



2023 Critical Needs

Countywide Employee Compensation

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October 20, 2022

Strategic Plan

Increasing Employee Compensation directly ties to **Objective 2 of the County's Strategic Plan** – Improve the Quality of County Services With a Qualified and Engaged Workforce Dedicated to Continuous Improvement

- Attracting and retaining quality employees is essential to providing quality public services
- Turnover is detrimental to the services the County is able to provide
- Implementation of a Countywide strategy to address compensation deficiencies in response to the recent Compensation Study is necessary for attracting and retaining talent
- El Paso County's budget is 60% personnel is our primary method of service delivery



Cost of Turnover

- For entry-level employees, it costs between 30-50 percent of their annual salary to replace them.
- For mid-level employees, it costs upwards of 150 percent of their annual salary to replace them.
- For high-level or highly specialized employees, you're looking at 400 percent of their annual salary.

(Forbes)

Tangible	Intangible
Salary for other employees to cover the work	Morale (burnout and disengagement)
Recruiting / Advertising	Reduced productivity and customer service
Interviewing candidates	Recruitment difficulties (quantity and quality) due to damaged brand
Background Checks	Loss of knowledge
Onboarding and training replacements	Compounding turnover (resignations may lead to additional resignations)
Trainers' time away from their jobs	Organization becomes reactive instead of proactive



Compensation Philosophy

Market Changes

- Consumer Price Increase for Denver/Aurora/Lakewood is estimated at 8.2% for 2022
- Wages are rapidly rising across all sectors as participation in the labor market is diminishing



Recommended Compensation Plan for 2023

Multi Tier Approach

- 5% Cost of Living Increase – allocable to all employees across the board
- 2% Allocation of personnel budgets to departments to address tenure, equity, compression, and other issues now or as they arise
- Additional other equity considerations, reserved to address hard-to-fill positions, market changes, etc.
- Total cost for all funds - \$16,423,895





Questions?