



**CITY OF HUNTINGTON BEACH
CITY COUNCIL MEETING – COUNCIL MEMBER ITEMS REPORT**

TO: CITY COUNCIL

FROM: RHONDA M. BOLTON, CITY COUNCIL MEMBER

DATE: JULY 18, 2023

SUBJECT: POTENTIAL ADDITIONAL TOOLS TO ENHANCE RECRUITMENT AND RETENTION EFFORTS FOR PUBLIC EMPLOYEES

ISSUE STATEMENT

The public sector is currently going through a hiring crisis and unprecedented employee turnover. This is an issue affecting Huntington Beach and cities nationwide. According to NEOGOV's 2023 Report on the Top 5 Public Sector HR Trends, "recruiting over the last year has been challenging, with the public sector facing a record breaking hiring crisis. In 2022 compared to 2021, applications per job were down 56%."

It is critical to our local public safety to ensure that we have a full complement of staff in our police department. It is also ideal to have employees closer to the city rather than further away proximity means they are more readily available in cases of emergency, and facilitates their health/safety because they do not have long commutes to get to/from work. We should also be mindful of the cost of losing employees. According to the Society of Human Resources Management, each employee departure costs about one third of that person's annual pay.

Recognizing the importance to the community of public safety, the City Council recently approved a compensation package for the Police Department designed make Huntington Beach competitive in attracting and retaining top-notch candidates. The City should also consider whether there are other means to attract and retain the most desirable candidates and make our city an employer of choice.

This research should consider:

- What benefits would be appealing to recruits and current employees, such as flexible schedules, wellness programs, or other fringe benefits; and
- How to structure incentives/programs with no, or minimal, impact on City's general fund (such as grant funding); and
- Determine the best way to incentivize without making the assistance taxable and/or PERS-able to the employee; and
- Consider any implications of such a program on collective bargaining obligations; and
- Identify metrics to judge success, such as measuring differences in employee turnover before and after program implementation.

RECOMMENDED ACTION

Request the City Manager and Human Resources Departments, with advice from the City Attorney's Office, to present the following information at the October 3, 2023 Study Session (or) Council Briefings/Memos:

1. An analysis of fiscal, legal, and operational impacts (both costs and benefits) of employee recruitment/retention benefits and other sign-on incentives; and
2. Recommended approach and options (if any) to achieving the goal, including the operational steps and timeline, staffing and fiscal resources, and community engagement required.

STRATEGIC PLAN GOAL

Fiscal Sustainability

