

CSU Extension Formula Position Share Annual Increase Methodology

FORMULA SHARE — REVIEWED ANNUALLY & ADJUSTED

The formula for County funding toward CSU hired extension agents is set annually and reviewed based on annual salary updates due to cost of living and merit increases. Process is as follows:

- Average of current formula position salaries taken + Current Fringe = CURRENT Average Formula Salary
- Average Formula Salary multiplied by CSU merit salary increase plus Average Formula salary multiplied by new fiscal year fringe rate = Total ESTIMATED Average Formula position compensation

Total CURRENT Average Formula compensation minus Total ESTIMATED Average Formula position compensation divided by CURRENT Average Formula compensation = total average % increase for formula funded positions.

Example from fiscal year 2017:

Current Average Formula Funded Salary - 1.0 FTE	\$60,086.16
Current annual fringe expenses at 24.7%	\$14,841.28
<hr/>	
Total Current Average Formula Funded compensation	\$74,927.44
<hr/>	
Est. Increase - 2% merit, per CSU	\$1,201.72
Benefit increase over prior year (3.3%)	\$2,319.33
<hr/>	
Total average increase	\$3,521.05
<hr/>	
Total FY18 (July 1, 2017 - June 30, 2018) compensation cost	\$78,448.49
<hr/>	
Total % increase of cost over prior year	4.70%

NOTES:

CSU is not increasing formula funded positions the full 4.7% for calendar year 2018, however will need to pass on cost increases based on actual increases in 2019 and beyond. **2018 Formula amount = \$13,700, per formula funded full-time position.**

CSU Actuaries are estimating 5% fringe costs increases each year for the next five years: 2018 through 2022. Historically CSU absorbs half of the increase as employer cost and passes half onto the employee.

In addition, the university is looking at options to reduce these costs, with some change coming within the next year.

**Cost Increase for 2018 and
Projected Cost Increases for calendar year 2019 - 2022**

Calendar Year	% Increase over prior year				
	2018	2019	2020	2021	2022
Salary - Admin. Prof.	2%*	2.00%	2.00%	2.00%	2.00%
Salary - State Classified	2.5%**	2.50%	2.50%	2.50%	2.50%

Estimated Fringe Rates for CY2018 - 2022

Calendar Year	2018	2019	2020	2021	2022
Fringe - Admin. Prof.	28.00%	30.50%	33.00%	35.50%	38.00%
Fringe - State Classified	42.00%	44.34%	46.93%	49.43%	51.93%

** Currently this is the amount that we have been told will be used to set the salary control number, which represents the overall cap on the total dollars that Extension can provide through the SALX process.*

*** Reported classified staff increase by the Denver Post. State budgets are not final, so amounts could still change.*

Projections are based on best available information as of April 19, 2017. Due to changes in state funding revenues, projections may change. Revisions will be made and distributed as additional information becomes available.