

DATE: January 20, 2023  
TO: FINANCE COMMITTEE  
FROM: Amy Jewell  
RE: FY 24 Total Compensation Package

The Proposed FY 24 Wage & Benefit totaling \$5,344,137 reflects an 11.08% increase over the FY 23 Budget. This increase results in the total wages and benefits reflecting 36.64% of the FY 24 projected revenue. The FY 23 Wages and Benefits percentage was 36%.

Enclosed please find the following attachments:

Attachment A: Key Assumptions used in developing wages and benefits  
Attachment B: Consumer Price Index – Northeast Urban Class B/C  
Attachment C: FY 24, FY 23 Budget & Actual comparison  
Attachment D: FY 24 Organizational Chart

**FY 24 BUDGETED WORKFORCE HOURS:** 109,527 hours or 52.66 FTE's.  
FY 23 Budget: 102,856 hours or 49.45 FTE's.

Proposed staffing changes - increase of 3.21 Full-time Equivalents (FTE) listed by program:

1. **Admin/IT (+1)** – increased 2,080 hours– Added IT Support. Retirement in O&C with some data related work being moved to the IT program.
2. **Outreach & Communications (-0.58)** -decreased by 1,206 hours. Retirement, some data related work moved to IT, budgeted part-time assistance.
3. **Drop-Off Center (+2.34)** increased 4,687 hours – increased staffing needs based on adequate coverage of centers and increased service hours, shared floater across programs.
4. **Maintenance (+0.20)** increased 416 hours to share floater across programs ODF, DOC programs.
5. **Organics Diversion Facility (+0.40)** increased 832 hours to share floater position for mechanical work from maintenance program.
6. **Hazardous Waste (-0.15)** decreased 312 hours based on actual need to provide service

**Total Salaries/Wages:** \$3,746,508  
FY 23 Budget - \$3,349,221

**OVERTIME:** \$31,196  
FY 23 Budget \$34,733

**COLA:** \$240,085  
FY 23 Budget \$61,393

Historically, the Finance Committee has used the calendar year Northeast Urban - Class B/C average for the previous calendar year average. A proposed 7% CPI is included.

**NET STEP:** \$45,440

*FY 23 Budget: \$48,498*

**The FY 23 Pay Grade & Step Schedule was adjusted to add steps 21-25 at 1%. Below is information on the step schedule and number of staff in each step range. (63 employees budgeted for FY 24)**

**Steps 1-6** (eligible for 2.25%): 20 employees (32% of staff)

**Steps 7-19** (eligible for 1.4%) 35 employees (56% of staff)

**Step 20-25** (eligible for 1%) 4 employees (6% of staff)

**Over step 25** (eligible for ½% lump sum payment): 2 employees (3% of staff)

**FICA (mandated Benefit): \$285,782** – calculated at 7.65% of total wages

*FY 23 Budget \$272,059*

**WORKERS COMP (mandated benefit): \$153,091**

*FY 23 Budget \$135,224*

Workers comp rates are determined by the payroll, classification codes, and the previous three years of claim experience. CSWD's experience rating increased due to several larger historical claims.

**UNEMPLOYMENT INSURANCE (mandated benefit): \$5,626**

*FY 23 Budget \$5,482*

**MEDICAL:** \$806,607

*FY 23 Budget \$744,609*

*Health Insurance is covered on a calendar year. The January 2023 premiums we previously offered (Platinum and Silver Plans) increased by 16% and 20%. Based on this we moved to the Bronze Plan on 1/1/2023. The premiums are less than the 2022 rates but come with a higher deductible. Based on CSWD's historical utilization rates, we made the changes and provided employees with a \$1,500 or \$3,000 Health Savings Account payment to pay towards the deductible.*

**How are we covered?** In 2014, following the Federal Legislation of the Affordable Care Act, CSWD plan choices are offered through the Exchange.

**Measures taken to decrease costs:**

- CSWD changed from a more expensive BCBS Plans to less expensive MVP plans in 2020.
- CSWD changed from MVP's Platinum Plan and Silver Plan to the Bronze Plan in 2023
- CSWD reduced amounts towards deductible to \$1,500/\$3,000 for 2023
- CSWD increased employee contribution from 3.25% of salary to 3.5% of salary for FY 24

	<b>FY 23</b>	<b>FY 24</b>
Single	11	12
2-person	13	12
Family	14	19
<b>Total</b>	<b>38</b>	<b>43</b>
Opt-out	10	10
<b>Total eligible</b>	<b>48</b>	<b>53</b>

**Payment Structure:**

a. **Premiums** – MVP Bronze High Deductible Plan - Current monthly costs: range from \$586.05/single coverage to \$1,646.80/family plan coverage.

b. **Health Savings Account:** CSWD pays \$1,500/\$3,000 into HSA

c. **Co-insurance:** This proposal continues to assume CSWD covers co-insurance. Our average utilization rate for the past eight years is roughly 23%. The potential out of pocket is \$4,950/single coverage and \$9,900/2-person/family plan. A 35% utilization rate is budgeted to cover co-insurance costs.

d. **Employee Contributions:** - The FY 23 Budgeted employee contribution increases from 3.25% of employee salary to 3.5% towards premiums.

Part-time employees will pay a pro-rated portion of their health insurance or 3.50% of premium, whichever is greater.

**OPT-OUT: \$50,628** (10 employees)

*FY 23 Budget \$45,924 (8 employees)*

The opt-out rate remains the same, which is either \$178/month, \$355/month, or \$496/month.

**DENTAL: \$46,308**

*FY 23 Budget \$40,118*

Dental rates are \$35.98/month, \$67.73/month, or \$119.73/month.

Full-time employees pay 5% of the premium and CSWD pays 95% of the premium. Northeast Delta Dental requires that the employer pay the full cost of the employee.

**RETIREMENT: \$197,637**

*FY 23 Budget \$181,541*

The CSWD contribution for ICMA 457 retirement remains at 6% of the eligible employee's salary. New hires are eligible for retirement benefits after 6 months. This changed in FY 23 from a one-year waiting period.

**LIFE/DISABILITY: \$51,950**

*FY 23 Budget \$36,823*

FY 24 includes increased life insurance from 1x the salary amount to 2x the salary amount.

Total Compensation Key Assumptions	
Salary Range	22 Grade/25 Step Schedule
Steps	1-6 2.25% 7-19 1.4% 20 -25 1% 25+ 1/2% lump sum
Cola	7%
fica	7.65%
Workers Comp	10% increase -final 6 mos
Unemployment	remains at .54%
Medical	assumed 8% increase for final 6 months 35% utilization rate co-insurance employee pays 3.50% salary towards cost
opt-out	No change to rate paid
Dental	assumes 5% increase employee pays 5% of premium
Retirement	CSWD contributes 6%
Life/Disability	No change to rate charges

**CPI for All Urban Consumers (CPI-U)**  
**Original Data Value**

**Series Id:** CUURN100SA0  
**Not Seasonally Adjusted**  
**Series Title:** All items in Northeast - Size Class B/C, all urban  
**Area:** Northeast - Size Class B/C  
**Item:** All items  
**Base Period:** DECEMBER 1996=100  
**Years:** 2010 to 2022

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2010	138.416	138.491	138.871	139.115	139.362	139.163	139.274	139.348	139.229	139.746	140.282	140.351	139.304	138.903	139.705
2011	141.001	141.547	143.001	143.987	144.697	144.525	144.952	145.339	145.369	145.404	145.335	145.062	144.185	143.126	145.244
2012	145.456	146.217	146.961	147.460	147.244	146.533	146.456	146.885	147.846	148.210	147.246	147.004	146.960	146.645	147.275
2013	147.337	148.195	147.909	147.909	147.971	147.926	148.223	148.802	148.683	148.483	148.420	148.367	148.185	147.874	148.496
2014	149.186	149.685	150.706	150.466	151.354	151.162	151.359	150.633	150.559	150.333	149.150	148.240	150.236	150.427	150.046
2015	147.599	147.565	148.225	148.482	149.237	150.122	150.008	149.380	148.967	148.569	148.509	148.196	148.738	148.538	148.938
2016	148.264	148.466	148.834	149.693	150.261	150.491	150.523	150.540	150.819	151.358	151.010	150.935	150.100	149.335	150.864
2017	152.007	152.244	152.004	152.429	152.575	152.178	151.613	152.149	152.827	152.944	153.181	153.547	152.475	152.240	152.710
2018	154.533	155.053	155.249	155.977	157.068	157.058	156.833	157.350	156.961	156.752	156.131	156.125	156.258	155.823	156.692
2019	156.632	156.772	157.640	158.357	158.925	159.008	159.182	159.041	159.106	158.912	158.992	158.721	158.441	157.889	158.992
2020	159.824	160.261	159.816	159.365	159.111	159.843	160.631	160.844	160.756	160.278	160.685	161.044	160.205	159.703	160.706
2021	161.827	162.517	163.941	165.227	166.31	168.03	168.552	168.886	169.156	170.591	171.75	172.337	167.427	164.642	170.212
2022	173.177	174.884	177.076	177.846	179.924	181.809	181.579	182.401	182.232	182.8	182.81	182.457	179.916	177.453	182.38
	7.01%	7.61%	8.01%	7.64%	8.19%	8.20%	7.73%	8.00%	7.73%	7.16%	6.44%	5.87%			

7.46%

[https://data.bls.gov/timeseries/CUURN100SA0?amp%253bdata\\_tool=XGtable&output\\_view=data&include\\_graphs=true](https://data.bls.gov/timeseries/CUURN100SA0?amp%253bdata_tool=XGtable&output_view=data&include_graphs=true)

**FY 24 WAGES AND BENEFITS**  
*comparison to FY 23 Budget and FY 23 - 6 months actual*

<i>Column A</i>	<i>B</i>	<i>C</i>	<i>D</i>	<i>E</i>	<i>F</i>
	BUDGET	Budgeted %	BUDGET	ACTUAL - 6 MONTHS	Percentage
	FY24	CHANGE	FY23	FY23	budget
	Total	FY 24 to FY 23	Total	Total	to Actual
Wages	\$ 3,429,787	7.03%	\$ 3,204,598	\$ 1,558,695	49%
Step Increase	\$ 45,440	-6.31%	\$ 48,498		0%
COLA	\$ 240,085	291.06%	\$ 61,393		0%
Overtime	\$ 31,196	-10.18%	\$ 34,733	\$ 31,772	91%
<b>Total Salary</b>	<b>\$ 3,746,508</b>	<b>11.86%</b>	<b>\$ 3,349,221</b>	<b>\$ 1,590,467</b>	<b>47%</b>
Medical	\$ 514,077	-6.52%	\$ 549,939	\$ 215,945	39%
Health Savings Account	\$ 105,000	-0.28%	\$ 105,300	\$ 90,308	86%
Co-Insurance Reimbursement	\$ 187,530	109.84%	\$ 89,370	\$ 28,000	31%
<b>Health (total)</b>	<b>\$ 806,607</b>	<b>8.33%</b>	<b>\$ 744,609</b>	<b>\$ 334,253</b>	<b>45%</b>
Opt-Out	\$ 50,628	10.24%	\$ 45,924	\$ 24,642	54%
Dental	\$ 46,308	15.43%	\$ 40,118	\$ 18,449	46%
Total Life & Disability	\$ 51,950	41.08%	\$ 36,823	\$ 17,457	47%
457 Plan	\$ 197,637	8.87%	\$ 181,541	\$ 84,810	47%
<b>Total optional benefits</b>	<b>\$ 1,153,130</b>	<b>9.93%</b>	<b>\$ 1,049,015</b>	<b>\$ 479,611</b>	<b>46%</b>
Unemployment Insurance	\$ 5,626	2.62%	\$ 5,482	\$ 2,202	40%
Workers Comp	\$ 153,091	13.21%	\$ 135,224	\$ 55,198	41%
FICA	\$ 285,782	5.04%	\$ 272,059	\$ 121,729	45%
<b>Total mandated benefits</b>	<b>\$ 444,499</b>	<b>7.69%</b>	<b>\$ 412,765</b>	<b>\$ 179,129</b>	<b>43%</b>
<b>Total Compensation</b>	<b>\$ 5,344,137</b>	<b>11.08%</b>	<b>\$ 4,811,001</b>	<b>\$ 2,249,206</b>	<b>47%</b>

# FY 24 CSWD ORGANIZATIONAL CHART

Attachment D

