



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: April 1, 2012

SUBJECT: A hiring incentive plan for the Hobbs Police Department.

DEPT. OF ORIGIN: Police Department
DATE SUBMITTED: April 1, 2012
SUBMITTED BY: Chris McCall, Chief of Police

Summary:

The Hobbs Police Department continues to attempt to search means in which to identify quality candidates for the position of police officer. The attached plan outlines a number of avenues in which we hope to attract quality applicants. This plan also has contractual provisions intended to carry a successful applicant through five or 10 years of service to receive full benefit of some of the proposed incentives. An incentive pay provision is also provided to currently employees who successfully recruit applicants who are hired and achieve New Mexico Certification, as well as those who have special skills such as bi-lingual abilities, SWAT service, or who achieve Classification/Educational levels.

Fiscal Impact:

Reviewed By: _____

[Signature]
Finance Department

The fiscal impact of this proposal includes a \$15,000.00 recruitment incentive for non-certified officers with a five year commitment. A \$50,000 housing incentive for a 10 year commitment and a \$25,000 housing incentive for a five year commitment limited to use for home purchase. This proposal also includes relocation reimbursement of up to \$1500.00 for newly hired officers. A \$500 recruiting bonus for current HPD employees who recruits an applicant who is hired. Incentive pay for bi-lingual officers of \$500 per year, SWAT team members of \$500 per year, and a \$250 per year incentive for Police Officer Classification/Education. Return starting hourly base pay for police officer to \$22.28.

Attachments:

1. Outline of Proposed HPD Hiring Incentives
2. Contracts for housing incentive programs
3. Contract for non-certified officer recruitment incentive.

Legal Review:

Approved As To Form: _____

[Signature]
City Attorney

Recommendation:

The City Commission approve the adoption of the Resolution to authorize HPD to move forward with the Hiring Incentives Program.

Approved For Submittal By:

[Signature]
Department Director

[Signature]
City Manager

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| Resolution No. _____ | Continued To: _____ |
| Ordinance No. _____ | Referred To: _____ |
| Approved _____ | Denied _____ |
| Other _____ | File No. _____ |

Hobbs Police Department

Proposed Hiring Incentives

Recruiting Incentive:

Our best recruiters can be our own people. A \$500 recruiting bonus would be paid to a current employee who recruits an applicant who is successfully hired and certified by the State of New Mexico. (Officers assigned to recruiting are not eligible.) This gives our current employees motivation and reward for assisting our department in finding the most qualified applicants possible. This would be paid to the employee upon the completion of New Mexico Certification by the recruit.

Incentive Pay:

- \$500.00 per year incentive for our bi-lingual officers- Our officers respond to numerous calls daily in which Spanish is the only language spoken by the citizen needing our assistance. In these cases an officer who speaks Spanish must respond to assist with or take over the call. These officers often find themselves taking on extra work loads because of their ability to speak another language.
- \$500.00 per year incentive for SWAT Officers- Our SWAT officers are on call 24 hours a day, 7 days a week. They currently receive no compensation for this commitment. These officers volunteer to train and work in high stress, high risk environments.
- \$250.00 per year Police Officer Classification/Education incentive- Many of our officers choose to find niche roles that must be filled within the department that requires extra dedication and education to accomplish. This incentive is to encourage officers to continue training beyond basic and required police training and to seek out advanced training and educational opportunities that will benefit the department.

Starting Pay:

Return starting pay for the position of police officer to \$22.28. As we attempt to recruit new officers, one of the first questions from potential applicants is routinely "What is your starting pay?". While certified officers begin at rate based on their experience level, non-certified officers begin at \$18.00 per hour. This rate was reduced from a starting rate of \$22.28 several years ago. In evaluating the possible reasons we have seen a reduced interest from non-certified applicants, starting pay is at the top of the list. The savings from this pay reduction are minimal and the benefit of being able to advertise a higher starting pay would undoubtedly stir more interest from those looking for a career in Law Enforcement, and simultaneously make us more competitive with private industries whom we compete with for personnel.

Relocation Reimbursement- Certified and Non-Certified:

Many of our recent applicants have moved long distances in an effort to come to work for the Hobbs Police Department. Many costs are incurred from moving expenses to utilities deposits. In an effort to offset this expense a \$1500 relocation reimbursement would assist in getting new employees into the community.

Non-Certified Officer Recruiting Incentive

As recruiting has moved into full swing we have seen a large influx of applications from certified applicants from outside of New Mexico. While we are glad to have these applicants and they help fill a void in the workforce in Hobbs, the Hobbs Police Department also believes it's important to continue to work at recruiting local area applicants and developing those personnel through our local training academy for a well-balanced police department. The non-certified incentive program would be structured as follows:

- \$15,000 incentive over 5 years
- Earned at \$3000.00 per year for maximum 5 year payment
- Paid annually upon anniversary date of achieving NM Certification

Housing Incentive

Certified Officers

Option 1: \$25,000 for a 5 year commitment to the Hobbs Police Department. This money can be utilized as a down payment on a home upon employment. The housing option would have the following limitations:

1. A lien would be placed on the home by the City of Hobbs until the obligation is met.
2. The residence would have to be purchased within the City of Hobbs planning area.
3. A pro-rated forgiveness of the incentive would apply.

Option 2: \$50,000 for a 10 year commitment to the Hobbs Police Department. This option can only be utilized toward the purchase of a home within the City of Hobbs, there is no cash payment. This option would have the following limitations:

1. A lien would be placed on the home by the City of Hobbs until the obligation is met.
2. The residence would have to be purchased within the City of Hobbs planning area.
3. A pro-rated forgiveness of the incentive would apply.

*Option 1 and 2 would be available to any police officer currently on probation as of April 1, 2013.

POLICE EMPLOYMENT INCENTIVE AGREEMENT
FOR CERTIFIED OFFICERS

1. I acknowledge and understand that the City of Hobbs desires and intends to hire only police officers who will remain employed with the Hobbs Police Department (HPD) for a minimum of sixty (60) months from the date of hire with the Police Department. I understand the City will utilize certain incentives for me to remain employed as a certified Hobbs police officer. I may utilize one of two incentive options. Only HPD officers who are probationary officers as of April 1, 2013 are eligible for this Police Employment Incentive Agreement for Certified Officers. I hereby agree to the following conditions:

2. Option 1 is the payment of \$25,000.00, less all applicable state taxes, federal taxes, and all other applicable wage withholding, towards the down payment and closing costs of a home within five (5) miles of Hobbs city limits, as fully set forth in paragraph 2 herein. Option 1 requires me to remain in the employment of HPD for a minimum continuous period of sixty (60) months. Option 2 is the payment of \$50,000.00 cash, less all applicable state taxes, federal taxes, and all other applicable wage withholding, towards the down payment and closing costs of a home within five (5) miles of Hobbs city limits, as fully set forth in paragraph 3 herein. Option 2 requires me to remain in the employment of HPD for a minimum continuous period of one-hundred and twenty (120) months.

3. **Option 1:** The City may pay \$25,000.00 on my behalf, less all applicable taxes and wage withholding, for the purchase of a home within five (5) miles of Hobbs city limits. Said home must be my primary residence in which I reside. I understand and agree that the incentive is taxable income, subject to normal taxation and wage withholding by the City. The payment shall be made payable to me; however, it shall be sent directly to my closing agent at the time of closing. I may only utilize the incentive for a down payment and/or closing costs on my primary residence. I understand and agree that a voluntary lien, subordinate to the first mortgage, shall be filed against the home in an amount of what was actually paid by the City on my behalf at the time of closing. Upon completion of sixty (60) months of continuous service with HPD, a lien release shall be executed and filed by the City. I agree to repay the City the applicable prorated amount paid on my behalf in the event I do not fully satisfy the sixty (60) month employment requirement. Under Option 1, I understand the amount I owe shall be prorated based upon the number of years I remain employed by HPD, as follows:

| | |
|---|------|
| Up to my first anniversary of date of hire at HPD | 100% |
| After 1 full year of employment with HPD | 90% |
| After 2 full years of employment with HPD | 70% |
| After 3 full years of employment with HPD | 50% |
| After 4 full years of employment with HPD | 30% |
| After 5 full years of employment with HPD | 0 |

4. **Option 2:** The City may pay \$50,000.00 on my behalf, less all applicable taxes and wage withholding, for the purchase of a home within five (5) miles of Hobbs city limits. Said home must be my primary residence in which I reside. I understand and agree that the incentive is taxable income, subject to normal taxation and wage withholding by the City. The payment shall be made payable to me; however, it shall be sent to my closing agent at the time of closing. I may only utilize the incentive for a down payment and/or closing costs on my primary residence. I understand and agree that a voluntary lien, subordinate to the first mortgage, shall be filed against the home in an amount of what was actually paid by the City on my behalf at the time of closing. Upon completion of one-hundred and twenty (120) months of continuous service with HPD, a lien release shall be executed and filed by the City. I agree to repay the City the applicable prorated amount paid on my behalf in the event I do not fully satisfy the one-hundred and twenty (120) month employment requirement. Under Option 2, I understand the amount I owe shall be prorated based upon the number of years I remain employed by HPD, as follows:

| | |
|---|------|
| Up to my first anniversary of date of hire with HPD | 100% |
| After 1 full year of employment with HPD | 95% |
| After 2 full years of employment with HPD | 90% |
| After 3 full years of employment with HPD | 80% |
| After 4 full years of employment with HPD | 65% |
| After 5 full years of employment with HPD | 50% |
| After 6 full years of employment with HPD | 40% |
| After 7 full years of employment with HPD | 30% |
| After 8 full years of employment with HPD | 20% |
| After 9 full years of employment with HPD | 10% |
| After 10 full years of employment with HPD | 0 |

5. In the event the City is successful in enforcing the terms of this Agreement through any legal action, the City shall be entitled to its reasonable attorney fees (even though the City may employ in-house legal counsel) and costs at trial, arbitration or appeal of such suit or action. I agree that the City may withhold my final paycheck and any unpaid paid time off if I fail to satisfy my employment time with HPD.

6. This Agreement is the entire, final and complete Agreement between the parties with respect to the Police Employment Incentive Agreement and supersedes and replaces all prior written and oral Agreements between the parties and their agents concerning the incentive. I acknowledge I may have certain federal wage and hour rights to receive my final paycheck and unpaid paid time off and by executing this document I specifically waive those rights for this situation only.

7. No modification of this Agreement shall be valid unless in writing and duly executed by both parties to this Agreement.

8. This Agreement shall be construed in accordance with the laws of the State of New Mexico and all litigation shall be brought in the Lea County District Court only.
9. I understand that all terms and conditions of employment with the City of Hobbs remain unchanged by this Agreement and this Agreement in no way guarantees me any contractual right, either expressed or implied, to continued employment. This Agreement shall not modify any City of Hobbs Personnel Rules, Administrative Regulations, and Police Department Policies and Procedures that relate to police personnel. City of Hobbs Personnel Rules, Administrative Regulations, and Police Department Policies and Procedures shall remain in full effect during my employment with the City of Hobbs. I recognize that this Agreement does not limit the authority of the City of Hobbs to invoke disciplinary action against me.
10. If any section of this Agreement is held to be invalid, the remaining sections of this Agreement will not be affected.
11. I will elect Option 1 or Option 2 at the time I purchase a home in Hobbs.

I acknowledge that I have had at least seven (7) days to examine this Police Employment Incentive Agreement for Certified Officers. I have been advised by the Human Resources Department of the City of Hobbs that I should consult with an advisor or attorney prior to entering into this Agreement.

ATTEST:

THE CITY OF HOBBS, NEW MEXICO

CITY MANAGER

WITNESS

EMPLOYEE NAME (Please Print)

DATE

EMPLOYEE SIGNATURE

POLICE EMPLOYMENT INCENTIVE AGREEMENT
FOR NON-CERTIFIED OFFICERS

1. I acknowledge and understand that the City of Hobbs desires and intends to hire only police officers who will remain employed with the Hobbs Police Department (HPD) for a minimum of sixty (60) months from the date of graduation from the police academy. I understand the City will utilize certain incentives for me to remain employed as a certified Hobbs police officer. I hereby agree to the following conditions:
2. The City will pay me \$3,000.00 on the first, second, third, fourth and fifth anniversary dates of obtaining my New Mexico Law Enforcement Certification as long as I am employed by HPD on those dates and I am not on paid or unpaid administrative leave because of a discipline issue.
3. All money paid to me under this incentive agreement is taxable income and shall be subject to all appropriate taxation and wage withholding.
4. In the event the City is successful in enforcing the terms of this Agreement through any legal action, the City shall be entitled to its reasonable attorney fees (even though the City may employ in-house legal counsel) and costs at trial, arbitration or appeal of such suit or action.
5. This Agreement is the entire, final and complete Agreement between the parties with respect to the Police Employment Incentive Agreement for Non-Certified Officers and supersedes and replaces all prior written and oral Agreements between the parties and their agents concerning the incentive
6. No modification of this Agreement shall be valid unless in writing and duly executed by both parties to this Agreement.
7. This Agreement shall be construed in accordance with the laws of the State of New Mexico and all litigation shall be brought in the Lea County District Court only.
8. I understand that all terms and conditions of employment with the City of Hobbs remain unchanged by this Agreement and this Agreement in no way guarantees me any contractual right, either expressed or implied, to continued employment. This Agreement shall not modify any City of Hobbs Personnel Rules, Administrative Regulations, and Police Department Policies and Procedures that relate to police personnel. City of Hobbs Personnel Rules, Administrative Regulations, and Police Department Policies and Procedures shall remain in full effect during my employment with the City of Hobbs. I recognize that this Agreement does not limit the authority of the City of Hobbs to invoke disciplinary action against me.
9. If any section of this Agreement is held to be invalid, the remaining sections of this Agreement will not be affected.

I acknowledge that I have had at least seven (7) days to examine this Police Employment Incentive Agreement for Non-Certified Officers. I have been advised by the Human Resources Department of the City of Hobbs that I should consult with an advisor or attorney prior to entering into this Agreement.

ATTEST:

THE CITY OF HOBBS, NEW MEXICO

CITY MANAGER

WITNESS

EMPLOYEE NAME (Please Print)

DATE

EMPLOYEE SIGNATURE