

CITY OF HIGH POINT

AGENDA ITEM



Title: Pay Plan Adjustments

From: Eric Olmedo, Assistant City Manager

Public Hearing: None

Attachments:

Meeting Date: February 21, 2022

Advertising Date / N/A

Advertised By:

PURPOSE:

Recommend pay plan adjustments to retain our current workforce and attract new employees.

BACKGROUND:

Recruitment and retention of employees has remained a challenge in this current economic environment. There are several influential factors including competition from the private sector, competition from other public entities, accelerating retirement rates and a shortage of qualified applicants. Reliance on more expensive options have included the use of contractors to provide services and increased overtime costs. While it will take time to return to some level of normalcy with vacancy rates closer to the five-year average of 5-6% prior to the pandemic, an initial set of strategies is needed to help address employee retention and recruitment.

As of January 24, 2022 there were 174 vacant positions citywide out of 1,483 authorized full-time positions, which is a 12% vacancy rate. Some of the departments with the highest vacancies include:

- Police currently has 35 vacancies out of 299 authorized full-time positions, a 12% vacancy rate.
- Public Services has 65 vacancies out of 319 authorized full-time positions, a 20% vacancy rate.
- Parks and Recreation has 18 vacancies out of 119 full-time positions, a 15% vacancy rate.

Staff recommends the following initial strategies to address these historic staffing challenges:

- \$1,000 bonus for all current full and part time positions
- 2.5% Increase to pay ranges and 2.5% Cost of Living Adjustment for all employees effective with the first payroll in March
- Increase any filled and future hired full time or part time positions to a \$15 per hour minimum
 - Implement recruitment bonus program providing a \$1,000 bonus to a current employee that refers a successful candidate to a hard to fill position once milestones are met based on the established Administrative Policy.
- Revise current Police Vehicle Policy to include the ability to take vehicles home anywhere in Guilford, Randolph, Davidson and Forsyth counties.

BUDGET IMPACT:

The budget impact of these changes is as follows:

- \$1,000 bonus – approximate one-time cost of \$1,750,000 onetime cost.
- 2.5% Cost of Living increase and Pay Plan Adjustment – current fiscal year cost estimate- \$860,000. Future annual cost of \$2.5 million will be funded in the FY 2023 Budget.
- Increase to \$15 per hour – current fiscal year cost estimate - \$150,000. Future annual cost \$725,000 will be funded in the FY 2023 Budget.

If approved, a budget amendment will be on the March 7, 2022 agenda outlining the funding sources, which may include current year vacancy savings, fund balance appropriations or ARPA funding.

RECOMMENDATION / ACTIONS REQUESTED:

Staff recommends the City Council approve the recommended list of strategies and funding request.