



COUNCIL BUDGET STAFF REPORT

CITY COUNCIL of SALT LAKE CITY
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TO: City Council Members
FROM: Kira Luke, Budget & Policy Analyst
DATE: May 29, 2025

Project Timeline:

Briefing: May 29, 2025
Budget Hearings: May 20 and June 3, 2025
Potential Adoption Vote: June 10 or 12, 2025

RE: Proposed FY 2026 Human Resources Department Budget

BUDGET BOOK PAGES: Key Changes on 53, Department Overview 197-202, Staffing Document 296-297

ISSUE AT-A-GLANCE

The Human Resources Department (HR) is internal-facing working with all departments to provide employee support programs and administers benefits for the City's 3,693 full time employees (FTEs). The HR Department is 92% funded by the City's Risk Fund and the rest from the General Fund. This staff report focuses primarily on the \$5,410,276 General Fund budget proposal. Other budget changes are addressed separately in the Compensation & Benefits and Insurance & Risk categories within the Unresolved Issues staff report(s) and briefing(s).

There are technically two new positions; one, a special projects analyst transferred from the Mayor's Office, and a Deputy Director level position, reclassified from a vacant tech position. If approved, total staffing levels (from both the Risk Fund and General Fund) would be 39 FTEs, which includes the Police Civilian Review Board Administrator. The Department includes an administrative team, benefits, compensation and classification, employee and labor relations, employees' university, HR information systems, Police Civilian Review Board, and recruiting and onboarding.

Increases

The majority of the FY26 increase is the new the FTE, and changes to personal services, as summarized in the table below. These are the same compensation adjustments other City employees receive, applied to the HR staff. There are several compensation adjustments which usually appear annually including base-to-base changes reflecting pay adjustments such as reclassifications, insurance rate and pension changes, and the 4% salary increase proposed for all City employees in the Mayor's Recommended Budget. In addition to the 7% \$350,553 increase in HR's General fund budget, the table below also includes funding from the Risk Fund for 4.6 FTEs. Those positions are in HR, but fully or partially dedicated to administering benefits paid for by the Risk Fund.

Fund	Item	Amount
General Fund	4% salary proposal	\$ 140,304
	Base-to-base changes	\$ 76,462
	Insurance rate changes	\$ 40
	Health Savings Account (HSA) change	\$ (8,800)
	Pension changes	\$ 15,454
	FTE transfer from CAN	\$ 127,093
General Fund Total		\$ 350,553
Risk Fund	Personal services cost share for 4.6 FTEs	\$ 87,601
TOTAL		\$ 438,154



New positions

One new FTE has been requested, a Special Projects Analyst Grade 26 position transferred from Community and Neighborhoods (CAN) for an annual cost of \$127,093 (Attachment 2).

Another proposed position, a new Grade 37 Deputy Chief HR Officer is a reclass of a vacant Grade 19 HR technician position. While not a new FTE, the reclass is a notable change in pay grades. The Department reports that this shift is requested as part of a realignment of the reporting structure for HR Divisions, and will facilitate reorganization, focusing on employee lifecycle and compliance functions. This would bring the HR Department to a total of two deputy chiefs. A job description is attached (Attachment 3).

POLICY QUESTIONS

1. The Council may wish to ask for more information about the Department's goals for reorganization and roles of the Deputy Chiefs.
2. One of HR's new goal and metrics for FY 26 is keeping the average time to recruit and fill a vacant position under 40 days. The current average is 42.7 days. The Council may wish to have a discussion about hard-to-fill positions, and what strategies are currently used to pursue that goal.

ADDITIONAL AND BACKGROUND INFORMATION

Status Updates on Recently Added Positions

The Department provided the below status updates on two positions that were recently added by the Council in the last two annual budgets:

- FY2024 project and policy manager
The project and policy manager has been actively reviewing, identifying, and suggesting updates for review for outdated and inaccurate policies related to HR. Additionally, new policies have been introduced like the new Parental Leave policy and one that is currently in review by the steering committee, Parental Bereavement Leave. Additionally, with the potential for collective bargaining to be affected, an extensive comparison of all MOUs is being conducted as it relates to impacted policies that would need to be updated or amended.
- FY2024 business partner
This role was filled through an internal promotion as an entry level HR Business Partner I. The individual in this role has been instrumental in assisting our Workplace Compliance Manager conduct interviews and complete workplace harassment claims. Additionally, this role coordinates and manages the appeal process for all Hearing Officer level appeals and serves as an additional resource for all city departments as a second business partner to act alongside the assigned HR Business Partner when needed.

Customer Service Workday Module Updates

The Department reports that the Workday Help module was successfully implemented in FY2025. The module added self-service functions for employees to access knowledgebases of answers and step by step instructions for every day tasks, leading to fewer calls for help.

No additional modules are planned for the current fiscal year.

ATTACHMENTS

1. Summary Comparison Budget Chart
2. Job Description: HR Special Project Analyst
3. Job Description: Deputy Chief HR Officer

ACRONYMS

FTE – Full-time Employee

FY – Fiscal Year

HR – Human Resources

HSA – Health Savings Account

MOU – Memorandum of Understanding

ATTACHMENT I

SUMMARY COMPARISON BUDGET CHART

BY FUNCTION

Note: Some of the line items in the table below appear to have significant funding shifts that are the result of the department cleaning up misaligned data where in prior years, personnel funding had been allocated to incorrect line items. The net difference in the general fund is explained in the staff report above, while changes to the Risk Fund are addressed in Unresolved Issues.

Department of Human Resources					
Division Budgets	FTEs	2024-25 Adopted	2025-26 Proposed	Difference	
				Dollars	%
Administration	8.6	\$ 1,136,726	\$ 1,248,162.00	\$ 111,436	10%
Recruiting & Onboarding	5.8	*distributed in other cost centers in FY25	\$ 932,337.00	NA	
Classification and Compensation	2	\$ 1,701,873	\$ 404,802.00	\$ (1,297,071)	-76%
Employees University	2	\$ 415,745	\$ 342,000.00	\$ (73,745)	-18%
Police Civilian Review Board	1	\$ 428,993	\$ 198,428.00	\$ (230,565)	-54%
HR Information Systems	6	\$ 380,448	\$ 886,266.00	\$ 505,818	133%
Employee Relations	9	\$ 1,075,802	\$ 1,398,281.00	\$ 322,479	30%
Benefits (row labeled Risk Management/Insurance in prior FYs)	4.6	\$ 59,932,186	\$ 64,068,250.00	\$ 4,136,064	7%
TOTAL	39.00	\$ 65,071,773	\$ 69,478,526.00	\$ 4,406,753	7%
Funding Sources					
General Fund	34.4	\$ 5,059,723	\$ 5,410,276.00	\$ 350,553	7%
Risk Fund	4.6	\$ 60,012,050	\$ 64,068,250.00	\$ 4,056,200	7%
Total Department of HR	39.00	\$ 65,071,773	\$ 69,478,526.00	\$ 4,406,753	7%

Operating Budget for Department of Human Resources					
	2023-24 Actual	2024-25 Adopted	2025-26 Proposed	Difference	
				Dollars	%
Personal Services	\$ 10,602,949	\$ 5,464,208	\$ 5,902,362.00	\$ 438,154	8%
Operations and Maintenance	\$ 20,156	\$ 67,946	\$ 72,644.00	\$ 4,698	7%
Charges and Services	\$ 54,637,100	\$ 59,539,619	\$ 63,503,520.00	\$ 3,963,901	7%
Equipment Expense	\$ 90	\$ -		\$ -	-
Total Department of HR	\$ 65,260,294	\$ 65,071,773	\$ 69,478,526.00	\$ 4,406,753	7%