



## MEMORANDUM

CITY OF SAN BRUNO

City Manager's Office

**TO:** San Bruno Mayor and City Council

**FROM:** Jovan D. Grogan, City Manager

**DATE:** June 28, 2022

**SUBJECT:** Human Resources Director Enhancement Request Detail

### BACKGROUND:

The proposed budget includes an additional service enhancement proposal to adjust staffing positions within the City Manager's Office. The proposal recommends elimination of a vacant Economic Development Manager position and replacement with a Human Resources (HR) Director position and one-time funding for contract economic development support in the amount of \$48,000. In total, the enhancement request does not have a net impact on the proposed FY 2022-23 budget, as two vacant positions will be budgeted for 10-months, instead of the full year. However, the net ongoing additional cost in future years is projected to be \$60,500.

This memorandum provides additional detail on the history of the HR Director position in San Bruno, the rationale for the proposal, comparison of related staffing in other neighboring agencies and financial details.

### DISCUSSION:

At present, the City Manager's Office (CMO) is comprised of 5 positions and includes direct oversight of the City Clerk and Human Resources offices. A current organizational chart that shows the CMO positions as well as staffing and departmental reporting structures can be found as Attachment 1 of this memo.

Positions in the CMO are:

- City Manager
- Assistant City Manager (ACM) / Chief People Officer
- Economic Development Manager
- Assistant to the City Manager
- Executive Assistant to the City Manager

The current duties of the Assistant City Manager/Chief People Officer position include serving in a dual role, handling both leadership and strategy for citywide initiatives while at the same time serving as the subject matter expert and advisor on human resources matters. Given the increasing volume and complexity of citywide development initiatives, as well as the increasing attention needed for labor and employee relations, City staff recommends bifurcating these two roles and reinstating a stand-alone Human Resources Director to lead human resources initiatives.

From 2005 to 2014, the Human Resources Director position oversaw the human resources functions for a full-service city including recruitment and selection, benefits administration, employee development and training, classification and compensation, labor and employee relations, employee evaluation programs and workers' compensation. At the time, the department was staffed with one Human Resources Director, one analyst, and one secretary, which later morphed into one director and 1.5 analysts.

In 2014, the Human Resources Director transitioned to the Assistant City Manager position, taking on additional responsibility of assisting the City Manager with special projects and organization-wide initiatives, in conjunction with continuing to serve as the head of Human Resources overseeing the breadth of human resources activities with 1 Human Resources Manager and 1.5 analysts. At that time, development throughout the City was not occurring at the same pace as present time, which allowed the Assistant City Manager position to remain largely focused on human resources matters.

The current version of the Assistant City Manager position includes serving as a strategic advisor and administrative guide to the Senior Leadership team on key projects including development, facilitating major departmental programs and organizational initiatives, leading special projects having organization-wide impact, serving as the City Manager in his absence, and representing the City Manager, Mayor, and City Council on various boards, commissions and committees to help the City fulfill its mission, goals and strategic initiatives.

In addition to these responsibilities, the current (vacant) Assistant City Manager role retains the functions of serving as a Human Resources Director in a full-service City responsible for employees supporting a wide range of public services including Police, Fire, Police, Public Works (including Water, Wastewater, Streets and Stormwater), Community Services (including a Library, Senior Center, and new Recreation and Aquatics Center). As the Chief People Officer, the position supervises the Human Resources Manager and serves as the City's subject matter expert and key advisor on all human resources matters, including recruitment and selection, benefits

It is rare to find an individual who possesses the specialized skillset for both human resources expertise needed for a full-service City while at the same time can act as a subject matter expert for the complex development projects in the City, present and future. Further, the complexity of City administrative functions and executive necessitate a full-time Assistant City Manager position and a full-time Human Resources Director position. Such a staffing model is the norm, rather than the exception for neighboring cities. The following comparison data shows for San Mateo County cities and the City regularly uses for financial and personnel benchmarking purposes. The data shows that, not only does the majority of peer agencies employ a HR Director and an ACM, it demonstrates that San Bruno has ones of the highest City Employee to HR staff ratios of the comparison cities. San Bruno has approximately 105 city employees to each HR staff member, the second lowest ranking. The ranking increases slightly to the third position when San Bruno's HR staffing is adjusted from 2.5 to 3.0, accounting for the fact that the current Assistant City Manager/Chief People Officer provides direct HR support. Nevertheless, the HR staff to City employee ratio is high and the conclusion is that other agencies have more HR staff to support their employees than San Bruno.

City	City Population	No. of Total City Employees	No. of HR Employees	Does the City have an <u>HR Director</u> position?	Ratio of HR Staff to City Employees  (Read as X HR staff for each city employee)	Rank  (1= Lowest HR Staffing, 12= Highest HR Staffing)
Belmont	27,225	136	3.0	Yes	45.3	10
Burlingame	30,106	225	4.0	Yes	56.3	7
Daly City	101,243	482	6.0	Yes	80.3	5
Redwood City	81,643	551	7.0	Yes	78.7	6
San Mateo, City	102,200	605	11.0	Yes	55.0	8
South San Francisco	64,251	581	7.0	Yes	83.0	4
Pacifica	37,099	224	2.0	No	112.0	1
San Bruno	42,275	262	2.5	No	104.8	2
Foster City	32,517	172	4.0	Yes	43.0	11
Hillsborough	11,016	92	1.0	No	92.0	3
Menlo Park	32,475	271	5.0	No	54.2	9
Millbrae	22,277	92	2.5	Yes	36.8	12

Source: US Census 2021 Population Estimates & Municipal Budget Documents & Official City Webpages

## Human Resources Director Enhancement Request Detail

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Peer Survey: Assistant City Manager Position Comparison	
City	Does the City have an <u>Assistant City Manager</u> position?
Belmont	Yes
Burlingame	No
Daly City	Yes
Redwood City	Yes
San Mateo, City	Yes
South San Francisco	Yes
Pacifica	Yes, Partial <sup>1</sup>
San Bruno	Yes, Partial <sup>2</sup>
Foster City	Yes <sup>3</sup>
Hillsborough	No
Menlo Park	Yes
Millbrae	No

<sup>1</sup> ACM position also oversees the finance, human resources and other administrative services.

<sup>2</sup> ACM position also oversees the human resources.

<sup>3</sup> Deputy City Manager position

Source: US Census 2021 Population Estimates & Municipal Budget Documents & Official City Webpages

A revised organizational chart for the City Manager's Office that includes the elimination of a vacant Economic Development Manager position and replacement with a Human Resources Director position can be found as Attachment 2 of this memo.

The City added the Economic Development Manager position to the budget in FY 2021-22. However, the position has remained vacant. Recruitment for the position has been unsuccessful, with two candidates being offered the position but later declining the position offer. At present, the position has remained open-until filled, but has not garnered interest from highly qualified candidates. Additionally, staff has initiated conversations with the Bay Area Entrepreneur Center (BAEC) of Skyline College, located in downtown San Bruno, to explore a partnership to support small and medium sized businesses. This enhancement request includes the retention of approximately \$48,000 from savings to provide initial seed funding to explore and support economic development opportunities with BAEC or another partnering organization.

The following chart provides a financial summary for the enhancement request in the FY 2022-23 budget.

**Current FY 2022-23 Proposed CMO Budget for ACM & Econ. Dev. Manager Positions**

Position	Salary	Benefits	Annual Total
Assistant City Manager	227,112	60,904	288,016
Economic Development Manager	126,120	45,829	171,949
<b>Total</b>			<b>459,965</b>

**Revised FY 2022-23 Proposed CMO Budget for ACM & Econ. Dev. Manager Positions**

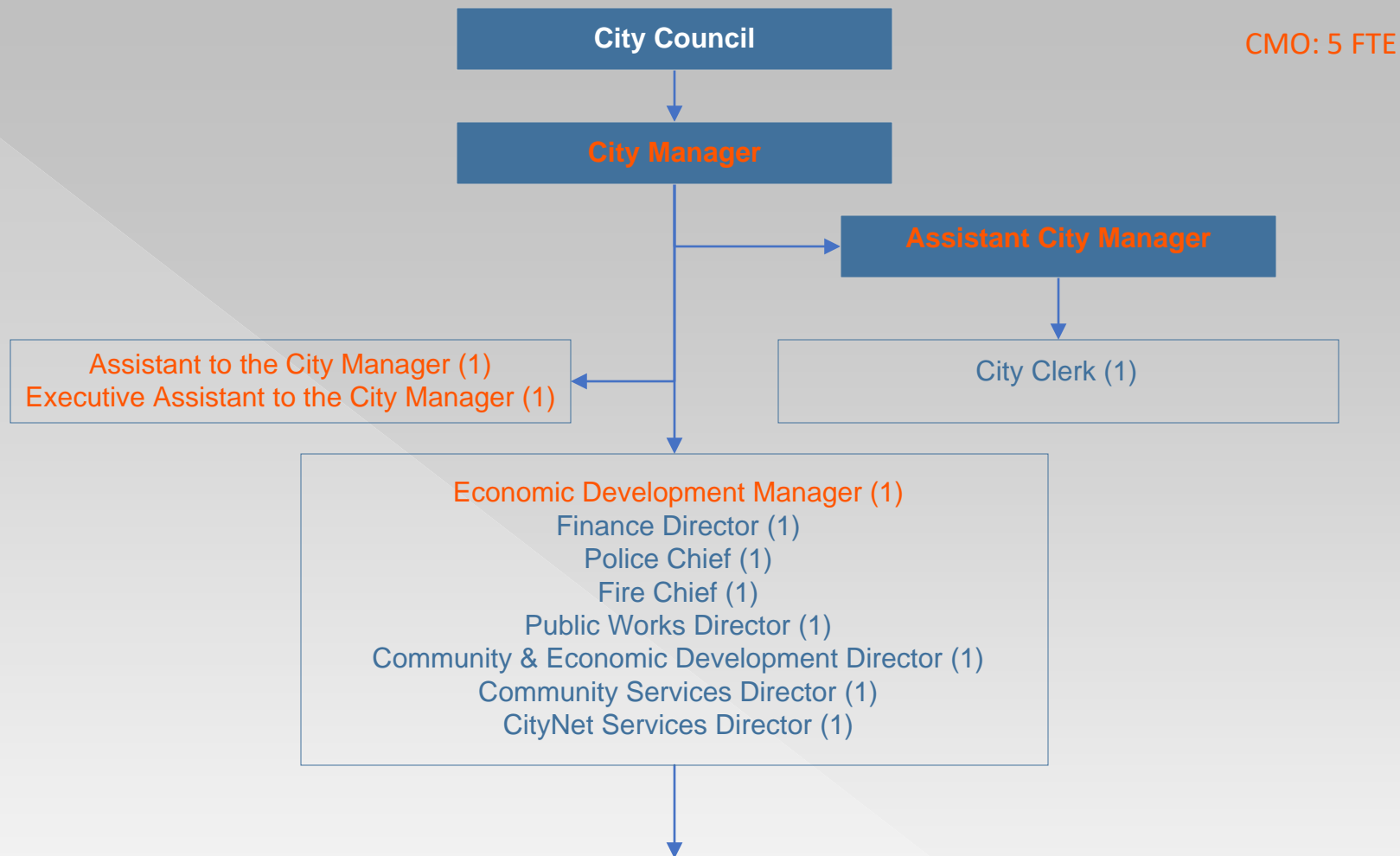
Position	Salary	Benefits	Annual Total	10-Months
Assistant City Manager	227,112	60,904	288,016	228,013
HR Director	206,856	25,692	232,548	184,101
<b>Total</b>			<b>520,564</b>	<b>412,113</b>

**Summary**

Position	Annual Total
Current Proposed Budget	459,965
Revised Proposed Budget	412,113
<b>Difference</b>	<b>47,852</b>
Allocation to Contract Economic Development Support	47,852
<b>Net Budgetary Impact in FY 2022-23</b>	<b>0</b>

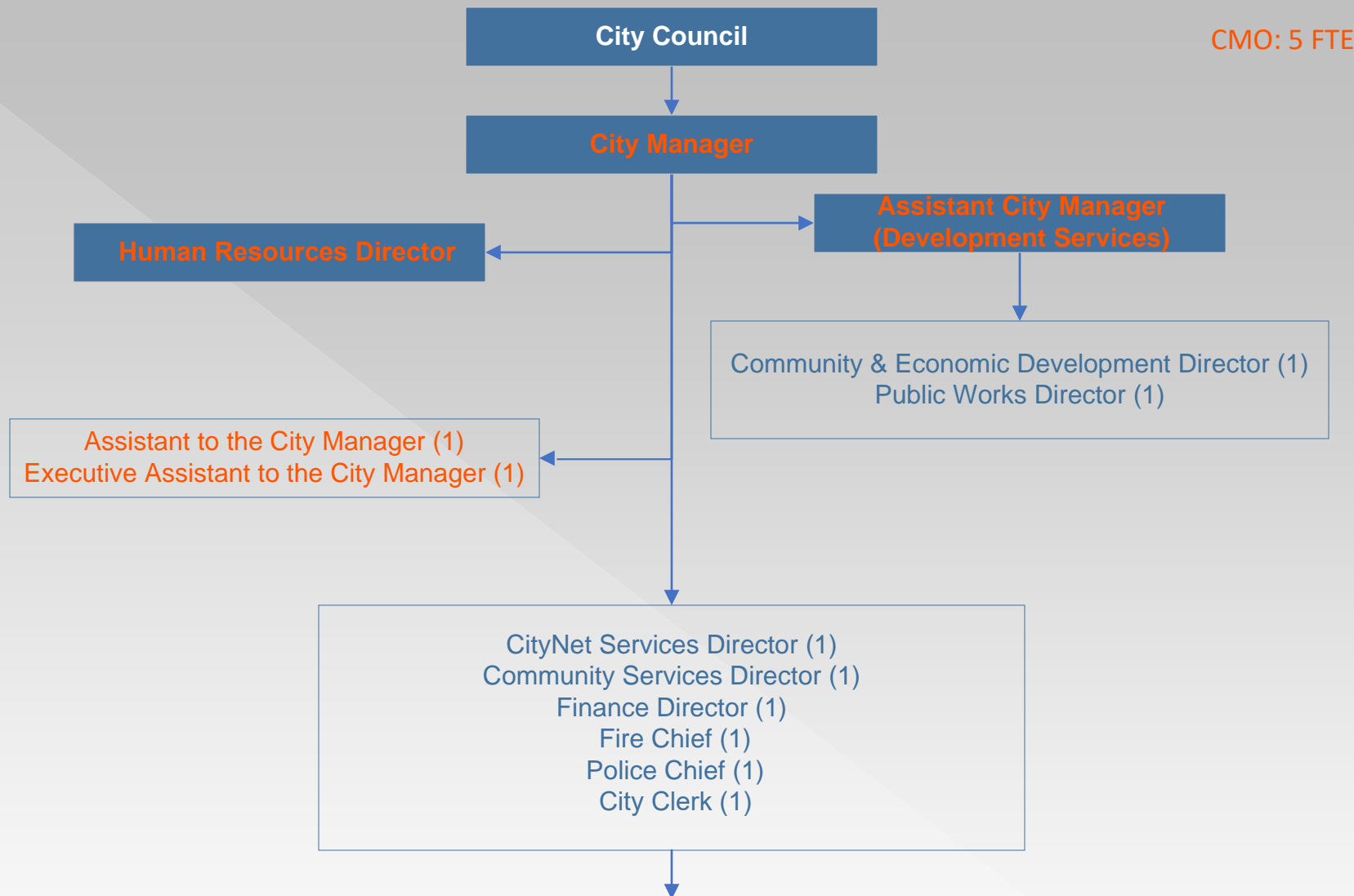
**Attachments:**

1. Current City Manager's Office Organizational Chart
2. Revised City Manager's Office Organizational Chart



**Functions:**

- City Council policy and development and strategic planning
- Management and oversight of organization, including the delivery of all City services and operations including critical public safety services
- Community relations and outreach
- Budget development, management, and implementation
- External organization relations
- Economic development program
- Special project management



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