



SUMMARY REPORT

Agenda Date: 12/13/2022

To: Board of Supervisors of the County of Sonoma, Board of Directors of the Sonoma County Water Agency, Board of Commissioners of the Community Development Commission, and Board of Directors of the Sonoma County Agricultural Preservation and Open Space District

Department or Agency Name(s): Human Resources Department

Staff Name and Phone Number: Spencer Keywood, 707-565-3568

Vote Requirement: Majority

Supervisory District(s): Countywide

Title:

Hiring Incentive Pilot Program

Recommended Action:

1. Receive a report on recruitment challenges and strategies to fill positions and the intent to establish a Hiring Incentive Pilot Program for difficult-to-fill job classifications; and
2. Approve a Resolution adopting a Hiring Incentive Pilot Program for specific job classifications in the Sheriff's Office.

Executive Summary:

The County of Sonoma, like other organizations locally and across the nation, is experiencing significant difficulty recruiting for several job classifications resulting in troubling position vacancy rates or small candidate pools that are negatively affecting services, operations, and staff.

While Human Resources has taken several proactive steps to address the recruitment issues, the labor market is exceptionally competitive and recommends additional strategies. One recruitment aid that has been in development is a pilot hiring incentive program that could be tailored for specific difficult-to-fill positions based on recruitment challenges and for particular job classifications. "Phase One" of the program is specific to three alternately allocated job classifications within the Sheriff's Office. The next phase of the program will be applicable to County departments with a list of identified difficult-to-fill job classes. Generally, the incentive program would include an initial hiring incentive bonus and two additional payment installments paid over a two or three-year period including retention requirements to preserve the payments. Under the pilot program, Human Resources would consider what other agencies are offering as hiring incentives for specific types of jobs. For example, many law enforcement jurisdictions across the state have already established significant hiring incentives to attract and retain law enforcement positions.

This item reviews current efforts and data to address the recruitment challenges and discusses hiring incentive programs. Additionally, the necessary work with the Sonoma County Law Enforcement Association and the Deputy Sheriff's Association has been completed to enable the Board to approve the first phase of the pilot incentive program, which is tailored for three alternately allocated job classifications in the Sheriff's Office: Deputy Sheriff, Correctional Deputy, and Communications Dispatcher.

Staff is recommending to adopt and implement the first phase of the pilot incentive program for these three positions in the Sheriff's Office due to the urgency of the operational issues caused by vacancy rates. Staff will continue the process of developing a broader pilot program for other County departments and job classes and return to the Board for adoption when the work is completed, which is anticipated to be early 2023.

Discussion:

Post COVID-19 pandemic, low employment rates, economic factors, and societal shifts have had significant impacts on the labor market. Practically all employers have been affected by the extraordinarily challenging labor market. Overall, the County vacancy rate has been higher than past years and some job classes have particularly troubling vacancy rates. With the broad, specialized, and wide variety of services and programs found within County government, the County employs a broad variety of professions. Some professions are universal with private and public sector, but some are unique to government services. There are certain professions that have proven to be very difficult for the County to fill even with increased outreach efforts and generally competitive salary and benefit costs. Notably, health care professionals have been particularly challenging such as the Behavioral Health profession, and societal shifts have also had a significant impact on interest in law enforcement careers.

As of today's writing, the current average vacancy rate at the County is 12.3%, which is approximately 537 vacant positions. In past years, the County vacancy rate hovered around 9%. There was also a 12% turnover rate in FY 21/22, whereas in prior years it was approximately 9%. Some job classes have very concerning vacancy rates. For example, Behavioral Health Clinician has an approximate 37% vacancy rate, Correctional Deputy 20% vacancy rate, and Communications (911) Dispatcher 29% vacancy rate.

The County has increased recruitment outreach efforts with aggressive recruiting strategies using general online sources, niche sites, and social media. Human Resources conducted 12% more recruitments but saw a 10% decline in applications during the FY 21/22 even with the increased recruitment advertising. Human Resources has worked with departments to expedite hiring timelines, and most recruitments have an open-ended filing period for candidates instead of the traditional 2-4 week filing period for candidates to apply. This creates an ongoing pool of candidates that Human Resources can refer to departments on a frequent basis.

High vacancy rates tend to create a problematic cycle of stress and pressure on employees who have to work more overtime and increase caseload, which then can result in employee leaves and employee attrition, thus exacerbating the vacancy rates and operational issues. These high vacancy rates are causing significant operational issues and service delivery challenges, and are creating an untenable long-term work environment. Given these circumstances, staff believe a pilot hiring incentive program is warranted.

Hiring incentives are a common recruitment and retention aid that employers use when labor market conditions become highly competitive. In the late 1990's the County used an incentive for a few job classes, but that program eventually ceased. Human Resources believes the current labor market conditions warrant establishing a modern incentive program. These incentives are typically in the form of a monetary bonus that is paid when hired and often paid in installments over time, creating the retention component. Staff research has shown that hiring incentives have become prevalent in law enforcement and there have been some County's who have developed hiring incentives for difficult-to-fill job classes in addition to law enforcement. Local private sector employers also appear to be using hiring incentives for positions such as mental health and nursing. Specific to law enforcement, the City of Petaluma, City of Rohnert Park, City of Santa Rosa,

Alameda County, County of Marin, Napa County, San Francisco, San Mateo County, and Santa Cruz County have implemented hiring incentive programs. Local law enforcement programs (e.g. Santa Rosa, Petaluma, Rohnert Park) are offering incentive amounts in the range of \$20,000-\$25,000 for experienced/journey level officers, and \$15,00-\$20,000 for experienced/journey level dispatchers. Other law enforcement incentive programs in the Bay Area are up to \$30,000. Non-law enforcement incentive programs with available information are in the \$5,000 - \$15,000 range. Research also shows many incentive programs paying the incentive in multiple installments over a one to three-year period.

In response to concerning vacancy rates and recruitment difficulties, Human Resources has been developing a pilot incentive hiring program. A “Phase One” program is specific to the Sheriff’s Office and three particularly challenging job classes. The next phase of the program will be tailored for all County departments who may have defined, difficult-to-fill job classes. The process to establish the Sheriff’s Office program has been completed and the County completed the meet and confer requirements with Deputy Sheriff’s Association and Sonoma County Law Enforcement Association, both reviewing and accepting the program. Human Resources is proposing adoption of this “phase one” of the incentive program specific to the three job classifications in the Sheriff’s Office as this program is ready for implementation. The next phase will next focus on completion of the program that will be tailored for all County departments and incentive amounts for other job classifications.

A summary of the Sheriff’s Office Program are as follows:

- Eligible job classifications: Communications Dispatcher I/II; Correctional Deputy I/II; Deputy Sheriff Trainee/I/II
- Incentive amounts: \$25,000 to \$30,000 paid over three installments depending upon job classification; first installment at the first possible pay period after employee start date, with additional payments at designated milestones over the next three years; employee repayment of 50% of last paid installment if voluntary resignation within one year of last installment
- Individuals who receive the incentive would be required to meet Probationary requirements, satisfactory performance, and complete required training to qualify for future installment payments
- Vacation and/or Sick Leave advancement of up to 24 hours each
- Up to \$5,000 in relocation assistance, if eligible

The outcomes of the program will be evaluated within the pilot period to determine its effectiveness and if the pilot will be continued for a certain period of time or converted to an ongoing program. Upon agreement by the County Administrator and Human Resources Director, the program pilot period could be extended through administrative action.

Human Resources will continue the work towards completing the next phase, tailored for all County departments, and will bring the program forward to the Board of Supervisors for consideration as soon as possible, with the objective of completing that work as soon as possible in early 2023.

Strategic Plan:

Organizational Excellence. This incentive program helps to support the objective of being an “employer of choice” (Strategic Goal 3).

Prior Board Actions:

N/A

FISCAL SUMMARY

Expenditures	FY 22-23 Adopted	FY23-24 Projected	FY 24-25 Projected
Budgeted Expenses	\$640,000	\$640,000	\$640,000
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF	\$640,000	\$640,000	\$640,000
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources	\$640,000	\$640,000	\$640,000

Narrative Explanation of Fiscal Impacts:

The fiscal impact associated with the first phase of the program, the three alternately allocated classifications in the Sheriff's Office, will be determined by the number of hires that are made within the program period. Based on anticipated hiring during the pilot term, the total projected cost of signing bonuses is anticipated to be under \$2 million, which will be paid out to employees over three years from their dates of hire. As the signing bonus is considered taxable income and used in determining the employee's regular and overtime rates of pay for FLSA purposes, there may be some additional increased costs to the department, however these cannot be easily quantified. The signing bonus is not included as compensation for purposes of retirement calculations.

The Sheriff's Office has sufficient salary savings to afford the recommended incentive amounts and strategies within existing appropriations, and no additional funding is requested for this program.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)
N/A			

Narrative Explanation of Staffing Impacts (If Required):

There are no allocation changes associated with this program. It is anticipated that the program will positively impact recruitment efforts and operational needs and reduce the number of vacant allocated positions in the department.

Agenda Date: 12/13/2022

Attachments:

1. Resolution
2. Resolution Attachment A: Sheriff's Office Hiring Incentive Program Documents

Related Items "On File" with the Clerk of the Board:

N/A