***A Primer on Public Safety Pay in Norfolk***

The Norfolk Police Department (NPD), Norfolk Fire-Rescue (NFR), and The Norfolk Sheriff’s Office (NSO) are all part of a step-based joint public safety pay plan.  The plan has 11 grades (hierarchy) through which the different ranks in the organizations are distributed.  Each grade has between six and 12 steps (tenure) through which employees in each grade are distributed based on tenure (mostly) and other factors like speed of promotion.

Steps in these systems are single points rather than a range - every Police Officer in step 4 makes exactly $56,079.  About 65 percent of steps are 2.5 percent above the previous step and about 35 percent of steps are five percent above the previous step. The Proposed FY 2023 Public Safety Pay Plan is detailed below along with a table that shows which Ranks/Job Titles are in each grade:

***Proposed FY 2023 Public Safety Pay Plan***



***Public Safety Pay Plan – Job Titles/Ranks by Grade***Table

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**Practical Impact of Compensation Actions**

Two primary compensation actions are available to employees in a step system:

* **A General Wage Increase (GWI):** Ranges and value of a step increase, employees stay in the same step.
* **Step Increase:** Employees move to the next step in the range.

Typically, when a GWI is provided to employees in a step system it must be provided to all employees in the pay plan. If we were to implement an additional GWI for NPD alone and not for NFR or NSO we would in essence break the pay plan.  We would not have a step in which we could place the officers and we can’t move the pay plan ranges because that would also mean pay increases for NFR and NSO.

Compensation Strategies that work within the Joint Public Safety Pay Plan include:

* Provide a GWI for all grades or select grades
* Provide a step increase for all sworn public safety employees.
* Provide a step increase for a specific group of sworn public safety employees
* Implement some type of special pay incentive outside of the pay plan like a stipend to incent targeted groups.

**Historical Pay Actions**

The table below displays the historical pay actions the NPD has received. In the past 28 years, there were four instances in which no step or GWI was provided. From FY 2010 to FY 2012 no increase was provided due to the city recovering from the Great Recession and FY 2021 was due to the pandemic. Including the proposed increase in FY 2023, the NPD has received a step or GWI in 25 out of the past 29 years.

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| **FY 1995** | **FY 1996** | **FY 1997** | **FY 1998** | **FY 1999** | **FY 2000** | **FY 2001** | **FY 2002** | **FY 2003** | **FY 2004** | **FY 2005** | **FY 2006** | **FY 2007** | **FY 2008** |
| Step | Step | Step | Step | Step | Step | Step | Step | GWI | Step | Step | Step | Step | Step |
|  | | | | | | | | | | | | | |
| **FY 2009** | **FY 2010** | **FY 2011** | **FY 2012** | **FY 2013** | **FY 2014** | **FY 2015** | **FY 2016** | **FY 2017** | **FY 2018** | **FY 2019** | **FY 2020** | **FY 2021** | **FY 2022** |
| Step | None | None | None | GWI | GWI | Step | Step | Step | Step | Step | Step | None | GWI |

**Public Safety Compensation Actions – Costs:**

The Proposed FY 2023 Budget provides a five percent GWI to all city employees including all sworn public safety employees. Additional compensation actions and their costs are outlined below.

* A one percent GWI for all sworn public safety employees: $950K
* A step increase for all sworn public safety employees: $3.1M
* A step increase for sworn public safety employees with 6+ years of tenure
* A step increase for all sworn NPD employees: $1.45M
* A step increase for all sworn NFR employees: $1.15M
* A step increase for all sworn NSO employees: $530K
* The cost of a stipend or special pay to incentivize targeted groups is dependent on the size of the group and the amount of the stipend.

While the cost for individual department pay actions is provided above, it is nearly impossible to take such action with NPD, NFR and Sherriff all in the public safety step plan.

*FY 2022 Mid-Year Public Safety Retention Actions*

In the Fall of 2022, City Council passed an amendment to the city’s Compensation Plan and Budget to implement the following actions:

* Transition the Sheriff’s Office to the joint Public Safety pay plan
* Create a Retention and Referral Bonus program for Police ($12K for Officers, Corporals, Sergeants & $8K for Lieutenants, Captains)
* Fund additional replacement vehicles for Public Safety adding 15 cruisers, two medics, and one ladder truck bringing the total vehicles replaced in FY 2022 to 49 vehicles
* Implement a Tuition Assistance Program
* Implement a Citywide Leave Buyback Program (one-time)
* Fund a comprehensive advertising campaign with a focus on Public Safety positions

This amendment came after the FY 2022 Adopted Budget had already implemented the following:

* Increased starting pay for Officers to highest in the region
* Regraded three Fire-Rescue ranks
* Provided a three percent salary increase to all sworn public safety employees
* Increased Sheriff’s Deputy Pay by average increase of five percent

**NPD Staffing level**

Since 2017 the city provided police officers with a step increase or a GWI every year except FY 2021 (The COVID Budget) and increased starting pay for police officers to the highest in the region ($52,105 in the Proposed FY 2023 Budget). Despite these actions the NPD currently faces a historically high level of vacant positions. Total filled officer positions have decreased from 738 five years ago to 562 today – a decrease of 176 officers or 23.9 percent of the workforce. Details are below

* As of April 5, 2022 NPD has 755 approved sworn officer positions: 562 are filled and 193 are vacant. A vacancy rate of 25.5 percent
* In March 2020 – immediately before the COVID-19 Pandemic hit – NPD had 775 approved sworn officer positions: 691 were filled and 84 were vacant. A vacancy rate of 10.8 percent
* In April 2017 – Five years ago - NPD had 775 approved sworn officer positions: 738 were filled and 37 were vacant. A vacancy rate of 4.8 percent.

**Recruiting and Police Academy Capacity**

Aside from a few lateral transfers, all NPD officers start their career as Police Recruits in the city’s Police Academy. Currently NPD has the capacity to run two academies each year. Each academy runs for 27 weeks. The maximum capacity for each academy is about 30 recruits. This results in a max of 60 recruit hires each year. At this rate of recruitment, it would take NPD over three years to fill all current vacancies if - during that time - no police officers retired or left the department and no recruits washed out of the academy - these are unrealistic assumptions.

Historically NPD has seen about 2.5 officers a month leave the department – about 30 a year. Academy graduation rates have averaged around 75 percent. If we were to return to these averages and assume two full academies per year (60 recruits) we would net only 15 additional officers per year. At this rate, it would take about 13 years to return to full staffing levels. This speaks to the need to increase academy capacity, increase the yield of candidates that start the academy, develop a robust lateral transfer program and do our best to retain some of our senior officers.

**Regional Police Officer Pay Comparison**

A comparison of the pay ranges for sworn police officers across neighboring cities is provided below. Across most of the ranks Norfolk has the highest starting pay. A comparison of actual average salaries is not possible as most cities do not publish staff salaries in their open data portal.

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**Compression and Missed Steps**

In a step system compression occurs when the salary of a recently hired position is comparable to a position with greater tenure (continuous years of service). This type of compression occurs during years where no step increase is given. Prior to the Great Recession – with few exceptions -steps were awarded annually. Police Officers who completed the academy assumed if they stayed for X number of years in that rank (equal to the number of steps in that rank), they, and the cadets they graduated with, would be at max pay. Fiscal constraint and striking the balance between competitive pay (GWI and range increases) and tenure-based pay resulted in some fiscal years where a step was not awarded.

For example, a step increase was not provided during FY 2010 – FY 2012. During that time NPD continued to run recruit academies with automatic promotion to Police Officer upon completion. A recently sworn Police Officer that graduated the academy in July 2009, would have been making the same salary (step 1) as a recent graduate in July 2012, despite a three-year tenure difference. The cost to address both compression (missed steps) and competitive pay escalates quickly, especially over a decade from when the action (or in-action) occurred.

As noted previously, with finite resources, the city has continually balanced competitive and tenure-based pay for sworn public safety. While compression does still exist within the ranks, Officers today are better off in terms of salary earned than they would have been when they began their career. The table below illustrates this for Police Officers at various years of service. The table compares what their pay would have been under the pay plan in place when they started had steps been given for each year of service, and what they are currently earning in the public safety pay plan.

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| --- | --- | --- | --- | --- |
| **Police Officer – Hire Date** | **Years of Service** | **Salary expected in FY 20221** | **Current Salary** | **Difference** |
| July 2006 | 15 | $56,500 | $64,957 | $8,457 |
| July 2011 | 10 | $53,063 | $57,480 | $4,417 |
| July 2016 | 5 | $49,187 | $52,106 | $2,919 |

1 Based on the adopted compensation plan for the fiscal year hired. Assumes one step for each year of service.

**Key Takeaways**

* As of April 5th, NPD had 755 approved sworn officer positions with 562 filled and 193 vacant. This puts the department at 24.4 officers per 10k residents. For a city like Norfolk, we would want to be somewhere between 28 and 30 officers per 10k residents due to our urban footprint and the large number of calls for service in a year. So, ideally, we would have 644 to 690 filled sworn positions on a consistent basis.
* Getting to 600+ officers will take a combination of strategies addressing both recruitment and retention.
* Norfolk’s Public Safety Pay Plan provides the region’s highest starting pay for every classification except recruit and corporal.
* NPD, NFR and Sherriff are all in the public safety pay plan. This is beneficial as council does not have to worry about departments separately. This is also challenging since any council decision to adjust pay to fix vacancies in one department must be implemented for all departments in the pay plan. This increases the total cost of any pay action.
* One area of concern is officers in the 6-15 years of tenure. Virginia Beach and Hampton both have a Master Police Officer (MPO) category. This classification provides an opportunity for bumps in base pay for officers that don’t make rank. Currently, we are very competitive with neighboring jurisdictions when it comes to pay for officers that make rank, but I fear officers with 6+ years of tenure that can’t become an MPO here fall significantly behind . I have asked Interim Chief Goldsmith and city staff to develop a plan to create a Master Police Officer classification in our pay plan.