



**LEGISLATIVE SERVICES
OFFICE**

**Change in Employee
Compensation Overview**

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Idaho Compensation Plan, Section 67-5309C, Idaho Code

- Division on Human Resources' Compensation Report
 - Annually by December 1st
- Governor's Budget Recommendation
 - State-of-the-State Address in January
- Legislative Action
 - The Legislature may by concurrent resolution, accept, modify, or reject the Governor's recommendation, but any such action by the Legislature, at a minimum, must address the four components, and subsequent funding of each component. The failure of the Legislature to do so shall constitute approval of the Governor's recommendation.
 - Annual appropriation to each State agency



State of Idaho Workforce

- The State of Idaho employs 24,227 people
 - 12,394 are classified
 - Subject to provisions merit, examination, selection, retention, promotion, and dismissal requirements of Title 67, Chapter 53, Idaho Code
 - 11,833 are non-classified
 - Section 59-1603, Idaho Code
 - Conformity with classified positions



State Employee Compensation Philosophy, Section 67-5309A(1), Idaho Code

It is hereby declared to be the intent of the legislature of the state of Idaho that the goal of a total compensation system for state employees shall be to fund a competitive employee compensation and benefit package that will:

- Attract qualified applicants to the workforce;
- Retain employees who have a commitment to public service excellence;
- Motivate employees to maintain high standards of productivity;
and
- Reward employees for outstanding performance.



State Employee Compensation Philosophy, Section 67-5309A(2), Idaho Code

The foundation for this philosophy recognizes that state government is a service enterprise in which the state work force provides the most critical role for Idaho citizens. Maintaining a competitive compensation system is an integral, necessary and expected cost of providing the delivery of state services and is based on the following compensation standards:

- (a) The state's overall compensation system, which includes both a salary and a benefit component, when taken as a whole shall be competitive with relevant labor market averages.
- (b) Advancement in pay shall be based on job performance and market changes.
- (c) Pay for performance shall provide faster salary advancement for higher performers based on a merit increase matrix developed by the division of human resources.
- (d) All employees below the state's midpoint market average in a salary range who are meeting expectations in the performance of their jobs shall move through the pay range toward the midpoint market average.



State Employee Compensation Philosophy, Section 67-5309A(3), Idaho Code

It is hereby declared to be legislative intent that regardless of specific budgetary conditions from year to year, it is vital to fund necessary compensation adjustments each year to maintain market competitiveness in the compensation system. In order to provide this funding commitment in difficult fiscal conditions, it may be necessary to increase revenues, or to prioritize and eliminate certain functions or programs in state government, or to reduce the overall number of state employees in a given year, or any combination of such methods.



Four Components to Employee Compensation, Section 67-5309C(2), Idaho Code

Recommendations shall at a minimum include:

- Market Related Changes - Salary Structure
- Specific Occupational Inequities (Pay line Exceptions)
- Merit Increase
- Benefit Package



FY 2023 Salary Structure

FY 2023 Compensation Schedule - Effective 6/12/2022

Pay Grade	Minimum Points	Grade Points	Maximum Points	Hourly			Annual		
				Minimum	Policy	Maximum	Minimum	Policy	Maximum
D	Below 110 Points			\$7.25	\$12.00	\$18.00	\$15,080	\$24,960	\$37,440
E	110	119	130	\$9.40	\$13.42	\$20.13	\$19,552	\$27,914	\$41,870
F	131	142	154	\$10.59	\$15.11	\$22.67	\$22,027	\$31,429	\$47,154
G	155	169	184	\$12.00	\$17.17	\$25.76	\$24,960	\$35,714	\$53,581
H	185	201	219	\$13.82	\$19.77	\$29.66	\$28,746	\$41,122	\$61,693
I	220	240	262	\$16.15	\$23.08	\$34.62	\$33,592	\$48,006	\$72,010
J	263	286	312	\$18.23	\$26.03	\$39.05	\$37,918	\$54,142	\$81,224
K	313	341	372	\$20.41	\$29.14	\$43.71	\$42,453	\$60,611	\$90,917
L	373	406	443	\$23.03	\$32.91	\$49.37	\$47,902	\$68,453	\$102,690
M	444	485	528	\$26.04	\$37.19	\$55.79	\$54,163	\$77,355	\$116,043
N	529	578	630	\$28.77	\$41.10	\$61.65	\$59,842	\$85,488	\$128,232
O	631	688	750	\$31.17	\$44.54	\$66.81	\$64,834	\$92,643	\$138,965
P	751	828	904	\$34.09	\$48.71	\$73.07	\$70,907	\$101,317	\$151,986
Q	905	998	1090	\$37.52	\$53.61	\$80.42	\$78,042	\$111,509	\$167,274
R	1091	1176	1292	\$41.63	\$59.47	\$89.21	\$86,590	\$123,698	\$185,557
S	1293	1399	1531	\$46.69	\$66.71	\$100.07	\$97,115	\$138,757	\$208,146
T	1532	1665	1822	\$52.74	\$75.34	\$113.01	\$109,699	\$156,707	\$235,061
U	1823	1980	2166	\$59.94	\$85.61	\$128.42	\$124,675	\$178,069	\$267,114
V	2167	2354	2575	\$68.51	\$97.86	\$146.79	\$142,501	\$203,549	\$305,323



Pay Line Exceptions

- Pay line exceptions are defined in 67-5309D (5) and are granted to address specific recruitment or retention issues.
- There are currently 28 pay line exceptions in place for FY 2023.
- An example of a pay line exception is a clinical specialist that which are in a paygrade with a max of \$55.79 per hour but have approval to be paid at a higher paygrade with a max of \$73.07 per hour.
- Full list on Page 156 of DHR Report



10-Year History of CEC

Fiscal Year	Orig Gen Fund	% Change	DHR Rec	**Agency CEC	Judges CEC	CPI %*
2014	\$ 2,781,023,800	2.9%	0.0%	0.0%	0.0%	1.6%
2015	\$ 2,936,096,600	5.6%	2.0%	2.0%	10.7%	0.7%
2016	\$ 3,071,860,500	4.6%	3.0%	3.0%	3.7%	0.7%
2017	\$ 3,272,991,000	6.5%	3.0%	3.0%	3.7%	1.9%
2018	\$ 3,450,575,300	5.4%	3.0%	3.0%	3.9%	2.3%
2019	\$ 3,652,724,800	5.9%	3.0%	3.0%	3.0%	2.1%
2020	\$ 3,910,354,400	7.1%	3.0%	3.0%	2.9%	1.6%
2021	\$ 4,062,091,300	3.9%	2.0%	2.0%	1.9%	2.3%
2022	\$ 4,222,572,600	4.0%	2.0%	2.0%	2.0%	7.2%
2023	\$ 4,624,520,500	9.5%	5.0%	7.8%	0.0%	TBD
Average Change		5.54%	2.60%	2.88%	3.18%	1.62%

* U.S. Department of Labor, Bureau of Labor Statistics: <https://www.bls.gov/cpi/>



History of Merit Increase

- The Legislature has funded an average of 2.88% increase over the last ten years.
- In FY 2023 the Legislature funded \$1.25/hour for each authorized FTP to be distributed on merit.
- An additional 3.00% was appropriated in FY 2023 to fully fund the salary structure move.
 - State Tax Commission CEC appropriation increased 8.40%.
 - Idaho Transportation Department CEC appropriation increased by 7.62%.
 - Idaho State Controller CEC appropriation increased by 6.88%



Employee Benefit Package

The employee benefit package includes:

- Health insurance - premium and deductible depend on plan type
- PERSI - defined benefit plan employee costs (FY 2023)
 - Fire/Police 9.13%
 - General Members 7.16%
 - Teachers 7.16%
- Basic life and disability insurance
- Sick, vacation, and paid parental leave
- 11 Paid Holidays
- 401K/457 options



Employer-Paid Costs

The State of Idaho employer-paid costs are budgeted in FY 2023 to include:

- Health Insurance
 - \$12,500 per full time position
- PERSI - Defined Benefit Plan
 - Fire/Police 12.28%
 - General Members 11.94%
 - Teachers 11.94%
- Basic Life and Disability Insurance 0.072%
- Sick, Vacation, and Compensatory Time Off
 - Included in annual salary
- 11 Paid Holidays
 - Included in annual salary
- 401K/457 options
 - No cost to the employer



There are other costs to the employer such as workers comp, social security, Medicare, and DHR fees that are mandatory and calculated in variable benefits but not included on this slide.

Contact Information



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