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# TEAM

# EP

Workforce Focus  
January 2023

# Strategic Plan

- ✓ **Goal 6 – Set the Standard for Sound Governance and Fiscal Management**
  - **6.1 Recruit and retain a skilled and diverse workforce**
  - **6.2 Implement employee benefits and services that promote financial security**
  - **6.3 Implement programs to reduce organizational risk**
  - **6.4 Implement leading-edge practices for achieving quality and performance excellence**

## Eight Goals

are broad statements that provide direction on how progress will be measured toward the four established vision blocks

## Strategies

identify specific areas of interest and focus supporting traction on the eight established goals

## Strategic Objectives

reinforce established strategies and are considered the most critical strategic imperatives for the organization (i.e., 30 by 2030)

4 VISION BLOCKS

8 GOALS

25  
BY 2025  
VisionNEXT

25 BY 2025

30 BY 2030

30  
BY 2030

\*20 by 20 + 20 by 25 + 6 strategic objectives adopted during December 2020 Strategic Planning session

# **TEAM EP TX** **WHAT WE WILL COVER**

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- 1 Recap of Investment in Our Workforce – Araceli Guerra**
- 2 Compensation Analysis – Nicole Cote**
- 3 Upcoming Budget Process**



# Investing in our Workforce

## Compensation + Benefits + Development

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### 1 COMPENSATION

- Wage increases
- Incentives
- Service - time
- Performance pay

### 2 BENEFITS

- Healthcare
- Shape it up
- Wellness clinics
- City gyms

### 3 DEVELOPMENT

- Tuition assistance
- Leadership training
- LinkedIn library
- Lean six sigma



# Workforce Compensation and Benefits

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**Wage  
Increase**  
(Amount based on  
Full-time employee)

**\$2,080**

**Performance  
Evaluation**  
(Lump sum up to \$175 )

**\$175**

**Shape it Up  
Wellness  
Incentive**  
(\$600-\$1,800)

**\$1,800**

**Health  
Savings  
Account**  
(\$500 - \$1,000)

**\$1,000**

**Tuition  
Assistance  
Program**  
(Up to \$5,000 annually)

**\$5,000**

**Service Time  
Increase**  
(Additional %  
increase every  
5 years)

**\$760**

**CDL, Animal  
Services,  
Zoo incentive**  
(\$90 per pay period)

**\$2,340**

**Sign-On  
incentive for  
new employees**

**\$1,000**

**Employee healthcare  
savings due to no  
cost increase**  
(Paid by City)

**\$294**

**Accident-Free  
driving incentive**  
(jobs requiring CDL)

**\$350**

**Perfect  
Attendance  
incentive**

**\$100**

**U-Matter  
recognition**  
(up to \$250)

**\$250**

**Total Available Compensation  
Increase, Benefits, Incentives**

**\$15,224**

# Workforce Compensation and Benefits

**6 YEARS**  
OF PAY INCREASES  
AND HEALTH  
& FITNESS

**NO HEALTHCARE  
INCREASES FOR  
ALL CIVILIAN  
EMPLOYEES**

**SHAPE IT UP  
WELLNESS  
PROGRAM**

**INCREASE IN  
NUMBER OF  
WELLNESS CLINICS**  
**FROM 2 TO 9**

**HEALTH SAVINGS ACCOUNT  
WITH EMPLOYER  
CONTRIBUTION ANNUALLY**  
**\$500 PER EMPLOYEE  
\$1,000 PER FAMILY**

**BLOOD WORK  
DISCOUNT**  
**\$25 PER PAYCHECK  
PER EMPLOYEE OR  
\$50 PER FAMILY**

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# Reinforcing our Talent Pipeline

- Growing a Learning Culture
- Leadership Training
- Tuition Assistance Program
- Innovative Solutions

Expand workforce development and organizational focus on continuous improvement through targeted training, activating partnerships, and growing best practices  
*(supports Goal 6)*

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# Tuition Assistance Program

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**Then**

- **\$300,000**
- **6 hours to apply**
- **19% Error Rate**
- **Degree only**

**Now**

- **\$500,000+**
- **1 hour to apply**
- **1% Error Rate**
- **Continuing Ed**
- **Certifications**
- **Books**

**Next**

- **Career Coaching**
- **Job Shadowing**
- **Academic Advising**



Employees are able to obtain Tuition Assistance for Degree's, Certifications, Continuing Education Books/ Required Equipment.

- Per calendar year:
  - FT employees are eligible up to \$5,000
  - PT employees are eligible up to \$3,000.
- All employees are eligible up to \$25,000 during their lifetime as an employee of the City of El Paso, to include returning employees.

Check out our Tuition Assistance Program!

<https://my.elpasotexas.gov/my-benefits/tuition-assistance-program/>



# Variety of Tools

- [www.eplearners.com](http://www.eplearners.com)
- LinkedIn Learning
- Lean Six Sigma (LSS)
- Human Centered Design/Design Thinking
- MyElPaso---Leadership Toolkit
- Baldrige Performance Excellence Criteria
- Listening Sessions, Customer Experience Workshops
- Tuition Assistance Program

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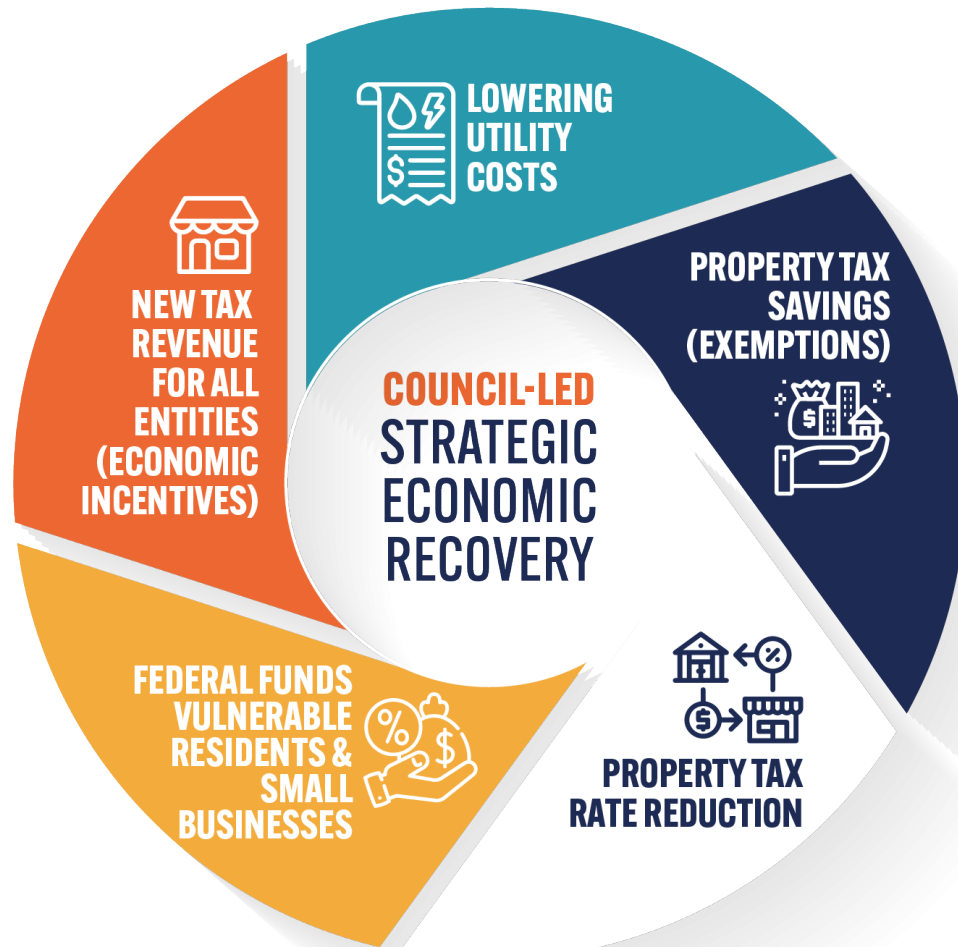
# Compensation Analysis

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## & Upcoming Budget Process





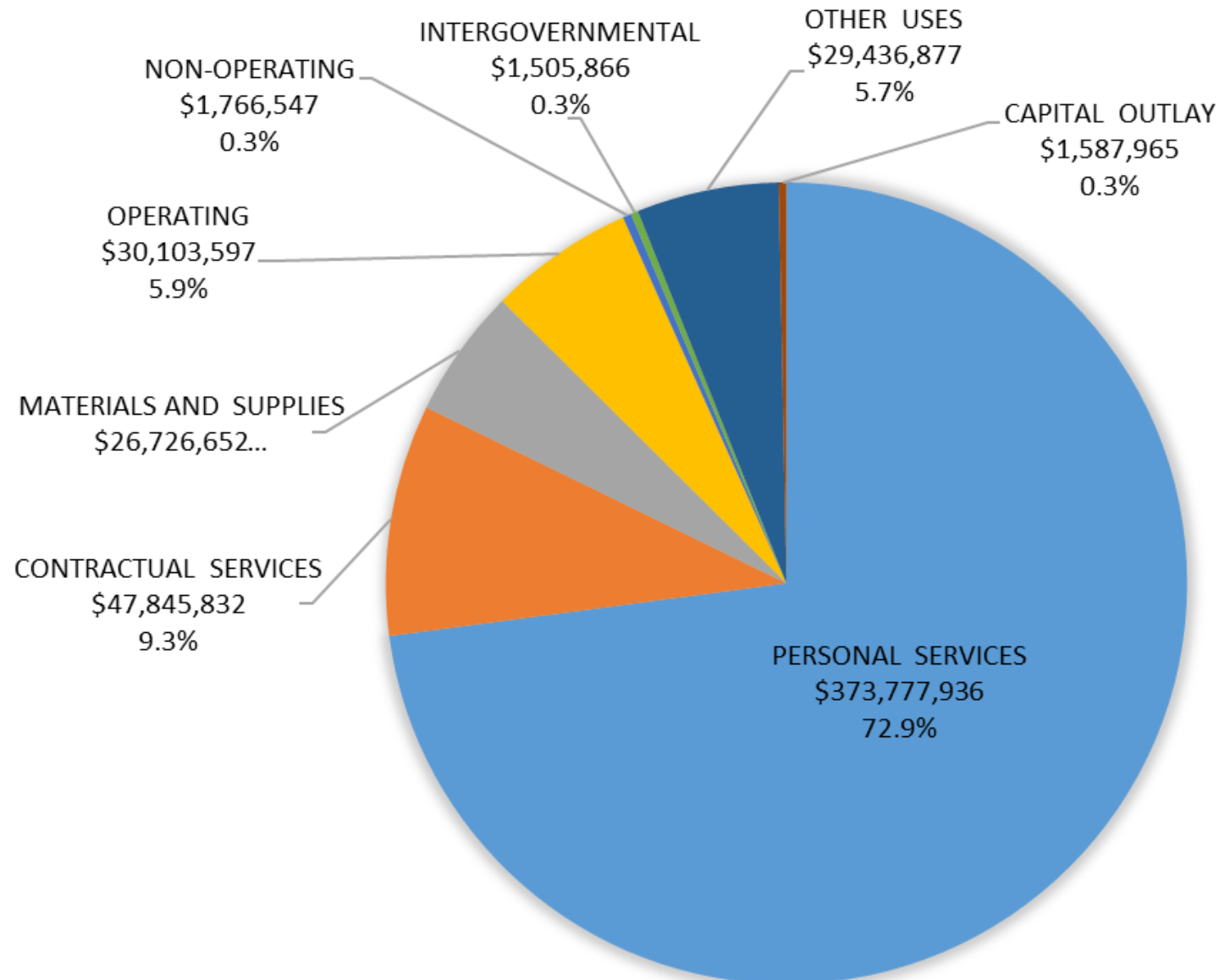


FY2022/23 ADOPTED BUDGET

Helping our  
Community

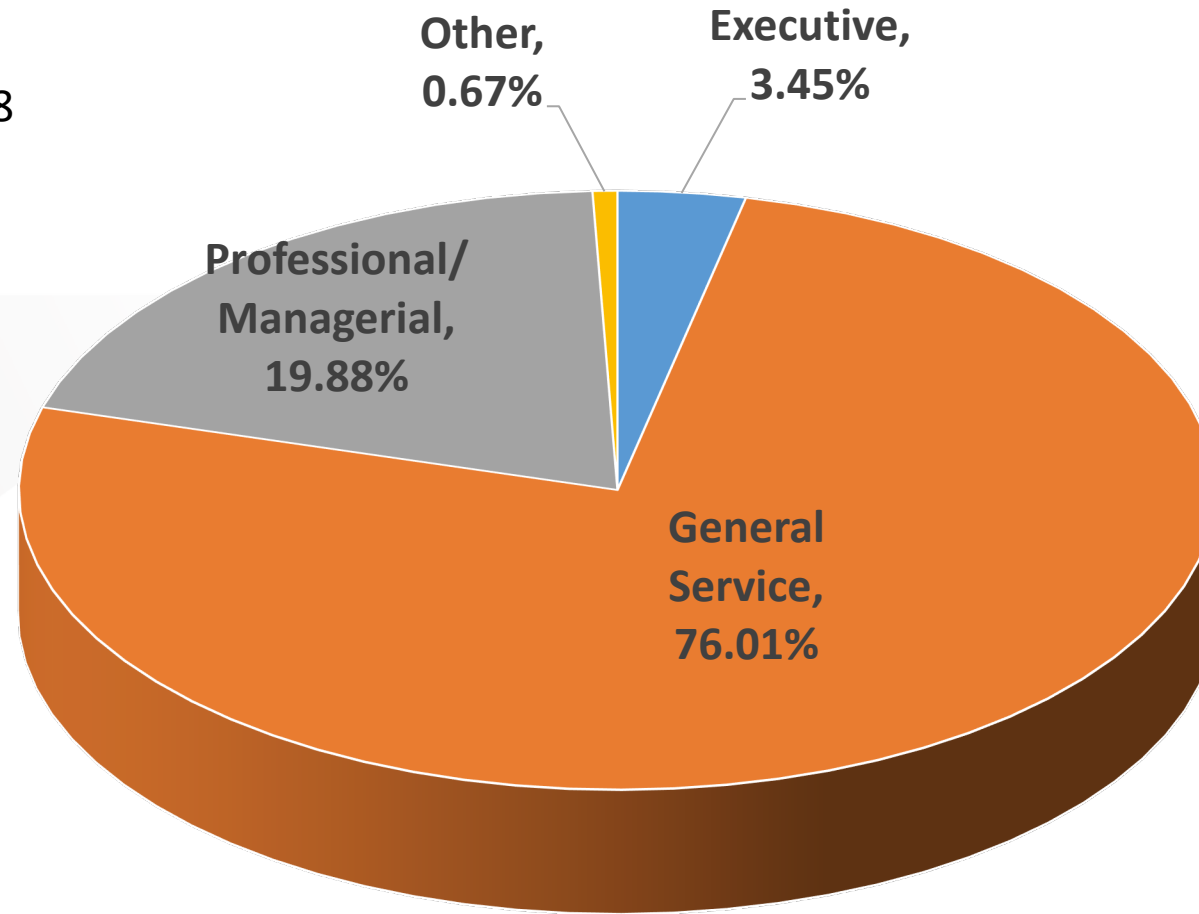
Council-led  
Strategic Economic  
Recovery

# FY 2022/23 General Fund by Category



# Citywide Position Classification

Total Positions = 5,311.88



\*Excluding Uniform and Elected Judges



# Recent Actions

## **FY 2022 -**

- September 2021 – Minimum Compensation Increase of 1.5% and Equity Adjustments to address compression occurring at pay ranges
- December 3, 2021 – One-time lump sum payment \$500 for all full-time employees and \$250 for all part-time employees
- May 2022 – Increase minimum wage from \$10.36 to \$11.11
- August 2022 – Position Adjustments for Aquatics, ASD and new incentives

## **FY 2023 -**

- September 2022 – Increase minimum wage from \$11.11 to \$11.61 with a minimum increase of 1.25%
- March 2023 – Increase minimum wage from \$11.61 to \$12.11 with a minimum increase of 1.25%

# Equity Adjustments (Fall of 2021)

Previous Classification and Compensation Study:

- Implemented Phase 1 - Each employee was evaluated based length of time in their current position to address compression
- Plus + a compensation increases of 1.5%
- Annual impact approximately \$2.3 million
- Estimated Impacted 2,270 employees

# Increasing Minimum Wage



- 17% increase in minimum wage since May 2022
- 76% of the civilian workforce is in the General Service (hourly) category



# Competitive Wages

	FY 2022 (Sept. & May)	FY 2023 (Sept. & March)
Hourly (GS)	7.5% ↑	6.4% ↑
Managerial (PM)	3.8% ↑	4.0% ↑
Executive (EX)	2.3% ↑	2.5% ↑

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Increase minimum wage by 17% between May 2022 and March 2023 (from \$10.36 to \$12.11)

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Providing lump-sum payments of \$175 for successful performance evaluation rating

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Increasing service time pay increase percentages (every five years of service) to compensate long-term employees

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No healthcare cost increase for employees and Shape-it-Up wellness program – up to \$1,800 annually, Live Active El Paso!

# Council Action

## **City Council Approved on August 1, 2022**

Motion to direct staff to implement a competitive wage analysis for Quality of Life and Animal Services employees

**August 23 – Staff recommended and Council Approved the Budget that included the following adjustments:**

- Wage Adjustments for Animal Services and Aquatic positions
- Immunization Incentive of \$90 per pay period or \$2,340 annually for Animal Services and the Zoo employees

# Competitive Wage Study

## **Summary:**

- 5 Departments – Animal Services, Library, MCAD, Parks and Recreation & Zoo
- 829.32 FTEs evaluated by the Study
- 20 Different Cities Surveyed
- 44 Job Descriptions Evaluated
- Compared to Salaries as of March 2023

## **Results (545 employees impacted):**

- On average \$2.88 per hour under market for a similar position
- Average increase per person \$5,194 annually
- Estimated impact of \$2.8 million

# Compensation Strategy

Recommendation city-wide non-uniform employees:

- Continue equity adjustments annually to address compression
- Continue to increase minimum wage based on available revenue
- Continue with a per hour increase (dollar amount) to ensure GS level employees receive a larger percentage increase



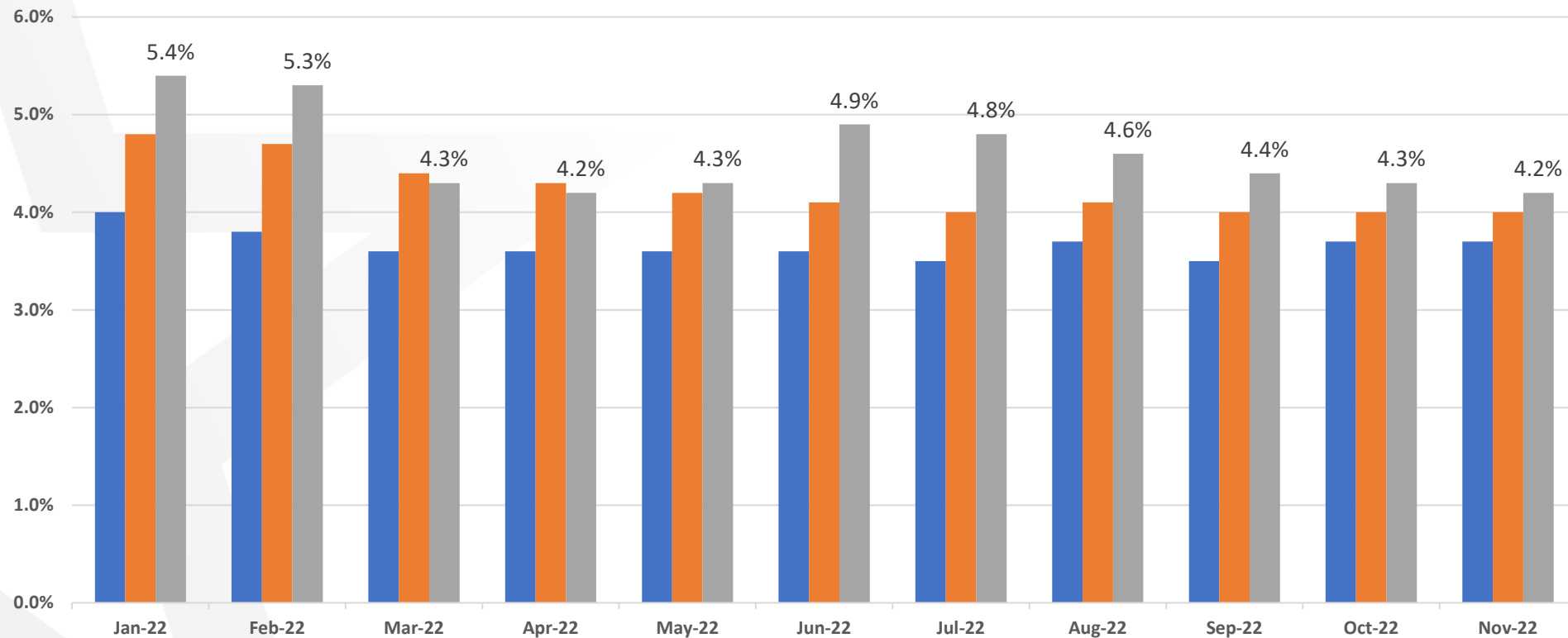
# Economic Snapshot

Continued economic uncertainty:

- Tight labor market
  - Unemployment Rates
  - Continued vacancies
- Continued inflationary pressures
- Improved fuel prices
- Cost of living Comparisons

# Unemployment

■ National ■ Texas ■ El Paso

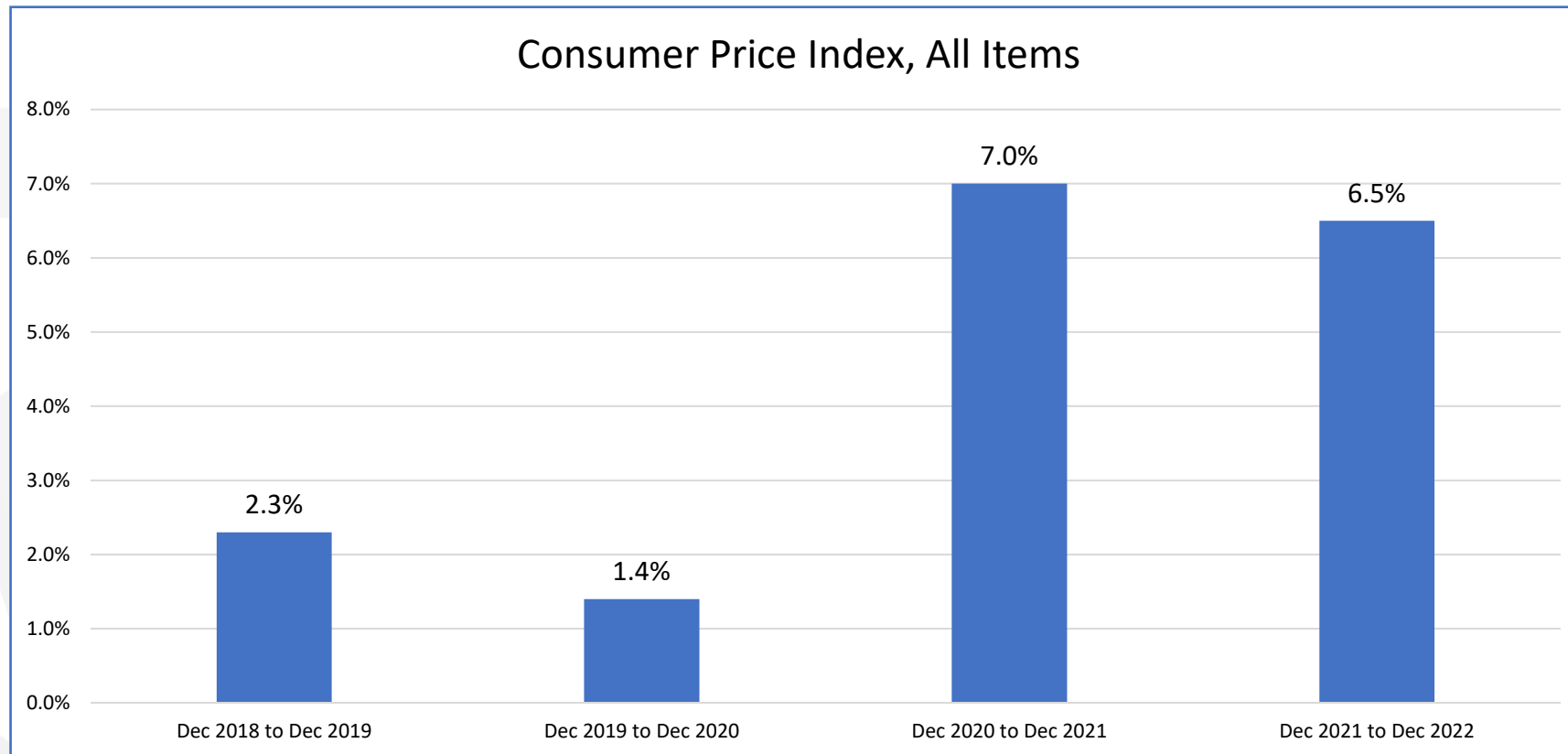


## Data trends:

- Tight labor market continues
- El Paso remains in-line with national and state-wide trends

# Inflation

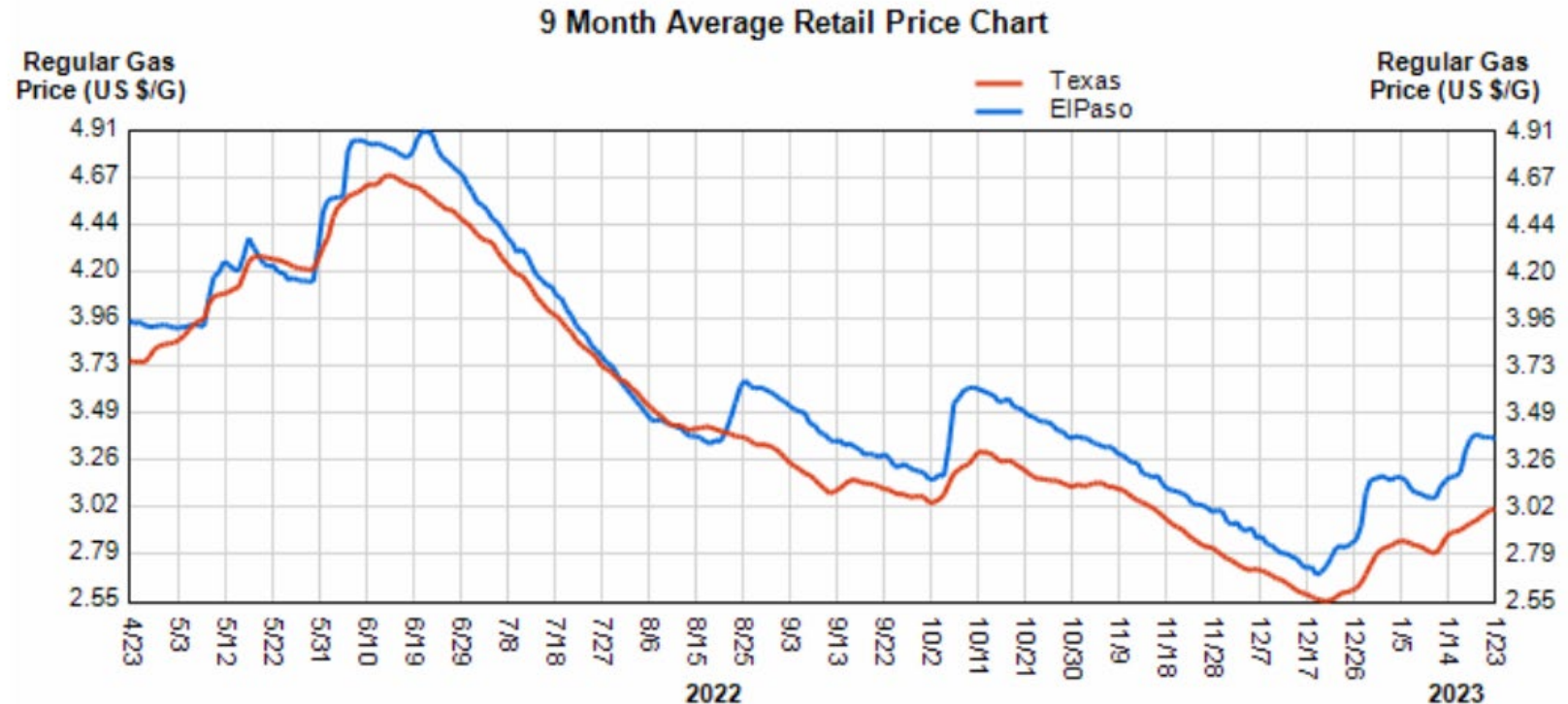
- Market continues to see increasing wages and costs
- Food and energy are rising at a higher rate than other market segments



Source: U.S. Bureau of Labor Statistics

# Fuel

- Average fuel price remains highly correlated with and above state-wide prices
- Prices are expected to continue to rise during peak summer consumption, but are not expected to reach the records of 2022



# Workforce Costs & Look Ahead

## Presented August 23, 2022

	FY 2021/2022	FY 2022-2023	FY 2023-2024	• Future costs increases will include:
	Budget	Budget	Estimate	
Uniform Employees	229,488,054	240,008,813	257,198,609	<ul style="list-style-type: none"> <li>• New Police collective bargaining agreement impact</li> <li>• Police and Fire staffing increases</li> <li>• Continuing aggressive pay to remain competitive</li> <li>• No employee healthcare cost increase (City covering increased cost)</li> </ul>
Civilian Employees	118,272,502	133,769,123	143,326,902	
<b>Total</b>	<b>\$347,760,556</b>	<b>\$373,777,936</b>	<b>\$400,525,511</b>	
<b>\$ Increase</b>		<b>\$26,017,380</b>	<b>\$26,747,575</b>	

**BUDGET IMPACT**



# Compensation Strategy

Recommendation city-wide non-uniform employees:

- Continue equity adjustments annually to address compression
- Continue to increase minimum wage based on available revenue
- Continue with a per hour increase (dollar amount) to ensure GS level employees receive a larger percentage increase

# FY 2024 Budget Impacts

- Full year impact of the FY 2023 \$1.00 increase (\$0.50 in Sep 2022 and \$0.50 in Mar 2023)
- Police Collective Bargaining negotiations
- Healthcare costs (City has covered healthcare cost increases for last four years)
- Tuition Assistance Program Impacts
- Fire Collective Bargaining Agreement
- Utility Costs (rate increases in Electric, water, gas)
- Inflationary Pressures
- Contract increases
  - Examples include:
    - Security Contract increases range from 24% - 42.9%
    - Janitorial Contract increases range from 19% - 30%
    - Lubricant & Oil Contracts increased by 18.97%

# Budget Calendar

## Next Steps:

- February – Chime In! Kickoff
- March - Five Year Financial Report
- June - Council Briefings
- Late June - FY 2024 Budget Overview & Budget Workshops
- Early August - Introduce the Tax Rate



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