




CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

MEMORANDUM

To: Mayor Eisenbeisz and Assembly Members

From: John Leach, Municipal Administrator 

Date: October 30, 2023

Subject: Supplemental Appropriation to Implement a Human Resources Information System

Background

Currently, This City and Borough of Sitka (CBS) is not equipped with any Human Resources Information System (HRIS). The proposed appropriation for \$205K is intended to fund the implementation of an HRIS and recruiting system by NEOGOV used throughout the State of Alaska and many other state and local governments throughout the Nation.

Analysis

The CBS has been operating for quite some time without an HRIS system, which has led to employee frustration and high turnover in the HR office. The implementation of an HRIS system is critical to addressing these challenges and achieving the "Service" goal of our Strategic Plan, which is "CBS is recognized as a great place to work and an excellent service provider to the community."

Employee Frustration and High Turnover:

Operating without an HRIS system has resulted in manual, paper-based processes that are time-consuming, error-prone, and frustrating for employees and HR staff alike. Without a centralized system, employees face difficulties in accessing their own records and HR services, and HR personnel struggle to provide efficient support. The frustrations stemming from these outdated processes have contributed to high turnover rates within our HR office, hindering our ability to provide consistent and reliable personnel support.

Alignment with the "Service" Goal:

The implementation of an HRIS system aligns perfectly with the "Service" goal outlined in our Strategic Plan. To be recognized as a great place to work and an excellent service provider to the community, we need to provide our employees with a modern, efficient, and user-friendly HR experience. An HRIS system would support this goal by:

Enhancing Employee Satisfaction: By offering self-service portals and simplifying HR interactions, we will significantly improve the experience for our employees, making CBS a more attractive place to work.

Improving Service Efficiency: With the automation and streamlined processes of an HRIS system, HR staff can focus on strategic initiatives and providing exceptional service to employees, rather than being bogged down by administrative tasks.

Accurate and Timely Service: The system's data accuracy and reporting capabilities will ensure that our HR services are delivered with precision and timeliness, ultimately benefiting both our employees and the community we serve.

Improving Recruitment Ability: The system will have a direct and positive impact on our recruiting efforts. By utilizing NEOGOV's public job board, GovernmentJobs.com, we can tap into the #1 public sector job board in the country with millions of active job seeker profiles. This will enable us to reach a wider and more diverse pool of candidates, resulting in improved recruitment outcomes and a more competitive workforce for the City and Borough of Sitka.

The proposed HRIS system is an investment in our employees' well-being and the efficiency of our operations. It will reduce frustration, lower turnover in our HR office, improve our recruiting capability, and support the overall goal of CBS being an outstanding place to work and an exceptional service provider.

Fiscal Note

- This appropriation is for the first 3 years. By committing to the first 3 years a substantial discount will be realized. While we will not spend the full \$235K this fiscal year, as we are making the 3-year commitment, these funds will be encumbered.
- The original budget of \$30K was for a subscription-based service that did not meet our needs, it also did not offer the recruitment capability.
- This aligns with our upcoming Time and Attendance procurement, as approved during the FY24 budget process.
- This appropriation will be expended over the next 3 years and will be covered by IT fees paid into the IT fund. Increases in fees paid into to IT will be factored in beginning with the FY25 budget—depending on the timeline of outlays the IT fund may show a net loss for this year but will recover those losses in FY25.
- This purchase is for a subscription-based information technology arrangement (SBITA) which will be expensed out as an operating expense for budget, but will ultimately be listed on the capital asset schedule as required by GASB 96.

Recommendation

I kindly request the City and Borough of Sitka Assembly to consider the critical importance of this HRIS implementation and how it aligns with our Strategic Plan. The return on investment in terms of improved personnel management, reduced risk, and modernization of our processes will contribute to our organization's continued success.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2023-23

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA MAKING SUPPLEMENTAL
APPROPRIATIONS FOR FISCAL YEAR 2024
(Neogov HRIS/Recruitment Platform)

BE IT ENACTED by the Assembly of the City and Borough of Sitka, Alaska as follows:

1. **CLASSIFICATION.** This ordinance is not of a permanent nature and is not intended to be a part of the Sitka General Code of the City and Borough of Sitka, Alaska.

2. **SEVERABILITY.** If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and application thereof to any person and circumstances shall not be affected thereby.

3. **PURPOSE.** The purpose of this ordinance is to make a supplemental operating appropriation for FY2024.

4. **ENACTMENT.** In accordance with Section 11.10 (a) of the Charter of the City and Borough of Sitka, Alaska, the Assembly hereby makes the following supplemental appropriation for the budget period beginning July 1, 2023 and ending June 30, 2024.

<u>FISCAL YEAR 2024 EXPENDITURE BUDGETS</u>
IT FUND
Fund 300 – Contract purchased services: Increase appropriations in the amount \$205,000 to implement and purchase Neogov HRIS/recruitment platform. \$205,000 will be added to the existing appropriation of \$30,000 in the Information Technology Fund.

Explanation:

This appropriation will bring the total to \$235,000, which will be expended over 3 years. Note that a significant portion of this purchase is for a subscription-based information technology arrangement (SBITA) which will be expensed out as an operating expense for budget, but will ultimately be listed on the capital asset schedule as required by GASB 96.

5. **EFFECTIVE DATE.** This ordinance shall become effective on the day after the date of its passage.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 28th Day of November 2023.

ATTEST:

Kevin Mosher, Deputy Mayor

Sara Peterson, MMC
Municipal Clerk

1st reading: 11/14/2023
2nd and final reading: 11/28/2023

Sponsor: Administrator