



Employee Compensation Project

December 5, 2023

Topics to be Discussed

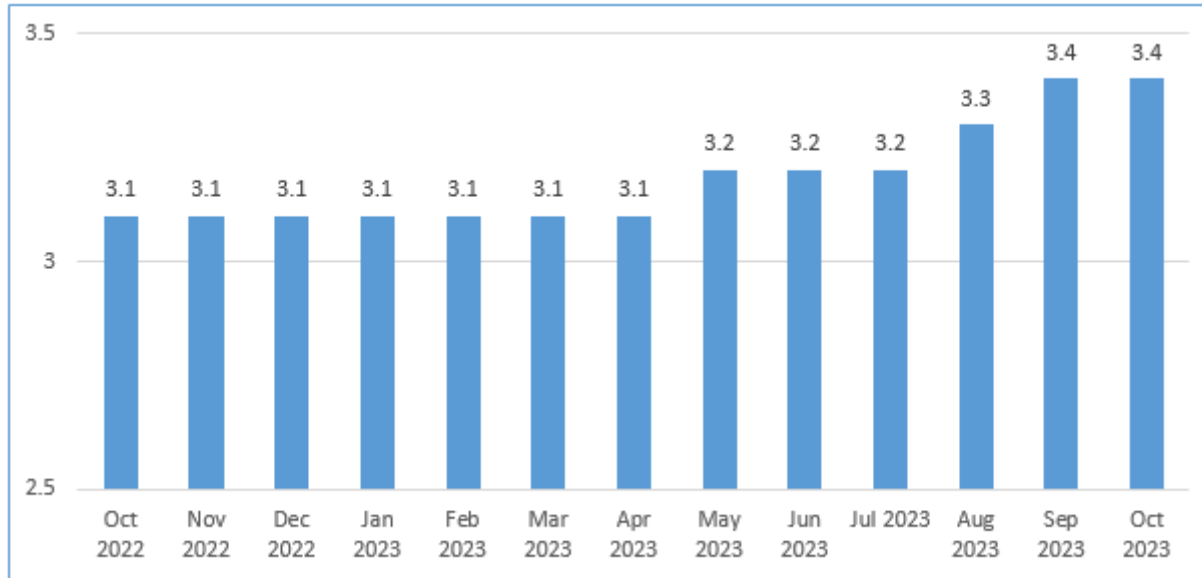
- Labor Market Data
- Employee Compensation Data
- Compensation Project
- Financial Analysis





Labor Market Data

Unemployment Rate - State of Georgia



2023 Georgia Workforce Pipeline Snapshot

GEORGIA WORKFORCE PIPELINE SNAPSHOT



Workforce continues to be a challenge with **record economic development success** and more job openings than job seekers



Most working age Georgians have a job but **long-term demographic shifts** will impact future workforce availability



Numerous factors influence workforce availability and barriers like **workforce housing** and **quality childcare**

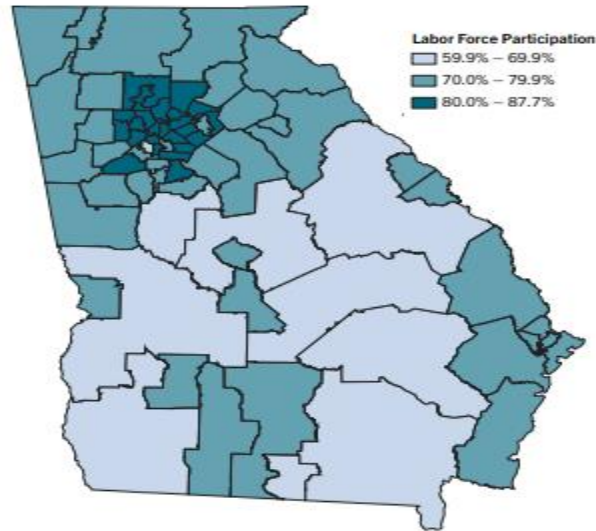


Georgia has a strong educational pipeline but data may indicate that more work may be required on **literacy** and **post-graduation planning**



Georgia Workforce and
Economic Resilience Center
Carl Vinson Institute of Government
UNIVERSITY OF GEORGIA

In Georgia, **77%** of people ages 25–64 were working or actively seeking work in 2017–2021. The workforce participation rate in parts of rural Georgia was lower than in most metro Atlanta and hub communities. Atlanta City (Central) PUMA falls into the lowest category with a rate of 68.6%.

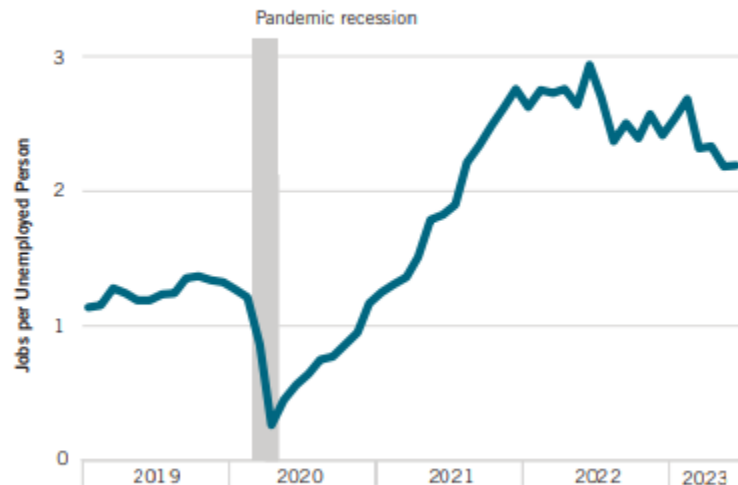


Source: U. S. Census Bureau. Note: Public Use Microdata Areas contain no fewer than 100,000 people, are based on county population, and may be multiple counties or parts of single counties.



2023 Georgia Workforce Pipeline Snapshot

Jobs dropped sharply during the COVID-19 pandemic in April 2020 to 1 job for every 4 unemployed people in Georgia. By June 2023, there were over **2 jobs** for every unemployed person.



Source: U. S. Bureau of Labor Statistics, JOLTS Database

There were nearly **122,000** new jobs announced between July 2020 and June 2023.

Industry Sector	New Jobs
Manufacturing	35,069
Automotive	24,600
Logistics/Distribution	16,814
Food Processing	9,108
Software/Technology	7,243
Headquarters	5,299
Call Center	5,257
Aerospace	4,657
Back Office	2,871
FinTech	2,091
Bioscience	1,490
Agribusiness	1,374
Digital Media	1,042
Other	5,077
Total	121,992

Source: Georgia Department of Economic Development.



Savannah Joint Development Authority Workforce Study

- On November 14, 2023, the Savannah JDA, in partnership with existing industries, released the results of the workforce study conducted by Wadley Donovan Gutshaw Consulting, LLC (WDGC).
- The study's 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.



Savannah Joint Development Authority Workforce Study

- The study area was a one-hour commute from the Bryan County Megasite.
- Twenty-two (22) companies from the focus group completed an electronic survey and forty (40) other companies completed a survey.
- Nineteen (19) in-person interviews were conducted from a cross-section of regional employers primarily focused on advanced manufacturing and logistics.
- Eleven (11) virtual meetings with more than forty (40) participants including representatives from:
 - Economic development organizations
 - Higher education and K-12 public school systems
 - County and municipal leaders
 - Local staffing agencies



Workforce Study Key Takeaways

1. Overall, labor supply is extremely tight in the region.
2. Competitive pay and enhancing employee retention have become increasingly important.
3. Future demand will vary annually, but top needs will continue to be technical and production roles.
4. Workforce development initiatives must work to draw more high school graduates into industries including manufacturing.



Workforce Study Key Takeaways

5. Available labor from annual military departures is underutilized.
6. The Savannah region has a number of workforce strengths and several challenges.
7. Regional employers must take a more active role in addressing workforce challenges.



1. Overall, labor supply is extremely tight in the region.

- Much like the U.S. as a whole, the Savannah region is experiencing record low unemployment and is struggling to fill job vacancies.
- The region has about 700,000 people and is growing quickly, which means potential workforce in the future.
- The majority of population growth is expected to be in the four-county Savannah JDA area. The Savannah JDA's population is projected to grow by 23,750.

Demographics			
	Ellabell N. Bryan (20-min.)	4-County JDA	60-min. Commute
2022 Population	48,321	484,646	699,907
5-year projected change	7.1%	4.9%	4.6%
Civilian Labor Force	20,169	238,343	338,772
Employed	19,893	231,315	329,220

Source: Claritas, LLC/JobsEQ

Unemployment			
	Ellabell N. Bryan (20-min.)	4-County JDA	60-min. Commute
Unemployment	2.9%	3.0%	3.8%

Source: JobsEQ, July 2023



1. Overall, labor supply is extremely tight in the region.

- Imported labor (those commuting from outside the four-county Savannah JDA) is very high in certain job groups. More than 10% of workers are from outside the area.

Labor outside of Savannah JDA	
Job Groups	Imported Labor
Logistics	2,198
Unskilled Production	1,824
Semi-skilled production	1,117
Skilled Production	664

Source: JobsEQ

- Employment focus in most sectors are on hourly, entry-level roles.
- Most firms have reduced temporary staffing and are hiring directly to focus on engagement.
- Local professional outlook is generally positive with some exceptions (engineering, frontline supervisors, nursing).
- **Supply outlook presents the greatest challenge. By 2025, industrial labor supply will fall short of meeting demand.**



2. Employee retention and competitive pay have become increasingly important.

- Additional potential measures to alleviate high turnover:
 - Recognize work/life balance (flexible scheduling)
 - Providing better job security
 - Compensation bands (transparency of salaries and career progression)
 - Progressive bonuses after completion of three to four months of work
 - Increase on-site amenities (air conditioning, in-house café, etc.)
 - On-site childcare
 - Pet friendly
 - Fun at work!



Summary - Labor Market Data

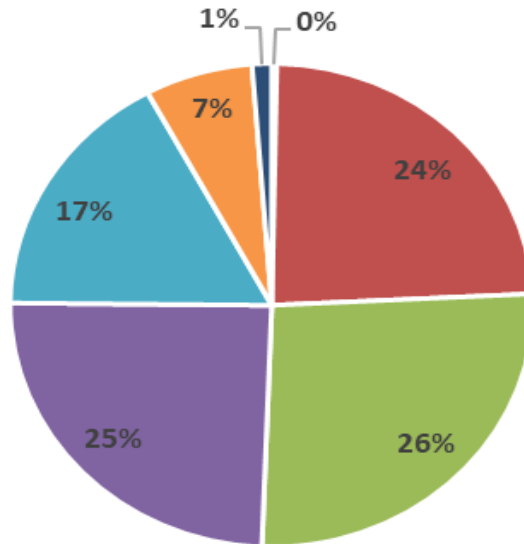
- Much like the United States as a whole, the state of Georgia is experiencing historically low unemployment rates and many organizations are struggling to fill vacancies.
- Since 2020, manufacturing leads all industry sectors in job growth.
- Starting in 2024, annual industrial demand will outpace professional jobs for the rest of the decade.
- Employers will need to take proactive steps to retain employees.





Employee Compensation Data

Age

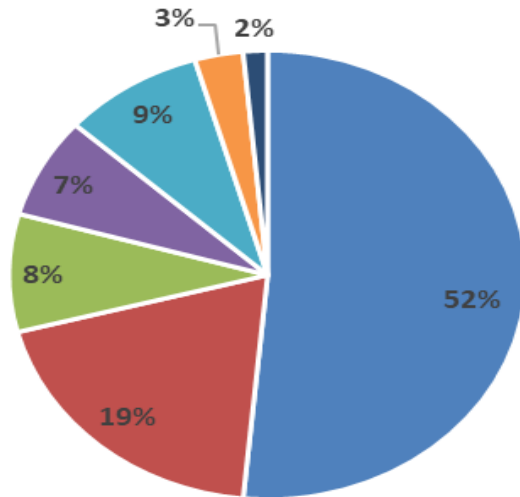


■ Under 20 ■ 20-29 ■ 30-39 ■ 40-49 ■ 50-59 ■ 60-69 ■ 70+

Age Group	Quantity
Under 20	1
20-29	79
30-39	87
40-49	81
50-59	56
60-69	22
70+	4



Years of Service



■ Less Than Five ■ 5 to 10 ■ 11 to 15 ■ 16 to 20 ■ 21 to 25 ■ 26 to 30 ■ Over 30

Years of Service	Quantity
Less Than Five	170
5 to 10	64
11 to 15	28
16 to 20	24
21 to 25	29
26 to 30	10
Over 30	5



Years of Service, Number of Employees, & Age

<u>Years of Service</u>	<u>Number of Employees</u>	<u>Average Age</u>
Less Than Five	170	34
5 to 10	64	42
11 to 15	28	43
16 to 20	24	48
21 to 25	29	53
26 to 30	10	53
Over 30	5	57



Average Annual/Hourly Wages (Current)

General Government		
<u>Classification Title</u>	<u>Average Salary</u>	<u>Hourly Amount</u>
Groundskeeper	\$32,905.60	\$15.82
Customer Service Representative	\$33,534.80	\$16.12
Street Maintenance Worker	\$34,008.00	\$16.35
Landfill Equipment Operator	\$36,628.80	\$17.61
Communications Officer	\$37,980.80	\$18.26
WWTP Operator	\$37,988.60	\$18.26
Water & Sewer System Operator	\$38,121.20	\$18.33
Heavy Equipment Operator	\$39,249.60	\$18.87
Administrative Assistant	\$39,255.54	\$18.87
Collection Equipment Operator	\$40,518.40	\$19.48
Senior Heavy Equipment Operator	\$40,890.49	\$19.66
Chief WWTP Operator	\$46,222.80	\$22.22



Average Annual/Hourly Wages (Current)

Fire		
<u>Classification Title</u>	<u>Average Salary</u>	<u>Hourly Amount</u>
Firefighter	\$43,903.86	\$15.08
Fire Apparatus Officer	\$51,200.90	\$17.58
Captain - FD	\$63,522.85	\$30.54
Battalion Chief	\$70,973.57	\$34.12



Average Annual/Hourly Wages (Current)

Police		
<u>Classification Title</u>	<u>Average Salary</u>	<u>Hourly Amount</u>
Police Officer	\$47,745.45	\$22.95
Detective	\$54,496.00	\$26.20
Advanced Patrol Officer	\$54,974.40	\$26.43
Corporal	\$60,608.23	\$29.14
Sergeant	\$68,506.88	\$32.94
Detective, Senior	\$70,210.40	\$33.76
Captain - PD	\$84,735.47	\$40.74



Summary - Employee Compensation Data

- 50% of City employees are under the age of 40.
- 52% of City employees have worked less than 5 years of service.
- 71% of City employees have worked less than 10 years of service.
- The average age of City employees with less than 5 years of service is 34.





Compensation Project

Salary Survey Respondents

- City of Canton
- City of Carrollton
- City of Covington
- City of Dalton
- City of Hinesville
- City of Kennesaw
- City of Lawrenceville
- City of Pooler
- City of Richmond Hill
- City of Rincon
- City of Rome
- City of Savannah
- Bulloch County
- Bryan County
- Effingham County
- Liberty County
- Georgia Highway Patrol
- Georgia Port Authority



Total Cost of Implementation

	Classification Changes ⁵	Equity Adjustment ⁶	Total Implementation Cost
Plan A	\$1,551,264 (9.49%)	\$760,732 (4.25%)	\$2,311,996
Plan B	\$1,284,022 (7.86%)	\$751,191 (4.26%)	\$2,035,213
Plan C	\$987,153 (6.04%)	\$739,644 (4.27%)	\$1,726,797

Plan A Modified	\$1,551,264 (9.49%)	\$587,859 (3.28%)	\$2,139,123
Plan B Modified	\$1,284,022 (7.86%)	\$579,975 (3.29%)	\$1,863,997
Plan C Modified	\$987,153 (6.04%)	\$570,943 (3.29%)	\$1,558,096

• Standard Equity Adjustment

- <1 year = 0% increase
- 1-3 years = 2% increase
- 4-6 years = 4% increase
- 7+ years = 6% increase

• Modified Equity Adjustment

- <1 year = 0% increase
- 1-3 years = 2% increase
- 4+ years = 4% increase



Public Safety - Cost of Implementation

	Classification Changes ³	Equity Adjustment ⁴	Total Implementation Cost
Plan A Fire & Police	\$561,051 (7.49%)	\$330,744 (4.11%)	\$891,795
Plan B Fire & Police	\$472,536 (6.31%)	\$328,521 (4.13%)	\$801,057
Plan C Fire & Police	\$345,110 (4.61%)	\$323,890 (4.14%)	\$669,000

Plan A Modified Fire & Police	\$561,051 (7.49%)	\$260,098 (3.23%)	\$821,149
Plan B Modified Fire & Police	\$472,536 (6.31%)	\$257,875 (3.24%)	\$730,411
Plan C Modified Fire & Police	\$345,110 (4.61%)	\$254,210 (3.25%)	\$599,320

• Standard Equity Adjustment

- <1 year = 0% increase
- 1-3 years = 2% increase
- 4-6 years = 4% increase
- 7+ years = 6% increase

• Modified Equity Adjustment

- <1 year = 0% increase
- 1-3 years = 2% increase
- 4+ years = 4% increase



General Government - Cost of Implementation

	Classification Changes ¹	Equity Adjustment ²	Total Implementation Cost
Plan A - General Government	\$990,213 (11.18%)	\$429,988 (4.37%)	\$1,420,201
Plan B - General Government	\$811,485 (9.16%)	\$422,670 (4.37%)	\$1,234,155
Plan C - General Government	\$642,044 (7.25%)	\$415,754 (4.38%)	\$1,057,798

Plan A Modified - General Government	\$990,213 (11.18%)	\$327,762 (3.33%)	\$1,317,975
Plan B Modified - General Government	\$811,485 (9.16%)	\$322,100 (3.33%)	\$1,133,585
Plan C Modified - General Government	\$642,044 (7.25%)	\$316,733 (3.33%)	\$958,777

- **Standard Equity Adjustment**

- <1 year = 0% increase
- 1-3 years = 2% increase
- 4-6 years = 4% increase
- 7+ years = 6% increase

- **Modified Equity Adjustment**

- <1 year = 0% increase
- 1-3 years = 2% increase
- 4+ years = 4% increase



Classification Details

- **Police Officer - PD 1**
 - Current Pay - \$50,000
 - Plan A - \$55,476.66
 - Plan B - \$54,215.16
 - Plan C - \$52,955.00
- **Firefighter - FD 1**
 - Current Pay - \$43,563.52
 - Plan A - \$50,259.12
 - Plan B - \$49,116.26
 - Plan C - \$47,974.61



Classification Details

- **Groundskeeper - 10**
 - Current Pay - \$31,595.20
 - Plan A - \$39,262.34
 - Plan B - \$38,369.54
 - Plan C - \$37,477.69
- **Water & Sewer Technician - 12**
 - Current Pay - \$36,628.80
 - Plan A - \$43,338.28
 - Plan B - \$42,352.80
 - Plan C - \$41,368.36



Classification Details

- **Collection Equipment Operator - 13**

- Current Pay - \$38,459.20
- Plan A - \$45,532.28
- Plan B - \$44,496.91
- Plan C - \$43,462.93

- **Utility Service Technician - 14**

- Current Pay - \$40,435.20
- Plan A - \$47,837.35
- Plan B - \$46,749.56
- Plan C - \$45,662.93



Questions?



Financial Analysis

2023 Compensation Plan Cost Analysis

Full Year Implementation

	Plan A	Plan B	Plan C
General Fund	\$ 1,114,540.07	\$ 983,829.89	\$ 848,868.64
Fire Fund	471,984.91	417,001.76	331,142.66
Enterprise Funds	725,471.35	634,381.15	546,786.38
Total Cost	<u>\$ 2,311,996.33</u>	<u>\$ 2,035,212.80</u>	<u>\$ 1,726,797.68</u>



2023 Compensation Plan Cost Analysis

Jan-June 2024 Implementation - Public Safety

	Plan A	Plan B	Plan C
Police	\$ 207,293.45	\$ 189,127.83	\$ 165,941.92
Fire	221,454.25	195,996.06	155,692.62
Total Cost	<u>\$ 428,747.70</u>	<u>\$ 385,123.89</u>	<u>\$ 321,634.54</u>



2023 Compensation Plan Cost Analysis

Jan-June 2024 Implementation - All Employees

	Plan A	Plan B	Plan C
General Fund	\$ 535,836.57	\$ 472,995.14	\$ 408,109.93
Fire Fund	226,915.82	200,481.61	159,203.20
Enterprise Funds	348,784.30	304,990.94	262,878.07
Total Cost	<u>\$ 1,111,536.69</u>	<u>\$ 978,467.69</u>	<u>\$ 830,191.20</u>



Questions?