



# Fire and Rescue Compensation and Organizational Review

Board of Supervisors Personnel Committee Meeting

July 9, 2019

# Agenda

- Overview
- Process
- Recommendations
- Multi-Year Strategy

# Overview

- As directed by BOS as part of the adoption of the FY 2018 budget, a compensation and organizational review was undertaken for the Fire and Rescue Department utilizing an outside consultant
  - The report is available at [https://www.fairfaxcounty.gov/hr/sites/hr/files/assets/documents/hr/frd-compensation\\_and\\_org\\_review\\_study.pdf](https://www.fairfaxcounty.gov/hr/sites/hr/files/assets/documents/hr/frd-compensation_and_org_review_study.pdf)
- The FY 2020 Advertised Budget Plan included \$2.68 million for the implementation of several recommendations, including:
  - Pay Scale Leveling
  - Rolling Shift Differential into base pay
- Following a presentation at the April 2, 2019 Personnel Committee meeting, staff was directed to engage with employee group representatives and return to the Board
- \$2.68 million remains in the FY 2020 Adopted Budget Plan to be utilized for recommendations resulting from the study

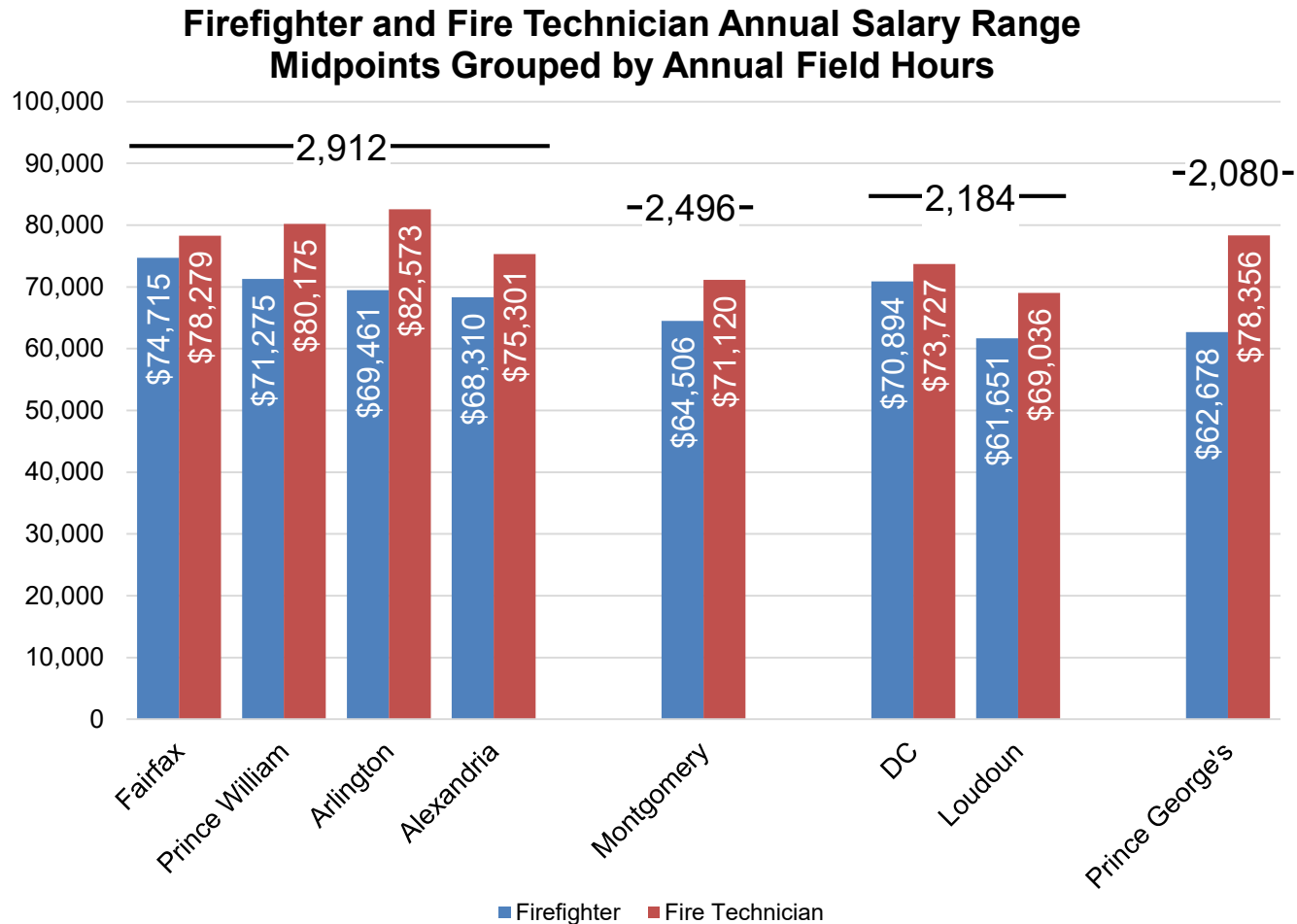
# Process

- Over the past few months, staff has worked closely with employee group representatives to revisit the original study recommendations
- Based on these discussions and further analysis, recommendations have been updated and a multi-year strategy has been developed
  - Revised recommendations were developed in partnership with employee group representatives
- Recommendations are data-driven and those included in the proposed plan for implementation in FY 2020 are accommodated in the existing \$2.68 million

# Findings/Recommendations

- Findings/Recommendations included in the original PFM report relate to the following topics:
  - **Pay Plan Inconsistencies**
  - Lieutenant Rank Pressures
  - **Staff Position Recruitment Challenges**
  - Job Share Expansion Interest
  - **Compensation Benchmarking Methodologies**
  - Overtime Usage
  
- Findings in Bold will be examined in-depth as part of this presentation

# Key Takeaways



- Uniformed Fire salaries are generally competitive on both an annual and hourly basis
- Staff positions are challenging to fill
- Fire Technician salaries are out of market
- Other compensation types are recommended to be included in the methodology to improve data comparisons

# Pay Plan Inconsistencies

- Inconsistent differentials between steps and grades
  - Step differentials range between 4.9% to 10%
  - Grade differentials range between 2.9% to 6.4%
- Staff initially recommended implementing Pay Scale Leveling (creating 5% increments between steps and grades and adding missing pay grades) in FY 2020
  - After discussions with employee group representatives, and based on available FY 2020 funding, the revised recommendation is to implement Pay Scale Leveling in FY 2021

# Staff Position Recruitment Challenges

- Work Schedule
  - Change to daywork schedule presents challenges and is less flexible than 56-hour schedule
- Loss of earning potential
  - Loss of holiday pay, regular, and mandatory overtime opportunities
- Operational skill maintenance
  - Many staff positions remove personnel from the field operations positions which can cause a degradation in skills, making the positions less attractive
- Recommendations to address this challenge are related to shift differential compensation, discussed later in the presentation



# Compensation Benchmarking Methodologies

- Market comparisons for the major public safety groups are done annually using 3 designated job classes for each group (agreed upon by the departments and DHR)
- For Fire & Rescue, the 3 job classes are Firefighter, Fire Technician, and Fire Battalion Chief
  - Fire Technicians have been historically low in relation to the market
- If at least 2 of the 3 job classes are below 95% of market, a recommendation is generally made to bring 2 of the 3 job classes to 95%
  - For Police and Sheriff, market comparisons are done using the midpoint of the salary scale
  - For Fire and Rescue, the midpoint is converted to an hourly rate based on the variety of work schedules used across the region

# FY 2020 Benchmarking Data

- Comparative data has been updated based on FY 2020 actions of the surrounding jurisdictions

Fairfax Job Class		Minimum of Scale	Midpoint of Scale	Maximum of Scale	Midpoint Hourly
Firefighter	Market Average	\$49,166	\$66,968	\$84,769	\$26.92
	Fairfax	\$56,841	\$74,715	\$92,590	\$26.15
	Fairfax as % of Market	116%	112%	109%	97%
Fire Technician	Market Average	\$55,002	\$75,755	\$96,509	\$30.51
	Fairfax	\$59,552	\$78,279	\$97,005	\$27.73
	Fairfax as % of Market	108%	103%	101%	91%
Fire Battalion Chief	Market Average	\$88,371	\$117,804	\$147,236	\$50.53
	Fairfax	\$96,887	\$127,310	\$157,733	\$51.01
	Fairfax as % of Market	110%	108%	107%	101%

- The Fire Technician job class is below the 95% threshold

# Additional Compensation not Included

- However, current methodology excludes two forms of additional compensation, shift differential and mandatory overtime
  - Shift Differential of \$0.73 per hour is paid on every hour worked for field personnel
  - Based on FLSA requirements, 3 hours of each week in a 2,912 hour work schedule is eligible for 1.5x overtime
- Both types of compensation are paid to field personnel working a normal 2,912 hour schedule and do not assume working extra hours
- Staff recommends, following discussions with employee group representatives, that both types of compensation be included in the data used for comparative purposes

# Shift Differential

- No other jurisdiction in the surrounding area pays Shift Differential to those working 24-hour Fire and Rescue shifts
  - Shift Differential rates cannot be appropriately compared to market
- Staff initially recommended rolling Shift Differential into Fire base pay in FY 2020
  - Employees working in staff positions, and not currently receiving Shift Differential, would see an increase in pay
    - Would help offset the loss in compensation that 2,080 hour-personnel experience and would assist in recruitment for these positions
  - Field personnel currently receiving Shift Differential would see a slight increase as the increase would be applied to leave hours
  - \$2,118 would be added to base pay (\$0.73/hour for 2,912 hours)
  - The value of Shift Differential would automatically be included for purposes of market comparisons
  - Estimated General Fund impact of \$1.69 million

# Shift Differential

- After discussion with employee group representatives, the recommendation has been updated:
  - Shift differential will remain a separate pay type
  - An annual stipend of \$1,950, paid at \$75 per pay period, will be implemented for staff positions working a 2,080 schedule at the Deputy Chief level and below
    - This amount will also be included for market comparisons
  - In order to allow for more accurate market comparisons for field positions working 2,912 schedules, \$1,906 will be added to base pay for comparison purposes
    - This amount is based on \$0.73/hour for a 2,912 schedule, reduced by 10% to account for leave usage

# Mandatory Overtime

- Based on the Fire and Rescue shift structure, whereby field personnel work 56 hours per week, on average, 3 hours each week is eligible for an additional 0.5x pay (up to Captain II rank)
- This additional compensation is equivalent to 78 additional hours paid at the employee's hourly rate
  - For the midpoint of the Fire Technician, this equates to \$1,931 annually
- The value of the mandatory overtime would also be included for other jurisdictions utilizing a 2,912 shift schedule, including Alexandria, Arlington, and Prince William

# Market Comparisons with New Methodology

- If market data is updated to provide a more accurate comparison, all 3 benchmark classes see slight improvements

Fairfax Job Class		Minimum of Scale	Midpoint of Scale	Maximum of Scale	Midpoint Hourly
Firefighter	Market Average	\$49,755	\$67,768	\$85,781	\$27.20
	Fairfax	\$60,200	\$78,530	\$96,861	\$27.48
	Fairfax as % of Market	121%	116%	113%	101%
Fire Technician	Market Average	\$55,680	\$76,666	\$97,652	\$30.83
	Fairfax	\$62,930	\$82,119	\$101,307	\$29.09
	Fairfax as % of Market	113%	107%	104%	94%
Fire Battalion Chief	Market Average	\$88,371	\$117,804	\$147,236	\$50.53
	Fairfax	\$98,812	\$129,235	\$159,658	\$51.78
	Fairfax as % of Market	112%	110%	108%	102%

- The Fire Technician job class is still below the 95% threshold

# Impact of Regrading Fire Technicians

- Staff recommends regrading the Fire Technician job class from the current F-19 level to F-20
  - Would also result in moving the proficiency pay level for Master Fire Technicians from F-20 to F-21
    - It is anticipated that the Master Tech proficiency will be phased out through attrition
- Regrading Fire Technicians would bring the job class from 94% to 99% of the market, above the 95% threshold

Fairfax Job Class		Minimum of Scale	Midpoint of Scale	Maximum of Scale	Midpoint Hourly
Fire Technician	Market Average	\$55,680	\$76,666	\$97,652	<b>\$30.83</b>
	Fairfax	\$65,979	\$86,125	\$106,272	<b>\$30.51</b>
	Fairfax as % of Market	118%	112%	109%	<b>99%</b>



# Other Findings/Recommendations

- Lieutenant Rank Pressures
  - FRD and DHR will closely monitor promotional lists and discuss at biannual workforce planning meetings
- Job Share Expansion Interest
  - FRD is expanding job share opportunities
- Overtime Usage
  - FRD is committed to continue to monitor overtime usage and examine opportunities to reduce expenses
  - Anticipate discussion at September 17 Budget Committee meeting

# Average FY 2020 Pay Increases

Job Class	Fire Tech/ Master Tech Regrades	Market Rate Adjustment	Average Merits/ Longevities	Total Average Increase	Range of Increases
Firefighter	0.0%	2.1%	4.0%	<b>6.1%</b>	<b>2.1%-7.1%</b>
Fire Technician	5.0%	2.1%	1.7%	<b>8.8%</b>	<b>7.1%-12.1%</b>
Master Technician	2.9%	2.1%	0.4%	<b>5.4%</b>	<b>5.0%-10.0%</b>
Fire Lieutenant	0.0%	2.1%	1.0%	<b>3.1%</b>	<b>2.1%-7.1%</b>
Fire Captain I	0.0%	2.1%	0.4%	<b>2.5%</b>	<b>2.1%-7.1%</b>
Fire Captain II	0.0%	2.1%	0.5%	<b>2.6%</b>	<b>2.1%-7.1%</b>
Fire Battalion Chief	0.0%	2.1%	0.3%	<b>2.4%</b>	<b>2.1%-7.1%</b>
Deputy Fire Chief	0.0%	2.1%	0.0%	<b>2.1%</b>	<b>2.1%</b>
Assistant Fire Chief	0.0%	2.1%	0.0%	<b>2.1%</b>	<b>2.1%</b>
<b>Total</b>	<b>1.6%</b>	<b>2.1%</b>	<b>2.0%</b>	<b>5.7%</b>	<b>2.1%-12.1%</b>

# Multi-Year Strategy

	FY 2020	FY 2021
<b>FY 2020</b>		
Regrade Fire Technicians and Master Technicians up one grade	\$2.53 million (partial year)	\$0.95 million (full year)
Implement Staff Position Stipend	\$0.15 million (partial year)	\$0.06 million (full year)
Implement new methodology for compensation market comparisons	--	--
<b>FY 2021</b>		
Implement Pay Scale Leveling	--	\$1.71 million (full year)
	<b>\$2.68 million</b>	<b>\$2.72 million</b>