CITY COUNCIL AGENDA REPORT

MEETING DATE: April 5, 2005 **ITEM NUMBER:**

SUBJECT: REORGANIZATION AND ESTABLISHMENT OF HUMAN RESOURCES DIVISION

DATE: MARCH 24, 2005

FROM: ADMINISTRATIVE SERVICES DEPARTMENT

PRESENTATION BY: STEPHEN N. MANDOKI, ADMINISTRATIVE SERVICES DIRECTOR
TERRI L. CASSIDY, HUMAN RESOURCES MANAGER

FOR FURTHER INFORMATION CONTACT: TERRI CASSIDY AT (714) 754-5115

RECOMMENDATION:

1. Adopt Resolution No. 05 - ___ (Attachment 1) that establishes the new job classifications of Personnel Administrator and Risk Administrator, revises the salary range of the Benefits Coordinator classification, and adds an Administrative Secretary position to the Confidential Employees Unit Salary Schedule, consistent with the Human Resources Division reorganization plan.

   Said Resolution amends Resolution No. 05- ___, adopted earlier on this date, that established the Confidential Employees Unit with its corresponding salary schedule and benefits.

BACKGROUND:

Recent personnel changes within the Administrative Services Department allowed management the opportunity to reevaluate the organizational structure within the Personnel and Risk Management Divisions (Attachment 2). The functions supervised by the Personnel Manager and the Risk Manager have been consolidated, and a new Human Resources Manager classification was established to have fiscal and decision-making responsibility for both the City's personnel and risk management programs. A decision on the disposition of the Risk Manager position was deferred to a later date to allow the new Human Resources Manager time to conduct appropriate studies.

Over the past few months, the new Human Resources Manager and the Administrative Services Director reviewed the structure of the two divisions, the position classifications that staff them, and the recommendations of former Personnel Manager Howard Perkins. In addition, Costa Mesa's survey agencies (i.e., cities of Fountain Valley, Huntington Beach, Irvine, Newport Beach, Santa Ana) were reviewed in order to determine what an appropriate professional Human Resources Division should include. The proposed Human Resources Division (Attachment 3) reflects all of the research and has been discussed and approved in concept by the Administrative Services Director, Assistant City Manager and City Manager.

ANALYSIS:

The City Manager's Office and City departments need access to informed decision-makers on complex personnel and risk management issues in order to resolve problems in a timely manner. The merger of risk management and personnel functions into one Human Resources Division would create an organization similar to what is found in Costa Mesa's neighboring agencies (e.g., Huntington Beach, Irvine, Newport Beach) and create opportunities for a broad career ladder for employees.

The creation of two non-management section head positions to oversee each of these function areas (Risk and Personnel) would ensure smooth operations within such an organization. A new Risk Administrator classification (Attachment 4) is being proposed to replace the Risk Manager position, and a new Personnel Administrator classification (Attachment 5) is being proposed to replace one of the current Principal Personnel Analyst positions. The responsibilities of these positions would include acting as the primary contacts for City departments regarding questions/requests/issues; supervising and evaluating staff; determining work assignments and priorities; working with the Human Resources Manager to set policy; and representing the Division at meetings of official committees, professional organizations and administrative hearings or appeals.

To better accomplish the goals of this newly configured organization, two positions are in need of being reclassified/upgraded. The current Risk Management Office Specialist II is proposed to assume benefits administration, wellness and new employee orientation work that had been assigned to one of the Management Analysts. Reclassifying the Office Specialist II position to a Benefits Coordinator classification (Attachment 6) would allow the Management Analyst currently handling benefits to give additional attention to the Workers' Compensation program. This would also help employees get the focused attention they need to handle their benefits issues. Additional training would need to occur to ensure that this new classification is totally self-sufficient.

Consistent with the structure in the other divisions in the Administrative Services Department, having a secretary position to support the Human Resources Manager, the Risk and Personnel Administrators, and direct the clerical staff would enhance front office operations. To accomplish this, it is being proposed that Personnel's Office Specialist I position be upgraded to Administrative Secretary. Unlike other divisions' Office Specialist Is, which exist solely as part-time receptionist positions, Personnel's Office Specialist I has been performing higher-level clerical work to meet office demands. This upgrade would be a more effective and appropriate utilization of the position.

ALTERNATIVES CONSIDERED

The alternative would be to maintain the positions status quo.

FISCAL REVIEW:

The estimated cost savings to the General Fund for the proposed reorganization of the Personnel and Risk Management Divisions is $3,849, as illustrated in the attached exhibit (Attachment 7).

LEGAL REVIEW:

Legal has reviewed the documents and approved them as to form.

CONCLUSION:

Staff recommends formally consolidating the Risk Management and Personnel Divisions into one Human Resources Division and reorganizing staffing to better serve the City. Resolution No. 05 - ___ establishes the new job classifications of Personnel Administrator and Risk Administrator, revises the salary range of the Benefits Coordinator classification, and adds an Administrative Secretary position to the Confidential Employees Unit Salary Schedule, consistent with the Human Resources Division reorganization plan. Reclassification of existing positions would be handled administratively. This amends the Resolution that established the Confidential Employees Unit with its corresponding salary schedule and benefits.

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Director of Finance	City Attorney

DISTRIBUTION: City Manager
Assistant City Manager
City Attorney
Finance Director
Deputy City Clerk
Costa Mesa City Employees Association

ATTACHMENTS:
1 Resolution No. 05-
2 Current Organization Chart (Risk Management, Personnel)
3 Proposed Organization Chart (Human Resources)

4 Risk Administrator Classification Specification
5 Personnel Administrator Classification Specification
6 Benefits Coordinator Classification Specification
7 Estimated Cost of Proposed Reorganization