



HARRISONBURG | VA
FRIENDLY BY NATURE



BENEFITS STUDY REPORT FISCAL YEAR 2024



Planned Evaluation for Fiscal Years 2025-2028





BENEFITS STUDY WORKGROUP
409 SOUTH MAIN STREET
HARRISONBURG, VIRGINIA 22801

WWW.HARRISONBURGVA.GOV/BENEFITS-STUDY
540.432.8920

April 30, 2024

Mr. Alexander Banks VI
City Manager
409 South Main Street
Harrisonburg, Virginia 22801

Dear Mr. Banks,

The Benefits Study Workgroup, a multi-disciplinary team comprised of organizational leaders and human resources professionals, is pleased to provide the City of Harrisonburg Benefits Study Report. This report will include the team's project methodology, the employee response information, the employee listening session data, and the recommendations for further evaluation.

The study was developed in accordance with the City Council focus area, outlining the importance of distinctive, reliable delivery of high-quality City services; that a comprehensive total rewards package is part of attracting and retaining talented public servants to our organization. In Fiscal Year 2024, City employees saw a generous implementation of the Baker Tilly Classification & Compensation Study, which set the stage for the City's compensation philosophy. In connection with the *Human Resources Strategic Plan (Goal 1, Objective E; Goal 3, Objective E)*, the Human Resources Department turned its attention to studying the non-compensation portion of total rewards – employee perquisites.

In the month of February 2024, the Benefits Study Workgroup hosted 70 employee listening sessions across city departments. There was an 85% participation rate in the full-time employee listening sessions, followed by an overall 75% participation rate across all employment statuses.

It has been a pleasure serving our City team members in this capacity, and we look forward to continuing the evaluation of the benefits within the included recommendation timeframe. This will include evaluation of the financial impact, applicable policies, and best practices in the industry. Thank you for your continued support of City employee total rewards and for building the infrastructure that ultimately enhances our services to the citizens, visitors, and business owners of the City of Harrisonburg.

Best regards,

Angela K. Clem, SHRM-SCP
Director of Human Resources

Marissa B. Keagy, SHRM-CP, CCP
Deputy Director of Human Resources

TABLE OF CONTENTS

Project Methodology.....3

Phase I: Project Initiation & Design.....3

Review of Workgroup Responsibilities3

Review of Current City Benefits & Employee Benefits Participation.....3

Review of Market Assessment Benefits Data Gathered by Baker Tilly.....6

Listening Session Activities + Test Group.....11

Phase 2: Conduct a Listening Session Test Group15

Phase 3: Listening Session Implementation & Participation Data15

Phase 4: Data Analysis.....16

Activity #1 – Current Benefits Offerings.....16

Activity #2 – Employee Pressures.....29

Activity #3 – Benefits Brainstorming Session.....42

Employee Survey Data.....49

Recommendation Tables & Explanations.....56

Appendix72

PROJECT METHODOLOGY

The Executive Leadership Team (ELT) and Deputy Leadership Team (DLT) worked with Human Resources to establish a multi-disciplinary workgroup to receive diverse perspectives related to the Benefits Study. The Benefits Study Workgroup was comprised of the following professionals, who created and executed the project while providing periodic updates to ELT and DLT:

- Thanh Dang, Deputy Director, Department of Community Development
- Vic Garber, Deputy Director, Department of Parks & Recreation
- Gerald Gatobu, Director, Harrisonburg Department of Public Transportation
- Marissa Keagy, Deputy Director, Department of Human Resources
- Todd Miller, Deputy Chief, Harrisonburg Police Department
- Michael Parks, Director, Department of Communications
- Larry Propst, Director, Department of Finance
- Heather Turner, Human Resources Generalist, Department of Human Resources
- Angela Clem, Director, Department of Human Resources



PHASE I: PROJECT INITIATION & DESIGN

Review of Workgroup Responsibilities. In October 2023, the Benefits Study Workgroup reviewed their responsibilities and goals, which included the following: (1) Assess the project scope (2) Review and understand current City benefits offerings (3) Create a timeline for the project (4) Analyze data on current benefits usage (5) Review the market assessment benefits comparison report gathered by Baker Tilly in 2022 (6) Engage all stages of the Communications Strategy (7) Creatively carryout the benefits study process chosen by Administration, ELT, and DLT (8) Engage in listening sessions to receive employee feedback (9) Create evaluation recommendations for Administration, ELT, and DLT (10) Create policy and procedure recommendations with Human Resources and Finance.

Review of Current City Benefits & Employee Benefits Participation. While the Benefits Study Workgroup was knowledgeable about employee benefits, it was important that an understanding of best practices in the benefits field, education about the City's current benefits offerings, and an understanding pertaining to existing benefits usage was attained. **Table 1.1** below outlines the data that we had as of September 2023 (presented in October 2023 to the Benefits Study Workgroup) related to benefits participation (as recorded in payroll deductions). There are other benefits that the City currently provides that are not part of an administrative payroll deduction function, and that information was not included.

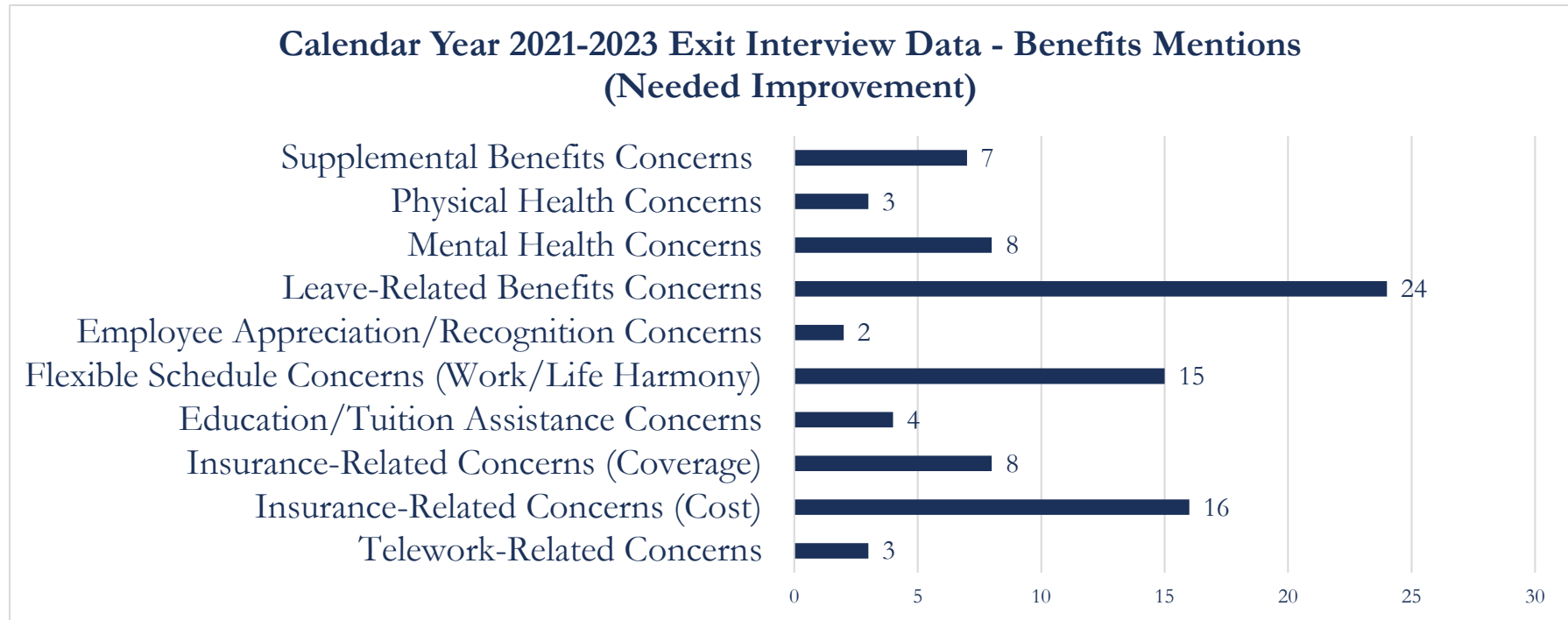
Table 1.1

BENEFIT TYPE	NUMBER OF PARTICIPANTS	CITY CONTRIBUTION TOWARD BENEFIT <i>(As of FY 2024)</i>
Health Insurance – KeyCare25 <ul style="list-style-type: none"> • Employee • Employee + One Child • Employee + Children • Employee + Spouse • Family 	<p style="text-align: right;">439</p> <p style="text-align: right;">203</p> <p style="text-align: right;">43</p> <p style="text-align: right;">27</p> <p style="text-align: right;">60</p> <p style="text-align: right;">106</p>	<p style="text-align: right;">75%</p> <p style="text-align: right;">75%</p> <p style="text-align: right;">75%</p> <p style="text-align: right;">75%</p> <p style="text-align: right;">75%</p>
Health Insurance – High Deductible Health Plan <ul style="list-style-type: none"> • Employee • Employee + One Child • Employee + Children • Employee + Spouse • Family 	<p style="text-align: right;">75</p> <p style="text-align: right;">46</p> <p style="text-align: right;">3</p> <p style="text-align: right;">27</p> <p style="text-align: right;">6</p> <p style="text-align: right;">15</p>	<p style="text-align: right;">75%</p> <p style="text-align: right;">75% (+ contribution to HSA)</p> <p style="text-align: right;">75% (+ contribution to HSA)</p> <p style="text-align: right;">75% (+ contribution to HSA)</p> <p style="text-align: right;">75% (+ contribution to HSA)</p> <p style="text-align: right;">75% (+ contribution to HSA)</p>
Health Savings Account	<p style="text-align: right;">75</p>	<p style="text-align: right;">\$750/\$1500</p>
Dental Insurance – Low Plan <ul style="list-style-type: none"> • Employee • Employee + Children • Employee + Spouse • Family 	<p style="text-align: right;">192</p> <p style="text-align: right;">108</p> <p style="text-align: right;">16</p> <p style="text-align: right;">17</p> <p style="text-align: right;">51</p>	<p style="text-align: right;">\$6.50 per pay</p> <p style="text-align: right;">\$6.50 per pay</p> <p style="text-align: right;">\$6.50 per pay</p> <p style="text-align: right;">\$6.50 per pay</p> <p style="text-align: right;">\$6.50 per pay</p>
Dental Insurance – High Plan <ul style="list-style-type: none"> • Employee • Employee + Children • Employee + Spouse • Family 	<p style="text-align: right;">311</p> <p style="text-align: right;">138</p> <p style="text-align: right;">44</p> <p style="text-align: right;">62</p> <p style="text-align: right;">67</p>	<p style="text-align: right;">\$6.50 per pay</p> <p style="text-align: right;">\$6.50 per pay</p> <p style="text-align: right;">\$6.50 per pay</p> <p style="text-align: right;">\$6.50 per pay</p> <p style="text-align: right;">\$6.50 per pay</p>

BENEFIT TYPE	NUMBER OF PARTICIPANTS	CITY CONTRIBUTION TOWARD BENEFIT <i>(As of FY 2024)</i>
Voluntary Vision <ul style="list-style-type: none"> • Employee • Employee + Children • Employee + Spouse • Family 	<p style="text-align: center;">246</p> <p style="text-align: center;">131</p> <p style="text-align: center;">27</p> <p style="text-align: center;">46</p> <p style="text-align: center;">42</p>	<p style="text-align: center;">\$0</p> <p style="text-align: center;">\$0</p> <p style="text-align: center;">\$0</p> <p style="text-align: center;">\$0</p> <p style="text-align: center;">\$0</p>
Flexible Spending Accounts <ul style="list-style-type: none"> • Health Care • Dependent Care 	<p style="text-align: center;">197</p> <p style="text-align: center;">191</p> <p style="text-align: center;">6</p>	<p style="text-align: center;">\$0</p> <p style="text-align: center;">\$0</p> <p style="text-align: center;">\$0</p>
MissionSquare (Formerly ICMA-RC) <ul style="list-style-type: none"> • Deferred Compensation • Roth IRA • Hybrid Voluntary 	<p style="text-align: center;">175</p> <p style="text-align: center;">25</p> <p style="text-align: center;">218</p>	<p style="text-align: center;">\$0</p> <p style="text-align: center;">\$0</p> <p style="text-align: center;">Up to 2.5%</p>
Optional Life Insurance	<p style="text-align: center;">127</p>	<p style="text-align: center;">\$0</p>
Life Insurance with Long-Term Care	<p style="text-align: center;">20</p>	<p style="text-align: center;">\$0</p>
AFLAC Supplemental Insurances <ul style="list-style-type: none"> • Pre-Tax • After-Tax 	<p style="text-align: center;">178</p> <p style="text-align: center;">115</p>	<p style="text-align: center;">\$0</p> <p style="text-align: center;">\$0</p>
RMH Wellness Center (Payroll Deduction)	<p style="text-align: center;">13</p>	<p style="text-align: center;">\$0</p>
Pre-paid Legal	<p style="text-align: center;">9</p>	<p style="text-align: center;">\$0</p>

Human Resources also shared benefits-related employee exit interview data with the Benefits Study Workgroup, as outlined in **Table 1.2** below. Human Resources had 27 exit interviews in 2021, 29 exit interviews in 2022, and 18 exit interviews in 2023. The below graph shows benefits-related topics that were mentioned by exiting employees where it was noted that improvement was needed.

Table 1.2



Review of Market Assessment Benefits Data Gathered by Baker Tilly. The Benefits Study Workgroup reviewed the benefits portion of the market assessment that was gathered by Baker Tilly in October of 2022. The City chose the following organizations to provide comparable benefits practices:

- Albemarle County, Virginia
- City of Charlottesville, Virginia
- Chesterfield County, Virginia
- Commonwealth of Virginia
- City of Fredericksburg, Virginia
- Hanover County, Virginia
- James Madison University
- Town of Leesburg, Virginia
- City of Lynchburg, Virginia
- City of Roanoke, Virginia
- Rockingham County, Virginia
- Town of Blacksburg, Virginia
- City of Staunton, Virginia
- City of Virginia Beach, Virginia
- Western Virginia Water Authority
- City of Winchester, Virginia

Not all of the agencies participating in the market assessment answered each benefit-related question, and Baker Tilly consultants engaged in matching data to the best of their ability. **Table 1.3** below exhibits the benefit areas studied and the comparison to the City of Harrisonburg’s current benefits. The full report relating to the market assessment by Baker Tilly can be requested from the Human Resources Department.

Table 1.3

BENEFIT TYPE	EXPLANATION/COMPARABLE DATA	HARRISONBURG’S MARKET POSITION
<p>Tuition Assistance/ Reimbursement</p>	<p>Twelve reporting organizations offer tuition assistance. Ten organizations offer assistance for certificates and educational opportunities other than degree programs. Amount of assistance varies from \$800 to \$4,000 per fiscal year, depending on years of service and type of educational program. <i>The City provides up to \$750-\$1000 per fiscal year depending on years of service with the City.</i></p>	<p>Lagging</p>
<p>Time Off - Type</p>	<p>All reporting organizations offer time off, with five reporting a vacation-sick leave model, three reporting a Paid Time Off (PTO) model, and four reporting another model/hybrid model where employees hired prior to a specific date have vacation-sick leave and employees hired after a specific date have a PTO model. <i>The City provides a hybrid model with employees hired before January 1, 2014 having a vacation-sick leave policy and employees hired after January 1, 2014 abiding by a PTO model.</i></p>	<p>Matching</p>
<p>Time Off – Amount Provided</p>	<p>Eleven reporting organizations provided their leave schedules. The average amount of time off was calculated by years of service in all cases, with the average of 19.5 to 30.5 days per year. Those organizations that provide sick leave average approximately 12 days per year. <i>The City provides 18 to 30 days per year of PTO and 12-24 days per year of vacation, all depending on years of service. Vacation-sick leave employees accrue 6.25 to 10 hours per month (depending on position type) of sick leave in addition to vacation leave.</i></p>	<p>Lagging (PTO System) Leading (Vacation/Sick Leave System)</p>
<p>Leave Carryover</p>	<p>Five reporting organizations allow between 37.5 to 320 maximum accrued vacation or PTO days for carryover, based on an employee’s years of service. The average maximum carryover year after year was 137.17 days. <i>The City allows a maximum carryover between 24 to 48 days, based on years of service. The City allows an unlimited carryover for sick leave hours for employees on a vacation-sick leave system.</i></p>	<p>Lagging</p>

BENEFIT TYPE	EXPLANATION/COMPARABLE DATA	HARRISONBURG'S MARKET POSITION
Leave Cashout	Seven reporting organizations allow employees to cash out unused leave at termination or retirement. Three reporting organizations base the number of cashout days on years of service. The average number of days permitted to cashout was 43.17, with 37.5 being the lowest number of days to cashout and 50 days being the highest. <i>The City allows a cashout of the maximum carryover (24-48 days for vacation leave employees and 27-45 days for PTO employees, all depending on years of service). The City allows cashout of sick leave upon separation from the City based on years of consecutive service, at a percentage, with a maximum capped amount.</i>	Matching (Varying Policies)
Sick Leave Bank	Two organizations responded that they do offer a sick leave bank and five organizations responded that they do not offer a sick leave bank. <i>The City does not offer a sick leave bank.</i>	Matching
Sick Leave Donation	Two organizations responded that they do offer sick leave donation and five organizations responded that they do not offer sick leave donation. <i>The City does not offer employees the ability to donate sick leave.</i>	Matching
Paid Holidays	All thirteen responding organizations offer paid holidays. The average number of holidays is approximately 12 per year. <i>The City offers 15.5 holidays per year.</i>	Leading
Personal or Floating Holidays	Three organizations reported that they do not have personal or floating holidays. Five organizations reported that they do have personal or floating holidays. The five organizations have an average of 2 personal or floating holidays per year. <i>The City does not offer personal or floating holidays.</i>	Lagging
Health Insurance – Coverage of Premium Cost	Nine organizations reported that they pay a portion of employee-only premium costs, with the average reported at 92.3%. Six organizations offer a High Deductible Health Plan and pay on average 96.7% for employee-only premiums. Nine organizations reported that they pay a portion of family plan premium costs, with the average reported at 75%. Six organizations pay on average 82.8% for the family plan under the High Deductible Health Plan. <i>The City pays 75% of premiums across all plan levels.</i>	Lagging – Employee-Only PPO Lagging – Employee-Only HDHP Leading – Family PPO Lagging – Family HDHP
Health Insurance Participation	Eight organizations reported on providing compensation to employees who do not participate in the health plans. Four organizations reported that they <u>do</u> compensate employees for not participating and four organizations	Matching

BENEFIT TYPE	EXPLANATION/COMPARABLE DATA	HARRISONBURG'S MARKET POSITION
	reported that they <u>do not</u> compensate employees for not participating in the health plans. <i>The City does not compensate employees for not participating in the health plans.</i>	
Dental Insurance	Eleven organizations reported offering dental insurance. On average, six organizations pay 55.8% of employee-only premiums and 23.8% of family plan premiums. <i>The City pays \$156 per year toward dental insurance premiums.</i>	Lagging
Vision Insurance	Eleven organizations reported offering vision insurance. On average, three organizations pay 33% of employee-only premiums and 12% of family plan premiums. <i>The City does not contribute toward vision insurance plan premiums.</i>	Lagging
Parental Leave	Ten organizations responded in relation to paid parental leave (maternity, paternity, adoption, foster). Four organizations reported that they do not offer paid parental leave and six organizations reported that they do offer paid parental leave. The average amount of paid leave reported was six weeks (paid at 100% of the employee's salary). <i>The City does not offer paid parental leave.</i>	Lagging
Wellness Benefits	Nine organizations responded in relation to offering wellness benefits. Two organizations reported that they do not provide wellness benefits and seven organizations reported that they offer wellness benefits. The organizations that responded affirmatively allowed free recreation center membership to employee and dependents, provided an employee fitness room and other wellness activities (point system to exchange for leave or gift cards), exercise and wellness apps, and a monetary gym membership stipend. <i>The City offers free membership for employees to its recreation center. Public Safety agencies offer in-house equipment (Police Department offers reimbursement to officer's gym of choice).</i>	Matching/Varies
Psychological Health Services	Six organizations responded in relation to offering psychological health benefits/programs outside of an Employee Assistance Program (EAP). Five organizations do not offer programs and one does offer a program. <i>The City offers an EAP.</i>	Matching
Retiree Health Insurance	Six organizations reported offering a retiree group health insurance plan. The average premium paid of the plan is 24.1%, with three organizations reporting that the portion of premiums paid is based on years of service with the employer. <i>The City offers retirees participation in a group plan and bases the</i>	Varies based on plan

BENEFIT TYPE	EXPLANATION/COMPARABLE DATA	HARRISONBURG'S MARKET POSITION
	<i>contribution toward retiree health insurance on a year of service calculation (\$10/year of service not to exceed \$350 toward the monthly health insurance premium).</i>	

Listening Session Activities + Test Group. The Benefits Study Group reviewed the project goals, which include the following: (1) Create an excellent quality of life for all City employees by providing benefits offerings that meet the needs of a multi-generational workforce, that help to relieve employee pressures, and that create employee happiness) (2) Enhance recruitment and retention rates, reduce turnover, and create a more competitive recruitment pool (3) Provide awareness of benefits (4) Improve health and wellness of our employees and their families. In order to gather this information, the Benefits Study Group created a listening session format that would provide every employee in the City the opportunity to provide in-person feedback in a comfortable setting.

Building on the goals of the overall study, the Benefits Study Group focused on the information that they wanted to receive from the listening sessions. They created the following listening session goals: (1) Receive feedback on existing benefits pertaining to benefits that employees do not want to see changed, value of existing benefits offerings, and the employee-perceived utilization rate and why they may not use a particular benefit (2) Existing benefits to be expanded or modified – the benefits that employees like but would like to see expanded or changed in some way (3) Benefits that are not currently being offered that employees would like to see offered (4) Identification of employee pressures and benefits that could potentially assist in alleviating those pressures.

The Benefits Study Group created a communications plan to get the word out about the listening sessions. The Group reviewed the feedback proposal with the Executive Leadership Team and the Deputy Leadership Team, creating the following communications and listening session format:


- Provide an Overview of Current Benefits to All City Employees – *City of Harrisonburg Employee Benefits Guide (Figure 1.1)*
- Schedule and Provide In-Person Listening Sessions in Departmental Locations Across the City of Similarly Ranked/Situated Employees (January 2024-March 2024)
 - Create a Diverse Test Group to Receive Feedback on the Process; Modify the Listening Sessions as Needed (January 2024)
 - Review the Process with the Committee for Equity & Harmony and the City Ambassadors; Modify the Listening Sessions as Needed
 - Finalize Listening Session Activities
 - Provide the *Benefits Study Listening Session Agenda* to all employees **(Figure 1.2)**

OVERARCHING BENEFITS STUDY GOALS

- **Excellent Quality of Life**
 - Meet the needs of a multi-generational workforce
 - Help to relieve employee pressures
 - Create employee happiness
- **Enhance Recruitment/Retention Rates**
 - Reduce Turnover
 - Create a competitive recruitment pool
- **Provide Benefits Awareness + Education**
- **Improve Health + Wellness for Employees and Families**


BENEFITS STUDY LISTENING SESSION GOALS

- **Existing Benefits Feedback**
 - Benefits not to change
 - Value rating
 - Utilization rate and reason
- **Benefits to be Expanded or Modified**
- **Benefits to Add**
- **Life, Health, Wellness Pressures**
 - Experiences
 - Benefits to alleviate pressures




HARRISONBURG|VA
FRIENDLY BY NATURE

CITY OF HARRISONBURG
EMPLOYEE BENEFITS GUIDE



HUMAN RESOURCES DEPARTMENT
540-432-8920
HARRISONBURG CITY HALL - 3RD FLOOR

Figure 1.1



HARRISONBURG|VA
FRIENDLY BY NATURE


BENEFITS STUDY
LISTENING SESSION AGENDA

- Introductions
- Benefits Definitions + Examples
- Session Agreements
- Listening Session Activities *(See back of card for more info!)*
 - Current Benefits Offerings
 - Your Story
 - Share Your Input
- Other Methods to Contribute/Questions

SESSION SCHEDULES

- Your supervisors have worked with the Benefits Study Group to create dates, times, and locations for your listening session. They have been provided with the schedule and that will be communicated to you.
- The sessions will last for approximately 1.5 hours and will include 10-15 of your colleagues.
- Sessions are voluntary, however, are strongly encouraged and you will be paid for attending.
- Contact Human Resources at HR@harrisonburgva.gov or 540.432.8920 if you have questions.

Figure 1.2



HARRISONBURG|VA
FRIENDLY BY NATURE

BENEFITS STUDY
LISTENING SESSION PREP

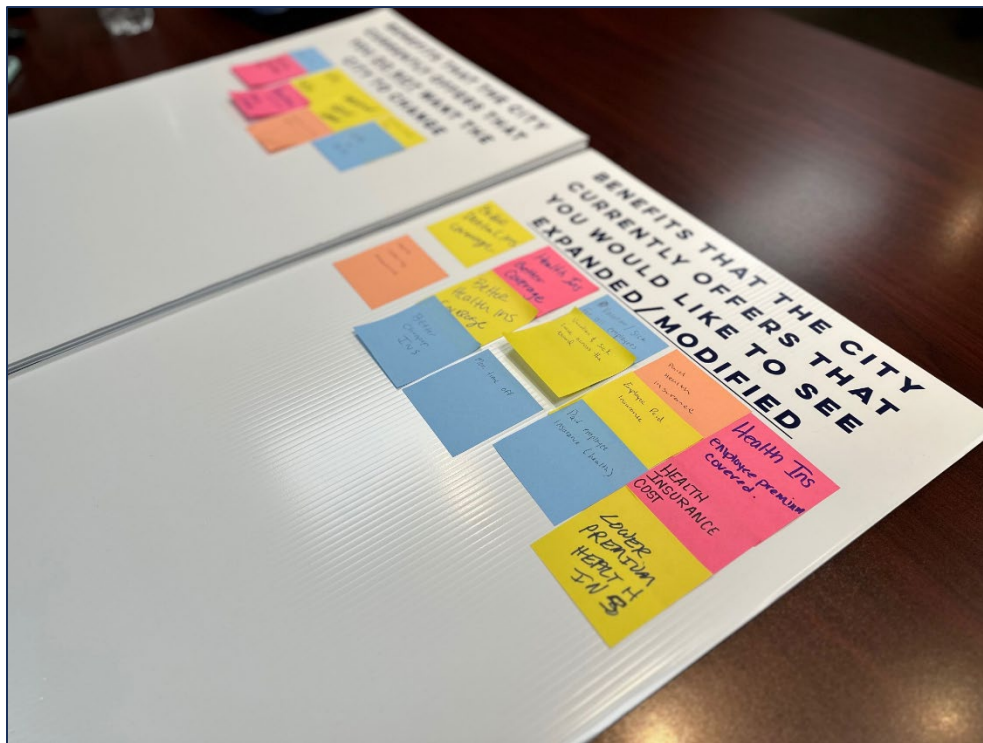
- There are activities associated with the listening sessions. What questions should I be considering?
 - (1) What current City-offered benefits are important to you and your family?
 - (2) What life, health, and/or wellness pressures are you and your family dealing with that may be alleviated by a particular benefit?
 - (3) What are current City benefits that you do not want the City to change?
 - (4) What are benefits that the City offers that you would like to see expanded?
 - (5) What are benefits that the City does not currently offer that you think would be beneficial?
- Take your *City of Harrisonburg Employee Benefits Guide* home to share with your family/any eligible dependents.
- The Benefits Study Group will be prepared with materials and supplies needed during the listening session. Just bring your input!
- The Benefits Study Group will be hosting multiple sessions in various locations through the end of February. Everyone will have the opportunity to participate. If you are not assigned to a session or do not have access to a session, please reach out to Human Resources.

The Listening Sessions were approximately 1.5-2 hours in length and included the following employee input activities:

- **Activity #1 – Current Benefits Offerings** – Working individually, employees were requested to evaluate a checklist of existing benefits. The purpose of the activity was for the employee to share what current City-offered benefits are important to them and their family. A Likert scale was utilized, ranking the value of the benefit from very important (5) to very unimportant (1). In addition, if the employee does not currently utilize the benefit and does not anticipate using the benefit in the future, the reasoning was requested (e.g., on a spouse’s insurance plan, has military benefits, are in a specific employment status and lacks access, etc.). **(Figure 1.3)**

- **Activity #2 – My Story (Employee Pressures & Benefits Ideas)** – Working individually, employees were requested to visualize, draw images, and/or utilize words that illustrate the pressure(s) that they deal with, have dealt with, or anticipate dealing with that expanded, improved, or different benefits could help with. Employees were provided pens and colored pencils to work creatively, if desired. (Figure 1.4)
- **Activity #3 – Brainstorming Exercise** – Employees were posed the following questions:
 - What benefits does the City currently offer that you do not want the City to change?
 - What benefits does the City currently offer that you would like to see expanded or modified?
 - What benefits does the City not currently offer that you think would be beneficial and should be added?

Working individually, employees utilized sticky notes and markers to brainstorm their ideas and post them on the appropriate board. There was a “parking lot” board provided for ideas that were to be kept confidential or that were non-benefits related.



Listening Session, Activity #3

ACTIVITY #1 - CURRENT BENEFITS OFFERINGS

Work individually to evaluate the checklist of existing benefits. The purpose of this activity is to share what current City-offered benefits are important to you and your family. Circle the applicable number related to the level of importance/value. If you do not utilize the benefit, let us know the reason (e.g., on a spouse's plan, have military benefits, are in a specific employment status, etc.). "Utilize" would include past, present, or future use of a benefit. "Do not utilize" means that you have not utilized a benefit and have no intention of utilizing it in the future. Add any additional comments on your rating if you would like – why the benefit is important or unimportant.



Health Insurance

Utilize Do Not Utilize (Reason: _____)

Very Important	Important	Neutral	Unimportant	Very Unimportant
5	4	3	2	1

Comments: _____



Vision Insurance (Embedded Vision or Voluntary Vision)

Utilize Do Not Utilize (Reason: _____)

Very Important	Important	Neutral	Unimportant	Very Unimportant
5	4	3	2	1

Comments: _____



Dental Insurance (Low Plan or High Plan)

Utilize Do Not Utilize (Reason: _____)

Very Important	Important	Neutral	Unimportant	Very Unimportant
5	4	3	2	1

Comments: _____

Figure 1.3

ACTIVITY #2 - MY STORY

Draw image(s) or utilize words (or BOTH) that illustrate the pressure(s) that you deal with, have dealt with, or anticipate in your life that expanded, improved, or different benefits could help with. Work on this individually and turn this in at the end of the session.

<u>WORDS</u>	<u>IMAGES</u>

The main pressure that I (or my family) have faced or am currently faced with is _____

 and this/these benefit(s) would really help: _____
 _____.

Figure 1.4



PHASE 2: CONDUCT A LISTENING SESSION TEST GROUP

Executive Leadership Team members were asked to nominate two employees from each department (one to be selected by the Benefits Study Group) to serve on the Listening Session Test Group. The Benefits Study Group chose Test Group members based on their ability and willingness to provide critical feedback, and group composition factors (cognitive diversity, demographic diversity, diversity of tenure in the organization, diversity of benefits elections, etc.). At the end of January, the test group met and spent a half-day working through the Listening Session exercises and providing feedback on how to improve the listening session format.



PHASE 3: LISTENING SESSION IMPLEMENTATION & PARTICIPATION DATA

70 Listening Sessions were hosted across city departments. Generally, three Benefits Study Group members were present to facilitate the listening session activities, which lasted between 1.5-2 hours each. Benefits Study Group members met employees in their departments or in a location that allowed for groups of 9-15 employees to be seated at tables. All participants were provided a name tent, a block of sticky notes, a pen, colored pencils, and Activity #1 and #2 worksheets. Presentation equipment was utilized in addition to verbal cues, and Benefits Study Group members assisted employees one-on-one as needed (pertaining to current benefits elections, language access, etc.).

As noted above, all employees were placed in groups of similar employment status and rank, therefore, supervisors were grouped together, full-time employees were grouped together, and part-time employees were grouped together. Employees were categorized by levels (Level A through Level F).

- Level A – Executive Leadership Team Members (17 participants)
- Level B – Deputy Leadership Team Members (12 participants)
- Level C – Department Senior Leadership Team Members (49 participants)
- Level D – Department Supervisors (79 participants)
- Level E – Non-Supervisory Full-Time Employees (412 participants)
- Level F – Part-time Employees (48 participants)

LISTENING SESSION PARTICIPATION

Total Participating Employees = 617/828

- 75% Total Participation Rate

Total Full-Time Employee Participation = 569/671

- 85% Full-Time Participation Rate

Total Part-Time Employee Participation = 48/157

- 31% Part-Time Participation Rate

70 LISTENING SESSIONS HOSTED ACROSS CITY DEPARTMENTS

PARTICIPATION BY LEVEL

Level A = 17 Participants
 Level B = 12 Participants
 Level C = 49 Participants
 Level D = 79 Participants
 Level E = 412 Participants
 Level F = 48 Participants

A total of 617 employees participated (out of 828 employees), resulting in a total participation rate of 75%. 569 full-time employees participated (out of 671 full-time employees), resulting in a total full-time participation rate of 85%. 48 part-time employees participated (out of 157 total part-time employees), resulting in a total part-time participation rate of 31%.



PHASE 4: DATA ANALYSIS

The Data Analysis section includes (1) the data collected in each listening session activity and any additional analysis (2) the goal of each activity (3) the data codes applied to the qualitative data (if applicable) (4) any necessary graphical information or reference to appendices (5) the employee survey data.

Activity #1 – Current Benefits Offerings. The goal of Activity #1 was to understand what current City-offered benefits are important to employees (value to employees and their families), to understand utilization rates from the employee perspective, and to understand why employees may not be utilizing a particular benefit. In the Activity #1 Worksheet (**Figure 1.3**), there were 24 benefit types listed applicable to full-time employees and 7 benefit types listed for part-time employees:

Current Benefits Offerings – Full-Time

- Health Insurance
- Vision Insurance
- Dental Insurance
- Flexible Spending Accounts (*Health Care or Dependent Care Reimbursement*)
- Health Savings Account (HSA)
- Virginia Retirement System (VRS)
- Roth IRA or Deferred Compensation (*MissionSquare – formerly ICMA-RC*)
- Optional Group Life Insurance
- Long-Term Care Insurance
- Employee Assistance Program (EAP)
- Education/Tuition Assistance Program
- Benefits Offered Through City Departments (*Movie Tickets, Parks & Recreation Amenities, Heritage Oaks Golf Course, Rocketown Gift Shoppe*)
- Harrisonburg-Rockingham Chamber of Commerce Member-to-Member Cards
- Vacation Leave (Employees hired before January 1, 2014)
- Sick Leave (Employees hired before January 1, 2014)
- Paid Time Off (PTO) (Employees hired after January 1, 2014)
- Short Term Disability (PTO Employees Only)
- Holiday Leave
- Bereavement (Grief) Leave
- Employee Appreciation Week
- Pre-Paid Legal
- PTO Cashout
- Tickets at Work (*Discounted travel, lodging, amusement offerings*)
- AFLAC Voluntary Supplemental Insurances

Current Benefits Offerings – Part-Time

- Health Insurance (If Eligible)
- Education/Tuition Assistance Program
- Tickets at Work (*Discounted travel, lodging, amusement offerings*)
- Employee Appreciation Week
- Vision Insurance
- Benefits Offered Through City Departments (*Movie Tickets, Parks & Recreation Amenities, Heritage Oaks Golf Course, Rocktown Gift Shoppe*)
- Harrisonburg-Rockingham Chamber of Commerce Member-to-Member Cards

The Benefits Study Group assessed current full-time (Figure 1.5) utilization rates (past, present, or future use of a benefit) as perceived by the participating employees below. "Do not utilize" means there is no intention to utilize a benefit and have no intention to utilize the benefit in the future.

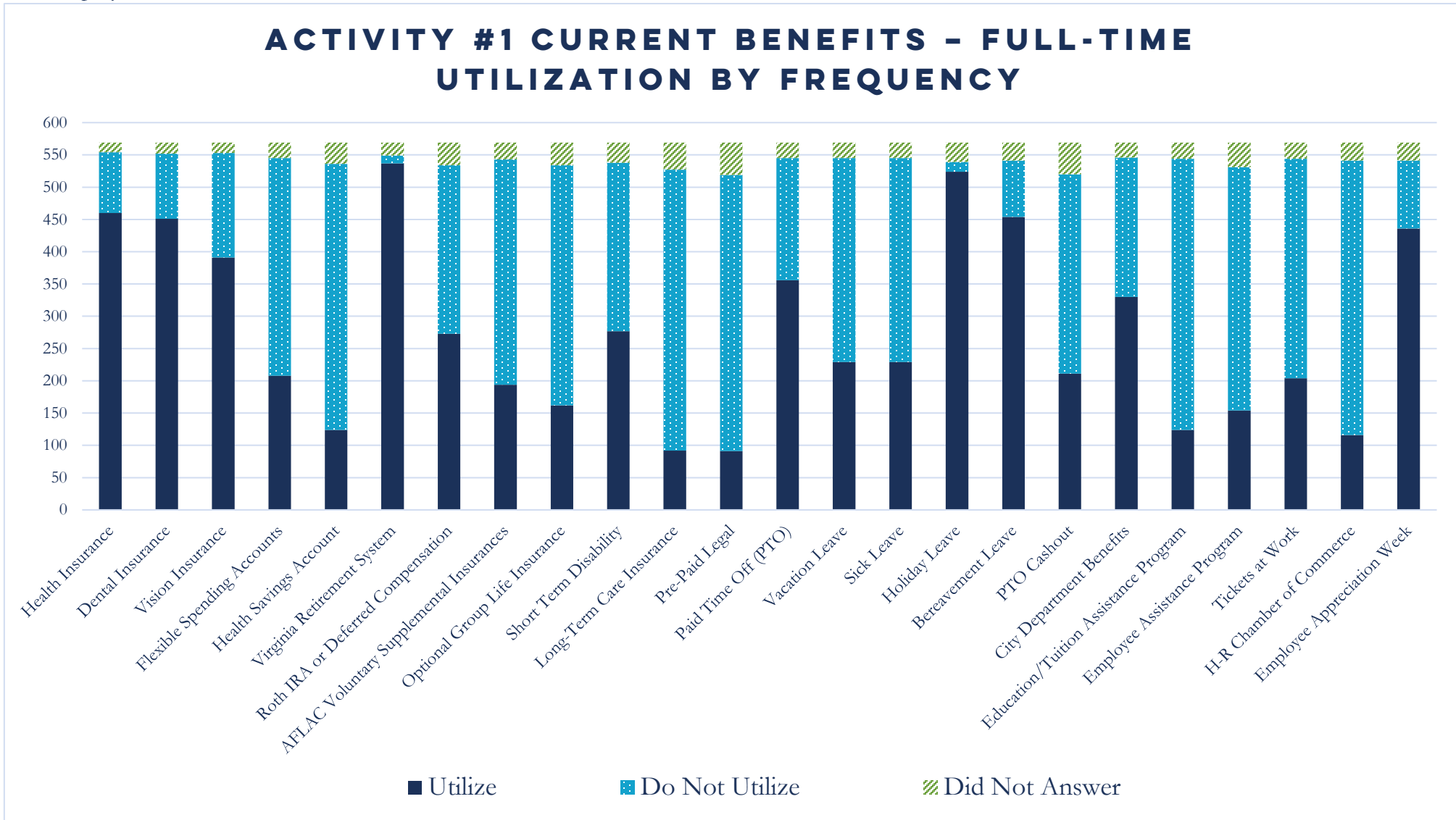
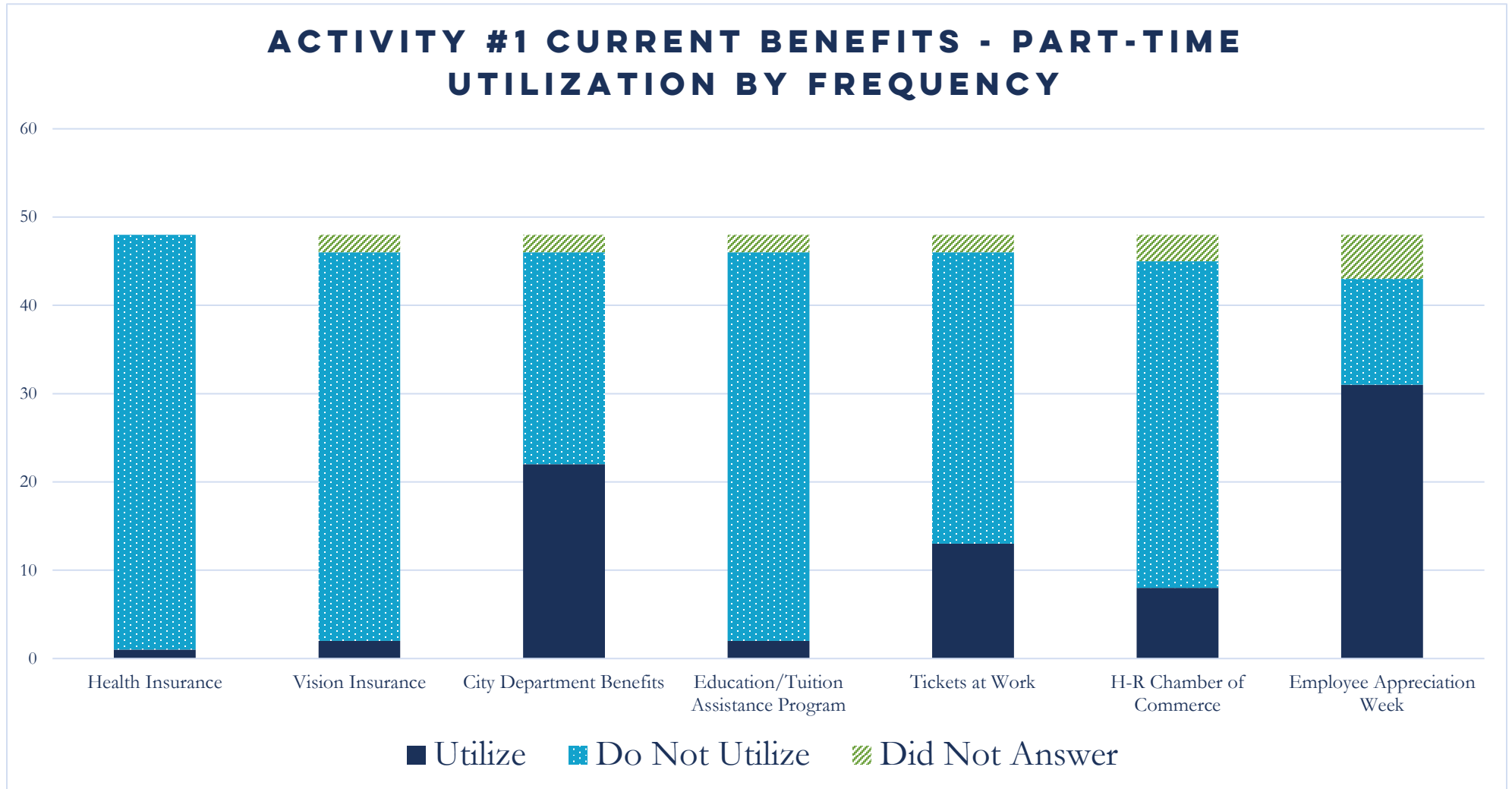


Figure 1.5

Data to note includes the fact that employees are not permitted by IRS regulation to utilize both Flexible Spending Accounts and Health Savings Accounts at the same time. The Health Savings account accompanies the City’s High Deductible Health Plan. In addition, employees cannot utilize PTO, Vacation Leave, and Sick Leave together, as only employees hired before January 1, 2014 can utilize Vacation/Sick Leave. Finally, all full-time employees are required to enroll into the Virginia Retirement System.

The Benefits Study Group assessed current part-time (Figure 1.6) utilization rates as perceived by the participating employees below.



Data to note includes that pursuant to City policy, many part-time employees are not eligible to participate in health insurance (must need to work an average of 30 hours per week using the annual look-back period method).

Part-time employees rated the level of importance of current benefits to include Very Important, Important, Neutral, Unimportant, Very Unimportant. In addition, data was collected on an unanswered benefit category. **Figure 1.7** includes the level of importance of benefits.

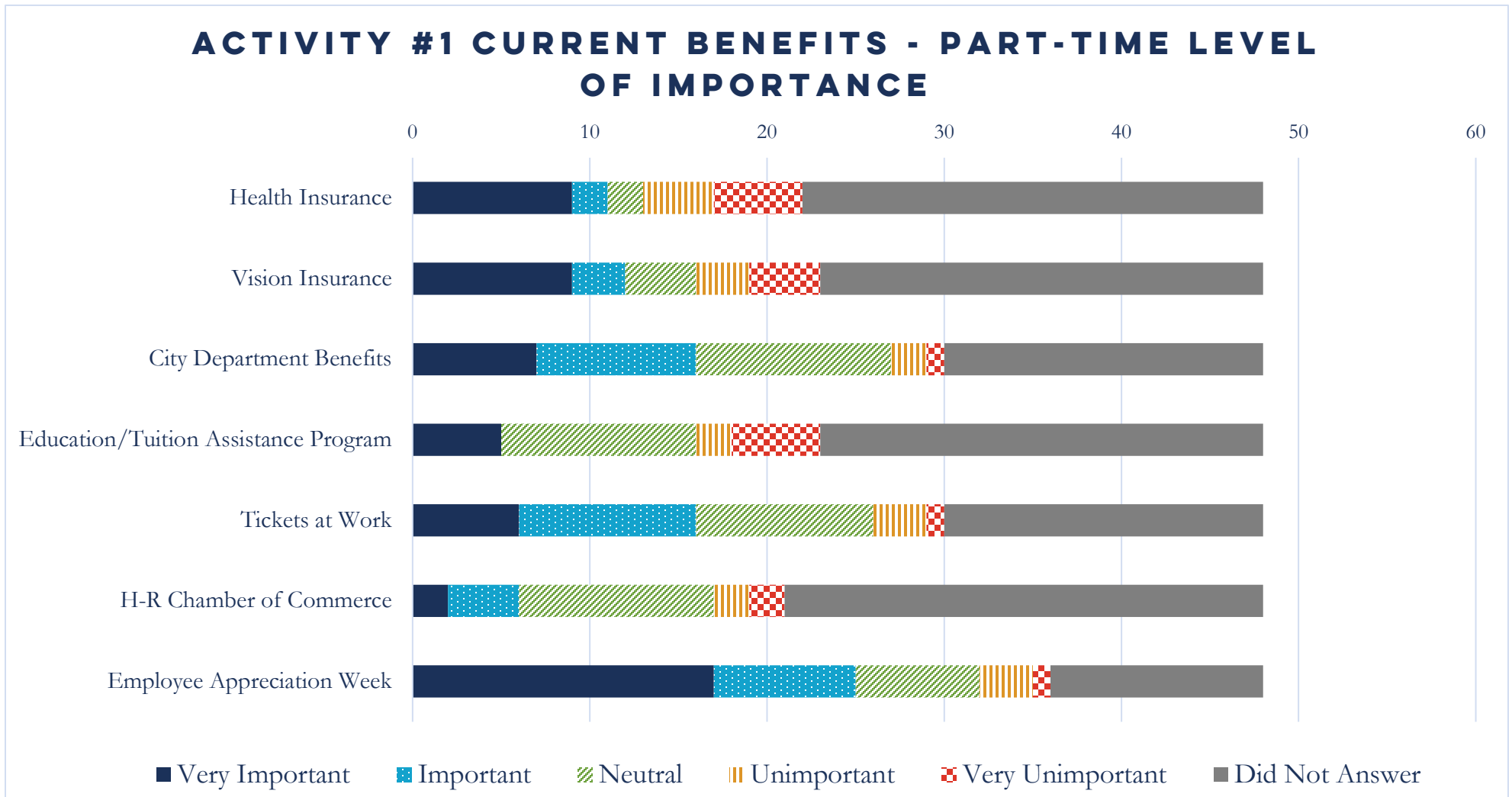


Figure 1.7

Full-time employees rated the level of importance of current benefits to include Very Important, Important, Neutral, Unimportant, Very Unimportant. In addition, data was collected on an unanswered benefit category. **Figure 1.8** includes the level of importance of benefits.

ACTIVITY #1 CURRENT BENEFITS - FULL-TIME EMPLOYEE LEVEL OF IMPORTANCE

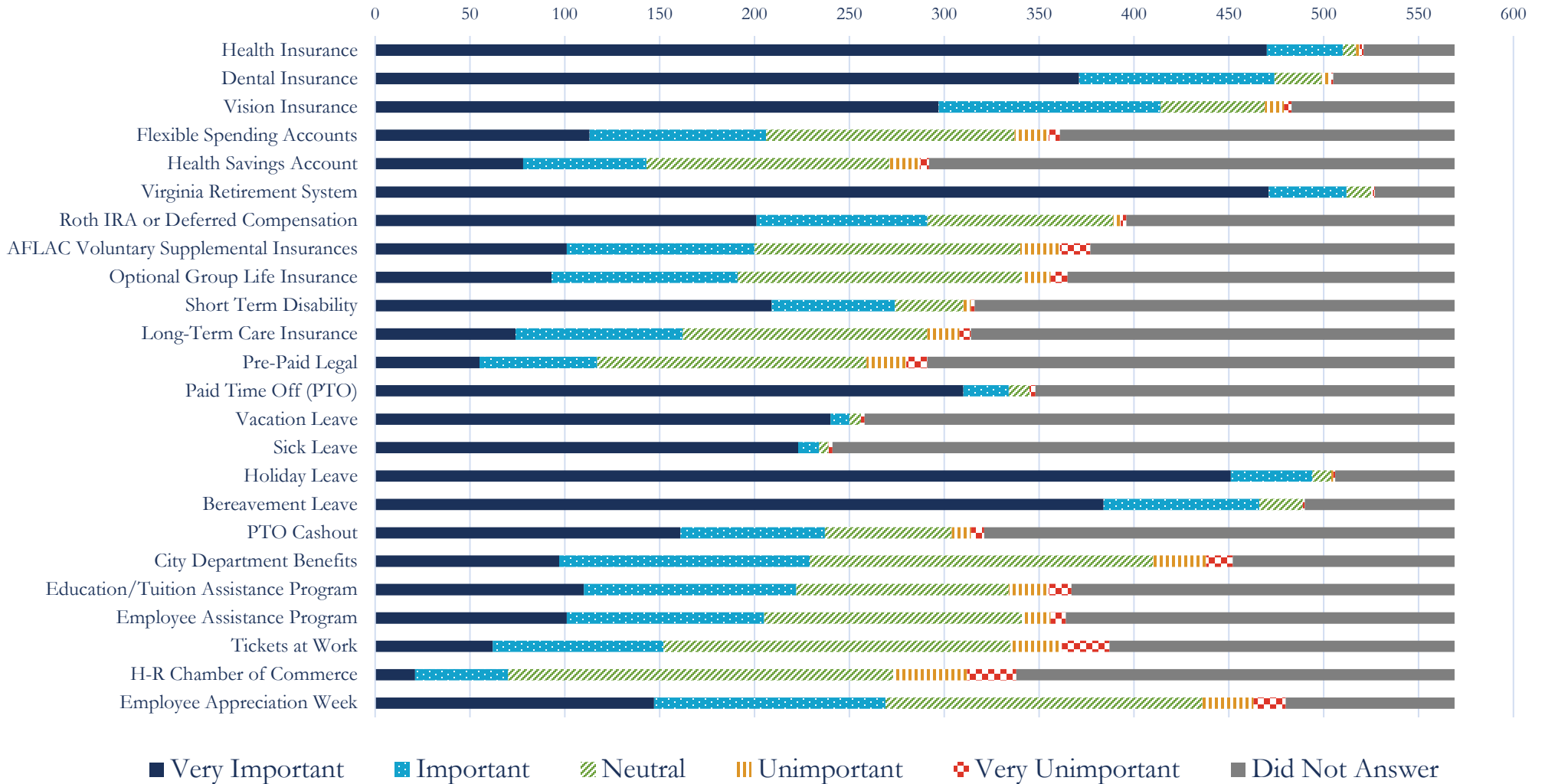


Figure 1.8

It was important that the Benefits Study Group understand why an employee chooses not to utilize a particular City-offered benefit. On the Activity #1 worksheet, if an employee chose the “Do Not Utilize” category, they were requested to provide a written reasoning for why they do not utilize the benefit. The Group created 29 data codes (“Reason Code Descriptors”) to organize qualitative data:

Codes	Reason Code Descriptors
101	Not Eligible (Due to Employment Status, Election Type, or Hire Date)
102	Do Not Need/Not Interested
103	Not Known to Self (Employee does not know why they do not utilize the benefit)
104	Do Not Know What the Benefit Is/Lack of Information or Education
105	Values Time Off Instead of Compensation
106	Recent Benefit Awareness
107	Policy Restriction/Regulatory Restriction
108	Too Expensive
109	Eligible, But Have Not Utilized Yet
110	Utilize Non-City Consultant, Benefit, Market-Available Product
111	On Spouse or Guardian’s Plan
112	Aware But Forget to Utilize the Benefit/Forget That it is Available
113	Do Not Find Value in the Benefit
114	Lack of Participating Providers
115	Live Outside the City (Employee does not return after work for activities)
116	Negative Experience Utilizing Benefit
117	Dissatisfied with Benefit Vendor/Representative
118	Retired Military
119	Coverage Through Previous Employer (Retired)
120	Coverage Through Medicaid
121	Coverage Through Medicare
122	Have Not Accumulated Enough Time
123	Too Much Communication
124	Previously Participated, Then Canceled
125	Lack of Time
126	Current Benefit Amount is Insufficient
127	Not Enough Income to Participate
128	Not Accessible
129	On City’s Retiree Health Plan

Data by Current Benefit Type – Lack of Utilization Reason

Full-Time Benefit	Reason
Health Insurance	<ul style="list-style-type: none"> • 2 Responses – Do Not Need/Not Interested • 2 Responses – Too Expensive • 3 Responses – Utilize Non-City Consultant, Benefit, Market-Available Product • 7 Responses – On Spouse/Guardian’s Plan • 3 Responses – Retired Military • 2 Responses – Covered Through Previous Employer (Retired) • 1 Response – Coverage Through Medicaid
Dental Insurance	<ul style="list-style-type: none"> • 3 Responses – Do Not Need/Not Interested • 2 Responses – Too Expensive • 3 Responses – Utilize Non-City Consultant, Benefit, Market-Available Product • 9 Responses – On Spouse/Guardian’s Plan • 2 Responses – Do Not Find Value in the Benefit • 1 Response – Retired Military • 1 Response – Covered Through Previous Employer (Retired)
Vision Insurance	<ul style="list-style-type: none"> • N/A
AFLAC Voluntary Supplemental Insurances	<ul style="list-style-type: none"> • 16 Responses – Do Not Need/Not Interested • 2 Responses – Do Not Know What the Benefit Is/Lack of Information or Education • 4 Responses – Too Expensive • 1 Response – On Spouse/Guardian’s Plan • 2 Responses – Do Not Find Value in the Benefit • 3 Responses – Negative Experience Utilizing the Benefit • 4 Responses – Dissatisfied with Benefit Vendor/Representative
Bereavement Leave	<ul style="list-style-type: none"> • 2 Responses – Not Eligible • 2 Responses – Do Not Need/Not Interested • 1 Response – Do Not Know What the Benefit Is/Lack of Information or Education • 2 Responses – Eligible But Have Not Utilized Yet

<p>Benefits & Discounts Offered Through City Departments</p>	<ul style="list-style-type: none"> • 4 Responses – Do Not Need/Not Interested • 1 Response – Not Known to Self (Employee does not know why they do not utilize) • 4 Responses – Do Not Know What the Benefit Is/Lack of Information or Education • 2 Responses – Eligible but Have Not Utilized Yet • 2 Responses – Aware but Forget to Utilize Benefit • 4 Responses – Do Not Find Value in the Benefit • 4 Responses – Live Outside the City (Employee does not return after work for activities)
<p>Education/Tuition Assistance Program</p>	<ul style="list-style-type: none"> • 17 Responses – Do Not Need/Not Interested • 2 Responses – Not Known to Self (Employee does not know why they do not utilize) • 8 Responses – Do Not Know What the Benefit Is/Lack of Information or Education • 2 Responses – Policy Restriction/Regulation Restriction • 5 Responses – Eligible but Have Not Utilized Yet • 1 Response – Utilize Non-City Consultant, Benefit, Market-Available Product • 2 Responses – Retired Military • 2 Responses – Current Benefit Amount is Insufficient
<p>Employee Appreciation Week</p>	<ul style="list-style-type: none"> • 1 Response – Do Not Need/Not Interested • 2 Responses – Do Not Know What the Benefit Is/Lack of Information or Education • 1 Response – Eligible but Have Not Utilized Yet • 1 Response – Do Not Find Value in the Benefit
<p>Employee Assistance Program</p>	<ul style="list-style-type: none"> • 18 Responses – Do Not Need/Not Interested • 2 Responses – Not Known to Self (Employee does not know why they do not utilize) • 3 Responses – Do Not Know What the Benefit Is/Lack of Information or Education • 3 Responses – Eligible but Have Not Utilized Yet • 1 Response – Aware but Forget to Utilize Benefit • 1 Response – Do Not Find Value in the Benefit • 1 Response – Lack of Participating Providers • 4 Responses – Negative Experience Utilizing Benefit
<p>Flexible Spending Account</p>	<ul style="list-style-type: none"> • 4 Responses – Not Eligible (Due to Employment Status, Election Type, or Hire Date) • 13 Responses – Do Not Need/Not Interested • 6 Responses – Do Not Know What the Benefit Is/Lack of Information or Education • 4 Responses – Eligible, but Have Not Utilized Yet • 1 Response – Utilize Non-City Consultant, Benefit, Market Available Product • 1 Response – On Spouse/Guardian’s Plan

Flexible Spending Account (Continued)	<ul style="list-style-type: none"> • 1 Response – Aware but Forget to Utilize Benefit • 2 Responses – Do Not Find Value in Benefit • 1 Response – Negative Experience Utilizing Benefit • 1 Response – Retired Military • 1 Response – Coverage Through Previous Employer (Retired)
Health Savings Account	<ul style="list-style-type: none"> • 20 Responses – Not Eligible (Due to Employment Status, Election Type, or Hire Date) • 8 Responses – Do Not Need/Not Interested • 5 Responses – Do Not Know What the Benefit Is/Lack of Information or Education • 2 Responses – Eligible, but Have Not Utilized Yet • 1 Response – Utilize Non-City Consultant, Benefit, Market Available Product • 1 Response – On Spouse/Guardian’s Plan • 1 Response – Retired Military
Holiday Leave	<ul style="list-style-type: none"> • N/A
Harrisonburg-Rockingham Chamber of Commerce Member-to-Member Cards	<ul style="list-style-type: none"> • 5 Responses – Do Not Need/Not Interested • 1 Response – Not Known to Self (Employee does not know why they do not utilize) • 13 Responses – Do Not Know What the Benefit Is/Lack of Information or Education • 1 Response – Recent Benefit Awareness • 3 Responses – Eligible, but Have Not Utilized Yet • 7 Responses – Aware but Forget to Utilize Benefit • 4 Responses – Do Not Find Value in Benefit
Long-Term Care Insurance	<ul style="list-style-type: none"> • 13 Responses – Do Not Need/Not Interested • 5 Responses – Not Known to Self (Employee does not know why they do not utilize) • 9 Responses – Do Not Know What the Benefit Is/Lack of Information or Education • 4 Responses – Too Expensive • 4 Responses – Eligible, but Have Not Utilized Yet • 2 Responses – Utilize Non-City Consultant, Benefit, Market Available Product
Optional Group Life Insurance	<ul style="list-style-type: none"> • 17 Responses – Do Not Need/Not Interested • 1 Response – Not Known to Self (Employee does not know why they do not utilize) • 5 Responses – Do Not Know What the Benefit Is/Lack of Information or Education • 1 Response – Too Expensive • 12 Responses – Utilize Non-City Consultant, Benefit, Market Available Product
Paid Time Off	<ul style="list-style-type: none"> • 39 Responses – Not Eligible (Due to Employment Status, Election Type, or Hire Date)

<p>Pre-Paid Legal</p>	<ul style="list-style-type: none"> • 21 Responses – Do Not Need/Not Interested • 2 Responses – Not Known to Self (Employee does not know why they do not utilize) • 12 Responses – Do Not Know What the Benefit Is/Lack of Information or Education • 1 Response – Too Expensive • 1 Response – Eligible, but Have Not Utilized Yet • 3 Responses – Do Not Find Value in Benefit
<p>PTO Cashout</p>	<ul style="list-style-type: none"> • 19 Responses – Not Eligible (Due to Employment Status, Election Type, or Hire Date) • 3 Responses – Do Not Need/Not Interested • 7 Responses – Values Time Off Instead of Money • 1 Response – Policy Restriction/Regulatory Restriction • 5 Responses – Have Not Accumulated Enough Time
<p>Roth IRA or Deferred Compensation</p>	<ul style="list-style-type: none"> • 2 Responses – Do Not Need/Not Interested • 1 Response – Not Known to Self (Employee does not know why they do not utilize) • 5 Responses – Do Not Know What the Benefit Is/Lack of Information or Education • 1 Response – Too Expensive • 1 Response – Eligible but Have Not Utilized Yet • 4 Responses – Utilize Non-City Consultant, Benefit, Market Available Product
<p>Short Term Disability</p>	<ul style="list-style-type: none"> • 37 Responses – Not Eligible (Due to Employment Status, Election Type, or Hire Date) • 9 Responses – Do Not Need/Not Interested • 1 Response – Do Not Know What the Benefit Is/Lack of Information or Education • 1 Response – Eligible but Have Not Utilized Yet • 1 Response – Do Not Find Value in Benefit • 1 Response – Dissatisfied with Vendor/Representative
<p>Sick Leave</p>	<ul style="list-style-type: none"> • 62 Responses – Not Eligible (Due to Employment Status, Election Type, or Hire Date)
<p>Tickets at Work</p>	<ul style="list-style-type: none"> • 4 Responses – Do Not Need/Not Interested • 1 Response – Not Known to Self (Employee does not know why they do not utilize) • 12 Responses – Do Not Know What the Benefit Is/Lack of Information or Education • 1 Response – Recent Benefit Awareness • 5 Responses – Eligible but Have Not Utilized Yet • 2 Responses – Aware but Forget to Use the Benefit • 7 Responses – Do Not Find Value in Benefit • 1 Response – Negative Experience Utilizing Benefit • 2 Responses – Too Much Communication

Vacation Leave	<ul style="list-style-type: none"> 62 Responses – Not Eligible (Due to Employment Status, Election Type, or Hire Date)
Virginia Retirement System	<ul style="list-style-type: none"> 15 Responses – Do Not Need/Not Interested 1 Response – Too Expensive 3 Responses - Utilize Non-City Consultant, Benefit, Market Available Product 8 Responses – On Spouse/Guardian’s Plan 1 Response – Do Not Find Value in Benefit 2 Responses – Retired Military 2 Responses – Coverage Through Previous Employer (Retired) 1 Response – Coverage Through Medicaid

Data by Current Benefit Type – Lack of Utilization Reason

Part-Time Benefit	Reason
Health Insurance	<ul style="list-style-type: none"> 17 Responses – Not Eligible (Due to Employment Status, Election Type, or Hire Date) 1 Response – Do Not Need/Not Interested 4 Responses – Utilize Non-City Consultant, Benefit, Market-Available Product 12 Responses – On Spouse/Guardian’s Plan 1 Response – Retired Military 3 Responses – Coverage Through Previous Employer (Retired) 2 Responses – Coverage Through Medicaid 5 Responses – Coverage Through Medicare 2 Responses – On City’s Retiree Health Plan
Vision Insurance	<ul style="list-style-type: none"> 13 Responses – Not Eligible (Due to Employment Status, Election Type, or Hire Date) 4 Responses – Do Not Need/Not Interested 3 Responses – Do Not Know What the Benefit Is/Lack of Information or Education 5 Responses – Utilize Non-City Consultant, Benefit, Market-Available Product 9 Responses – On Spouse/Guardian’s Plan 1 Response – Retired Military 2 Responses – Coverage Through Previous Employer (Retired) 1 Response – Coverage Through Medicaid

Vision Insurance (Continued)	<ul style="list-style-type: none"> • 1 Response – Coverage Through Medicare • 2 Responses – On City’s Retiree Health Plan
Benefits & Discounts Offered Through City Departments	<ul style="list-style-type: none"> • 6 Responses – Do Not Need/Not Interested • 1 Response – Not Known to Self (Employee does not know why they do not utilize) • 6 Responses – Do Not Know What the Benefit Is/Lack of Information or Education • 1 Response – Eligible but Have Not Utilized Yet • 2 Responses – Aware but Forget to Utilize the Benefit/Forget That it is Available • 1 Response – Not Accessible
Education/Tuition Assistance Program	<ul style="list-style-type: none"> • 3 Responses – Not Eligible (Due to Employment Status, Election Type, or Hire Date) • 12 Responses – Do Not Need/Not Interested • 1 Response – Not Known to Self (Employee does not know why they do not utilize) • 11 Responses – Do Not Know What the Benefit Is/Lack of Information or Education • 5 Responses – Policy Restriction/Regulatory Restriction • 1 Response – Utilize Non-City Consultant, Benefit, Market-Available Product • 1 Response – On Spouse/Guardian’s Plan • 1 Response – Coverage Through Previous Employer (Retired)
Employee Appreciation Week	<ul style="list-style-type: none"> • 2 Responses – Do Not Need/Not Interested • 4 Responses – Do Not Know What the Benefit Is/Lack of Information or Education
Harrisonburg-Rockingham Chamber of Commerce Member-to-Member Card	<ul style="list-style-type: none"> • 4 Responses – Do Not Need/Not Interested • 1 Response – Not Known to Self (Employee does not know why they do not utilize) • 13 Responses – Do Not Know What the Benefit Is/Lack of Information or Education • 1 Response – Recent Benefit Awareness • 2 Responses – Eligible but Have Not Utilized Yet • 3 Responses – Aware but Forget to Utilize the Benefit/Forget That it is Available
Tickets at Work	<ul style="list-style-type: none"> • 10 Responses – Do Not Need/Not Interested • 12 Responses – Do Not Know What the Benefit Is/Lack of Information or Education • 2 Responses – Eligible but Have Not Utilized Yet • 1 Response – Aware but Forget to Utilize the Benefit/Forget That it is Available • 2 Responses – Do Not Find Value in Benefit

As a result of the data, it is recommended that Human Resources continue to provide varied methods of communication pertaining to information and education around all City benefits, as there were 137 total responses related to not having enough information about benefits. In addition, it is important to continue to evaluate vendors and abide by public procurement regulations in the requests for proposals related to vendors, so

dissatisfaction does not occur. Finally, policy and regulatory decisions continue to drive responses related to benefit eligibility (e.g., leave types, short term disability, etc.).

Activity #2 – Employee Pressures. The goal of Activity #2 was to understand what life, health, and wellness pressures employees and their families are dealing with, have dealt with, or foresee dealing with in the future, and ideas of what benefits could potentially alleviate the pressures. Employees were provided with the Activity #2 Worksheet (Figure 1.4), which allowed them to visualize the pressure(s) through drawing or utilizing words and asked them to provide a potential solution to the pressure through the form of a benefit. The solution was organically created by the employee, as there was not a set of benefits (other than the current benefits checklist) provided.

Employees visualized 29 unique pressures, for which the Benefits Study Group created Pressure Code Descriptors. **Figure 1.9** illustrates these employee pressure responses, sorted by frequency. Some respondents had more than one pressure listed on their worksheet, therefore, the data could be reflecting multiple responses for some individuals. In addition, there are individual graphs that illustrate employee pressures by level, followed by the highest pressures by employee level – some being universal across levels.

Codes	Reason Code Descriptors
200	More Time with Family, Friends, Loved-Ones, or Self
201	Health Care Costs
202	Dental Care Costs
203	Vision Care Costs
204	General Life Stress
205	Death in the Family
206	Use of PTO for Illness/Injury
207	Financial Pressures – General/Inflation
208	Care of Dependents (Illness, Injury – Psychological Health/Physical Health) and Family Planning
209	Out-of-Town Family (Travel)
210	Childcare – Cost
211	Childcare – Access (Find Adequate Care/Shift Hours)
212	Home/Vehicle Renovations, Repairs, Expenses
213	Difficult Home Life
214	Fear of Long-Term Care for Self
215	Work/Departmental Operational Stress
216	Care for Self (Physical/Psychological) – Illness/Injury
217	Relocation, Moving, Establishing Residence
218	Inability to Maintain or Access to Work-Life Harmony

Codes	Reason Code Descriptors
219	Family Activities – General (Children’s Activities, Parent’s Activities – Non-Illness Related)
220	Financial/Insurance Pressures – Retirement Planning
221	Home Purchase
222	Beneficiary Care (Upon Employee Death)
223	Schedule/Limited Time Off
224	Financial – Educational Costs/Debt for Employee
225	Financial – Educational Costs/Debt for Dependents
226	Care for Self – Preventative
227	Care for Pet(s)
228	Financial – Healthcare Debt

ACTIVITY #2 EMPLOYEE PRESSURES (BY FREQUENCY)

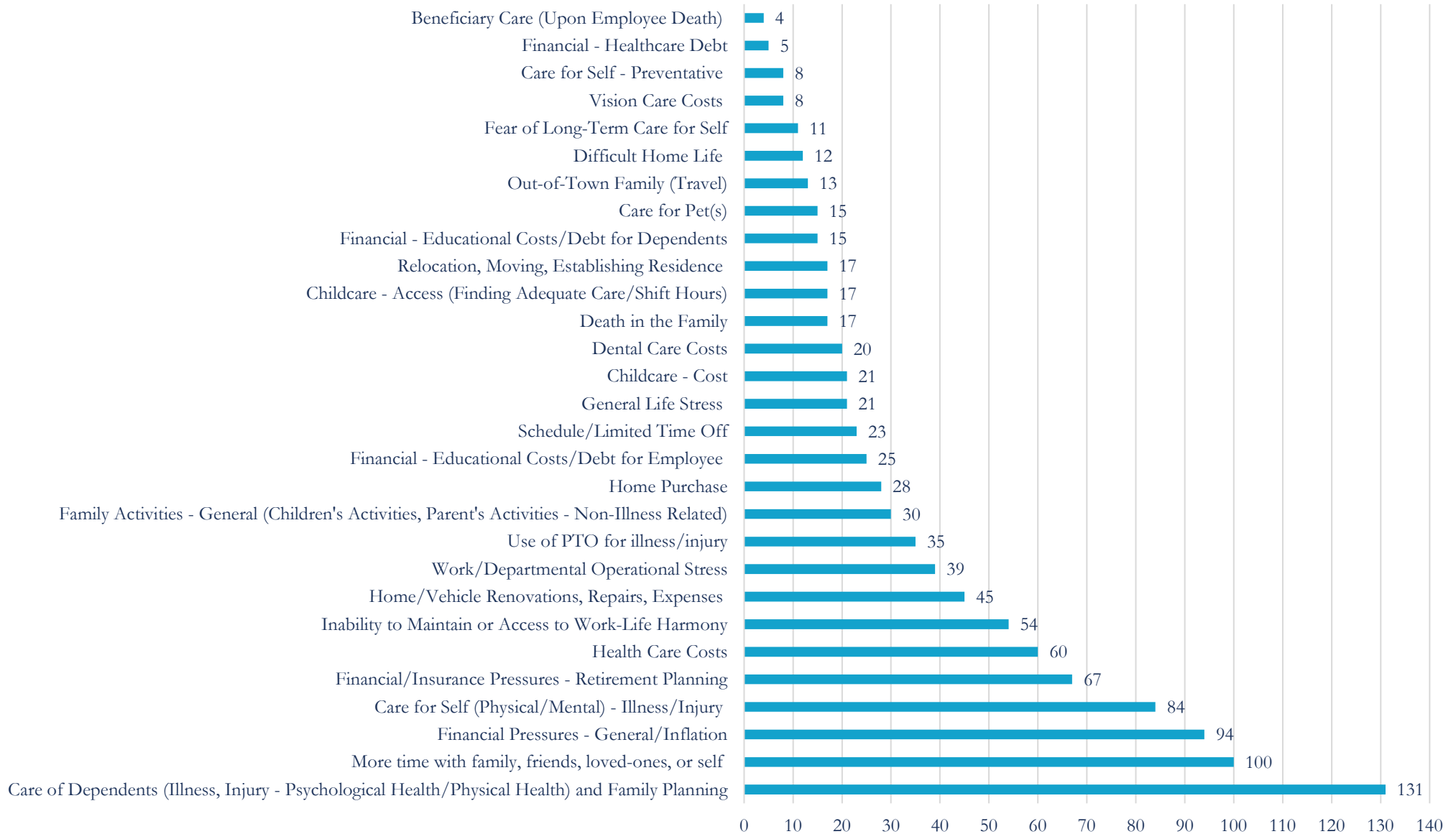


Figure 1.9

In addition to highlighting unique employee pressures by frequency, the Benefits Study Group recorded employee pressures by employee level to identify if there were any unique scenarios. **Figures 1.10** through **1.15** highlight employee pressures as compared to their respective level.

LEVEL A - EXECUTIVE LEADERSHIP TEAM

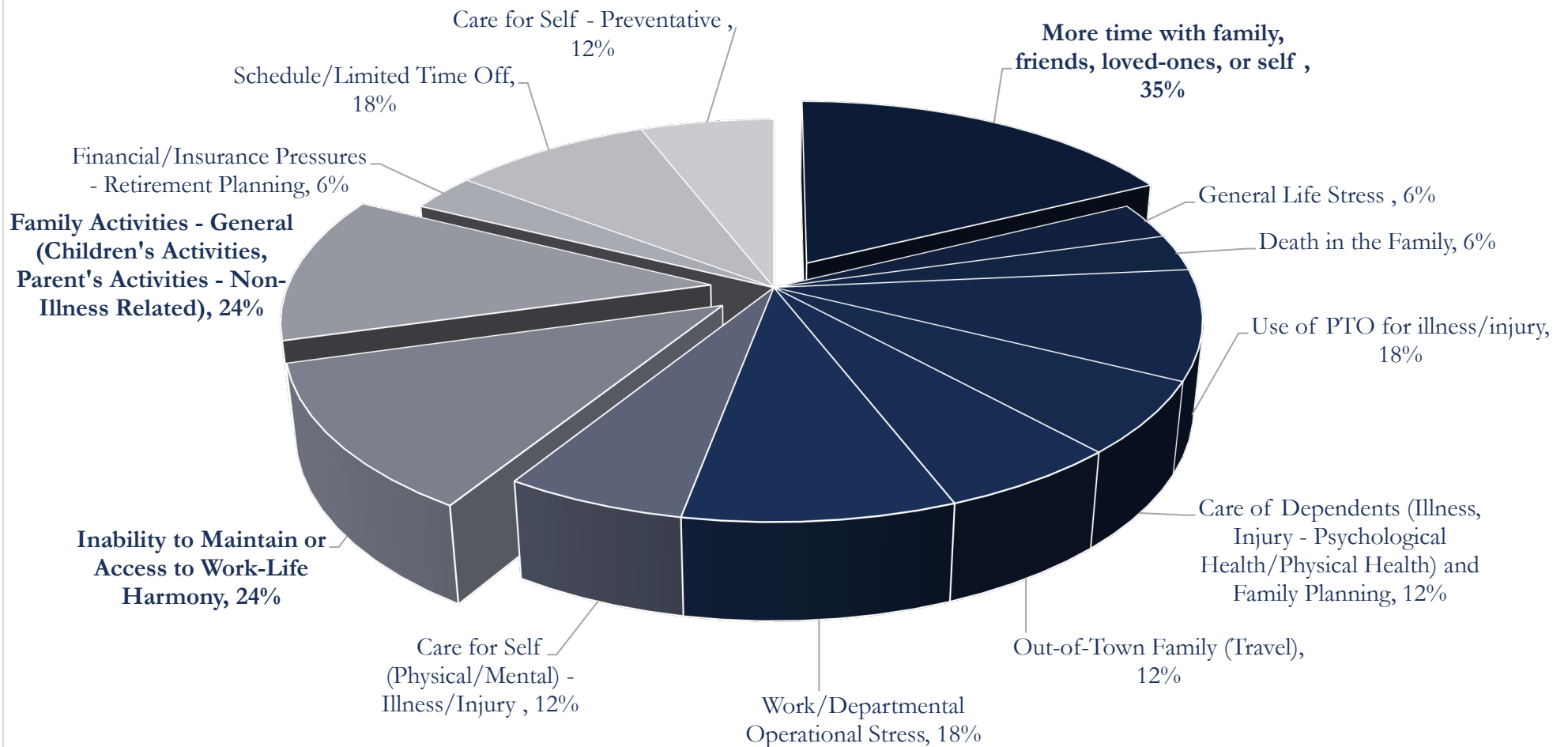


Figure 1.10

LEVEL B - DEPUTY LEADERSHIP TEAM

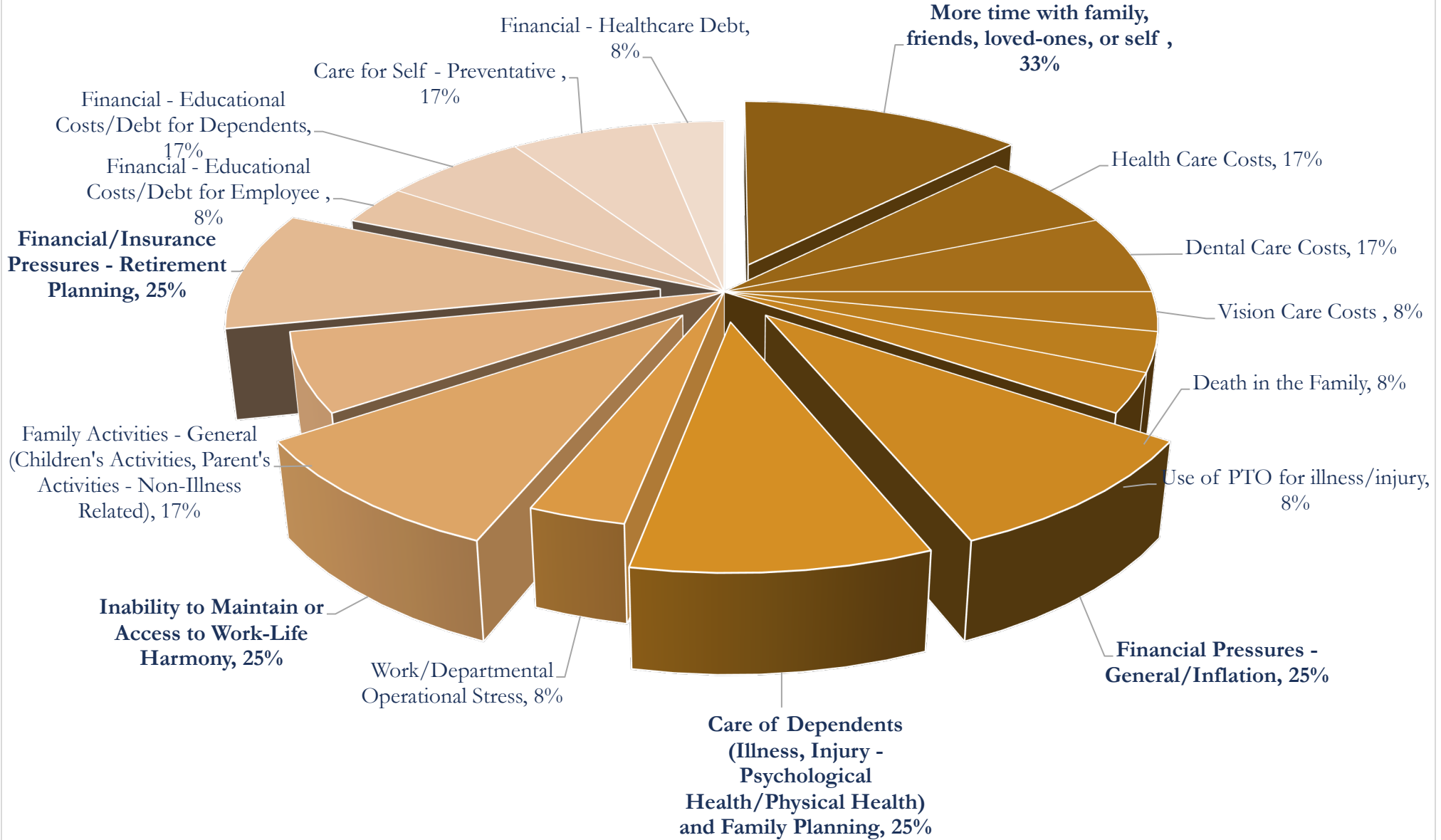


Figure 1.11

LEVEL C - DEPARTMENT SENIOR LEADERSHIP

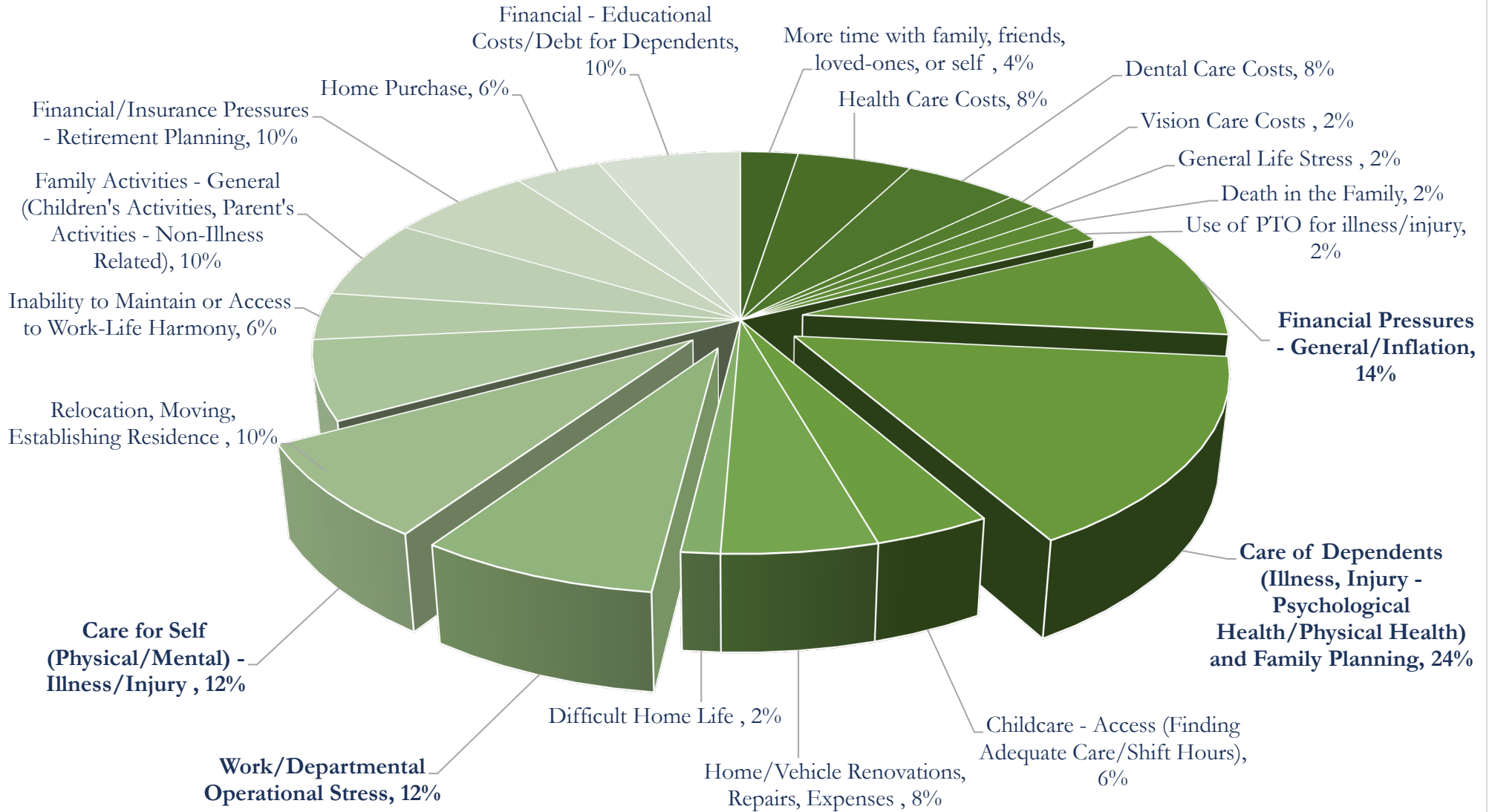


Figure 1.12

LEVEL D - DEPARTMENT SUPERVISORS

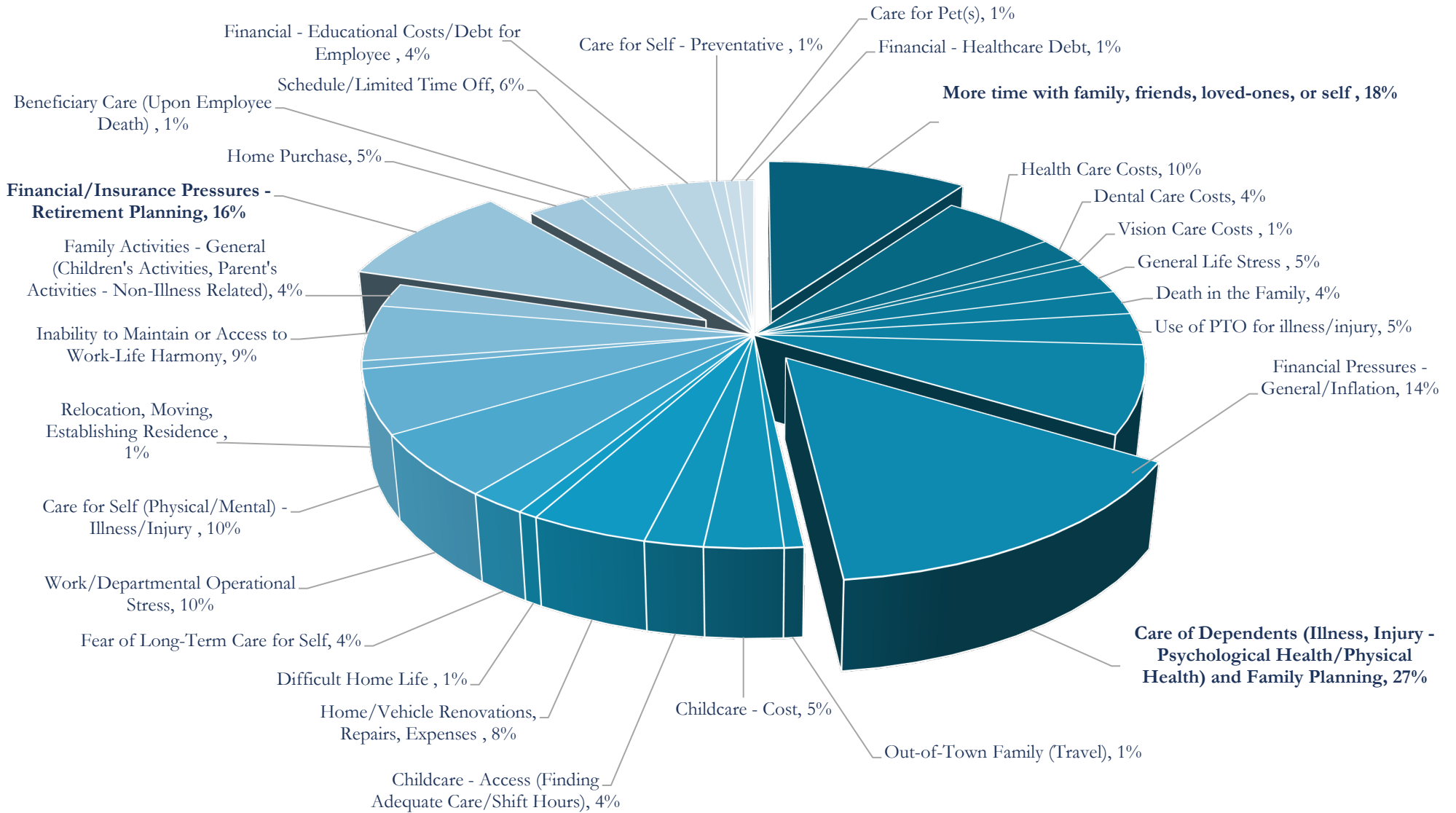


Figure 1.13

LEVEL E - DEPARTMENTAL EMPLOYEES (NON-SUPERVISORY)

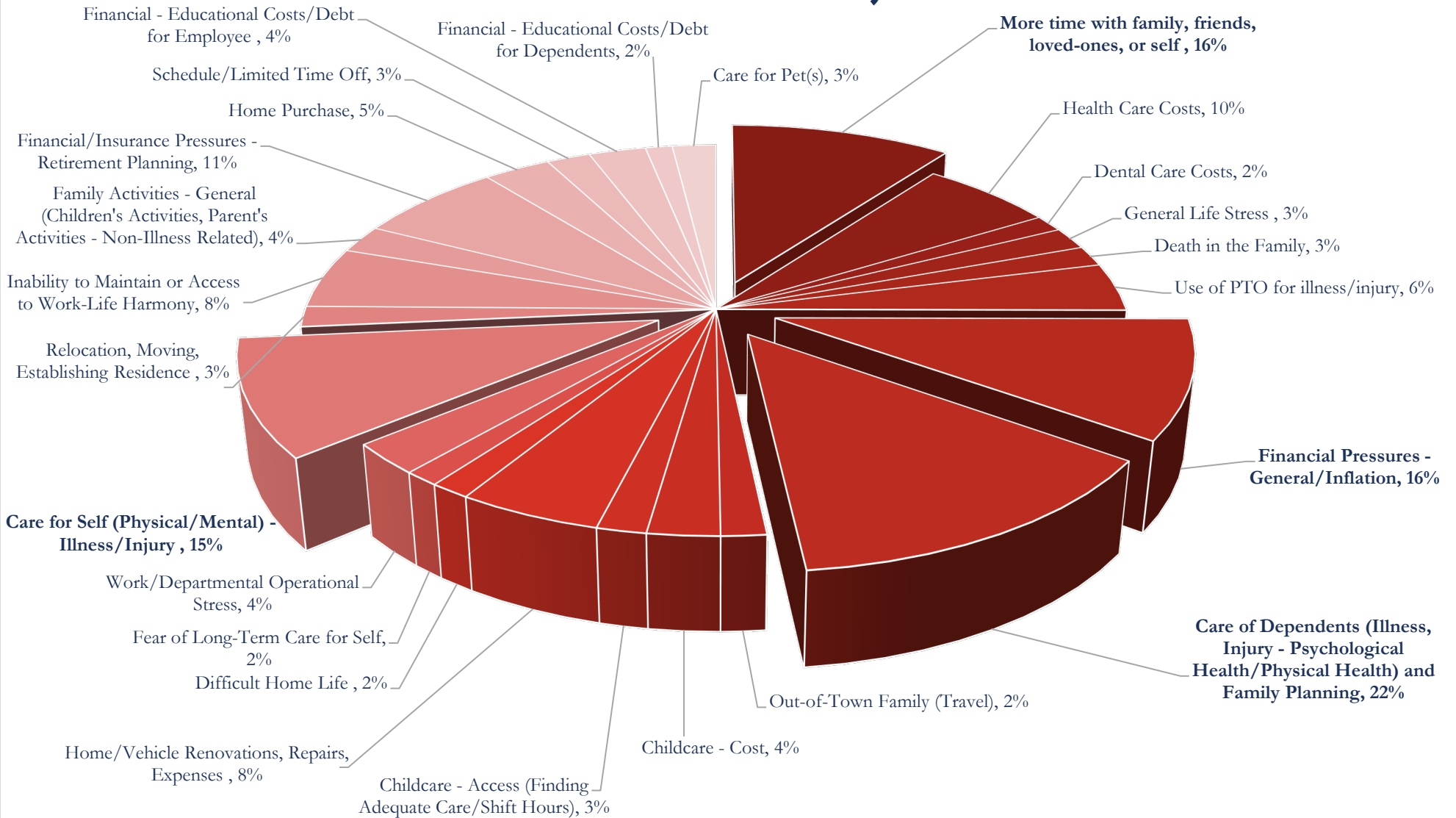


Figure 1.14

LEVEL F - PART-TIME EMPLOYEES

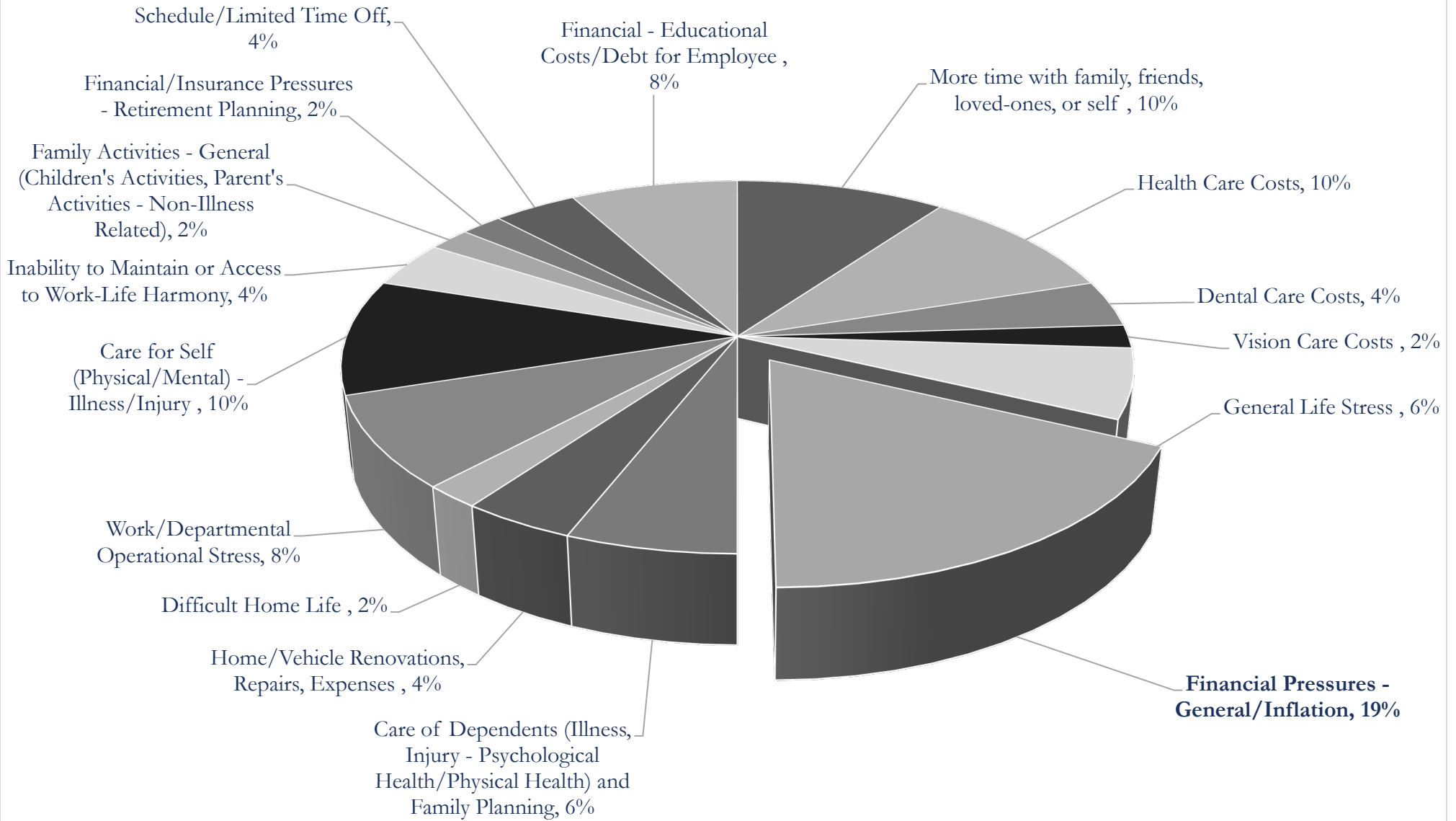


Figure 1.15

PRESSURES BY EMPLOYEE LEVEL - HIGHEST PERCENTAGES

Level A (Executive Leadership Team)

- (35%) More Time with Family, Friends, Loved-Ones, or Self
- (24%) Family Activities – General
- (24%) Inability to Maintain or Access to Work-Life Harmony

Level B (Deputy Leadership Team)

- (33%) More Time with Family, Friends, Loved-Ones, or Self
- (25%) Financial/Insurance Pressures – Retirement Planning
- (25%) Inability to Maintain or Access to Work-Life Harmony
- (25%) Care of Dependents and Family Planning
- (25%) Financial Pressures – General/Inflation

Level C (Department Senior Leadership)

- (24%) Care of Dependents and Family Planning
- (14%) Financial Pressures – General/Inflation
- (12%) Work/Departmental Operational Stress
- (12%) Care for Self (Physical/Psychological) – Illness/Injury

Level D (Department Supervisors)

- (27%) Care of Dependents and Family Planning
- (18%) More Time with Family, Friends, Loved-Ones, or Self
- (16%) Financial/Insurance Pressures – Retirement Planning
-

Level E (Employees)

- (22%) Care of Dependents and Family Planning
- (16%) Financial Pressures – General/Inflation
- (16%) More Time with Family, Friends, Loved-Ones, or Self
- (15%) Care for Self (Physical/Psychological) – Illness/Injury
-

Level F (Part-Time Employees)

- (19%) Financial Pressures – General/Inflation

Following the evaluation of employee pressures, the Benefits Study Group identified 50 benefits that employees stated would alleviate their pressures and created 50 benefits code descriptors.

Codes	Benefit Code Descriptors – Employee-Identified
250	More Paid Time Off (Not to be confused with PTO Leave System)
251	Health Insurance – Less Premium
252	Health Insurance – Better Coverage (Less Exclusions/Limitations)
253	Health Insurance – Less Out of Pocket (Co-pays, Co-Insurance, Annual Out-of-Pocket)
254	Dental Insurance - Less Premium
255	Dental Insurance - Better Coverage (Less Exclusions/Limitations)
256	Dental Insurance - Less Out of Pocket Cost (Co-pays, Co-Insurance, Annual OOP)
257	Vision Insurance - Less Premium
258	Vision Insurance - Better Coverage (Less Exclusions/Limitations)
259	Vision Insurance - Less Out of Pocket Cost (Co-pays, Co-Insurance, Annual OOP)
260	Bereavement Leave
261	Sick Leave for PTO Employees
262	PTO Cashout Policy - Less Policy Restrictions
263	Flexible Schedule
264	Family Sick Leave for PTO Employees
265	More Sick Leave for Sick/Vacation Leave Employees
266	Maternity/Paternity Leave
267	Telecommuting/Remote Work
268	Increase in Sick Leave Payout Policy
269	Take Home Vehicles
270	Retirement/Future Financial Educational Resources
271	Expand Family Sick Leave Policy (Eligibility + Hours)
272	Local Business Discounts
273	Homebuyers Assistance/Relocation Assistance/Commuter Assistance
274	City Employee Access to City Schools Without Tuition
275	Employee Assistance Program (Mental Health, Financial Health, etc. Resources)
276	City-Sponsored Childcare/Daycare
277	Retiree Healthcare - Less Premium
278	Improved Life Insurance
279	Upfront Leave

Codes	Benefit Code Descriptors – Employee-Identified
280	Education Reimbursement/Assistance/Forgiveness – Employee
281	Education Assistance - Dependents
282	Discounts Offered by City Departments (Recreation, etc.)
283	Modified Retirement Age/Years of Service (Less for earlier retirement)
284	General Financial Planning Services
285	Leave for Part-Time Employees
286	Inclement Weather Compensation for Part-Time
287	Expand STD/FMLA Provisions
288	Gym Memberships Paid or Discounted, Wellness Programs, Amenities in the Workplace
289	Pet Insurance/Assistance
290	Pre-paid Legal Services
291	Elder Dependent Care
292	Retirement Accounts Match by City (457, 401K, etc.)
293	Psychological Assistance (Non-EAP)
294	Expanded HSA/FSA
295	Expanded Leave Accumulation/Carryover or Cashout (General)
296	Sick Leave Donation
297	Holiday Leave
298	Health Clinic - City Owned
299	Insurance for Part-Time Employees

Figure 1.16 below illustrates the top thirty employee-identified benefits that would alleviate the pressures they visualized during Activity #2. The full graph with all 50 employee-identified benefits has been provided in **Attachment A**.

ACTIVITY #2 - TOP 30 EMPLOYEE-IDENTIFIED BENEFITS FOR RELIEF OF PRESSURES BY FREQUENCY

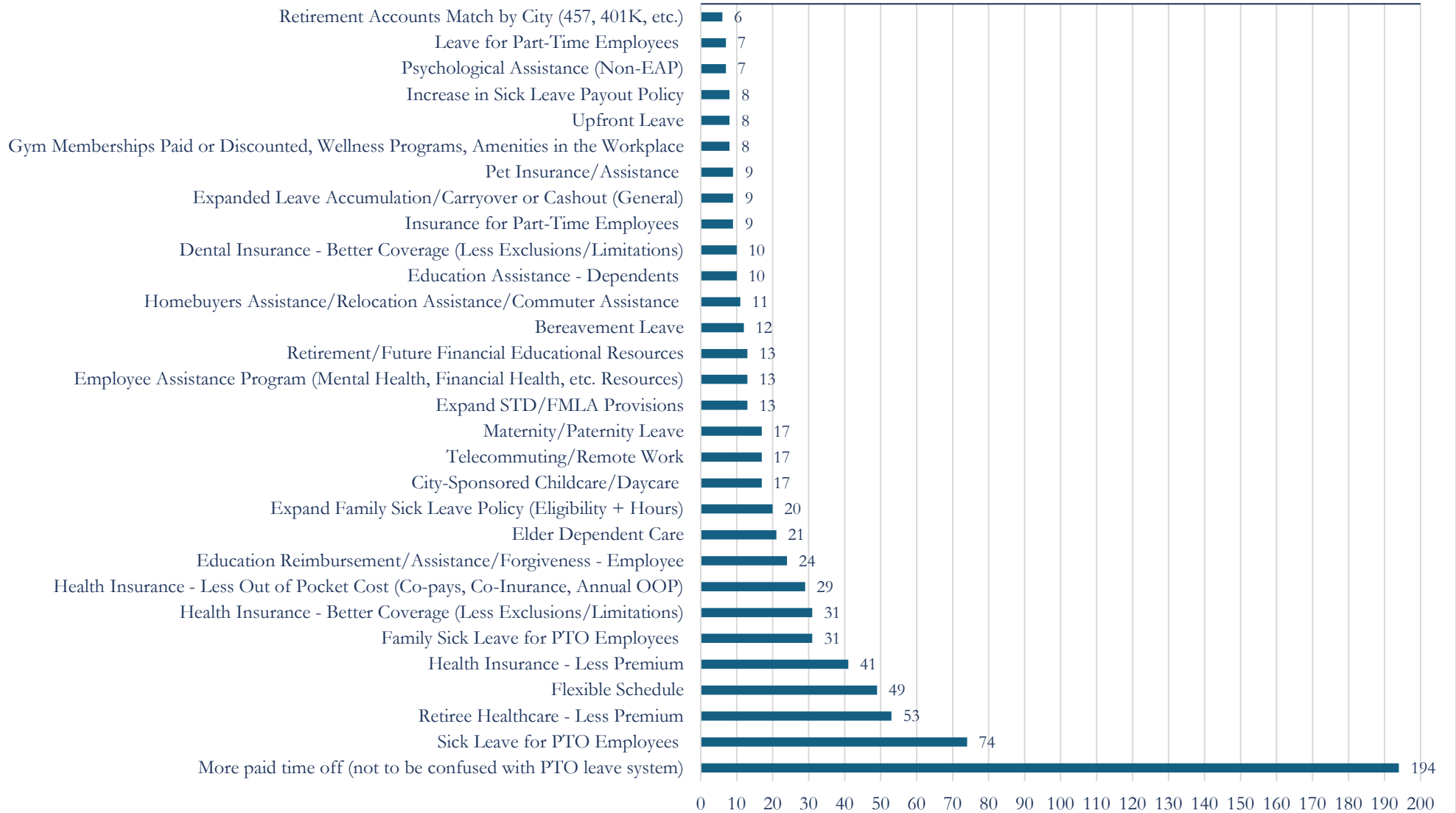


Figure 1.16

Activity #3 – Benefits Brainstorming Session. The goal of Activity #3 was to understand what benefits to keep the same, what benefits to expand or modify, and what benefits to add to the City’s benefits offerings. Each employee was provided a block of sticky notes, a marker, and were given ten minutes to brainstorm as quickly as possible the answer to these three questions:

- What benefits does the City currently offer that you do not want the City to change?
- What benefits does the City currently offer that you would like to see expanded or modified?
- What benefits does the City not currently offer that you think would be beneficial and should be added?

Participants were instructed to keep their suggestions related to benefits (not compensation matters) and to place their sticky notes on the three boards that were provided at locations in the room. The participants were asked to place one idea per sticky note and facilitators assisted with organizing similar sticky notes together. When ten minutes was completed, Benefits Study Group members facilitated a discussion to ask clarifying questions about the ideas on each board. Facilitators recorded the information and conversation on the Teams channel, where the Listening Session data was being held.

The data was then coded by Benefits Study Group members into 94 benefit code descriptors as outlined below.

Codes	Benefit Code Descriptors – Employee-Identified
301	Health Insurance - Reduce Premium Costs
302	Health Insurance - Provide Better Coverage (Less Exclusions/Limitations)
303	Health Insurance - Less Out of Pocket (Co-Pays, Co-Insurance, Annual OOP)
304	Dental Insurance - Reduce Premium Costs
305	Dental Insurance - Provide Better Coverage (Less Exclusions/Limitations)
306	Dental Insurance - Include Orthodontia
307	Dental Insurance - Less Out of Pocket (Co-Pays, Co-Insurance, Annual OOP)
308	Vision Insurance - Reduce Premium Costs
309	Vision Insurance - Provide Better Coverage (Less Exclusions/Limitations)
310	Vision Insurance - Less Out of Pocket (Co-Pays, Co-Insurance, Annual OOP)
311	Vision Insurance - More Participating Practices/Vendors
312	Maintain Vacation/Sick Leave System (Pre-2014)
313	Virginia Retirement System
314	Bereavement Leave
315	Vacation/Sick Leave for PTO Employees
316	More Paid Time Off (General – Not to be confused with PTO leave system)
317	Increased Clothing Allowance

Codes	Benefit Code Descriptors – Employee-Identified
318	Gym/Fitness Membership – City Contribution to Employee’s Choice
319	Purchase Leave
320	Upfront Leave Hours (Upon Hire)
321	Childcare/Daycare/Pet Daycare – City Sponsored
322	Sick Leave Donation
323	Maternity/Paternity/Adoption (Parental) Leave
324	AFLAC
325	Insurances (Health, Dental, Vision) – General
326	Holiday Leave
327	Flexible Spending Account
328	Health Savings Account
329	Health Savings Account – More City Contribution
330	Education/Tuition Reimbursement/Assistance/Forgiveness – Employee
331	Personal Time
332	PTO Cashout
333	Leave Accrual Reciprocity (VRS Service)
334	Community/Volunteer Leave
335	Floating Holidays
336	Flexible Schedule/Flex Time
337	Snow/Ice Removal & Emergency Callout Benefits or Compensation
338	Leave Accumulation Comments
339	Short Term Disability
340	PTO/Vacation/Sick Leave Carryover Limit or Vacation Leave/Sick Leave Cashout
341	Telecommuting/Remote Work + Internet/Hardware – City Paid
342	Discounts Offered by City Departments (Movie Tickets, Parks/Rec Amenities, Permits, Utilities, etc.)
343	Short-Term Disability for Pre-2014 Employees
344	Sick Leave Payout Increase
345	Free Use of City Amenities (Golf Course, Classes, Parks/Rec, etc.)
346	Employee Assistance Program (Psychological Health, Financial Health, Personal Resources, etc.)
347	Pet Insurance/Pet Assistance (e.g., Rover)
348	Local Business Discounts for City Employees
349	Financial, Estate, Retirement, etc. Planning Resources
350	Onsite Massage

Codes	Benefit Code Descriptors – Employee-Identified
351	Employee Referral Program
352	Employee Trips/Outside of Work Activities
353	Free Sporting Events (Tickets, Collegiate Activities, etc.)
354	Incentive to not Receive City Insurance (Non-City Plan)
355	PTO Leave System
356	Mission Square/Formerly ICMA-RC – General
357	Family Sick Leave – Increase Policy Language/Leave Allotment
358	Partner Benefits Inclusion
359	Workplace Perks (Food, Facility Amenities, Drinks, Employee Gifts, etc.)
360	Wellness Incentives (Health Insurance Rebates, etc.)
361	Language Learning Courses
362	Wellness Incentives (Health Insurance Rebates, etc.)
363	Health Clinic – City Owned
364	Tickets at Work
365	Pre-Paid Legal
366	Retiree Health – City Paid
367	Life Insurance – General/Basic Group
368	Life Insurance – Additional
369	401K/457 – Employer Contribution/Match
370	Years of Service Recognition – Leave or Bonus
371	Open Enrollment/Benefits Education/Health Fair
372	FMLA Expansion – Spouses at work, paid, etc.
373	Lactation Benefits
374	Caregiver Leave (Elder/Adult, Family, Partner, etc.)
375	Long Term Disability
376	Relocation, Housing Assistance, Homebuyer Assistance, Commuter Assistance
377	Department-Specific/Operations-Related
378	Psychological Health Programs
379	Administrative Leave
380	Savings Accounts/“Holiday Clubs”
381	Military Leave
382	Tuition Assistance/Scholarship Programs – Employee Dependents
383	Workers’ Compensation

Codes	Benefit Code Descriptors – Employee-Identified
384	Light Duty Accommodation
385	Major Medical Account or Expanded Insurance Riders
386	Education/Training Offered by the City – General
387	Mentorship Programs
388	Donation Program – Employee Contribution + City Match (for NPOs)
389	Long Term Care Insurance
390	Lifestyle Accounts (Gym, Pet Care, Wellness, etc.)
391	Safety-Related
392	Leave for Part-Time Employees
393	Insurances for Part-Time Employees
394	Benefits for Part-Time Employees – Other

Figure 1.17 illustrates the top thirty benefits categories for full-time employees, sorted by frequency to include “Do Not Change”, “Expand/Modify”, and “Add”. The Benefits Study Group recognized that the “Do Not Change” data skewed the frequency area on the illustration, and where Group members need to concentrate their efforts; therefore **Figure 1.18** includes only the top thirty “Expand/Modify” and “Add” frequencies. **Attachment B** and **Attachment C** include the entire graphs due to illustration size. **Figure 1.19** includes part-time employee benefits frequency illustration.

ACTIVITY #3 LISTENING SESSION - FT EMPLOYEE BENEFITS FEEDBACK (FREQUENCY) : TOP 30

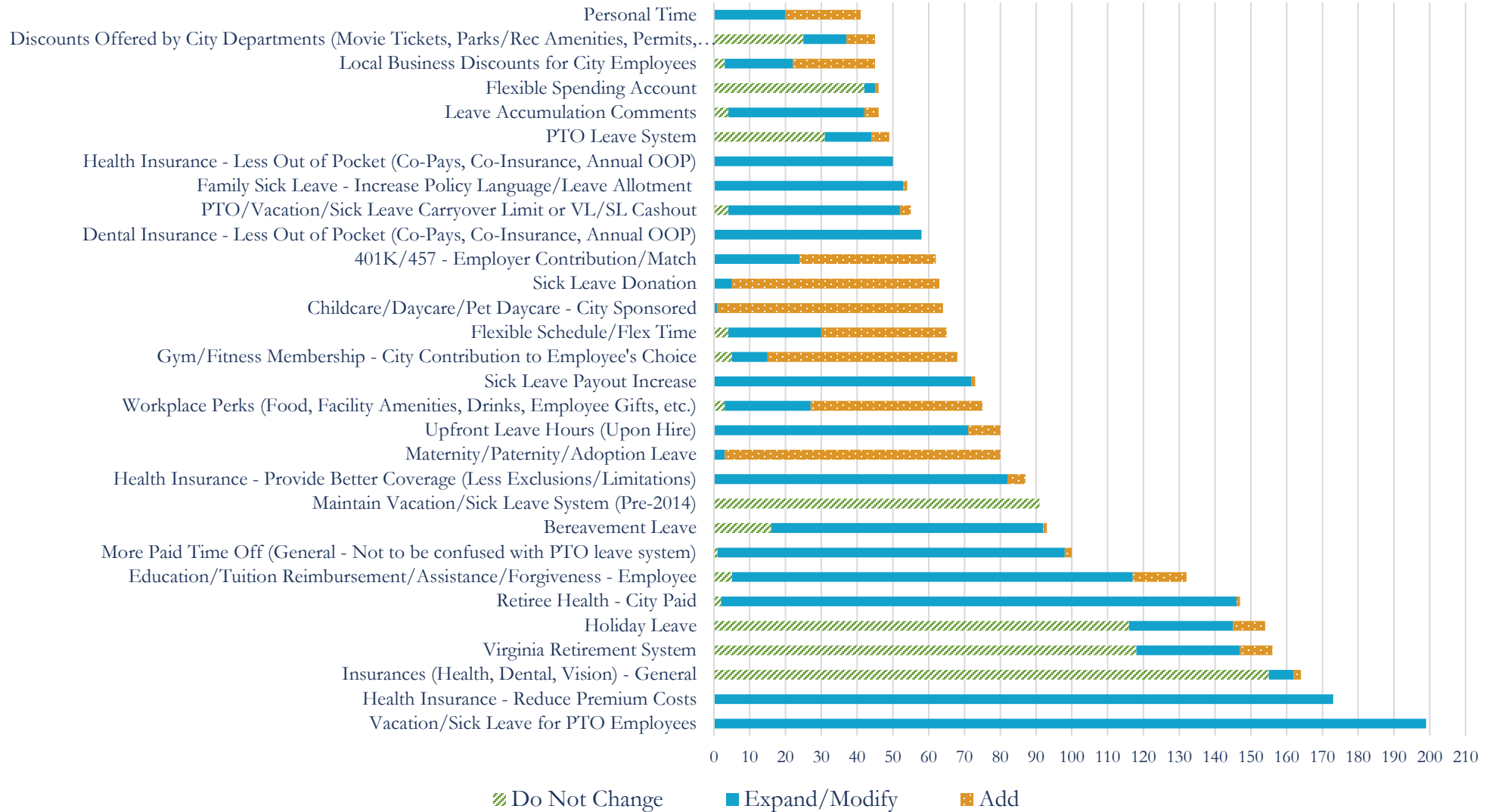


Figure 1.17

ACTIVITY #3 LISTENING SESSIONS - FT EMPLOYEE BENEFITS FEEDBACK (EXPAND/MODIFY & ADD): TOP 30

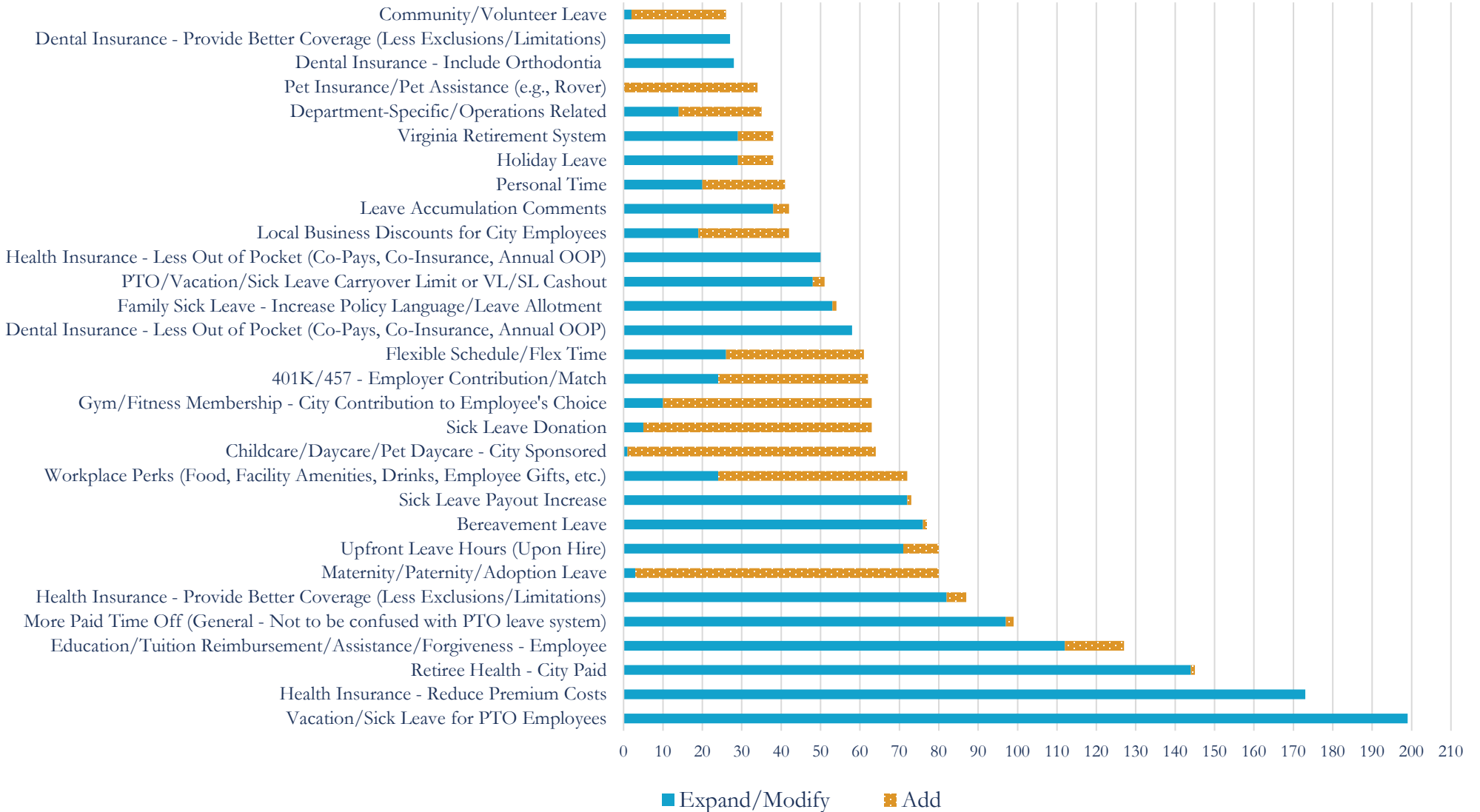


Figure 1.18

ACTIVITY #3 LISTENING SESSION - PT EMPLOYEE BENEFITS FEEDBACK + FREQUENCY

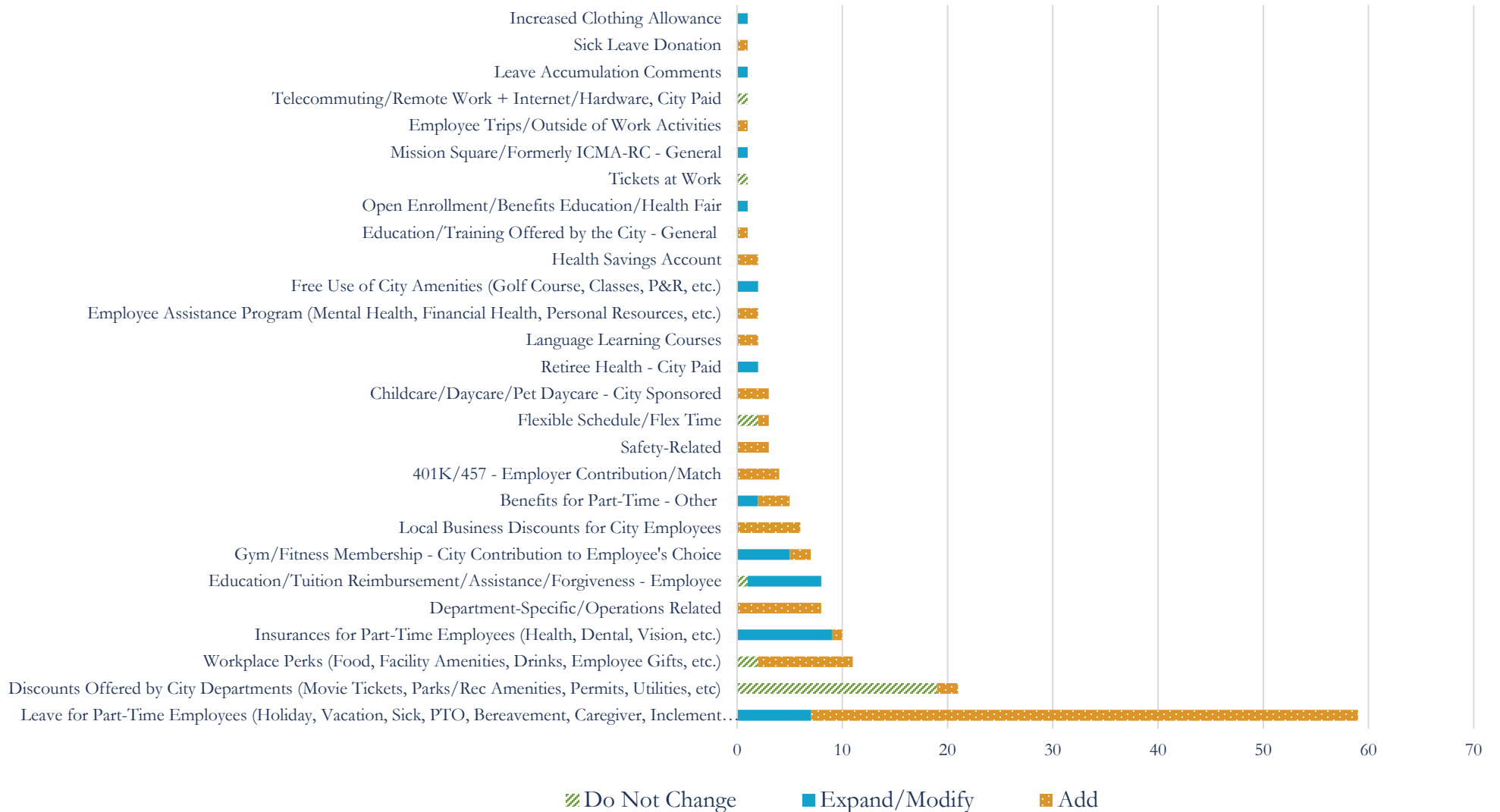


Figure 1.19

Employee Survey Data. In order to provide a confidential mechanism for employees to participate in the Benefits Study, a survey was published toward the end of the Listening Sessions (end of February 2024) and remained open for greater than 60 days. There were 236 total responses, with the majority of respondents (233) being City employees. Three family members of City employees participated.

Over 84.28% of survey respondents participated in a listening session hosted by the Benefits Study Group. The survey included the following topics, similar to what was covered in the listening sessions, with the provision of information in a confidential manner:

- Employment status and age;
- Tenure with the City;
- How employees are informed or provided education about City benefits;
- Satisfaction related to the avenues/opportunities to access information about benefits;
- Level of satisfaction with current benefits;
- What employees like about current benefits;
- What employees would improve about current benefits;
- What employees would like to see added to the benefits offerings;
- What benefits could be offered to provide for a more inclusive workplace.

The Group collected ages from survey respondents as seen below in **Figure 1.20**. The narrowed down U.S. Census age categories were utilized, noting that the 45-64 and 65-84 age categories have a wider range than the remaining categories.

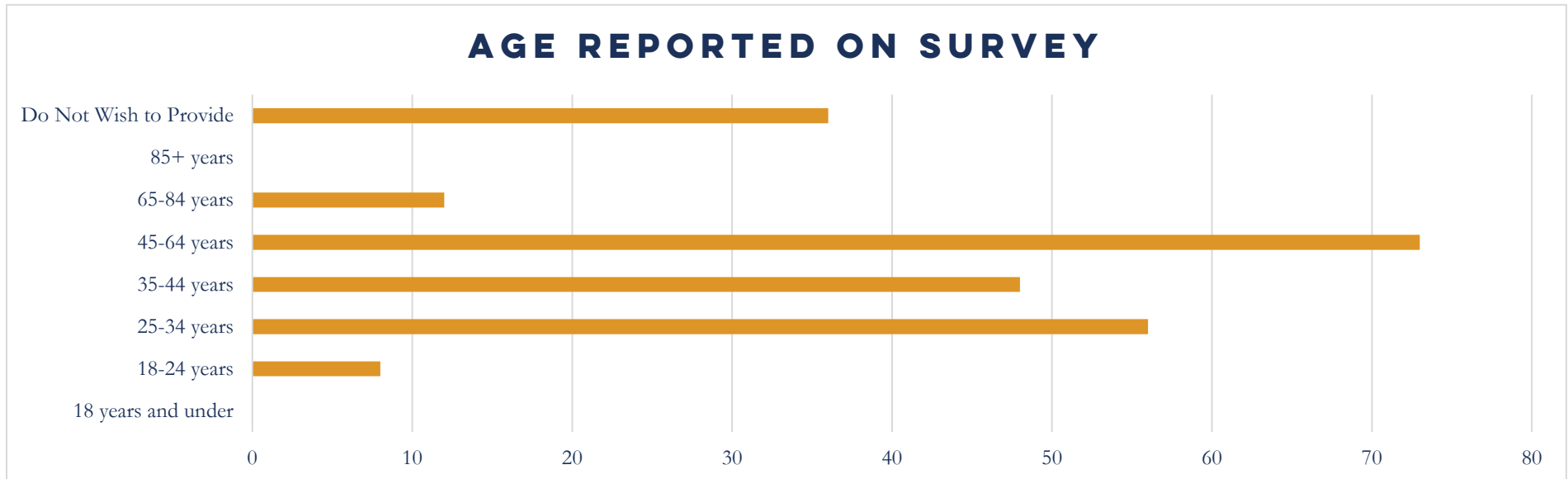


Figure 1.20

Employee tenure with the City was collected from survey respondents as shown in **Figure 1.21**.

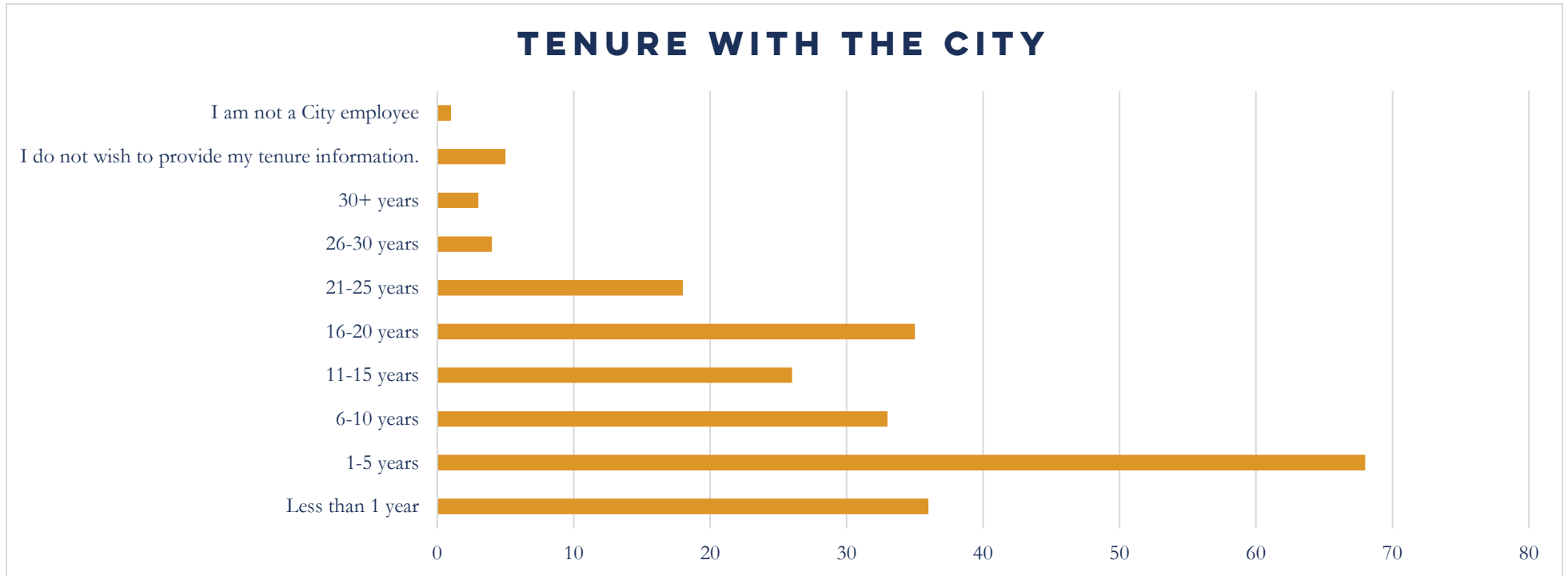


Figure 1.21

The Benefits Study Group was interested in how employees are informed about benefits information and the overall level of satisfaction with benefits information. The survey was a confidential way for employees to express their mode of information gathering and concerns around access. Respondents were asked to check all that apply, so there may be multiple modes of information gathering as seen by percentage in **Figure 1.22**. Many respondents commented that they learned a lot about current benefits during the Benefits Study Listening Sessions (under other).

MODE OF INFORMATION ABOUT BENEFITS BY PERCENTAGE

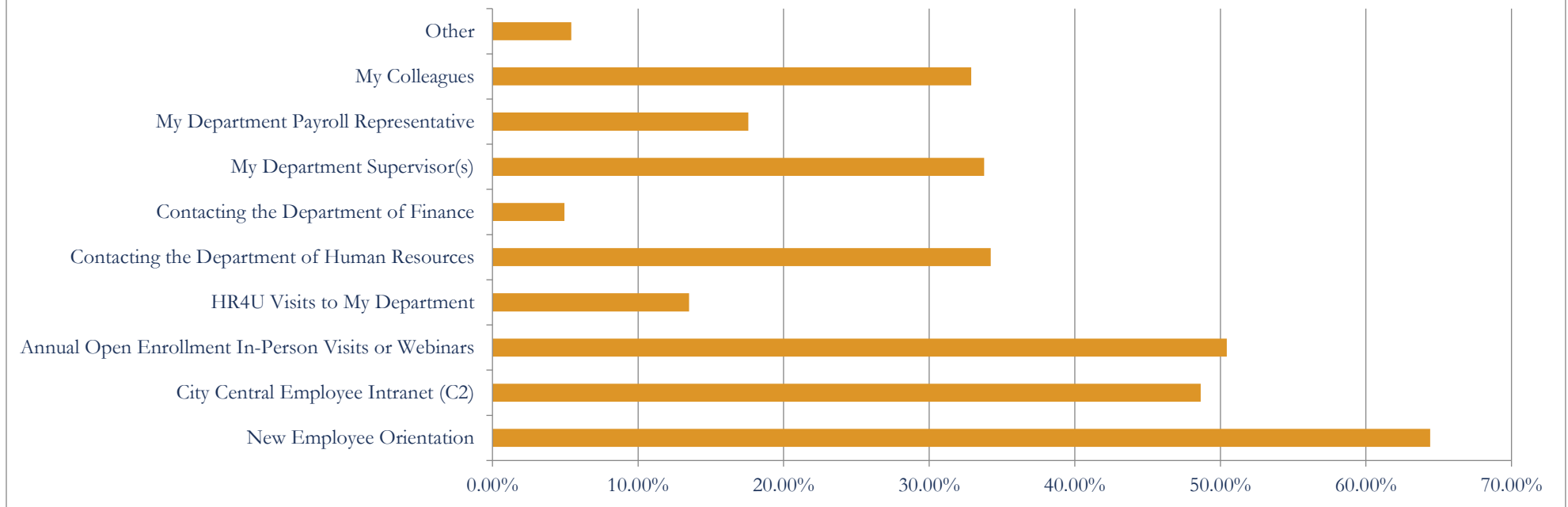


Figure 1.22

15.28% of respondents noted that they were extremely satisfied with avenues or opportunities that they have to access information about City benefits, while 60.19% noted that they were satisfied. 3.24% respondents noted that they were dissatisfied with access to information and 0% stated that they were extremely dissatisfied. The weighted average is 3.88/5.00 related to overall satisfaction. The comments section of the survey noted that benefits information has improved over the past few years and that the information is being provided in various, visually appealing formats.

Survey respondents utilized a Likert scale to measure satisfaction with current City benefits. This information is valuable for internal use when evaluating existing benefits because respondents were more likely to comment about each individual benefit and level of satisfaction in a confidential manner (opposed to in a listening session with colleagues). **Figure 1.23** highlights respondent level of satisfaction by weighted average. Holiday Leave, Virginia Retirement System, Health Insurance, Bereavement Leave, Dental Insurance, and Vision Insurance are the highest weighted categories for current benefits satisfaction (over 2.5). When the Benefits Study Group is evaluating existing benefits, they will go to the survey comments for some insight into satisfaction levels – for example, there were 58 comments related to the health insurance benefit that will be considered.

LEVEL OF SATISFACTION BY WEIGHTED AVERAGE

5 = Extremely Satisfied; 4 = Satisfied; 3 = Neutral; 2 = Dissatisfied; 1 = Extremely Dissatisfied

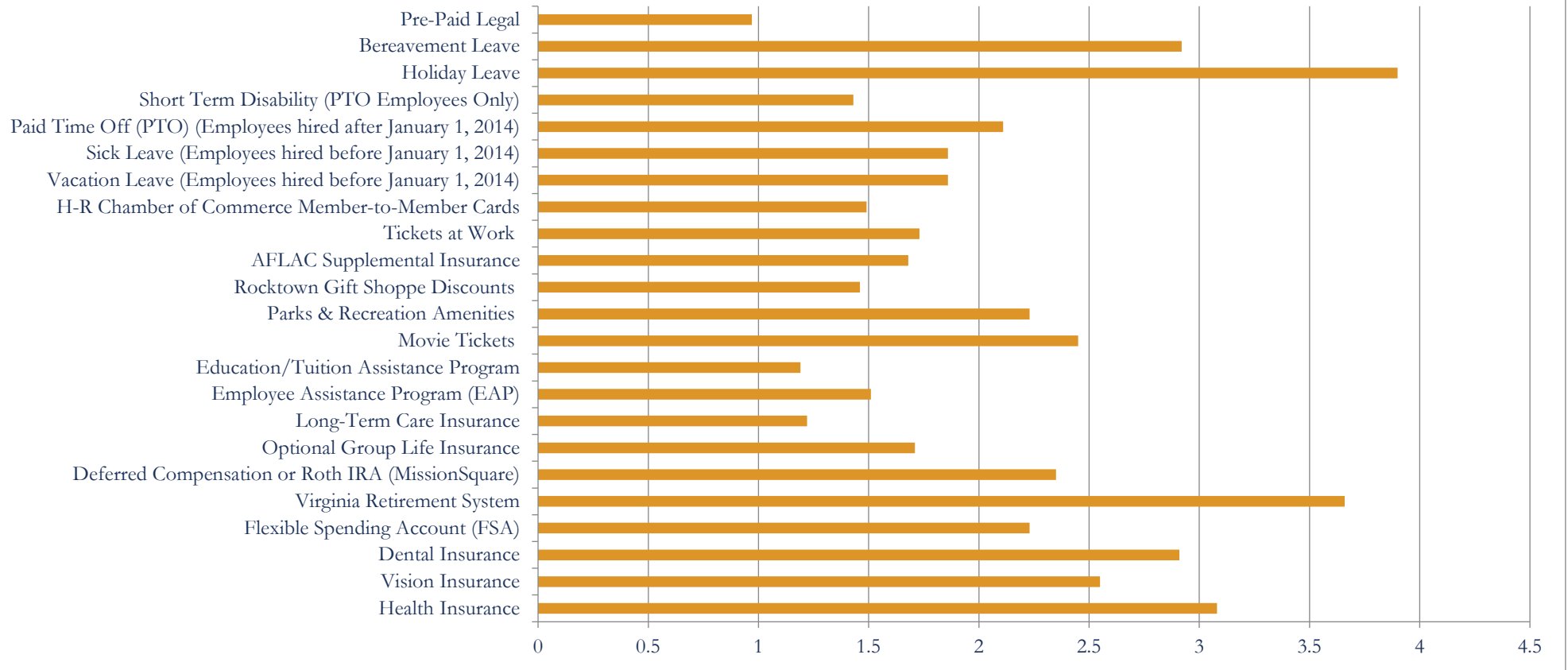


Figure 1.23

Survey respondents were asked what they liked about current benefits; benefits that they do not want to see change. During the survey, the Benefits Study Work Group members did not have the opportunity to have a dialogue with the employee(s), so survey answers were coded and are organic/unique comments. Therefore, some of the items listed are not classified as benefits from a human resources industry perspective but are however included for human resources use. The survey responses are consistent with Listening Session, Activity #3 (Benefits Not to Change, **Figure 1.17**), so the top ten are listed below:

- 1) Holiday Leave

- 2) General Comment – Pleased with Current Benefits
- 3) General Comment – Pleased with Variety/Wide Range of Benefits and Coverage
- 4) Health Insurance
- 5) VRS Retirement/Other Retirement Benefits
- 6) Vacation/Sick Leave System (Pre-2014 Employment)
- 7) General Comment – Pleased with Health Insurance Cost/Coverage
- 8) PTO Leave System
- 9) Discounts Offered Through City Departments
- 10) Discounts Offered by the Private Sector (Tickets at Work, H-R Member-to-Member Cards, etc.)

There were 145 comments related to the existing benefits question.

Survey respondents were asked what they would like to see expanded or modified about existing benefits offerings. During the survey, the Benefits Study Work Group members did not have the opportunity to have a dialogue with the employee(s), so survey answers were coded and are organic/unique comments. Therefore, some of the items listed are not classified as benefits from a human resources industry perspective but are however included for human resources use. The survey responses are consistent with the Listening Session, Activity #3 (Benefits to Expand/Modify, **Figure 1.18**), so the top ten are listed below:

- 1) Vacation/Sick Leave System for PTO Employees
- 2) Health Insurance
- 3) Retirement Benefits (Retiree Health, Contribution, etc.)
- 4) Leave Accrual Increase
- 5) General Comments – Insurance Cost/Coverage
- 6) Maternity, Paternity, Adoption (Parental) Leave – Unpaid FMLA to Paid
- 7) Holiday Leave – Floating Holidays, Enhanced Benefits for Those Who Work Holidays
- 8) Tuition Reimbursement/Assistance
- 9) Benefits for Part-Time Employees
- 10) Bereavement Leave

There were 161 comments related to the expand/modify benefits question.

Survey respondents were asked what they would like to see added to City benefits offerings. During the survey, the Benefits Study Work Group members did not have the opportunity to have a dialogue with the employee(s), so survey answers were coded and are organic/unique comments. Therefore, some of the items listed are not classified as benefits from a human resources industry perspective but are however included for human resources use. The survey responses are consistent with the Listening Session, Activity #3 (Benefits to Add, **Figure 1.18**), so the top ten are listed below.

- 1) Childcare/Eldercare Offering
- 2) Maternity, Paternity, Adoption (Parental) Leave
- 3) Wellness/Gym Services or Choice
- 4) Holiday Leave – Floating Holidays, Enhanced Benefits for Those Who Work Holidays, Recognize More Holidays
- 5) Retirement Benefits (Retiree Health, Contribution, etc.)
- 6) Flexible Schedule and Work Location
- 7) Leave Donation
- 8) Pet Insurance
- 9) New Hire Sick Leave Bank
- 10) Community Service Leave

There were 134 comments related to the add benefits question.

Survey respondents were asked a question about the equity of benefits offered by the City. The question was framed in this manner: *From a diversity, equity, inclusion, accessibility, and belonging perspective, what benefits do you feel are/ would be representative, fair/just, and attractive to recruit, retain, and motivate employees, and ensure we create equitable opportunities for employees to succeed?* Overall, there was low participation in this question and there was some confusion related to the difference between equal benefits and equitable benefits. Similar to some of the other survey questions, ideas were populated organically by the respondent, so there were some items that were non-benefits related from a human resources industry perspective. **Figure 1.24** exhibits participant responses related to equitable benefits.

BENEFITS TO PROVIDE THE MOST INCLUSIVITY - RESPONSES

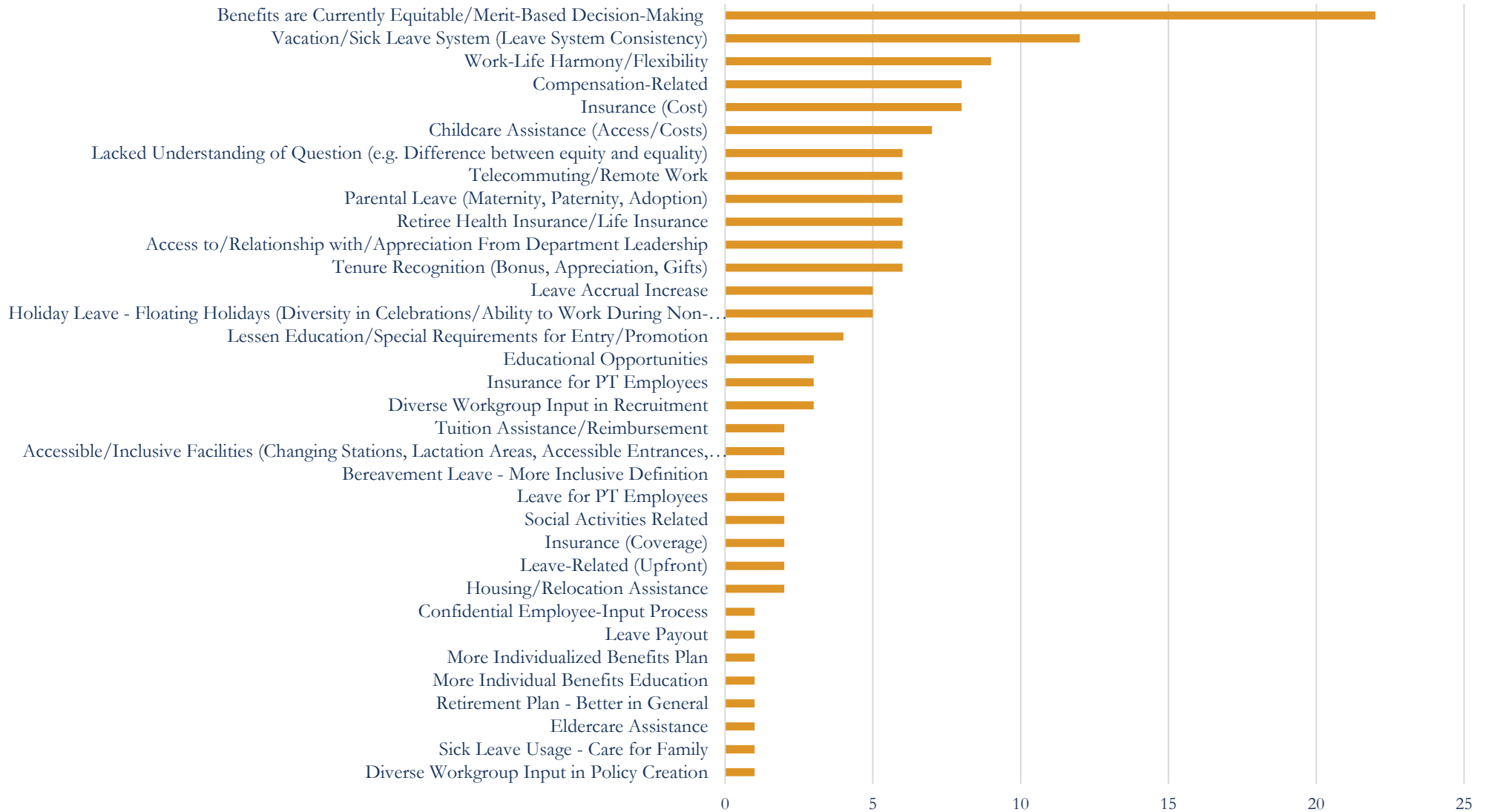


Figure 1.24



RECOMMENDATION TABLES & EXPLANATIONS

The following recommendation tables and explanations outline a consolidation of information gathered in Benefits Study Listening Sessions, and what each benefit type means. This information serves as a roadmap for further evaluation of each benefit listed beginning in April 2024 – not the implementation timeline of the benefit. *If employees are not viewing information in the recommendations that they provided, that means that the idea did not have the highest frequency and priority but could however be addressed in the future.*

The Benefits Study Group made recommendations based on the following considerations:

- **Priority = Based on Employee Need (frequency requested in listening session activities), Value to Employee, and Employee Pressure Addressed**
 - High Priority
 - Medium Priority
 - Low Priority
 - Departmental
 - Statutory

- **Evaluation Term – The feasibility of evaluating the benefit in terms of complexity (this considers phasing, and potentially multiple terms per benefit item)**
 - Immediate (0-3 months)
 - Short-Term (3-6 months)
 - Mid-Term (6-18 months)
 - Long-Term (18+ months)

- **Financial/Human Resources Needed – The requirements of the benefit in terms of cost, budgetary allocation, and administrative burden for support/operational departments**
 - Low
 - Moderate
 - Significant

High Priority/Immediate Evaluation Term (Evaluation in 0-3 Months)

PRIORITY	EVALUATION OF BENEFIT TERM			
	IMMEDIATE	SHORT-TERM	MID-TERM	LONG-TERM
HIGH	<p>Health Insurance – Increase City Contribution to Premium</p> <p>Retiree Health – Increase City Contribution</p> <p>Maternity/Paternity/Adoption Leave + Elder Care Leave</p>			
MEDIUM				
LOW				

- Health Insurance – Increase City Contribution to Premium – The employer’s contribution to health insurance is currently 75% (FY 2024) of the total premium across all tiers (e.g., employee only, employee and one child, employee and children, employee and family, etc.). During the Listening Sessions, employees requested that the City pay more toward the premium, with some employees specifying that the City pay 100% for employee only. Some employees noted to modify the employer percentage per tier and to reduce premiums if there are spouses who both work for the City. This evaluation is made based on budgetary allowances for FY 2025, which proposes absorbing a 4% insurance increase, and raises the employer contribution to 78% for all tiers. This will continue to be a consideration in the short-term section as an evaluation priority.
- Retiree Health Insurance – Increase City Contribution – The City’s current policy allows for post-retirement health benefits (*Section 5.9 of the City of Harrisonburg Personnel Manual*) if the employee has met the eligibility criteria (VRS service or disability retirement, at least 15 years of consecutive retirement eligible service with the City immediately prior to retirement, participation in the City’s health insurance plan for a minimum of five years immediately prior to retirement, and is not eligible for Medicare). The City contributes to the health care premium at the rate of \$10.00 per month for each full year of consecutive full-time service to a maximum of \$350.00 per month. Some employees noted that

they would like to see a higher contribution by the City toward retiree health care, as well as more equity for hazardous duty positions. Employees noted that they would like to see the City's premium contribution to be at least the same percentage as contributed for current employees. In addition, some employees noted that they would like to see a vesting requirement of less than 15 continuous years of service.

This was listed as a high employee priority related to a common employee pressure (future financial planning/ability to afford retirement) and a need in the employee Listening Sessions. This recommendation for immediate term is an increase in the monthly City contribution and may be delayed to short- or mid-term based on a potential need to involve financial actuaries. In addition, this consideration was not included in the FY 2025 budget due to constraints.

- Maternity/Paternity/Adoption Leave + Elder Care Leave – The City does not currently offer paid maternity, paternity, adoption, foster, and elder care leave. Employees noted in the listening sessions that they would like to see this benefit be added. Care for dependents and family planning was among the highest employee pressures noted. Policy benchmarking and financial impact will be evaluated.

High Priority/Short Evaluation Term (Evaluation in 3-6 Months)

PRIORITY	EVALUATION OF BENEFIT TERM			
	IMMEDIATE	SHORT-TERM	MID-TERM	LONG-TERM
HIGH		Health Insurance – Cost/Coverage Retiree Health Family Sick Leave Leave Other Leave (PTO/Vacation & Sick Leave) Leave for PT Employees		
MEDIUM				
LOW				

- Health Insurance – Cost/Coverage – The Health Insurance (Cost/Coverage) section includes Listening Session comments related to reduction in premium costs (as stated in the high priority/immediate term section above), better coverage (less exclusions/less limitations), and less out-of-pocket for the employee and their dependents (related to co-pays, co-insurance, and annual out-of-pocket maximum). This was relocated to a short-term evaluation term because request for proposals with our current insurance plan are not due for an additional two years. However, the Benefits Study Group heard general comments related to the following: hearing benefit coverage, alternative pain management coverage, weight management coverage, greater psychological health coverage, ADHD coverage, Autism coverage, more plan options, specialist co-insurance concerns, prescription drug coverage concerns, network concerns, coverage related to labs, and other out-of-pocket concerns that are a surprise. Evaluation of plan types, co-insurance, co-pays, and deductibles will be considered in relation to financial implications.
- Retiree Health - The City’s current policy allows for post-retirement health benefits (*Section 5.9 of the City of Harrisonburg Personnel Manual*) if the employee has met the eligibility criteria (VRS service or disability retirement, at least 15 years of consecutive retirement eligible service with the City immediately prior to retirement, participation in the City’s health insurance plan for a minimum of five years immediately prior to

retirement, and is not eligible for Medicare). The City contributes to the health care premium at the rate of \$10.00 per month for each full year of consecutive full-time service to a maximum of \$350.00 per month. Some employees noted that they would like to see a higher contribution by the City toward retiree health care, as well as more equity for hazardous duty positions. Employees noted that they would like to see the City's premium contribution to be at least the same percentage as contributed for current employees. In addition, some employees noted that they would like to see a vesting requirement of less than 15 continuous years of service. This was listed as a high employee priority related to a common employee pressure (future financial planning/ability to afford retirement) and a need in the employee Listening Sessions.

This recommendation for the short-term is for the evaluation of the City policy and the overall evaluation of the program involving actuaries to calculate the long-term financial liability/risk of more highly funding retiree healthcare. Involving actuaries will be a time-consuming endeavor, thus the Benefit Study Group placed this recommendation in this evaluation category.

- Family Sick Leave – The City's current policy (*Section 6.9(D) of the City of Harrisonburg Personnel Manual*) restricts the use of sick leave for dependent care to forty-eight (48) hours per calendar year. While not all employees receive sick leave, this was mentioned frequently by employees who have this leave type. It was noted that there is a large number of hours of sick leave accumulated and that the policy restriction should be lifted. This benefit was recommended to be evaluated in the same term and at the same priority with other leave types, and the Benefits Study Group wanted to highlight this as a particular concern due to the employee pressure of care for dependents.
- Leave Other – The Leave "Other" category and recommendation includes an evaluation of the following employee-highlighted leave types: personal time, community/volunteer leave, bereavement leave (pet and human), administrative leave, and military leave. This recommendation also includes employee comments related to leave accumulation (when and how much), upfront leave allowance upon hire, and leave accrual reciprocity for VRS service.
Personal time was related to having a birthday off of work (paid), for family activities, or for psychological health. Community/volunteer leave was specified in order to give back to the community or non-profit organization of an employee's choice. Bereavement leave was brought up in relation to the strict definition of who constitutes an employee's family, travel for funeral, executor to the estate, and time to grieve a pet. Administrative leave was related to utilizing work time for education, in addition to discussions about inclement weather. Finally, military leave was related to amount provided.
- Leave (PTO/Vacation & Sick Leave) – City policy currently provides for a Vacation & Sick Leave System for employees hired before January 1, 2014 and a Paid Time Off (PTO) Leave System for employees hired after January 1, 2014. This occurred when VRS implemented the requirement for a Short Term Disability benefit for Hybrid employees. At the same time, the City observed a trend toward a PTO leave system. As of this report date, the City has greater than 60% of the employee population on a PTO leave system. During the Listening Sessions, however, there was exhibited a high frequency of employees who voiced a desire to (1) remain on a Vacation & Sick Leave System (if they are currently under that system) and (2) to add a sick leave bank to employees who currently earn PTO. Some employees noted that they liked the PTO system or did not know any major difference (between PTO vs. VL/SL) while most others noted that it is very difficult related to self-care and dependent care and encourages employees to come to work ill. Employees in public safety or other required 24/7 staffing

generally noted that PTO is more difficult in their departments. This recommendation is an evaluation of providing PTO employees with a sick leave bank and how that will impact the provision of Short Term Disability policies. Adding additional leave hours is considered a high priority/mid-term evaluation recommendation due to the potential impact on departments with minimum staffing requirements.

- Leave for Part-Time Employees – City policy formerly provided leave for regular, part-time employees based on a formula of hours worked. During the Listening Sessions for part-time employees, evaluation of this benefit was requested. An evaluation of administrative and financial implications will be considered.

High Priority/Mid-Term Evaluation Term (Evaluation in 6-18 Months)

PRIORITY	EVALUATION OF BENEFIT TERM			
	IMMEDIATE	SHORT-TERM	MID-TERM	LONG-TERM
HIGH			Leave - Add More Dental Insurance Vision Insurance 457 Employer Contribution/Match	
MEDIUM				
LOW				

- Leave – Add More – Leave amounts (accumulation, number of hours per years of service, maximum leave carryover, etc.) will be evaluated during this term, as there can be a direct impact on departmental workload per person, minimum staffing requirements, and other operational considerations and requirements. This benefit item was held at a high priority due to this being the number one requested benefit related to the alleviation of employee pressures. During the Listening Sessions, when employees requested more leave, facilitators requested clarification related to leave types, and this was leave in general (not to be confused with a certain type of leave). An evaluation of financial and workload implications will be considered.
- Dental Insurance – The dental insurance benefit was highlighted for evaluation in relation to the provision of better coverage, the inclusion of orthodontia, and less out of pocket expenses (co-pays, co-insurance, annual out-of-pocket maximum) related to dental insurance. Many employees cited concerns with network issues and major care expenses.

- Vision Insurance – The vision insurance benefit was highlighted in relation to the provision of better coverage, less out of pocket expenses (co-pays, co-insurance, annual out-of-pocket maximum), and more participating practices/vendors. Many employees cited concerns that the insurance is not very impactful, even though the premium is minimal.
- 457(b) Defined Contribution Match – While all City employees enjoy a defined benefit retirement plan through VRS (pension plan funded in large part by the City), it was highlighted that there is a desire for a small match by the City to the employee’s 457(b) deferred compensation account. Whether an employee is making a contribution out of a VRS requirement (VRS Hybrid Plan) or voluntarily, there were comments made pertaining to a City contribution and the evaluation of that expense. An evaluation of financial implications will be considered.

Medium Priority/Short Evaluation Term (Evaluation in 3-6 Months)

PRIORITY	EVALUATION OF BENEFIT TERM			
	IMMEDIATE	SHORT-TERM	MID-TERM	LONG-TERM
HIGH				
MEDIUM		Education Reimbursement Holidays Clothing Allowance Years of Service Recognition Sick Leave Payout		
LOW				

- Education Reimbursement – The City currently has an Education & Training Program (*Procedures Memorandum #17*) that allows eligible full-time and part-time employees to participate in education reimbursement. If employees reach the eligibility and criteria for reimbursement, they can receive either 75% of expenses to a maximum of \$500 per fiscal year (employees with 1-3 years of service) or 100% of expenses to a maximum of \$1,000 per fiscal year. Employees contributed the following information pertaining to education reimbursement in the Listening Sessions: provision of a higher amount for reimbursement, tuition/loan forgiveness through the City, vocational learning not related to the employee’s current role, removing the policy requirement for years of service to receive the program benefit, a creation of a tiered program by degree type, increase related on per credit hour institution costs. In addition, there were some discussions related to the provision of City higher education scholarships for employee dependents or the “passing along” of the benefit from the employee to their dependent(s). An evaluation of financial impact will be provided.
- Holidays – Holiday leave was primarily categorized in the “Do Not Change” section of the Listening Sessions, as employees have enjoyed receiving the 15.5 holidays per year, at their applicable “day”. In addition, and in keeping with the City’s DEIAB efforts, there was some feedback related to providing “floating holidays”, which provides employees the ability to substitute certain public holidays for a day of their

choice. Or, an employer can designate, for instance, a few days for employees to use for cultural or religious holidays in addition to publicly observed holidays. Other comments related to holidays include the following: upfront holiday leave hours for civilian employees working in public safety, make any half days full holidays, and specifying additionally designated holidays (September 11th, Easter Sunday, New Year's Eve, etc.).

- Clothing Allowance – Employees expressed that they would like to see an evaluation of the clothing allowance as of this date and on an annual basis thereafter. Field employees especially expressed concern related to the cost and quality of footwear, pants, and coveralls. An evaluation of City policy, departmental practice, and financial impact will be considered.
- Years of Service Recognition – A Years of Service Recognition Banquet is hosted twice a year and includes a catered lunch, certificate, and years of service lapel pin provided to employees who have met consecutive five-year increments in employment with the City (i.e., 5, 10, 15, 20, 25, 30, 35, 40). While this banquet is appreciated, employees expressed that a monetary incentive be provided with the certificate. An evaluation of the financial impact of this benefit will be provided.
- Sick Leave Payout – Current City policy (*Section 6.9(I) of the City of Harrisonburg Personnel Manual*) outlines the payment of sick leave at separation (resignation, retirement, termination, death) based on years of consecutive service. In addition, the policy allows retiring employees to use the payout to purchase VRS service credit or to contribute to their tax-deferred compensation plan. This benefit only applies to those employees who were hired before January 1, 2014, unless changes are made to the leave systems noted above. During the Listening Sessions, employees noted that the accumulated sick leave dollar amount has not been modified, even though employee wages have been modified. It was also noted that increasing the threshold would be an incentive to not abuse the sick leave benefit. An evaluation of the long-term financial liability/impact of this benefit will be provided, including an annual evaluation of the threshold.

Medium Priority/Mid-Term Evaluation Term (Evaluation in 6-18 Months)

PRIORITY	EVALUATION OF BENEFIT TERM			
	IMMEDIATE	SHORT-TERM	MID-TERM	LONG-TERM
HIGH				
MEDIUM			Sick Leave Donation Pet Insurance Housing Assistance/ Homebuyer Assistance/ Commuter Assistance Insurances for PT Employees	
LOW				

- Sick Leave Donation – Employees expressed an interest in a sick leave donation policy for those experiencing catastrophic illness/injury who will not have enough leave to cover their period of recovery. An evaluation of sick leave donation or a sick leave bank will be made, considering the administrative and policy implications.
- Pet Insurance/Pet Assistance – Interest was expressed related to providing access to and a monetary contribution to pet insurance. Cost for pet care was listed among employee pressures. The evaluation of applicable insurance options and financial implications will be considered.
- Housing Assistance, Homebuyer Assistance, Commuter Assistance – Some employees cited difficulty in finding property in and around the City or high cost of living in and around the City, noting that homebuyer, rental, and commuter assistance would be appreciated. An evaluation and benchmarking of existing programs will be considered, in addition to the financial impact of providing this benefit.

- Health Insurances for Regular, Part-Time Employees – An interest was shown by regular, part-time employees in having access to health insurance above and beyond the provisions of the Affordable Care Act. An evaluation of the cost for part-time access will be considered.

Medium Priority/Long Evaluation Term (Evaluation in 18+ Months)

PRIORITY	EVALUATION OF BENEFIT TERM			
	IMMEDIATE	SHORT-TERM	MID-TERM	LONG-TERM
HIGH				
MEDIUM				Childcare/Daycare
LOW				

- Childcare/Daycare – A significant pressure that City employees currently experience is lack of affordable childcare for a variety of shiftwork schedules, operational situations, emergency hours, after-hours, and summer care (when school is out). Cost was also highlighted as a major concern related to family planning. This benefit has been placed into the applicable evaluation term due to the respective financial and human resources necessary and expected to support a City-sponsored care facility. An evaluation of the actual financial and administrative impact will be considered.

Low Priority/Short Evaluation Term (Evaluation in 3-6 Months)

PRIORITY	EVALUATION OF BENEFIT TERM			
	IMMEDIATE	SHORT-TERM	MID-TERM	LONG-TERM
HIGH				
MEDIUM				
LOW		<p>City Benefits – Parks & Recreation</p> <p>Emergency & Inclement Weather</p>		

- City-Offered Benefits – Parks & Recreation – City employees currently receive a free annual pass to the Community Activities Center, Westover Pool, and Simms Center. Employees and their immediate family members can register for City programs at the City resident rate. During the Listening Sessions, employees noted that they would like for centers and the pool to be more accessible (variety of hours), they would like to receive a further discount (or free access) to fitness classes/golf if they are already a City resident, and they would like for the free access to extend to their immediate family/household. An evaluation of the philosophical approach related to employee access and membership will be considered, in addition to any financial implications for the Parks & Recreation Department.
- Emergency & Inclement Weather + Emergency Work – The City currently has an emergency/inclement weather policy (*Procedure Memorandum #14*) that designates how and when employees are compensated in inclement weather events. There was discussion during Listening Sessions that highlighted some concerns, especially for part-time employees and employees designated as essential. In addition to this conversation, benefits for emergency work, night work not regularly-scheduled, and hazardous work was discussed to be considered. An evaluation of the policy will be considered.

Low Priority/Mid-Term Evaluation Term (Evaluation in 6-18 Months)

PRIORITY	EVALUATION OF BENEFIT TERM			
	IMMEDIATE	SHORT-TERM	MID-TERM	LONG-TERM
HIGH				
MEDIUM				
LOW			Flexible Spending Account Health Savings Account Gym Membership	

- Flexible Spending Account & Health Savings Account – Currently, the City provides a Flexible Spending Account (FSA) option for employees to set aside pre-tax dollars for certain health care or dependent care expenses as defined by the IRS. The City does not currently contribute to an FSA for employees. In addition, the City offers a high deductible health plan that is accompanied by a Health Savings Account (HSA). The City currently contributes annually at the beginning of each fiscal year. During the Listening Sessions, employees generally expressed gratitude pertaining to having access to an FSA or HSA. However, employees noted that they would like to see the City consider a greater contribution to the HSA. In FY 2025, employees will see an increase in the contribution that the City makes to their HSA account.
- Gym Memberships – Despite the provision of gym facilities owned by the City, employees noted that they would like the benefit of a gym membership of their choice (due to not living within City limits or finding comfortability at a gym that has different amenities, accessible hours, and unique classes). Physical and psychological care for self was highlighted as an applicable employee pressure. An analysis of policy language and financial impact will be considered.

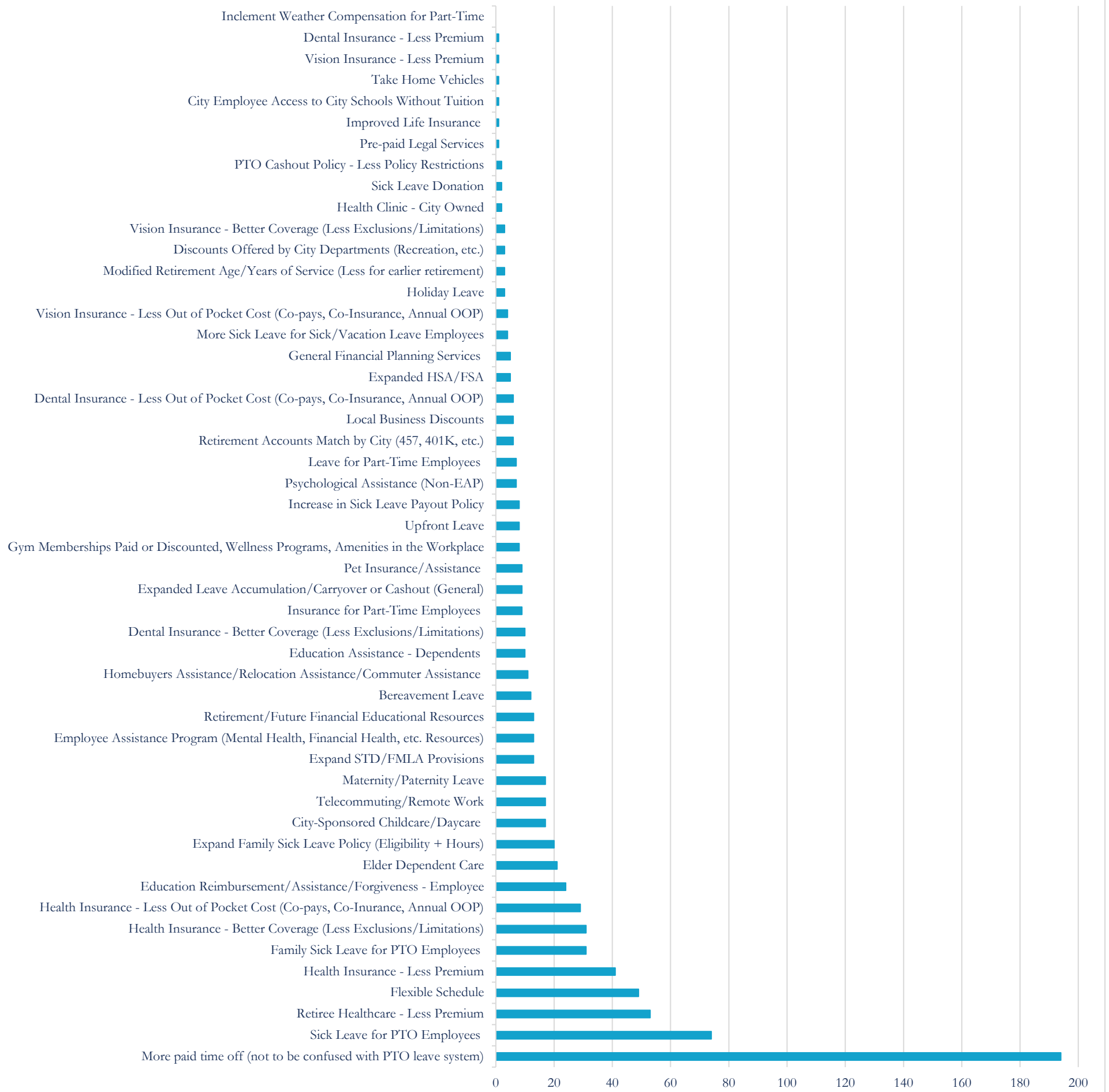
Low Priority/Long Evaluation Term (Evaluation in 18+ Months)

PRIORITY	EVALUATION OF BENEFIT TERM			
	IMMEDIATE	SHORT-TERM	MID-TERM	LONG-TERM
HIGH				
MEDIUM				
LOW				<p>Pet Care</p> <p>Employee Assistance Program</p>

- Pet Care – Concerns over care for pets was listed among pressures that employees have. Comments in Listening Sessions were related to pet assistance services such as daycare, boarding, exercising, and discounts to pet-related care sites. An evaluation of lifestyle accounts, pet care services, and any monetary contribution will be considered.
- Employee Assistance Program – The City currently provides access to the Anthem Employee Assistance Program (EAP) for employee resources related to psychological services, addiction and recovery services, financial planning services, emotional well-being, ID theft recovery, caregiving, mindfulness, and more. Employees expressed that they would like to see more free sessions and the expansion of services. Some employees noted that the EAP is cumbersome, and it can be difficult to locate the needed resource in a quick manner. An evaluation of this benefit will be considered, in addition to any financial implications.

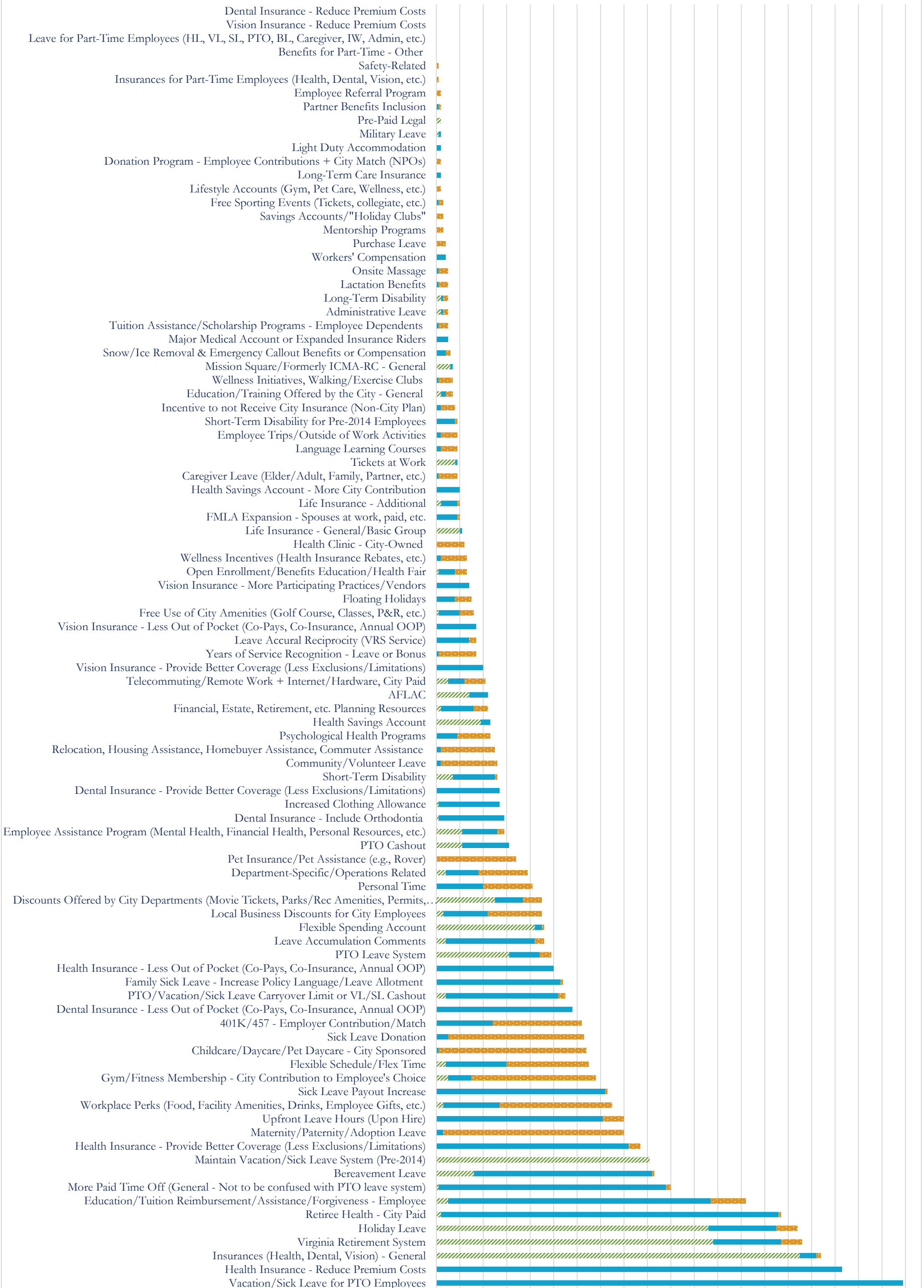
APPENDIX

ACTIVITY #2 - EMPLOYEE-IDENTIFIED BENEFITS FOR RELIEF OF PRESSURES BY FREQUENCY



Attachment A

ACTIVITY #3 LISTENING SESSION - FT EMPLOYEE FEEDBACK BY FREQUENCY



ACTIVITY #3 LISTENING SESSION - EXPAND/MODIFY + ADD FREQUENCY

