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MEMORANDUM

Date: January 26, 2023

To: Human Resources Committee

Thru: Duncan Rorie Watt
City Manager

From: Dallas Hargrave
Human Resources & Risk Management Director

Re: Request to implement changes to Personnel Rules

At the January 4, 2023 Assembly Finance Committee meeting, City and Borough of Juneau (CBJ) management presented the concept adding the ability for the City Manager to implement sign-on bonuses for difficult to fill CBJ positions to the personnel rules. By unanimous motion, the Assembly Finance Committee directed staff to develop proposed changes to the Personnel Rules in a manner that would give the City Manager authority to implement sign-on bonuses for difficult to fill positions in an amount of up to $40,000 for up to a four-year commitment from the employee to work for the CBJ or disbursement schedules that accomplish the same objective. The relevant Personnel rules are attached with the changes noted. We have provided a brief summary of the proposed changes below.

18 PR 070 Sign-on Bonus

Currently CBJ Personnel Rules (18 PR 060) allow the City Manager to authorize relocation expenses to a new employee moving to Juneau with the employee's commitment to work for the CBJ for four years. Additionally, the CBJ Personnel Rules (18 PR 050) allow the City Manager to authorize up to a $10,000 payment to a prospective employee with an established recruitment and retention program where there are significant demonstrated recruitment challenges. The proposed addition of 18 PR 070 will provide CBJ management with a sign-on bonus program to improve recruitment in difficult to fill positions with the CBJ. The following components are part of this proposal:

- The City Manager would determine which job classifications are "difficult to fill". This would allow CBJ management the ability to adapt the sign-on bonuses to adapt this recruitment benefit to changing market conditions.

- The sign-on bonus would be up to $40,000. This allows CBJ management the flexibility to consider the market conditions for applicants and consider higher bonus amounts for harder-to-fill positions or time-sensitive vacancies. However, if a lower bonus amount is appropriate because of the circumstances, the CBJ management has the flexibility to implement a lower sign-on bonus.

- The commitment from the employee to work for the CBJ will be a minimum of two years and a maximum of four years, consistent with other public sector agency practices. Repayment for not meeting the employment commitments would be paid back on a prorated repayment schedule consistent with the terms of the proposed personnel rule.

- After approval of this personnel rule change by the Assembly, the City Manager will implement internal guidance to directors to determine whether a position is difficult to fill, the dollar amount of the sign-on bonus, the payment schedule, and the repayment period. The City Manager shall consider factors such as the current labor market, history of recruitment difficulties, rate of pay for the position, and the number of applicants in making this determination. The City Manager shall maintain final authority to determine sign-on bonus applicably and provisions.

- To be eligible for a sign-on bonus, a new employee must have not worked for the CBJ for a period of at least one year prior to start of employment.

It is anticipated that the costs of these sign-on bonuses could be paid from lapsing personnel funds. If lapsing funds are insufficient to cover the costs of an enhanced sign-on bonus program, then CBJ management would seek supplemental appropriations.

Conclusion and Request for Action:

We recommend that the Human Resources Committee approve these changes to the personnel rules and forward to the Assembly the draft changes so that Resolution 3020 incorporating these changes can be placed on the consent agenda of the January 30, 2023 Assembly meeting.