

Change in Employee Compensation and Benefits Report

FY 2025 Overview

FISCAL YEAR 2025 SUMMARY

COMPONENT	VARIANCE BETWEEN 50 TH %TILE OF PUBLIC SECTOR	VARIANCE BETWEEN 50 TH %TILE OF PRIVATE SECTOR	AVERAGE VARIANCE COMPARED TO THE 50 TH %TILE OF THE COMBINED MARKET
Average Total Compensation	-18.3%	-14.6%	-16.5%
Average Base Salary	-22.7%	-27%	-24.9%
Primary Salary Structure	-19.2%	-23.8%	-21.6%
Public Safety Salary Structure	-1.0%	n/a	n/a
IT/Engineering Salary Structure*	-18.4%	-22.9%	-20.7%
Nursing/Healthcare*	-1.0%	-9.6%	-5.3%
Healthcare Benefits	-4.0%	+22%	n/a
Retirement Benefits	-2.0%	+161%	n/a

*FY25 Recommendation

FISCAL YEAR 2025 CEC RECOMMENDATION

MERIT-INCREASE: Fund a 4.5% merit-based increase for all permanent employees.

SALARY STRUCTURE ADJUSTMENTS:

- Increase the midpoints upward on average of 3.7% for Primary Structure and 5.8% for the Public Safety Structure.
- Implement two new salary structures for IT/Engineering and Nursing/Healthcare.

MARKET-BASED INCREASES: Fund an additional 5.5% market-based increase for positions assigned to the IT/Engineering and Nursing/Healthcare salary structures.

BENEFIT PACKAGE: Maintain the State's existing benefits and retirement package.

PAYLINE EXCEPTIONS: Continue with the job classifications that are currently on payline exception to address specific recruitment and retention issues.

FISCAL IMPACT

MERIT-INCREASE = \$78.9 MILLION

\$41.3 million in General Funds + ~\$37.5 million in spending authority for Other Funds (includes variable benefits)

SALARY STRUCTURE ADJUSTMENTS = \$1.3 MILLION

\$648 thousand in General Funds + ~\$675 thousand in spending authority for Other Funds

MARKET-BASED INCREASES = \$8.1 MILLION

\$2.7 million in General Funds + ~\$5.3 million in spending authority for Other Funds (includes variable benefits)

BENEFIT PACKAGE

No additional funds or spending authority is necessary.

PAYLINE EXCEPTIONS

No additional funds or spending authority is necessary.