



CITY COUNCIL CONSIDERATION ITEM

CITY OF FAIR OAKS RANCH, TEXAS

September 12, 2023

AGENDA TOPIC: Consideration and possible action approving a resolution adopting the FY 2023-24 Pay Schedule for General Government and Police Employees.

DATE: September 12, 2023

DEPARTMENT: Administration

PRESENTED BY: Scott M. Huizenga, Interim City Manager

INTRODUCTION/BACKGROUND:

The City Council adopted the Classification and Compensation Study and Analysis ("Compensation Study") for the City on November 19, 2020. The Compensation Study included a pay philosophy to "bring the City's salary structure in line with the top third of the market." The study also included a new Pay Schedule establishing Pay Grades and Steps for all Classified Civilian, Non-Civilian, and Seasonal positions.

The study provides several recommendations for future years including the following.

- The City make annual across-the-board adjustments based on a percentage of base pay, and that those adjustments always be applied to the City's salary schedules.
- Schedule adjustments should be at least equivalent to the percent change in the U.S. Department of Labor's Employment Cost Index (ECI) for salaries and wages over the preceding 12-month period available from the U.S. Bureau of Labor Statistics.
- ECI figures should be supplemented by calls to the benchmark employers used in this study and/or review of other supplemental data to determine what the market in which City of Fair Oaks Ranch competes is planning for salary structure adjustments.

The City Council at its August 3, 2023 workshop reviewed ECI data and proposed job classification adjustments. For the 12-month period ending June 2023, the ECI for wages and salaries of U.S. Civilian workers was 4.6 percent. The ECI for the West South Central census region, which includes Texas, was 2.5 percent.

The FY 2023-24 Proposed Budget includes a 2.5 percent across-the-board adjustment based on council guidance and the following adjustments to the classification and compensation schedule.

- Creation of a new Corporal classification and placement on a new pay grade between Police Officer and Sergeant. The new Non-Civilian Pay Schedule would be structured as follows: Police Officers PD-6, Corporals PD-7, Sergeants PD-8, Lieutenant PD-9.
- Creation of a Human Resources Generalist classification and placement on the pay schedule at Pay Grade 25.
- Reallocation of the Maintenance Technician classification from Pay Grade 13 to Pay Grade 14 of the pay schedule.

- Reclassification of the Administrative Assistant position for Public Works to Administrative Support Specialist in the same pay grade.
- Addition of 2 new items to the Certification and Stipend list.
 - Night Shift Differential at a rate of \$1,200 per year.
 - Licensed Court Interpreter at a rate of \$1,500 per year.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

Project 5.1.1 of the Strategic Action Plan is to Evaluate & Update Compensation and Benefit Plans inclusive of Exempt/Non-Exempt status. Best practice as detailed in the Compensation Study is to update the Pay Schedule annually based on ECI data with additional consideration for benchmark employers and other supplemental data.

LONG-TERM FINANCIAL & BUDGETARY IMPACT:

The combined fiscal impact of the changes to the compensation plan is approximately \$198,000 in the General Fund and \$47,000 in the Utility Fund.

LEGAL ANALYSIS:

N/A

RECOMMENDATION/PROPOSED MOTION:

I move to approve a resolution adopting the FY 2023-24 Pay Schedule for General Government and Police Employees.