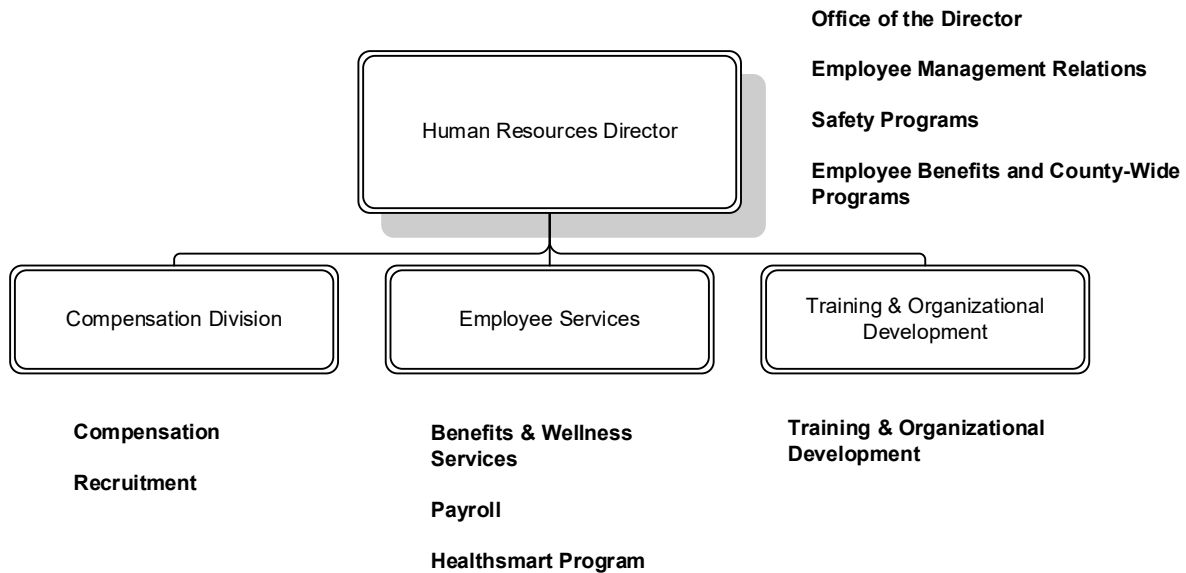


Our Mission: To provide leadership and expertise to attract, develop, and retain a high performing and diverse workforce

The Human Resources Department accomplishes its mission by continuing to be Arlington’s organizational leader in managing human resources in the pursuit and achievement of the County’s mission.

LINES OF BUSINESS



SIGNIFICANT BUDGET CHANGES

The FY 2027 adopted expenditure budget for the Human Resources Department is \$11,136,117, a one percent decrease from the FY 2026 adopted budget. The FY 2027 adopted budget reflects:

- The County Board reduced the HRD budget and FTE count to transfer a Senior Labor Relations Manager position to the County Manager’s Office (\$174,875, 0.75 FTE).
- ↓ Personnel decreases due to the transfer noted above and the reductions itemized below, partially offset by employee salary increases, an increase in the County’s cost for employee health insurance, and retirement contributions based on current actuarial projections.
- ↓ Non-personnel decreases due to adjustments to utility budgets based on prior year actuals and projected rates (\$3,000) and the reductions itemized below, partially offset by contractual increases (\$2,711).
- ↑ Employee Benefits and County-wide Programs increases due to contractual increases (\$51,236).

FY 2027 Adopted Budget Reductions

Employee Services

- ↓ Freeze a vacant Employee Services Division Chief position. The Employee Services Division Chief position oversees benefits administration for more than a dozen programs serving both active and retired employees including leave administration, the onsite health clinic, Workers' Compensation, and other employee support programs. (\$258,661, 1.0 FTE)

IMPACT: Because this position is currently vacant, other staff within HRD have assumed most of the supervisory functions and duties. However, this significantly reduces HRD's ability to support County departments regarding benefits and PRISM+ related inquiries and provide HR Liaison assistance. The vacancy also diminishes efforts to market benefits to current and prospective employees.

Compensation & Recruitment

- ↓ Eliminate a vacant Staff Human Resources/OD Specialist. The Staff Human Resources/OD Specialist position supports the Human Resources Department's county-wide recruitment efforts. (\$67,380, 0.375 FTE)

IMPACT: The workload of this position will be divided between other members of the Compensation & Recruitment division. This change will incrementally impact the HRD Compensation and Recruitment team's ability to fill vacancies in a timely manner as well as provide support for assessment activities and collective bargaining processes.

Office of the Director

- ↓ Budget Savings and Efficiencies (\$77,270)

A detailed review of spending patterns was conducted in the HRD Office of the Director. The following non-personnel reductions were identified:

- \$25,770 in Contractual Services
- \$40,000 in Printing and Postage/Shipping
- \$11,500 in Employee Travel and Office Supplies

IMPACT: Given historical spending trends in these non-personnel expense lines and operational efficiencies that have been realized, these reductions should have minimal impacts on service delivery.

DEPARTMENT FINANCIAL SUMMARY

	FY 2025 Actual	FY 2026 Adopted	FY 2027 Adopted	% Change '26 to '27
Personnel	\$9,309,732	\$8,823,155	\$8,757,168	-1%
Non-Personnel	607,093	793,818	716,259	-10%
Employee Benefits and County-wide Programs	1,533,860	1,611,454	1,662,690	3%
Total Expenditures	11,450,685	11,228,427	11,136,117	-1%
Total Revenues	-	-	-	-
Net Tax Support	\$11,450,685	\$11,228,427	\$11,136,117	-1%
Permanent FTEs	54.58	52.08	49.95	
Permanent FTEs (Frozen, Unfunded)	-	-	1.00	
Temporary FTEs	-	-	-	
Total Authorized FTEs	54.58	52.08	50.95	

Expenses by Line of Business

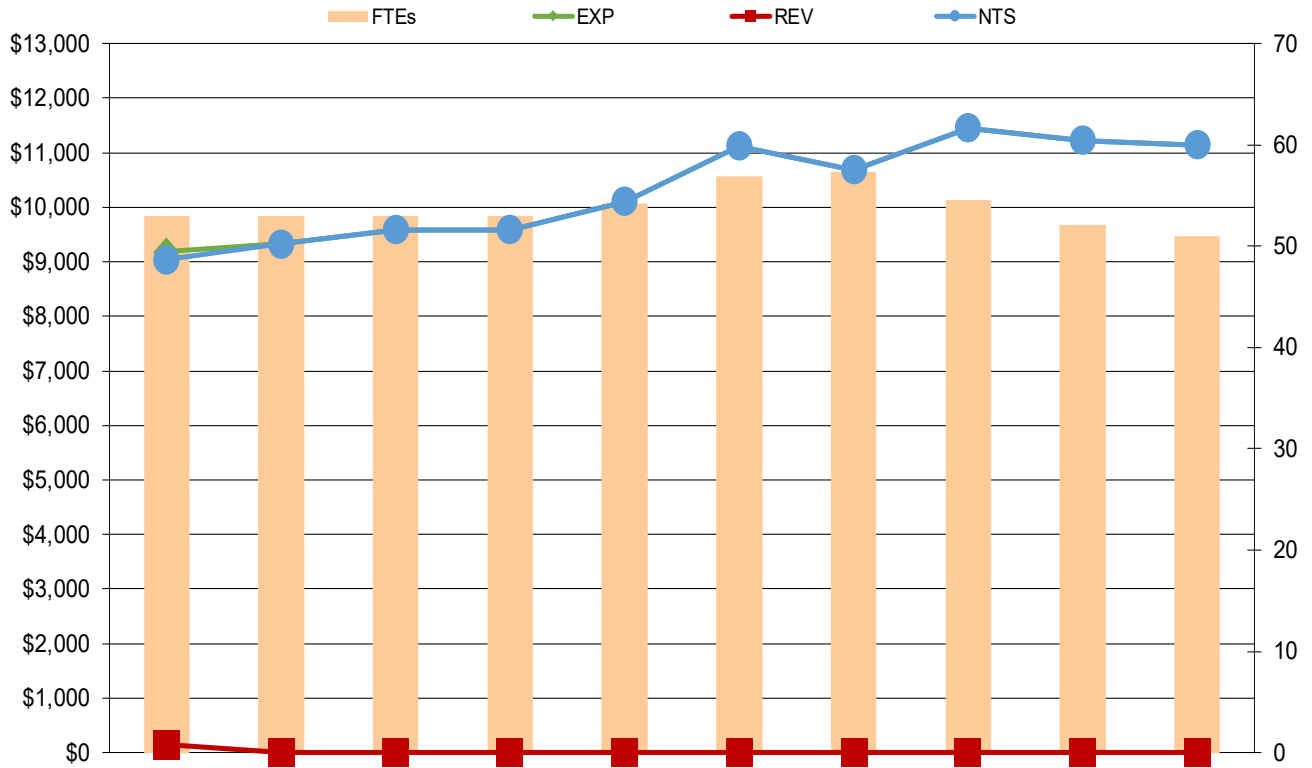
	FY 2025 Actual Expense	FY 2026 Adopted Expense	FY 2027 Adopted Expense	% Change '26 to '27
Office of the Director	\$2,801,280	\$2,847,280	\$2,572,228	-10%
Safety & Worker's Compensation	144,721	134,889	140,484	4%
Employee Management Relations	259,983	363,267	362,093	-
Employee Benefits and County-wide Programs	1,533,860	1,611,454	1,662,690	3%
Training and Organizational Development	1,030,703	787,865	824,515	5%
Compensation & Recruitment	2,954,809	2,914,240	3,250,366	12%
Employee Services	2,725,330	2,569,432	2,323,741	-10%
Total Expenditures	\$11,450,685	\$11,228,427	\$11,136,117	-1%

Authorized FTEs by Line of Business

	FY 2026 FTEs Adopted	FY 2027 Permanent FTEs Adopted	FY 2027 Temporary FTEs Adopted	FY 2027 Total FTEs Adopted
Office of the Director	11.75	11.00	-	11.00
Safety & Worker's Compensation	1.00	1.00	-	1.00
Employee Management Relations	2.00	2.00	-	2.00
Employee Benefits and County-wide Programs	-	-	-	-
Training and Organizational Development	5.00	5.00	-	5.00
Compensation & Recruitment	16.33	17.45	-	17.45
Employee Services*	16.00	14.50	-	14.50
Total FTEs	52.08	50.95	-	50.95

*FY 2027 Adopted Permanent FTEs count includes one frozen permanent FTE.

EXPENDITURE, REVENUE, NET TAX SUPPORT AND FULL-TIME EQUIVALENT TRENDS



	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Adopted Budget	FY 2027 Adopted Budget
\$ in 000s										
EXP	\$9,185	\$9,324	\$9,586	\$9,588	\$10,104	\$11,124	\$10,681	\$11,451	\$11,228	\$11,136
REV	\$144	-	-	-	-	-	-	-	-	-
NTS	\$9,041	\$9,324	\$9,586	\$9,588	\$10,104	\$11,124	\$10,681	\$11,451	\$11,228	\$11,136
FTEs	53.00	53.00	53.00	53.00	54.18	56.88	57.38	54.58	52.08	50.95

Fiscal Year	Description	FTEs
FY 2018	<ul style="list-style-type: none"> ▪ Transferred County Ethics Initiative Funding to Non-Departmental (\$20,000). ▪ Revenue increased to reflect the salary and benefits of the Safety Specialist that is funded by Arlington Public Schools (\$4,649). 	
FY 2019	<ul style="list-style-type: none"> ▪ Contractual services increased related to the County’s Retirement software (\$2,250). ▪ Employee Benefits and County-wide Programs increased due to the addition of an Adoption Assistance Program for employees (\$50,000), contractual increases in the Employee Assistance Program (EAP) shared with Arlington Public Schools (\$3,522), and other contractual increases (\$12,150). ▪ Revenue increased to reflect the salary and benefits increase of the Safety Specialist funded by Arlington Public Schools (\$6,351). ▪ Reduced funding for County-wide employee recruitment and outreach (\$25,000) and County-wide employee training (\$25,000). 	
FY 2020	<ul style="list-style-type: none"> ▪ Reduced wireless service charges as part of a County-wide review of wireless service providers (\$1,729). ▪ Reduced unclassified and consultant services in the Office of the Director and Employee Benefits and County-wide Programs (\$99,312). ▪ Personnel and revenue decreased due to Arlington Public Schools (APS) taking over management of Safety Specialist work on schools’ facilities (\$148,964). ▪ Contractual costs increased for maintenance of the County’s Retirement software and related system modifications (\$13,400). ▪ County-wide programs contracted services increased for the county-wide learning management services (\$14,400). 	
FY 2021	<ul style="list-style-type: none"> ▪ Pension Gold contractual costs were reallocated from the Human Resources Department to the Retirement Board (\$120,365). ▪ Employee benefits and county-wide programs contracted services increased (\$33,472). 	
FY 2022	<ul style="list-style-type: none"> ▪ The County Board added funding for a one percent merit pay adjustment, a five percent increase in the range, and an increase to the one-time bonus for staff from \$500 to approximately \$900. ▪ The County Board restored funding for a vacant Assistant to the Director position (\$121,105, 1.0 FTE) with American Rescue Plan funding. ▪ Added a position to manage the Collective Bargaining compensation modeling (\$150,000). 	1.00

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> ▪ Transferred in 1.0 FTE Staff Human Resources/OD Specialist position from the Department of Public Safety Communications and Emergency Management (PSCEM) to provide HR strategic and administrative support to PSCEM managers and employees (\$107,222). 1.00 ▪ Increased 0.18 FTE to the work allocation of a Staff Admin/Management Specialist position in Benefits and Wellness. 0.18 ▪ Eliminated 1.0 FTE vacant Safety Specialist position previously funded by Arlington Public Schools. (1.00) ▪ Reduced office equipment and office supplies for HR operations and programs (\$38,336). ▪ Reduced funding for defensive driving classroom instruction, testing, and instructor certification (\$26,666). ▪ Reduced compensation for the Staff HR/OD Specialist supporting classification and compensation analysis of County-wide job classes and categories (\$44,484). ▪ Employee benefits and county-wide programs increased due to increases in Live Where You Work grants (\$155,000), employee online training (\$89,000), and increased costs for service contracts (\$7,579). ▪ <i>In FY 2021 closeout, funding was added for one percent merit pay adjustment (\$34,871) and a one-time bonus for staff of \$450 (\$29,619).</i> ▪ <i>During FY 2021 close-out, the County Board transferred a Classification and Compensation position to the Human Resources Department from the Department of Environmental Services (\$169,414).</i> 1.00 	
FY 2023	<ul style="list-style-type: none"> ▪ The County Board added funding for an additional one percent merit pay adjustment for a total increase of 5.25 percent, increased the pay-for-performance budget by an additional 0.5 percent, increased the pay range movement to five percent, a one-time increase in language premium from \$0.69 to \$0.92 per hour (\$4,270), and an optional one-time cash-out of 40 hours of compensation time for those with balances of 80 or more (\$9,822). ▪ Added a Senior IT Analyst position (\$81,635). 0.50 ▪ Added a Collective Bargaining position (\$169,414). 1.00 ▪ A technical adjustment to a position in Benefits and Wellness Services. 0.20 ▪ Increased salaries resulting from an Administrative job family study (\$23,120). ▪ Employee Benefits and County-Wide Programs increased due to one-time funding for Employee Resources Group Programs (\$40,000) and increased costs for service contracts (\$6,634). ▪ As a part of the FY 2022 adopted budget, the County Board approved use of American Rescue Plan Act (ARPA) funding to restore programs and positions that had been proposed as cuts. The FY 2023 adopted budget continues funding for these reductions including the Assistant to the Director (\$125,206, 1.0 FTE). 	

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> ▪ <i>A technical adjustment was approved by the County Board in April 2023 to appropriate funding from Non-Departmental to Departments to allocate the budget for bonuses funded in the adopted budget. The funding added to the Human Resources Department was \$121,496.</i> 	
FY 2024	<ul style="list-style-type: none"> ▪ The County Board approved an increase of 0.50 FTE as a technical adjustment for a Human Resources Employee Assistance Program position. ▪ Added one-time \$2,000 (gross) employee bonuses (\$141,495). ▪ Increased salaries resulting from an Administrative job family study (\$40,458). ▪ Transferred in Employee Assistance Program funding from Employee Benefits and County-wide Programs to the Human Resources Office of the Director (\$55,000). ▪ Non-personnel increased due to the transition of the Employee Assistance Program administration from Employee Benefits and County-Wide Programs to the Human Resources Office of the Director (\$417,000) and increased costs for service contracts (\$990). ▪ Employee Benefits and County-Wide Programs decreased due to the transition of the Employee Assistance Program administration and services formerly managed by Arlington Public Schools (APS) to the Human Resources Office of the Director (\$472,000), offset by increased costs for service contracts (\$25,562). 	0.50
	<ul style="list-style-type: none"> ▪ <i>During FY 2023 closeout, the County Board transferred a 1.0 FTE Claims Analyst and a 0.5 FTE Risk Manager to the Department of Management and Finance (DMF). The total funding transferred to DMF was \$214,429.</i> 	(1.50)
FY 2025	<ul style="list-style-type: none"> ▪ A portion of a Staff Human Resources / OD Specialist position was charged to the PRISM+ project (\$85,781). ▪ Added funding for the Human Resources & Safety Job Family Study (\$192,375). ▪ Reduced hours for a filled position in the recruitment unit (\$67,706). ▪ Eliminated a vacant Onboarding Specialist position (\$68,335). ▪ Eliminated a vacant Senior IT Analyst position (\$98,668). ▪ Eliminated the department's overtime budget (\$23,816). ▪ Reduced the department's training budget (\$16,307). ▪ Increased funding for service contracts (\$10,000). ▪ Changes in Employee Benefits and County-wide Programs: <ul style="list-style-type: none"> ○ Termination of third-party recruitment (\$76,485), learning management (\$51,241), and help desk (\$16,008) contractual services. ○ Increased funding for regulatory payroll reporting services (\$88,000) and annual increases for service contracts (\$16,045). ○ The addition of one-time funds for Employee Resource Groups (ERG) (\$40,000). 	(0.30) (0.50) (0.50)

Fiscal Year	Description	FTEs
FY 2026	▪ Added a Employee Assistance Program (EAP) Manager position transferred from APS with exiting program funding.	1.00
	▪ Added a part-time Recruitment Specialist (\$78,351).	0.50
	▪ Eliminated an Administrative Support position funded with one-time.	(1.00)
	▪ Eliminated a Senior Staff Administrative/Management Specialist position (\$129,290).	(1.00)
	▪ Eliminated a Staff HR/OD Specialist – Change Management position (\$196,406).	(1.00)
	▪ Eliminated a Staff HR/OD Specialist – Health Smart position (\$165,000).	(1.00)
	▪ Added funding for membership access to child and elder care (\$50,000).	
	▪ Reduced the department’s advisory and consulting services (\$50,000) and wellness programs (\$42,735) budgets.	
	▪ Changes in Employee Benefits and County-wide Programs:	
	○ Contractual services increase (\$5,196).	
○ Reduced funding for Adoption Assistance (\$30,000).		
○ Continuation of one-time funds for Employee Resource Groups (ERG) (\$40,000).		
FY 2027	▪ A Senior Labor Relations Manager position was transferred to the County Manager’s Office (\$174,875).	(0.75)
	▪ Froze a vacant Employee Services Division Chief position (\$258,661, 1.0 FTE).	
	▪ Eliminated a vacant Staff Human Resources/OD Specialist (\$67,380).	(0.38)
	▪ Reduced the Office of the Director’s non-personnel expense lines:	
	○ Contractual Services (\$25,770), ○ Printing and Postage/Shipping (\$40,000), and ○ Employee Travel and Office Supplies (\$11,500).	
▪ Increased Employee Benefits and County-wide Programs for contractual increases (\$51,236).		