

Board Action Request

SUBJECT: TFD Pay Plan Upgrade Request

DATE: October 19, 2022

FROM: Chief Horvath

Background:

Staff is asking the Tubac Fire Board to consider an upgrade to the current pay plan. Due to employee retention issues over the last year and a half, we are requesting the wage adjustment to maintain competitiveness. Four of the last seven firefighters who resigned from Tubac Fire District identified pay as one of the reasons for their departure. This represents a loss of 16% of Operations personnel due to pay issues. For us to retain our employees, provide consistent emergency medical services to our community, and continue to grow our core of paramedic firefighters, we must upgrade our pay plan. Both Rio Rico Medical & Fire District and Nogales Fire Department have upgraded their pay scales to attract new firefighters and retain their current staff. It is imperative that we keep up with market demand to minimize the risk of losing more personnel.

Beginning in January, 2023, the TFD starting wage for firefighter will be \$.10 less than the state minimum wage of \$13.85. The new pay plan to be implemented January 1, 2023, will set the minimum firefighter hourly wage at \$14.37, a 4.5% increase from the current pay plan. The starting firefighter hourly rate will increase to \$15 starting July 1, 2023, an overall increase from the current starting wage of 9%. This increase represents both a market adjustment and a Cost-of-Living Adjustment (COLA).

The new pay plan sets step percentages of 2.5% between steps as opposed to the current pay plan which had a larger percentage step at the beginning of the scale.

The new pay plan was discussed with TFD labor representatives and they are in agreement. Our HR consultant, Brenda Tranchina, compared the proposed pay plan with neighboring fire districts and will be available at the meeting to answer questions regarding her analysis.

Through consult with our finance team, staff has determined that the pay plan is sustainable. Staff has taken no action on the property management contract approved by the fire board last spring, creating budget capacity of \$45,000 for the new pay plan. The anticipated 6-month cost of implementing the new pay plan beginning January 1, 2023 is estimated to be \$38,000. The full year impact beginning July 1, 2023 will be \$80,000.

Implementing a new pay plan is critical for the District to retain our employees and continue to provide excellent services to the residents of Tubac Fire District.

Fiscal Impact:

Budgeted funds for property management, \$45,000, are available.

Legal Review: N/A

Alternate Option: Subject to board review and input

Staff Recommendation: This is information only at this time

Proposed Motion: None – informational only

Attachments:

- TFD Current Pay Plan
- TFD Proposed Pay Plan Jan 1, 2023 thru June 30, 2023
- TFD Proposed Pay Plan July 1, 2023 thru June 30, 2024