budget 2026       | Increase-<br>Decrease | % Change    |
|-------------------------------------|-------------------|----------------------|-------------------|-----------------------|-------------|
| 1301-Human Resources Administration | 923,337           | 1,033,856            | 1,121,939         | 88,083                | 8.5%        |
| 1303-Insurance Risk Retention       | 5,086,681         | 5,996,976            | 5,995,212         | (1,764)               | 0.0%        |
| 1501-Pension General Employees      | 6,169,835         | 6,095,871            | 6,215,418         | 119,547               | 2.0%        |
| 1502-Pension Police Officers        | 2,083,920         | 2,039,453            | 2,093,426         | 53,973                | 2.6%        |
| 1503-Pension Firefighters           | 900,480           | 1,088,849            | 1,192,950         | 104,101               | 9.6%        |
| <b>Total</b>                        | <b>15,164,253</b> | <b>16,255,005</b>    | <b>16,618,945</b> | <b>363,940</b>        | <b>2.2%</b> |

| Fund                               | Actual 2024       | Original Budget 2025 | Budget 2026       | Increase-<br>Decrease | % Change    |
|------------------------------------|-------------------|----------------------|-------------------|-----------------------|-------------|
| 514-Human Resources                | 923,337           | 1,033,856            | 1,121,939         | 88,083                | 8.5%        |
| 551-Insurance-General Liability    | 1,523,821         | 1,478,838            | 1,349,856         | (128,982)             | -8.7%       |
| 552-Insurance-Workers Compensation | 501,274           | 688,838              | 604,756           | (84,082)              | -12.2%      |
| 553-Insurance-Health               | 3,061,586         | 3,829,300            | 4,040,600         | 211,300               | 5.5%        |
| 611-General Employee Pension       | 6,169,835         | 6,095,871            | 6,215,418         | 119,547               | 2.0%        |
| 612-Police Officer Pension         | 2,083,920         | 2,039,453            | 2,093,426         | 53,973                | 2.6%        |
| 613-Firefighters Pension           | 900,480           | 1,088,849            | 1,192,950         | 104,101               | 9.6%        |
| <b>Total</b>                       | <b>15,164,253</b> | <b>16,255,005</b>    | <b>16,618,945</b> | <b>363,940</b>        | <b>2.2%</b> |

**Operating-All other:** The increase is due to the expected increase in retirements, thus an increase in pension benefits.

**General Insurance Liability:** The percentage change assumes a 5%-10% increase in premiums over this year's actuals.

**Worker's Compensation Insurance:** The percentage change assumes a 10% increase in premiums over this year's actuals and the increased premium of \$82,000 as a result of last year's audit.

### General Liability & Workers' Compensation Insurance:

Although premiums increased by 5-10% over last year's actual costs, the City issued an RFP which resulted in lower awarded rates than the prior year's budgeted amounts. As a result, the overall budget impact does not reflect the full premium increase.

**Health Insurance:** The percentage change assumes a 13% increase in premiums over this year's actuals. While the 13% increase is based on last year's actual costs, those actuals came in below the prior year's budget due to a better-than-expected renewal. This offsets the apparent impact on the current budget.

## Authorized Positions

| Human Resources                                   | FY2024 | FY2025 | FY2026 |
|---------------------------------------------------|--------|--------|--------|
| Director of Human Resources                       | 1      | 1      | 1      |
| Payroll and Benefits Administrator                | 1      | 1      | 1      |
| Payroll and Benefits Lead                         | 1      | 1      | 1      |
| Payroll and Benefits Technician                   | 1      | 1      | 1      |
| Human Resources Generalist / Senior HR Generalist | 2      | 2      | 2      |
| Recruiter                                         | 1      | 1      | 1      |
| Department Total                                  | 7      | 7      | 7      |