

## Human Resources Department Summary for FY2022 Budget

The Human Resources Department is comprised of four full time employees: Human Resources Director, Benefits Coordinator, Human Resources Generalist and Veterans' Agent and one part-time Administrative Assistant to the Veterans' Agent. There are four programs within Human Resources: Administration, Employee Benefits, Veterans' Benefits and Celebrations.

Our department is responsible for coordinating hiring, resignations and retirements of all non-school and non-BELD employees. We process all salary increases for steps and cost of living adjustments and track employee accruals, usage and balances. The Director is part of the negotiating team for collective bargaining and handles step 2 and step 3 grievances as well as investigations of any Massachusetts Commission Against Discrimination (MCAD) complaints. We approve/deny all Family Medical Leave (FMLA), Families First Coronavirus Response Act (FFCRA) and other leave requests.

Employee Benefits for all Town employees including School and BELD are administered by Human Resources. The Town is self-insured for its health insurance, workers' compensation and injured-on-duty programs and unemployment. Department of Transportation (DOT) drug and alcohol testing and non-DOT drug and alcohol testing are coordinated through our department. Employer Medicare/Social Security and Pension payments are paid out of our department also.

The Veterans' Division assists Town of Braintree veterans with Chapter 115 Benefits, Federal disability benefits, health benefits, food, housing and other needs. The Division also runs the Memorial Day, (including placing a new flag on each gravesite), Veterans' Day and Pearl Harbor Day events for the Town.

The following is a summary of the accounts with significant changes and the reason for each:

### 0115201-517004 Unemployment Compensation

- 52.83% increase
- Due to anticipated reductions in force.

### 0115201-519001 Retirement Sick Leave

- 50% increase
- Based on FY2021 expenditures to date.

### 0115201-519006 Vacation Buyback

- 4.38% increase
- Based on FY2021 expenditures to date.

### 0115201-530009 Pre-employment Physicals

- 20% reduction

- Based on expenditures over past few fiscal years and anticipated reduction in new hires due to hiring freeze.

0115201-573001 Dues/Membership

- 15.33% (\$69.00) increase
- For MMHR and SHRM memberships.

0115204-512007 Workers' Comp Public Safety

- 11.97% reduction
- Based on expenditures over the past few fiscal years.

0115204-514004 Drug/Alcohol Testing

- 100% increase
- Based on number of employees anticipated to be tested in FY2022.

0115204-517002 Workers' Compensation

- 32.21% increase
- Based on FY2021 expenditures to date.

0115204-517005 Group Health & Medical Insurance

- 3.85% (\$388,978) decrease
- Based on decrease in medical costs in FY2021 due to the pandemic.

0115204-517006 Pension Fund

- 6.62% (\$595,409) increase
- Based on FY22 increases in Pension costs

0115206-511002 Department Head

- 21.11% increase
- Based on reclassification of Veterans' Agent position.

0115206-549006 Work Clothes

- 100% (\$200) increase
- BPMA contractual agreement.

0115206-571001 Meetings/Seminars

- 16.67% reduction
- Based on anticipated FY2022 expenditures.

0115206-577001 Veteran Benefits – Ordinary

- 11.23% reduction

- Based on FY22 expenditures to date.

0115207-553004      Signs

- 100% reduction
- Based on expenditures over the past few fiscal years.

0115207-558016      Grave Supplies

- 100% reduction
- At the suggestion of the Veterans' Agent expenditures will come out of Veteran Benefits as it is 75% reimbursed.

## Questions and Answers

- Retirement/Sick Leave: are we expecting that many more retirements in FY22? Is that why this line item is up by \$50K?
- Retirement sick leave increased from \$100K to \$150K, with 2021 actuals of \$188K so far. Have there been many retirements? Are we replacing the retirees or are the positions vacant?

We do not know ahead of time who will be retiring in any year, with the exception of Public Safety being required to retire at age 65. The Town has paid \$188,013.83 to date in this line item for FY21. I increased the line to reflect what has been spent this fiscal year.

There have been 17 retirements thus far. The Mayor instituted a hiring freeze and prior to filling a vacancy the need for the position is evaluated and approved by the Mayor's Office and the Department Head.

- Vacation Buyback

Similar to Retirement/Sick Leave, Vacation Buyback is difficult to predict. To date in FY21, the Town has paid \$259,894.45 out of this line item. The budget for FY22 was increased to reflect the FY21 costs.

- Why is Workers Compensation up by +32%? Why are we expecting more than \$120K increase in FY22?
- Worker's compensation (0115204-517002) is increasing from \$375K to \$495K, FY22 actuals so far look to be in line with the budget, \$351K. Why the large increase? Are they expecting a lot of claims or rate increase?

The Town is self-insured for its Workers' Compensation program. The figure includes claims, reinsurance and the fee to the Third Party Administrator (TPA). This figure was based on 8 months of total claims, less the Enterprise Funds' costs, annualized, increased 3%; reinsurance increased 5% and the TPA fee of \$21,500 (we have a three year contract so it remains the same).

- Pension Fund

This increase is based on the State required funding amount to be paid into the pension fund. This total is allocated to the various funds based on the actual pension payroll.

- Unemployment compensation increased from \$65K to \$100K, but there is only \$2K actuals in 2021 so far. Are we expecting a large unemployment bill at year end? Is this from COVID? Why would unemployment compensation go up so much in FY22?

As of the March UI bill, the Town owes \$176,558.42. It is due June 30, 2021. The prior UI bills were paid with CARES Act money.

- Workers comp for public safety (0115204-512007) is budgeted to decrease from \$106K to \$93K, why?

We have not spent the budgeted amount in FY21.

- Drug/alcohol testing is doubling from \$6K to \$12K, FY20 actuals were \$4K, why has this been increased so much?
- What accounts for the 100% increase in drug and alcohol testing? I read the explanation on the summary that this is based in the number of employees anticipated to be tested in FY22. Does this increase reflect a change in policy?

Both Police and Fire are now subject to drug testing pursuant to their collective bargaining agreements.

- Why is there a decrease in group life & medical insurance (0115204-517005)? I would assume rates are decreasing, so is the plan to utilize reserves (fund balance) of the internal service fund?

Claims were lower than anticipated in FY20 and FY21.