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Agenda Date: 6/15/2022, Item No. 71

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## Amendments to Pay Ordinance S-47689 in Accordance with Human Resources Committee 614 Recommendations (Ordinance S-48818)

As part of a classification and compensation study, the following amendments to the Pay Ordinance [S-47689] are proposed in accordance with the recommendations of Human Resources Committee 614, effective Aug. 8, 2022. Detailed proposed language is included in **Attachment A**. The proposed pay structure is found in **Attachment B**.

The proposal will also require modifications to the City's Classification Plan [S-5815], which will be processed under a separate ordinance.

The proposed changes will:

● Establish new salary ranges for the following classifications, including all assignments: Police Recruit, Police Officer, Police Sergeant, Police Lieutenant, Police Commander, and Police Chief that will result in the City of Phoenix being a market leader. [**Attachment B**]

- Eliminate the Career Enhancement Program by incorporating the compensation into the Police Officer base salary ranges.

### Summary

#### BACKGROUND

As the fifth largest city in the country, it is important for the City of Phoenix to make strategic efforts to attract and retain high quality employees to provide sworn police services. One such effort is to ensure job classifications are placed in grades that lead the local market in this job family.

Currently, a Citywide classification and compensation study is underway in partnership with Koff & Associates and is expected to be completed in early 2023. Concerns about the number of vacancies and the difficulty of recruiting in the sworn ranks of the Police Department necessitated that these job classifications be addressed immediately and prompted a market review of salaries.

### FINDINGS

A salary survey of the local agencies Chandler, Gilbert, Glendale, Maricopa County, Mesa, Peoria, Scottsdale, State of Arizona, Surprise, and Tempe was conducted for all sworn ranks from Police Recruit through Police Chief. The data gathered included base salary, productivity enhancement pay, career enhancement pay, uniform allowance, and deferred compensation contributions. The survey showed that the base salary range for the sworn ranks of the Phoenix Police Department are below the local market.

### PROPOSED SALARY STRUCTURE

An entirely new salary structure is proposed, from the Recruit rank to the Police Chief. The proposed salary range for each rank is targeted to be the market leader in our local area. Redesigning the pay structure of all sworn classifications will assist to attract and retain staff who will serve the largest municipal population in the state. The changes to the other ranks maintain the appropriate relationship among the various classification levels as well.

The new salary range for Police Officer, which incorporates Career Enhancement Pay into the Police Officer base salary, establishes Phoenix as the local market leader.

### **Financial Impact**

The total estimated cost to the General Fund for Fiscal Year 2022-23 is \$19.8 million and will be absorbed in the existing budget.

### **Concurrence/Previous Council Action**

This action was reviewed and recommended for approval by Human Resources Committee 614 on June 8, 2022.

### **Responsible Department**

This item is submitted by Assistant City Manager Lori Bays and the Human Resources Department.

## ATTACHMENT A

PURPOSE – The proposed amendments to the Pay Ordinance (S-47689) reflects the new salary structure for the Police sworn classifications to assist with attracting and retaining staff who will serve the largest municipal population in the state.

New language to be included in the Pay Ordinance is identified in all capital letters. Deletions are indicated by strikethrough. Proposed language is as follows:

Ordinance S-47689, SECTION 5. Compensation, Paragraph (h), is amended to read:

Effective July 11, 2022, a 1.81% base wage increase will be applied to all Unit 4 pay steps and to each assignment step. In addition, there will be a non-continuous payment of 5.33% of annual base wage to all Unit employees to be paid out on the first paycheck in December 2022.

1. EFFECTIVE AUGUST 8, 2022, NEW SALARY RANGES AND STEPS WILL BE APPLIED TO POLICE RECRUIT, POLICE OFFICER, AND ASSIGNMENTS IN SCHEDULE II, AS AMENDED.

Ordinance S-47689, SECTION 5. Compensation, Paragraph (l), is amended to read:

Effective July 11, 2022, a 1.69% base wage increase will be applied to all Unit 6 pay grades. In addition, there will be a non-continuous payment of 5.06% of annual base wage to all Unit employees to be distributed to the 401(a) Defined Contribution Plan under the Phoenix Employees' Deferred Compensation Program for those employees designated as represented by Unit 6 on the first full pay period in December 2022.

1. EFFECTIVE AUGUST 8, 2022, NEW SALARY RANGES AND STEPS WILL BE APPLIED TO POLICE SERGEANT AND POLICE LIEUTENANT AS SHOWN IN SCHEDULE II, AS AMENDED.

Ordinance S-47689, SECTION 5. Compensation, Paragraph (v), is amended to read:

Effective July 11, 2022, a 1.64% base wage increase will be applied to Unit 16 and 18 pay grades and employees. In addition, all Unit 16 and 18 employees will receive a non-continuous payment of 4.10% annual base wage to be paid out on the first full pay period in August 2022, after completing requirements set forth by the City Manager relative to their performance evaluations.

1. EFFECTIVE AUGUST 8, 2022, NEW SALARY RANGES AND STEPS WILL BE APPLIED TO POLICE COMMANDER, POLICE CHIEF, AND ASSIGNMENTS AS SHOWN IN SCHEDULE II, AS AMENDED.

Ordinance S-47689, SECTION 8. New Hire Salary, is amended to read:

**SECTION 8. New Hire Salary**

New employees shall be hired at the beginning rate of the established grade for each classification. Full-time, part-time, and non-seasonal employees will be hired at a rate no lower than the City's established minimum entry rate of \$15.00 per hour. A department head may authorize a beginning rate up to the median step of the pay grade after conducting an analysis with Human Resources. The City Manager and Human Resources Director may authorize a beginning rate above the median step of the pay grade in the event of labor market requirements or due to the unusual qualifications of a candidate. In cases where a pay grade has an even number of steps, the larger value shall be used as the median. If existing steps are not available to be used (e.g., the rate is less than \$15/hour) they shall not be included in the determination of the median step.

~~(a) Police Recruit employees may be entered at Step 5 of the Police Recruit pay grade to attract qualified applicants and to remain competitive with other law enforcement agencies.~~

(b) Certified Police Officer candidates from other jurisdictions may be brought in at a higher step based upon the number of years of experience they have after receiving certification as a law enforcement officer as follows:

Prior Years of Experience (After obtaining certification)	At Time of Hire		
	Classification	Salary-Grade	Step
1 up to 1.49	Police Officer	<del>428</del>	4
1.5 up to 2.49	Police Officer	<del>428</del>	5
2.5 up to 3.49	Police Officer	<del>428</del>	6
3.5 up to 4.49	Police Officer	<del>428</del>	7
4.5 or more	Police Officer	<del>428</del>	8

~~(c) Certified Police Officer candidates who have not completed the Phoenix Regional Police Academy will be hired at Step 5 of the Police Recruit pay grade. Upon completion of the Phoenix Regional Police Academy, they will be moved to the step noted in the chart above that corresponds to the number of years of experience they have after receiving certification as a law enforcement officer.~~

Ordinance S-47689, SECTION 9. Anniversary Dates, Paragraph 9(a) is amended to read:

All employees appointed or entered at the beginning step of the pay grade of a classification for each fiscal year, upon successful completion of six (6) months of full-time employment, may be advanced to the next step in the pay grade for their respective classifications, and this shall become the anniversary date for subsequent pay increases. The provisions of this paragraph do not apply to CLASSIFICATIONS AND ASSIGNMENTS IN UNIT 4 OR UNIT 6, OR Executive and Middle Management employees.

Ordinance S-47689, SECTION 10. Merit Increases, Paragraph 10(c) is deleted, with subsequent sections being re-lettered:

~~All Police Officers who enter that rank at Step 4 or above may be eligible for a merit increase at twelve (12) months from the date of hire or date of promotion to Police Officer and this shall become the anniversary date for subsequent pay increases.~~

Ordinance S-47689, SECTION 14, is deleted, with subsequent sections being renumbered.

~~SECTION 14. The City Manager is authorized to establish a Career Enhancement Program for Police Officers below the rank of Sergeant, providing for a bi-weekly payment as follows: Level 1 pay to be seventy three dollars and twenty cents (\$73.20), Level 2 pay to be one hundred forty six dollars and forty cents (\$146.40), Level 3 pay to be two hundred nineteen dollars and sixty cents (\$219.60), and Level 4 pay to be two hundred ninety-~~

~~two dollars and eighty cents (\$292.80).~~

Ordinance S-47689, SECTION 20. Reclassification or Grade Change [as renumbered Section 19], Paragraph(a) is amended to read:

SECTION 2019. Reclassification or Grade Change

The following rules concerning reclassifications or grade changes shall apply to employees in impacted positions:

(a) When a position is reclassified to a different classification at a higher grade, or when the current pay grade of a classification is assigned to a higher pay grade, the affected employee shall be assigned to that step of the new grade which corresponds to the employee's present pay rate except that if no such rate exists, the employee shall be placed in the closest step which does not result in a pay decrease.

1. Placement in the new grade will be limited to the maximum step in that grade.

2. IF A RECLASSIFICATION OR GRADE CHANGE RESULTS IN A CHANGE OF THE EMPLOYEE'S PAY RATE, EMPLOYEES ELIGIBLE TO BE CONSIDERED FOR A MERIT PAY INCREASE WITHIN ONE HUNDRED EIGHTY (180) CALENDAR DAYS OF THE EFFECTIVE DATE OF A RECLASSIFICATION OR GRADE CHANGE SHALL HAVE THE CALCULATION DESCRIBED IN PARAGRAPH (A) OF THIS SECTION BASED ON THE AMOUNT THEY WOULD HAVE RECEIVED AT THE NEXT MERIT INCREASE.

~~2.~~ 3. When an affected employee is at the maximum step of the previous pay grade and not receiving productivity enhancement pay, they shall be placed one step above the step of the new grade which corresponds to or is closest to but not lower than the employee's present pay rate.

~~3.~~ 4. Affected employees who are receiving productivity enhancement pay shall be moved to that step of the new grade which corresponds the closest to their combined current base pay and previous productivity enhancement amount, and which does not result in a decrease from that combined amount.

~~4.~~ 5. If the reclassification or pay grade change is only a one-grade

increase, and the affected employee is receiving productivity enhancement pay, he/she will be moved to the top step of the new grade and continue to be eligible for productivity enhancement pay.

6. EMPLOYEES WHO RECEIVE A PAY INCREASE OF LESS THAN 3% AS A RESULT OF THE RECLASSIFICATION OR GRADE CHANGE SHALL HAVE THEIR MERIT INCREASE DATE SET SIX (6) MONTHS FROM THE EFFECTIVE DATE OF THE RECLASSIFICATION OR GRADE CHANGE.

5. 7. Where the reclassified position is changed from non-supervisory to supervisory, and the incumbent will be responsible for supervising higher paid subordinates, the employee shall be moved up one additional step in the new grade. The additional step shall not be granted in the following cases: the supervisor laterally transfers into situation where a subordinate is higher paid; a higher paid subordinate rotates to the supervisor's work group; a higher paid subordinate is hired after the supervisor is hired or promoted; the subordinate is being paid higher than the salary range [Y-rated pursuant to the provisions of Section 20(c)]; the subordinate is higher paid due to receiving special assignment pay; the subordinate is higher paid due to specialized technical skills as determined by the Human Resources Director. The applicability of this provision shall be determined by the Human Resources Director. This section does not apply to Middle Management or Executive employees.

## ATTACHMENT B

PURPOSE – The following information reflects the new salary structure for the Police sworn classifications to assist with attracting and retaining staff who will serve the largest municipal population in the state. Newly proposed changes are identified in bold. Deletions are indicated by strikethrough.

**Police Recruit (NC)** (Job Code: 62200; Salary Plan: 007; Grade: 400 **450**; Benefit Category: 004; FLSA Status: Hourly)

		Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
7/11/22 Rates	Hourly	\$19.98	\$20.85	\$21.78	\$22.84	\$23.96	\$25.19	\$26.36	\$29.31
	Annual	\$41,558	\$43,368	\$45,302	\$47,507	\$49,837	\$52,395	\$54,829	\$60,965
Proposed Rates	Hourly	\$33.01	\$34.66						
	Annual	\$68,661	\$72,093						

**Police Officer** (Job Code: 62210; Salary Plan: 007; Grade: 428 **451**; Benefit Category: 004; FLSA Status: Hourly)

		Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9
7/11/22 Rates	Hourly	\$23.17	\$24.39	\$25.80	\$27.31	\$28.92	\$30.58	\$32.32	\$34.89	\$38.47
	Annual	\$48,194	\$50,731	\$53,664	\$56,805	\$60,154	\$63,606	\$67,226	\$72,571	\$80,018
Proposed Rates	Hourly	\$34.99	\$36.65	\$38.39	\$40.22	\$42.13	\$44.13	\$46.23	\$48.43	\$50.74
	Annual	\$72,779	\$76,232	\$79,851	\$83,658	\$87,630	\$91,790	\$96,158	\$100,734	\$105,539

**Police Sergeant** (Job Code: 62220; Salary Plan: 011; Grade: 634 **650**; Benefit Category: 006; FLSA Status: Hourly)

		Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
7/11/22 Rates	Hourly	\$36.73	\$38.56	\$40.49	\$42.52	\$44.63	\$46.87	\$49.22	\$54.63
	Annual	\$76,398	\$80,205	\$84,219	\$88,442	\$92,830	\$97,490	\$102,378	\$113,630
Proposed Rates	Hourly	\$50.95	\$53.28	\$55.71	\$58.25	\$60.91	\$63.69	\$66.60	
	Annual	\$105,976	\$110,822	\$115,877	\$121,160	\$126,693	\$132,475	\$138,528	



**Police Lieutenant** (Job Code: 62230; Salary Plan: 011; Grade: 638 **651**; Benefit Category: 006; FLSA Status: Hourly)

		Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
7/11/22 Rates	Hourly	\$43.95	\$46.27	\$48.59	\$51.01	\$53.56	\$56.23	\$59.04	\$65.56
	Annual	\$91,416	\$96,242	\$101,067	\$106,101	\$111,405	\$116,958	\$122,803	\$136,365
Proposed Rates	Hourly	\$66.75	\$69.93	\$73.26	\$76.75	\$80.42			
	Annual	\$138,840	\$145,454	\$152,381	\$159,640	\$167,274			

**Police Commander** (Job Code: 62240; Salary Plan: 026; Grade: 862 **865**; Benefit Category: 016; FLSA Status: Exempt)

		Min		Max
7/11/22 Rates	Hourly	\$50.64	PERFORMANCE RANGE	\$81.03
	Annual	\$105,331		\$168,542
Proposed Rates	Hourly	\$80.42	PERFORMANCE RANGE	\$100.53
	Annual	\$167,274		\$209,102

**Police Commander\*Asst Chief** (Job Code: 62242; Salary Plan: 027; Grade: 960 **970**; Benefit Category: 018; FLSA Status: Exempt)

		Min		Max
7/11/22 Rates	Hourly	\$54.94	PERFORMANCE RANGE	\$93.41
	Annual	\$114,275		\$194,293
Proposed Rates	Hourly	\$90.48	PERFORMANCE RANGE	\$108.58
	Annual	\$188,198		\$225,846

**Police Commander\*Exec Asst Chf** (Job Code: 62243; Salary Plan: 027; Grade 962 **972**; Benefit Category: 018; FLSA Status: Exempt)

		Min		Max
7/11/22 Rates	Hourly	\$59.62	PERFORMANCE RANGE	\$101.37
	Annual	\$124,010		\$210,850
Proposed Rates	Hourly	\$99.53	PERFORMANCE RANGE	\$114.46
	Annual	\$207,022		\$238,077

**Police Chief (NC)** (Job Code: 62690; Salary Plan 027; Grade 966 **976**; Benefit Category: 018; FLSA Status: Exempt)

		Min		Max
7/11/22 Rates	Hourly	\$68.78	PERFORMANCE RANGE	\$116.92
	Annual	\$143,062		\$243,194
<b>Proposed Rates</b>	<b>Hourly</b>	<b>\$107.00</b>	<b>PERFORMANCE RANGE</b>	<b>\$139.10</b>
	<b>Annual</b>	<b>\$222,560</b>		<b>\$289,328</b>

**Police Officer\*Pilot** (Job Code: 62211; Salary Plan: 007; Grade: 429 **452**; Benefit Category: 004; FLSA Status: Hourly)

		Step 1	Step 2	Step 3
7/11/22 Rates	Hourly	\$39.92		
	Annual	\$83,034		
<b>Proposed Rates</b>	<b>Hourly</b>	<b>\$47.98</b>	<b>\$50.26</b>	<b>\$52.65</b>
	<b>Annual</b>	<b>\$99,798</b>	<b>\$104,541</b>	<b>\$109,512</b>

**Police Officer\*Rescue Pilot** (Job Code: 62212; Salary Plan: 007; Grade: 430 **453**; Benefit Category: 004; FLSA Status: Hourly)

		Step 1	Step 2	Step 3
7/11/22 Rates	Hourly	\$41.41		
	Annual	\$86,133		
<b>Proposed Rates</b>	<b>Hourly</b>	<b>\$49.76</b>	<b>\$52.13</b>	<b>\$54.61</b>
	<b>Annual</b>	<b>\$103,501</b>	<b>\$108,430</b>	<b>\$113,589</b>

**Police Officer\*Flight Instr** (Job Code: 62213; Salary Plan: 007; Grade 431 **454**; Benefit Category: 004; FLSA Status: Hourly)

		Step 1	Step 2	Step 3
7/11/22 Rates	Hourly	\$42.96		
	Annual	\$89,357		
<b>Proposed Rates</b>	<b>Hourly</b>	<b>\$51.64</b>	<b>\$54.09</b>	<b>\$56.66</b>
	<b>Annual</b>	<b>\$107,411</b>	<b>\$112,507</b>	<b>\$117,853</b>

**Police Officer\*Chief Pilot** (Job Code: 62214; Salary Plan: 007; Grade: 432 **455**;  
Benefit Category: 004; FLSA Status: Hourly)

		Step 1	Step 2	Step 3
7/11/22 Rates	Hourly	\$44.54		
	Annual	\$92,643		
<b>Proposed Rates</b>	<b>Hourly</b>	<b>\$53.53</b>	<b>\$56.07</b>	<b>\$58.74</b>
	<b>Annual</b>	<b>\$111,342</b>	<b>\$116,626</b>	<b>\$122,179</b>