



Compensation Committee

● ● ● F R I D A Y , A U G U S T 9 , 2 0 2 3



Call Open Meeting To Order



Public Comments

Items For Presentation and Discussion

1. Presentation and Discussion of a Proposed Inflationary Adjustment for the FY 2025 Budget-Emilia Guerra
2. Presentation and Discussion of a Proposed Merit Adjustment for the FY 2025 Budget-Emilia Guerra
3. Presentation and Discussion of Requests for Personnel for the FY 2025 Budget-Emilia Guerra



Compensation Committee Meeting

AUGUST 9, 2024

Bureau of Labor Statistics

Economic News Release

Date: Tuesday, July 30, 2024

Job Openings and Labor Turnover Summary

The number of job openings was unchanged at 8.2 million for the month of June, compared to the previous month.

The number of hires held steady but was down by more than 500,000 over the year.

The number of people quitting in June—a measure of workers' confidence in their ability to leave one job for another—also was unchanged at 3.3 million. The quits rate was 2.1% in June, similar to previous months.

Bureau of Labor Statistics Economic News Release

Date: Tuesday, July 30, 2024

SHRM Takeaway for employers:

The labor market is stabilizing, though job opening numbers are still historically high and could indicate a persistent labor shortage

“This means that for employers, especially those in specialized industries struggling to fill open positions, they may continue to face those problems in the near term,”

“This competition for qualified workers between employers in similar industries is likely to promote continued wage growth. **Employers will likely need to continue developing creative total rewards strategies in order to recruit talent and retain current workers.**”



Inflationary Adjustment

PRESENTATION AND DISCUSSION OF A PROPOSED
INFLATIONARY ADJUSTMENT FOR THE FY 2025 BUDGET

● ● ● C O M P E N S A T I O N C O M M I T T E E M E E T I N G

Importance of Employee Compensation



Recruit top talent



Employee Engagement



Employee retention



Encourage good performance



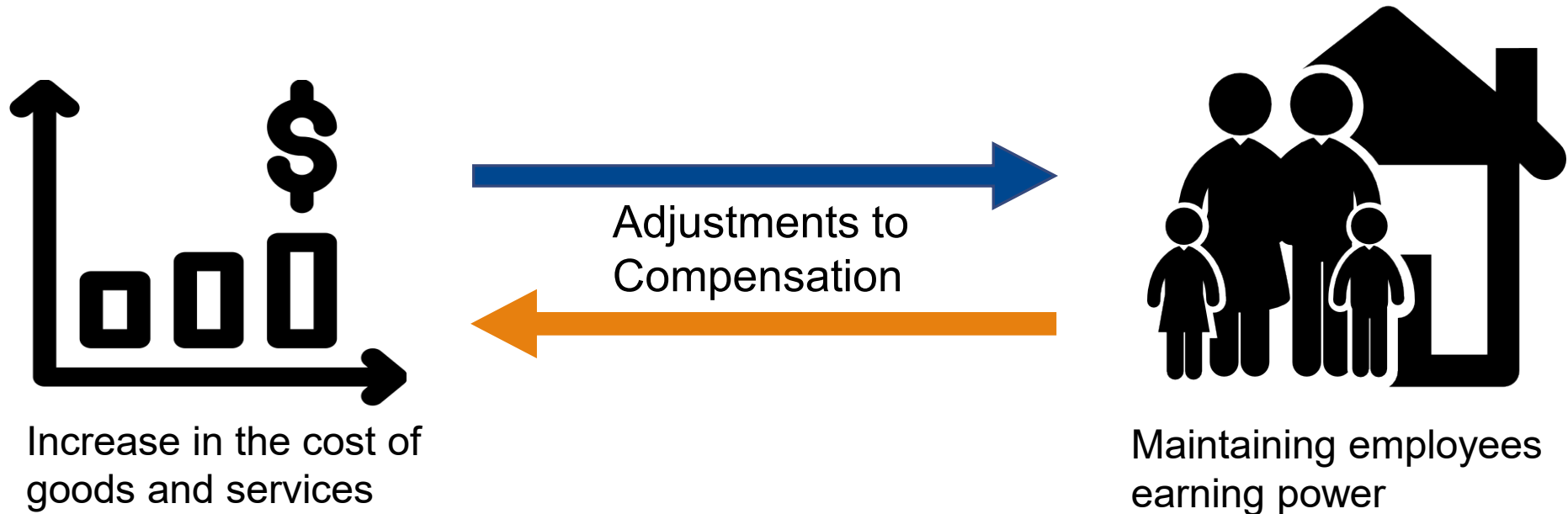
Stay Competitive



Maintain earning power

Inflationary Adjustment

Pay adjustment usually computed as part of an annual compensation plan, applied uniformly to all employees before performance-based increases, which is dependent on the consumer price index and BPUB financing capacity.



Current

February 2023

A)



Hourly **\$15.56**
Annual **\$32,363**

B)



Hourly **\$ 16.74**
Annual **\$ 34,817**

C)



Hourly **\$ 18,76**
Annual **\$ 39,025**

Buying Power

Value in April 2024

Hourly **\$14.93**
Annual **\$31,047**

Hourly **\$16.05**
Annual **\$33,402**

Hourly **\$ 17.98**
Annual **\$ 37,404**

Retention Adjustment Needed

Hourly **\$16.22**
Annual **\$36,796**

Hourly **\$ 17.45**
Annual **\$ 36,296**

Hourly **\$ 19.55**
Annual **\$ 40,664**

Salary calculation* at April 2024 to hold the same buying power as in February 2023

+ 4.22%

*Bureau of Labor Statistics' consumer price index (CPI) inflation calculator

Budget Requirements

BPUB financing capacity



Retention Adjustment

Total % Increase	4.22%
Budget required	\$1,917,708



Inflationary Adjustment

Total % Increase	4.0%
Budget required	\$ 1,879,513

Q & A



Merit Adjustment

PRESENTATION AND DISCUSSION OF A PROPOSED MERIT
ADJUSTMENT FOR THE FY 2025 BUDGET

● ● ● C O M P E N S A T I O N C O M M I T T E E M E E T I N G

Background

Personnel Policies and Procedures Policy No. 7 - Performance Appraisal Policy

- Last revised on December 15, 2020
- Aims to maintain and improve employees' performance in line with the BPUB's objectives.
- Following the performance review, recommend compensation increases within an established pay grade, according to financial availability.

Compensation Committee Charter

- Oversight responsibilities related to compensation and benefits of BPUB employees
 1. A budget for performance-based (merit pay) employee compensation, which is adequate to attract, develop and retain a skilled and knowledgeable workforce.

Merit Program Guidelines



Merit pay is based on exceeding performance expectations.

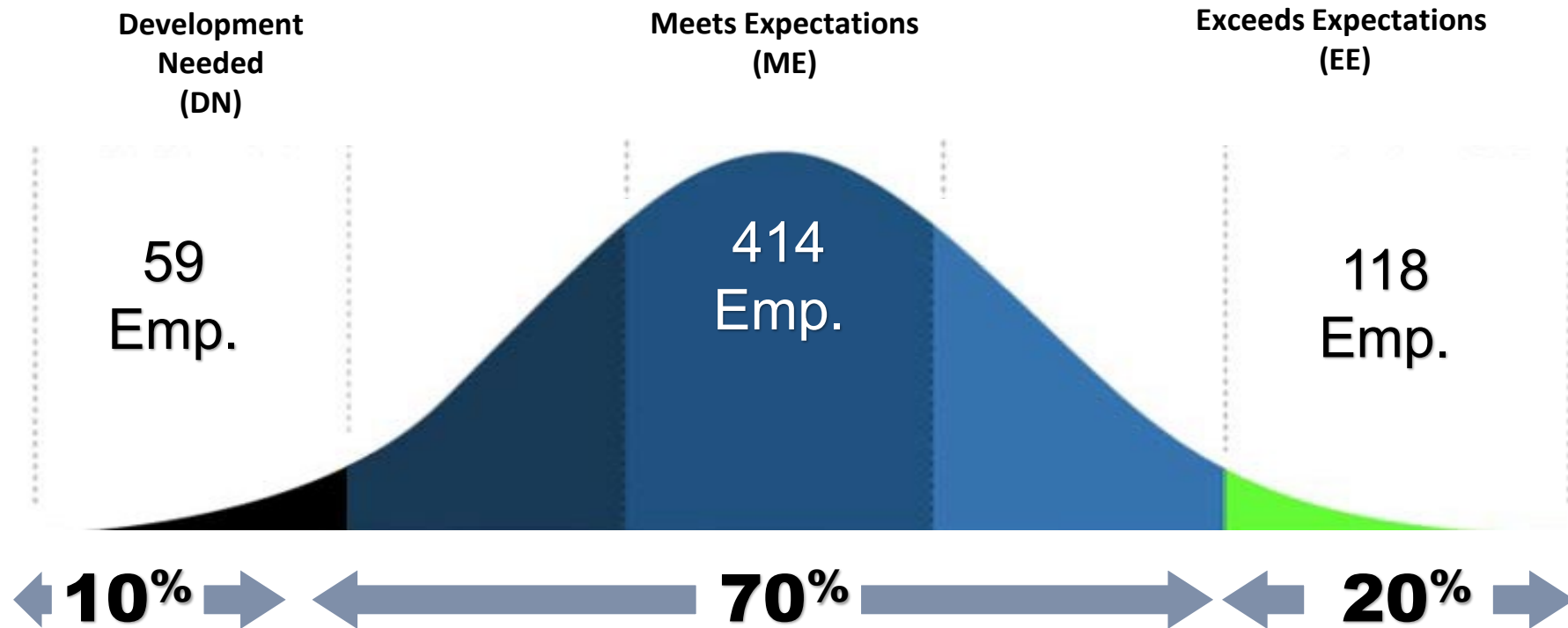


The Finance Department will allocate budgeted fund for the merit.



Merit increases will be based on the individual evaluations submitted to HR.

Typical Performance Bell Curve



Budget Requirements

BPUB financing capacity.



Merit Adjustment **\$ 500,000**

Gross Salaries (Annual) \$36,286,845

Benefits (29.49%) \$ 10,700,990

Total Annual \$46,987,835

Total % Increase 1.06%

Budget required \$ 500,000

Assumptions

Employees 591

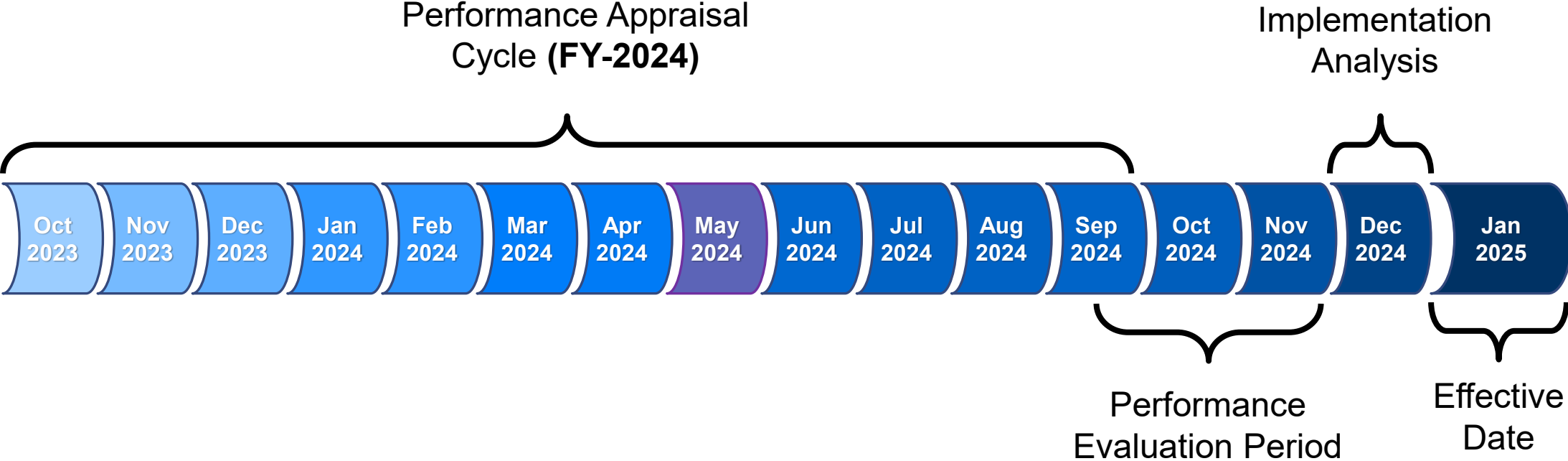
Exceeds Expectations Emp. 118

Average Salary \$ 61,953

Avg Merit Adjustment \$ 4,237

Avg. % 6.92%

Implementation Timeline



Q & A



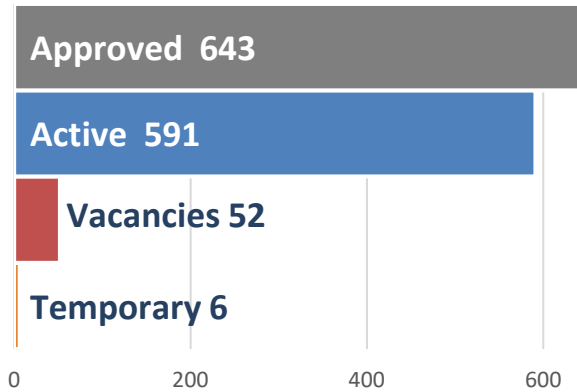
Requests for Personnel

PRESENTATION AND DISCUSSION OF REQUESTS FOR
PERSONNEL FOR THE FY 2025 BUDGET

● ● ● C O M P E N S A T I O N C O M M I T T E E M E E T I N G

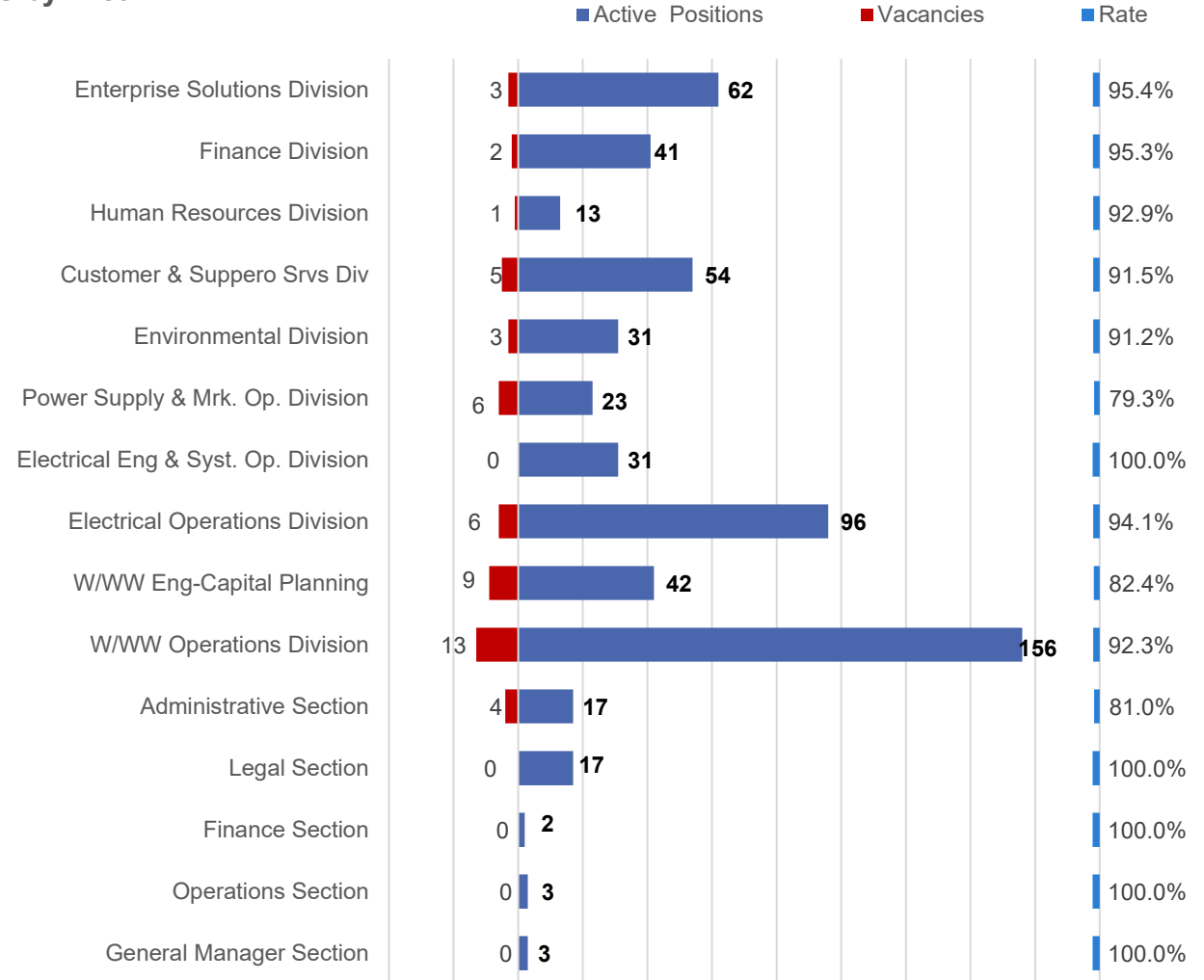
Headcount

Positions



As of Friday, August 2, 2024

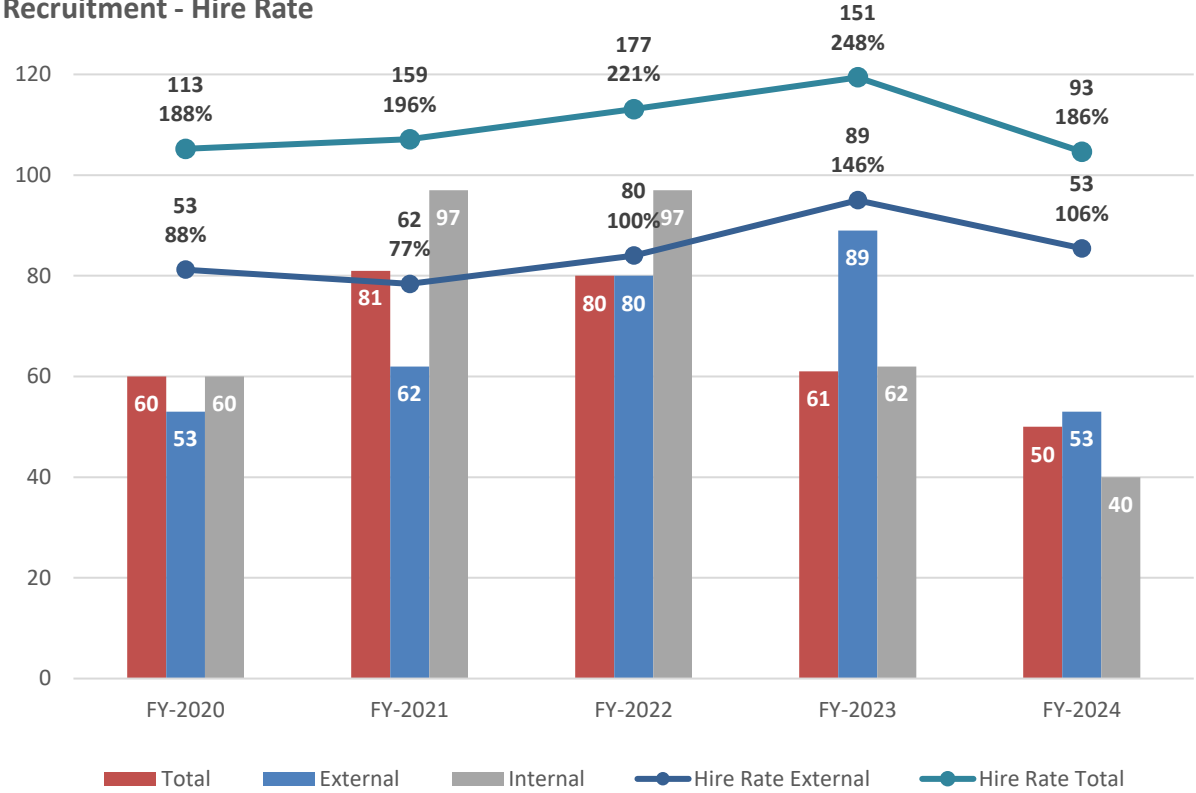
Positions by Area



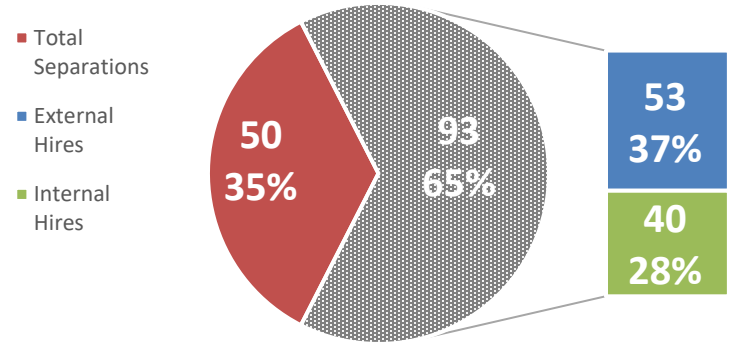
BROWNSVILLE
PUBLIC UTILITIES BOARD

Separations & Recruitment

Recruitment - Hire Rate



Separations & Recruitment FY-2024



Requested Positions vs. Vacancies

DIVISION	ORG NO.	DEPARTMENT	NO. OF POSITIONS REQUESTED	CURRENT VACANCIES	VACANCY STATUS
ADMINISTRATIVE DIVISION (Constanza Miner)					
	1170	Digital Information Platforms	1	0	
	TOTAL FOR DIVISION:		1	0	
CUSTOMER & SUPPORT SERVICES DIVISION (Estrella Solorzano)					
	7120	Risk/Insurance Management	2	0	
	TOTAL FOR DIVISION:		2	0	
ELECTRICAL ENGINEERING & SYSTEM OPERATIONS DIVISION (Cesar Cortinas)					
	2410	Electric Engineering	3	2	One position onboarding as of 7/29
	2420	Electrical System Planning	2	1	Restructuring
	TOTAL FOR DIVISION:		5	3	
ELECTRICAL OPERATIONS DIVISION (Eli Alvarez)					
	2120	Substations and Relaying	1	1	Reviewing Applications
	2210	Electrical Support Services	9	0	
	TOTAL FOR DIVISION:		10	1	
ENTERPRISE SOLUTIONS DIVISION (Eddy Hernandez)					
	6150	Meter Reading	4	0	
	7131	IT Hardware, Cyber, & Network Mgmt	1	0	
	7190	Supv Control & Data Acq (SCADA)	1	2	Pending Direction
	TOTAL FOR DIVISION:		6	2	
ENVIRONMENTAL DIVISION (Albert Gomez)					
	1420	Environmental Compliance	1	0	
	1422	Analytical Lab	4	2	One onboarding as of 7/29 other reclass
	1430	Pre-treatment	4	0	
	TOTAL FOR DIVISION:		9	2	
FINANCE DIVISION (Monica Garza Cavazos)					
	5130	Purchasing	2	0	
	7150	Fleet Management	1	1	Readvertising position
	7170	Warehouse	2	0	
	TOTAL FOR DIVISION:		5	1	

DIVISION	ORG NO.	DEPARTMENT	NO. OF POSITIONS REQUESTED	CURRENT VACANCIES	VACANCY STATUS
GENERAL COUNSEL DIVISION (Paul Gonzalez)					
	1115	Legal Services	2	0	
	7125	Real Estate	2	0	
	TOTAL FOR DIVISION:		4	0	
GENERAL MANAGER DIVISION (Marilyn D. Gilbert)					
	1120	Internal Audit	1	0	
	TOTAL FOR DIVISION:		1	0	
HUMAN RESOURCES DIVISION (Dr. Emilia Guerra)					
	7155	Compensation & Benefits	1	1	Building Adverstisement
	TOTAL FOR DIVISION:		1	1	
POWER SUPPLY & MARKET OPERATIONS DIVISION (Mark Dombrowski)					
	2220	Power Production	2	4	Reviewing Applications
	TOTAL FOR DIVISION:		2	4	
W/WW ENGINEERING & CAPITAL PLANNING DIVISION (Marie C. Leal)					
	4115	Asset Management & CIP Delivery	1	0	
	TOTAL FOR DIVISION:		1	0	
W/WW OPERATIONS DIVISION (Jaime Estrada)					
	1435	Cross Connection Control	2	2	Preparing Job Offer
	3150	W/WW Operations & Construction	4	4	One advertsing, others pending direction
	3155	W/WW Operations & Maintenance	3	1	Pending Direction
	3160	Potable Water Transport Services	1	0	
	3225	W/WW Sludge Management	1	0	
	TOTAL FOR DIVISION:		11	7	
OVERALL TOTAL:			58	21	
REQUESTED WAGES:			\$2,569,174		
BENEFITS			\$1,376,158		
TOTAL REQUESTED INCREASE:			\$3,945,332		

Note: Requested new positions will not be included in the proposed budget unless otherwise directed by the Board.

Q & A



Recess to Closed Meeting



Closed Meeting

CONSIDER MATTERS PURSUANT TO TEX. GOVERNMENT CODE CHAPTER 551, ET
SEQ.



Reconvene Open Meeting

1. DISCUSSION AND POSSIBLE RECOMMENDATION ON CLOSED MEETING ITEMS
2. DISCUSSION AND/OR REQUESTS FOR FUTURE AGENDA ITEMS



Adjournment
