

Employee Compensation Adjustments

January 2022





Summary

- **Market Pressures**
- **Public Safety Employees**
- **General Employees**
- **Cost and Funding Capacity**



Market Pressures

- City is in a very competitive labor environment
 - Vacancy rate trending at 11.3%, nearly 25% higher than last year
- Competing agencies are planning and implementing compensation adjustments
 - Greenville County -2.5% COLA
 - Spartanburg - 3% COLA in July and 1.5% COLA for January
 - Simpsonville – 4% COLA
 - Mauldin – 3% COLA
 - Travelers Rest – 4.5% COLA
 - Columbia – 3% COLA
 - Charleston – 4% - 7% increases
 - State of SC – 3% COLA
 - Survey of 240 companies with 10,000+ FTE indicates projected 3.9% increases in employee pay for 2022
- Inflationary Pressure
 - Social Security Administration has announced a 5.9% COLA effective January 2022
 - Firefighter's Pension Board has recommended a 5.9% COLA effective January 2022
 - Federal Reserve Personal Consumption Price Index is projecting inflation at 4.9% as of December 2021



Public Safety Employees

- City is making adjustments to both Police and Fire Department Step Plans
 - Plans have aged since original implementation in 2017
 - Goals:
 - Improve recruitment and “Choice Employer” status with entry salary and attraction of lateral hires
 - Increase retention of valuable trained employees by progression to market midpoint
 - Encourage advancement through the ranks
- Increased starting salaries to lead the market
 - \$21.25/hour (\$47,515) entry level for PO1
 - \$18.50/hour (\$38,480) entry level for FF1 – new position created to generate a talent pipeline
- Separating incentive pay from base pay to standardize Step Plan
 - Education Incentive - \$1/hour for Associate Degree, \$1.50/hour for Bachelor or higher (Max: \$2.00)
 - Bilingual Incentive - \$0.75/hour
 - Military Veteran Incentive - \$1/hour
 - Paramedic Incentive (FD) - \$1/hour
- All employees have been re-slotted into new Step Plan based on total experience, time in grade, internal equity and controlling for pay compression
- Minimum increase for sworn Public Safety employees is 4%, Average for Police is 10.9% and Fire is 8.7%



General Employees

- All non-Public Safety employees with at least 1 year of service as of January 1, 2022 will receive a 4% Cost of Living Adjustment (COLA)
 - Employees under 1 year of service will receive a COLA when they reach their 1-year mark
- All compensation adjustments went into effect January 1, 2022 and will be reflected in the January 21st payroll



Cost and Funding Capacity

- Cost for 4% COLA for all employees (including Public Safety) = \$1 million (FY22 impact)
 - Additional cost for Public Safety Plans = \$680,000 (FY22 impact)
- Adopted FY22 budget included funding for full employment, plus 3% January COLA. Because of higher than anticipated vacancy rates, the planned increases can be absorbed in the FY22 budget without the need for additional funding
- City is making long-term investments in employees rather than one-time bonuses as seen in other jurisdictions

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