



CITY OF STATESBORO
WORK SESSION MINUTES
DECEMBER 5, 2023

Mayor & Council Work Session

50 East Main Street

9:00 AM

A Work Session of the Statesboro City Council was held on December 5, 2023 and began at 9:20 a.m. in the Council Chambers at City Hall, 50 East Main Street. Present was Mayor Jonathan McCollar; Council Members: Phil Boyum, Paulette Chavers, John Riggs and Shari Barr. Also present was City Clerk Leah Harden, City Attorney Cain Smith, City Manager Charles Penny, Assistant City Manager Jason Boyles and Public Information Officer Layne Phillips, and Assistant to City Manager Olympia Gaines. Absent was Councilmember Venus Mack.

1. Presentation and discussion of the City of Statesboro Employee Compensation Plan.

Human Resources Director Demetrius Bynes presented the results of the employee compensation project, looking at labor market data, employee compensation data, compensation project and financial analysis. Unemployment rates in Georgia have trended at historically low levels since October 2022, meaning there are historically low levels of people seeking employment. The U.S. Bureau of Labor Statistics shows that by June 2023, there were over 2 jobs for every one unemployed person. Savannah Joint Development Authority released the results of the workforce study conducted by Wadley Donovan Gutshaw Consulting, LLC. The goal was to identify the labor supply challenges facing the Savannah region's industrial employers and develop initiatives that will minimize the exposure to existing and future supply shortfalls. The study area for this study was for anyone within a 1 hour commute from the Bryan County Megasite. Participants include representatives from economic development organizations, higher education and K-12 public school systems, county and municipal leaders and local staffing agencies, with the City of Statesboro being one. The workforce study relevant takeaways are; overall, labor supply is extremely tight in the region, competitive pay and enhancing employee retention have become increasingly important.

Dr. Stephen Condrey and Jan Hansford, the compensation consultants were joining in via zoom. Dr. Condrey stated that this project was very important for Statesboro to maintain a healthy workforce. He stated this is a very effective strategy for attracting and retaining an excellent workforce, and agreed we are going to have to be much more competitive than we have in the past, particularly in public safety, this should make us an employer of choice.

Jan Hansford stated they have enjoyed working with all the employees and you have a very professional workforce.

Director of Human Resources Demetrius Bynes talked about current compensation for our employees. We have a young workforce with 50% is under the age of 40, and 52% has been with us less than 5 years. Of the 170 employees that have less than 5 years of service, the average age is 34. Demetrius went over the current average annual/hourly wages of employees. Dr. Condrey and his team conducted a salary survey with comparable organizations and got their current pay data and list of positions, inside and outside of our region. Demetrius presented plan A, plan B, and plan C and the cost of implementation, with plan A being the most generous. Plan A would increase police officers starting pay from the current \$45,802 to \$55,477 annually and beginning firefighter pay to \$50,259 from the current \$43,564. Current employees would get "equity adjustment" increases for their years of service.

City Manager Charles Penny recommends Plan A which gets us far enough out in front of our competitors and it rewards city employees as well. He ask Mayor and Council to decide on the December 19th meeting. Charles Penny stated if you implement the pay plan for the public safety employees in January, please understand, the only increase that they will get from that point will be pay-for-performance, they will go a full year and a half before this pay plan is adjusted again.

Finance Director Cindy West gave a brief financial analysis, presenting a breakout showing that just about \$535,837 of the cost of the first six months raises for all employees would come from the general fund, with \$226,916 from the fire fund and \$348,784 from the “enterprise” funds for fee-funded services such as water/sewer and natural gas. Cindy West stated the city’s unaudited general fund balance was a little over \$7 million as of June 30, and \$5.7 million would be needed to maintain a recommended reserve of at least 25% of the year’s budgeted spending. That makes about \$1.4 million above the reserve threshold available.

Councilmember Paulette Chavers asked if the city can afford this with ease if we implement Plan A.

Finance Director Cindy West stated at the end of Fiscal Year 2023 unaudited we have \$7 million in fund balance. The City’s policy is to keep 25% of our expenditures in fund balance which is \$5.5 million so there is \$1.4 million available.

City Manager Charles Penny stated we have enough in surplus above the 25% to implement the pay plan in January. The most reasonable way to implement the plan would be to begin with public safety in January and remaining staff in July 2024.

Councilmember Phil Boyum agrees with implementing Plan A for public safety in January 2024 and the rest of employees July 2024.

Mayor Pro Tem Shari Barr stated we need to be fiscally conservative and responsible to the tax payers and agrees with the original plan of implementing public safety in January 2024 and remaining staff July 2024.

The meeting was adjourned at 10:36 am.

Jonathan McCollar, Mayor

Leah Harden, City Clerk