Quartile Calculation:

- Each year beginning FY23, the Department of Human Resources will calculate four salary bands called quartiles based on employee hourly rates of pay in effect as of the first full pay period in that fiscal year. To determine the quartiles, the distribution of all employees' hourly rates of pay are divided into four equal parts, or quarters. These quartiles are set until the next fiscal year.
- Each employee's pay will fit into one of the four quartiles.
- The quartile determines the retirement percentage charged to the employee.
- The retirement contribution associated with:
    - the first (lowest quartile) will remain at the current 6.65% for the next 5 years beginning in FY23.
    - the 2nd quartile will be increased for 3 years beginning FY23, by .5% each year.
    - the 3rd quartile will be increased for 4 years beginning FY23, by .5% each year.
    - the 4th (highest) quartile will be increased for 5 years beginning FY23, by.5% each year.

During a fiscal year if an employee's hourly rate changes in any pay period such that their pay moves into another quartile, their retirement contribution will change to reflect the percentage for that quartile.

Example: Currently, an estimate of the first quartile of employee salaries is around $26.00 and below, final amount will be provided in July. If this were applied beginning the first full pay period in FY23, those employees with hourly rates of pay $25.99 and below would continue to pay 6.65% as retirement contribution. Those with hourly rates of pay above $26.00, (2nd, 3rd and 4th quartiles) would pay an additional .5%, or 7.15%. If an employee at the beginning of the fiscal year has an hourly rate of pay of $25.00 they would pay 6.65% as a retirement contribution, and 4 months later, when they receive a step increase to $26.50 they would pay 7.15%.