

WORKFORCE INVESTMENT

The FY 2019 Proposed Budget includes the implementation of the five-year compensation maintenance plan as well as additional funding to provide other enhancements for continued investment in our workforce. The last major compensation study was completed in 2016. Since that time, we have lost ground and it is important to keep refining the analysis. The proposed Compensation Maintenance Plan is a five-year plan that focuses on pay competitiveness for all classes and pay programs and includes external benchmark reviews of salary range, internal reviews of organizational structure, and may include updates to the Administrative Regulations associated with changes to pay, job changes or reclassifications, and pay ranges. An evaluation of market competitiveness will be conducted and evaluated based upon the County's total compensation philosophy. Costs related to the classification maintenance plan are estimated at a total of \$5.5 million (base and benefit) over the five years with the first year costing the most, approximately \$2.9 million and subsequent years averaging \$0.65 million, annually.

The enhancements for FY 2019 include compensation and benefit increases for both public safety and general employees.

Focus on Public Safety:

- Year one funding of the Five-Year Compensation Maintenance Plan - Year one focuses on the job family related to public safety. This is the largest cost, \$2.9 million, of the five-year plan and is recommended to align the Police, Sheriff and Fire pay. The entry pay for certain positions in this job family are significantly behind the market with Arlington behind our market position tied to the average of our three major competitors. This plan will move our entry pay to a highly competitive position and adjust other ranges and pay to minimize pay compression. The proposed budget includes the following compensation increases for public safety:
 - Police - a 2.5 percent pay adjustment for sworn uniformed employees up to the rank of Police Sergeant
 - Sheriff - two percent pay adjustment for Corporal positions
 - Fire - A four percent pay adjustment for sworn uniformed employees
 - The proposed budget also continues the public safety pay plan, which includes a 3.5 percent pay increase for uniformed employees in addition to the pay adjustments described above.
- Implementation of Kelly Day for the Fire Department – The Kelly Day schedule provides an extra day off per 28-day cycle thus reducing the number of hours worked. Arlington Firefighters work more hours than most other jurisdictions and this would enhance our competitiveness and ability to recruit and retain staff. The proposed Kelly Day initiative is projected to be implemented over four years, adding nine FTES each year. Once fully implemented, 36 uniformed employees would be added to the Fire Department to provide an extra team. This initiative is a first step towards an effort to reduce the workweek to a level closer to other jurisdictions.
- Increase in location pay for Police and Sheriff uniformed employees. This does not impact the midnight shifts.

Focus on General Employees:

- Continued Open Range Pay Plan – The proposed budget continues the open range plan. All general employees on this plan at least meeting expectations will receive a 3.25 percent increase up to the maximum of their grade range.
- 1.0 percent increase to the Maximum of Each Grade – The maximum salary in all pay plans will increase by 1.0 percent for General Employees in FY 2019. Ranges are reviewed annually to stay competitive. It is critical to keep the maximum of our ranges competitive in order to reward, retain, and fairly compensate our employees.
- Base Rate Increasing to \$15.00/hour – The base rate pay for permanent employees and most temporary employees will increase to \$15.00/hour from the current \$14.50/hour.

Other Compensation and Benefits investments include:

- New Adoption Assistance – This provides \$5,000 in financial assistance to adoptive parents who are employees.
- Increased Volunteer Leave – Volunteer leave will increase to eight hours from the current four hours. Volunteer hours can be used for a pre-approved County volunteer activity or with any Arlington County non-profit organization.
- Health Insurance Costs – Annual costs continue to rise due to medical and prescription costs. The overall health care budget is projected to increase 5%. Actual premium increases may vary based on the plan and tier selected. This is the smallest increase in several years.

As part of our commitment to providing a well-rounded total rewards package, we conducted the first phase of a multi-year comprehensive benefits study to look at our retirement, health and other benefits. A survey was given to all employees for their input and focus groups were conducted consisting of employees from across the organization. The second phase of the comprehensive benefits study will be completed in the coming year. This, together with the five-year classification maintenance plan will better inform compensation and benefit options for FY 2020.

Our employees are our most valuable assets and we will continue to invest in them to provide a work/life balance and compensation and benefits package to retain and attract a high quality workforce.