

**Memorandum of Understanding  
between  
The State of New Mexico  
and  
Communications Workers of America, AFL-CIO, CLC  
State Employee Alliance**

**This Memorandum of Understanding (“MOU”) is made between the State of New Mexico and Communications Workers of America, AFL-CIO, CLC State Employee Alliance (collectively referred to as the “Parties”).**

**The Parties hereby agree:**

1. This MOU shall be effective when fully-executed by the Parties hereto and shall remain in effect through December 31, 2024.
2. Article 25, Section 1 of the July 29, 2021 Agreement Between The State of New Mexico And The Communications Workers of America AFL CIO, CLC State Employee Alliance, is amended as follows:

**C. Fiscal Year 2023.** In accordance with State statute, the Governor’s Budget Recommendation will include:

- a salary increase for Employees compensated through the classified service General Salary Schedule based on Employee compa-ratio and pay band on the scale provided in Exhibit A to this MOU, provided that no Employee shall receive a salary increase of less than four percent (4%) or earn an hourly wage of less than \$15.
- a salary increase of four percent (4%) for Employees compensated through one of the eight established classified service occupational salary schedules, provided that no Employee shall earn an hourly wage of less than \$15.

**D. For Fiscal Years 2024 and 2025.** By giving written notice of its desire to do so on or before August 1, 2022, either party may reopen this Article for purposes of negotiating changes to general wages for Fiscal Year 2024. By giving written notice of its desire to do so on or before August 1, 2023, either party may reopen this Article for purposes of negotiating changes to general wages for Fiscal Year 2025. The parties shall negotiate in good faith to impasse. In accordance with State statute, the Governor’s Budget Recommendation shall include any wage increase for bargaining unit Employees for that Fiscal Year negotiated by the parties. Any changes to general wages agreed to by the parties shall be subject to legislative appropriation. All other terms of this Agreement shall remain in full force and effect. If notice of desire to reopen this Article is not given by either party, then the matter will be considered closed for that Fiscal Year.

**E. (Probationary employees...)**

3. This MOU shall not be altered, changed, or amended, except by instrument of writing executed by both Parties.

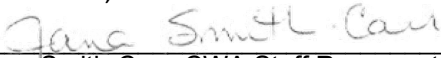
For the Communications Workers of America,  
AFL-CIO, CLC State Employee Alliance:



\_\_\_\_\_  
Dan Secrist, CWA 7076 Local President

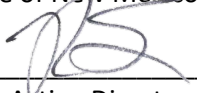
2/8/22

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Jana Smith-Carr, CWA Staff Representative  
For the State of New Mexico

2/08/2022

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Ricky Serna, Acting Director, State Personnel Office

2.9.22

\_\_\_\_\_  
Date

## Executive Compensation Recommendation

Currently, there are about 16,800 classified employees split into the following salary schedules. There are about 12,000 within the General Salary Schedule and 4,800 within one of eight Occupational Salary Schedules

The recommendation will increase the minimum hourly rate of pay to \$15. Currently there are about 1,200 workers that make less than \$15/hour. The proposal is also designed to address compaction issues that arise from simply moving the lowest paid workers to a target rate of pay. This is achieved through the following two strategies.

### General Salary Schedule Employees

**Strategy 1:** Increase compensation for all Employees based on their Compensation Ratio (Compa-Ratio).

Compa-Ratio = Hourly rate ÷ Hourly mid-point of pay band. This strategy helps all Employees move within their pay band using the scale below.

<b>Compa-Ratio</b>	.55-.88	.89 -.92	.93 -.94	.95	.96	.97	.98	.99
<b>Multiplier</b>	18%	16%	15%	13%	12%	11%	10%	9%

<b>Compa-Ratio</b>	1-1.01	1.02-1.03	1.04-1.05	>1.06
<b>Multiplier</b>	8%	6%	5%	2.5%

**Note:** The lowest increase an Employee can receive is 4%.

**Strategy 2:** Apply an additional percentage increase based on the Employee's pay band.

<b>Pay Band</b>	25	30	35	40	45	50	55	60	65	>65
<b>Multiplier</b>	25%	22%	20%	18%	8%	3%	3%	2.5%	2%	1.5%

### Summary of Outcomes

	Before	After	Change	Avg. % Increase
<b>Avg. Hourly All</b>	<b>\$24.07</b>	<b>\$25.80</b>	<b>\$1.73</b>	<b>7%</b>
Avg. Hourly PB 25	\$11.79	\$15.63	\$3.84	33%
Avg. Hourly PB 30	\$12.43	\$16.19	\$3.75	30%
Avg. Hourly PB 35	\$13.44	\$17.00	\$3.56	26%
Avg. Hourly PB 40	\$14.70	\$17.84	\$3.14	21%
Avg. Hourly PB 45	\$16.36	\$18.09	\$1.72	11%
Avg. Hourly PB 50	\$17.29	\$18.58	\$1.29	7%
Avg. Hourly PB 55	\$19.30	\$20.69	\$1.39	7%
Avg. Hourly PB 60	\$20.98	\$22.50	\$1.52	7%
Avg. Hourly PB 65	\$24.00	\$25.41	\$1.41	6%
Avg. Hourly PB 70	\$26.70	\$28.13	\$1.43	5%

Remains 5% avg. through PB 95

### Occupational Salary Schedules

Occupational Salary Schedules are the result of a market analysis that determines competitive pay for a specific occupation cluster. There are currently eight (8) Occupational Salary Schedules. It is being proposed that a 4 percent (4%) increase be applied to Employees within the Occupational Salary Schedules. The 4 percent (4%) recommendation is equal to the minimum pay increase possible for Employees within the General Salary Schedule (above two Strategies).