




# Compensation FY 2023



# Employees on Classified Scale



# Order of Implementation



1. Benchmark

2. Across-the-board

3. Minimum Wage/Compression



# Benchmark Project

- ◆ Approved by Commissioners Court on July 12, 2022.
- ◆ Number of jobs changing grades: 154
- ◆ Approximately 39% of positions changing pay grades.
- ◆ General Fund cost: \$4,200,000




# Across the Board Increase

- ❖ Applies to regular and special project employees on the classified pay scale and non-classified positions.
- ❖ Must be on the pay roll prior to April 1, 2022.
- ❖ General Fund cost at 4% is \$10,000,000.
- ❖ General Fund cost at 5% is \$12,500,000.
- ❖ Associate Judges and Court Reporters are set by the District Judges.



# Minimum Wage

- ❖ Current minimum wage, implemented at start of FY 2020, is \$15 per hour.
- ❖ City of Austin to implement \$20 per hour minimum in FY 2023.
- ❖ Increase to minimum wage will result in changes to Classified Pay Scale.
- ❖ Increase to minimum wage will result in compression in lower pay grades and require compression adjustments to help offset.



# Minimum Wage

## Impact on Entry at Lower Pay Grades

Grade	\$15 per Hour Min Salary	Current Hourly Rate	\$18 per Hour Min Salary	New Hourly Rate	\$20 per Hour Min Salary	New Hourly Rate
10,11,12	\$31,200	\$15.00	\$37,440	\$18.00	\$41,600	\$20.00
13	\$31,200	\$15.00	\$38,750	\$18.63	\$42,848	\$20.60
14	\$32,345	\$15.55	\$40,107	\$19.28	\$44,133	\$21.22
15	\$34,609	\$16.64	\$41,510	\$19.96	\$45,457	\$21.85
16	\$37,024	\$17.80	\$43,171	\$20.76	\$46,821	\$22.51


# Proposed Paygrade Changes (Current 10 – 23)

Current Paygrade	Current Min	Current Max	Proposed Grade	Proposed Min	Proposed Max
10	31,200.00	37,022.24	C02	41,600.00	54,080.00
11	31,200.00	39,626.19	C02	41,600.00	54,080.00
12	31,200.00	42,393.63	C02	41,600.00	54,080.00
13	31,200.00	45,358.25	C03	42,848.00	55,702.40
14	32,345.46	48,518.19	C04	44,133.44	57,373.47
15	34,608.50	51,912.85	C05	45,457.44	59,094.68
16	37,024.00	55,536.00	C06	46,821.17	63,208.57
17	39,615.06	59,422.69	C07	48,459.91	65,420.87
18	42,382.08	63,573.12	C08	50,156.00	72,726.21
19	45,346.50	68,019.74	C09	51,911.46	75,271.62
20	48,530.77	72,796.26	C10	53,728.37	79,517.98
21	51,934.48	77,901.82	C11	55,877.50	83,816.25
22	55,578.85	83,368.27	C12	58,112.60	87,168.90
23	59,466.58	95,146.48	C13	60,437.10	96,699.37
24	63,638.43	101,821.41	C14	63,638.43	101,821.49



# Proposed Paygrade Changes (Current 24 – 37)

Current Paygrade	Current Min	Current Max	Proposed Grade	Proposed Min	Proposed Max
25	68,095.87	108,953.31	C15	68,095.87	108,953.39
26	72,861.57	116,578.59	C16	72,861.57	116,578.51
27	77,956.53	124,730.53	C17	77,956.53	124,730.45
28	83,424.43	133,479.01	C18	83,424.43	133,479.09
29	89,265.70	142,825.07	C19	89,265.70	142,825.12
30	95,524.21	152,838.82	C20	95,524.21	152,838.74
31	102,222.02	163,555.18	C21	102,222.02	168,666.33
32	109,380.75	175,009.12	C22	109,380.75	180,478.24
33	117,037.44	187,259.76	C23	117,037.44	193,111.78
34	125,230.14	200,368.23	C24	125,230.14	206,629.73
35	133,996.30	214,394.09	C25	133,996.30	221,093.90
36	143,376.06	229,401.74	C26	143,376.06	236,570.50
37	153,412.48	245,459.97	C27	153,412.48	253,130.59
N/A	N/A	N/A	C28	164,151.35	270,849.73
N/A	N/A	N/A	C29	175,641.95	289,809.22



Minimum  
Wage  
Impact  
Examples

### Juvenile Detention Officer I

- Min Salary Current - \$34,609
- \$18 Per Hour Min - \$41,510
- \$20 Per Hour Min - \$45,457

### Road Maintenance Worker

- Min Salary Current - \$32,345
- \$18 Per Hour Min - \$40,107
- \$20 Per Hour Min - \$44,133




# Minimum Wage Impact

- ❖ Will significantly improve ability to recruit and retain employees at lower end of the pay scale.
- ❖ Will increase compression at lower grades but at substantially higher rates of pay.
- ❖ Compression adjustment plan will help with compression but is best viewed as a first step (next step will be included in MSS implementation plan as part of consultant recommendations).



# Compression

- ❖ Compression adjustments are needed to ensure compensation integrity and equity
- ❖ Phase 1 Fiscal Year 2023 adjustments
- ❖ Phase 2 Fiscal Year 2024 adjustments to be based on recommendations from the Compensation Consultant




# Minimum Wage/Compression Implementation Cost

- ◆ General Fund cost at \$20 per hour (assumes 5% ATB) is \$13,380,000.
- ◆ General Fund cost at \$18 per hour (assumes 5% ATB) is \$7,250,000.
- ◆ General Fund cost at \$20 per hour (assumes 4% ATB) is \$13,650,000.



# Executive Equity Adjustment

- ❖ Designed to restore internal equity relationships in place before salary action taken to retain Budget Director.
- ❖ Targeted to County Executives and Chief Deputy positions.
- ❖ \$450,000 in Compensation Reserve to fund.



# Red-line Employees

- ◆ Employees at or above the maximum of the pay grade.
- ◆ 102 employees prior to Benchmark Project.
- ◆ After Benchmark Project, 40 employees.
- ◆ With 5% across the board applied rises to 216 employees.
- ◆ If \$20 per hour minimum wage implemented (and 5% ATB), falls to 36 employees (33.55 FTEs).
- ◆ Cost to lift the red-line is \$135,557.
- ◆ For FY 2023, given the unique and atypical market conditions, labor shortages, workforce and inflationary challenges, HRMD recommends the red-line amount be included in the on-going base salary. Additionally, the HR Consultant will likely recommend structural changes to pay grade maximums. Conversely, the Court may consider these to be included one-time increases or not at all.



# Employees on the POPS Scale





# POPS Pay Scale Revision

- ❖ Brings entry level salary for Corrections Officer to \$50,000. This is a 6.7% increase over FY 2022 and 25% above FY 2021.
- ❖ Brings entry level salary for LE Deputy to \$63,000. This is a 14.1% increase over FY 2022 and 18.1% over FY 2021.
- ❖ Ranks above Senior Deputy and Senior Corrections Officer receive an increase of either 4% or 5% depending on Court decision on Classified employees.



## POPS Pay Scale Implementation Cost

At 4% for positions  
above Senior Deputy  
or Senior Corrections  
Officer, cost is  
\$8,125,000.

At 5% for positions  
above Senior Deputy  
or Senior Corrections  
Officer, cost is  
\$8,450,000.



# POPS Step Increase

- ◆ Moves POPS Employees across the pay range.
- ◆ Implementation cost at 4% Scale Increase is \$3,130,000
- ◆ Implementation cost at 5% Scale Increase is \$3,200,000.



# POPS and Classified Employees



# Shift Differential/Overtime

## ◆ Shift Differential

- ◆ Current shift differential rate is 65 cents per hour.
- ◆ Cost of shift differential rate at \$1.00 per hour is \$1,200,000
- ◆ Cost of shift differential rate at \$1.30 per hour is \$2,200,000.
- ◆ Cost of shift differential rate at \$1.78 per hour is \$4,100,000.

## ◆ Overtime

- ◆ Given proposed increases, PBO & HRMD recommend overtime budget be increased by 15%, or \$1,250,000.



# Retirees

- ❖ Retiree COLA last implemented in 2019.
- ❖ Retiree COLA is not mandated by statute or TCDRS.
- ❖ General Fund cost of 3% COLA is \$3,398,315, with a 20 year amortized cost of \$32,300,000.
- ❖ TCDRS has informed the county that prior to any COLA increases, the county can decrease the retirement rate for FY 2023 from 17.17 to 16.75. This would result in potential savings of \$1,524,485. Should the Court wish to implement a retiree COLA, the incremental cost above the current TCDRS retirement budget is \$1,873,830.



## Road & Bridge Fund

- ❖ Based on proposed compensation above the FY 2023 Preliminary Budget, the General Fund will need to increase the transfer to the Road and Bridge fund by \$1,339,290 so that there would be sufficient ongoing revenue to cover the proposed compensation increases.

# Summary of Cost

Compensation Category	4% ATB and \$20 Minimum Wage	5% ATB and \$18 Minimum Wage	5% ATB and \$20 Minimum Wage
Classified	27,885,000	24,100,000	30,215,557
POPS	11,255,000	11,650,000	11,650,000
Compensation Electeds	153,080	174,100	174,100
Overtime Increase	1,250,000	1,250,000	1,250,000
Executive Equity II	450,000	450,000	450,000
Shift Diff Inc to \$1.00/hr	1,200,000	1,200,000	1,200,000
Retirement	1,903,375	1,873,830	1,873,830
Road & Bridge Transfer	1,231,579	892,587	1,339,290
<b>Grand Total</b>	<b>\$45,328,034</b>	<b>\$41,590,517</b>	<b>\$48,152,777</b>