



To the Mayor and Members of the City Council

June 17, 2025

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SUBJECT: ENTRY WAGE RATE MARKET SURVEY RESULTS

Background: The purpose of this Budget Response (BR) is to provide an update regarding the entry wage rate for general employees.

The City conducts biennial market studies comprised of both the public and private sector pay data to set pay ranges. This has occurred since 2016 following a comprehensive market study completed in 2015. Market studies consider the rate of pay for benchmark jobs as it relates to knowledge, experience, skills and abilities in comparison to similar jobs in the public and private market to ensure the City is competitive in attracting and retaining top talent.

Over the years, the City has also increased the base entry wage rate from \$7.88 in Fiscal Year (FY) 2014 to \$18.00 per hour as of February 1, 2025, resulting in a cumulative increase of 90%. Whereas the U.S. Federal required minimum wage of \$7.25 per hour has remained unchanged (see Chart A below).

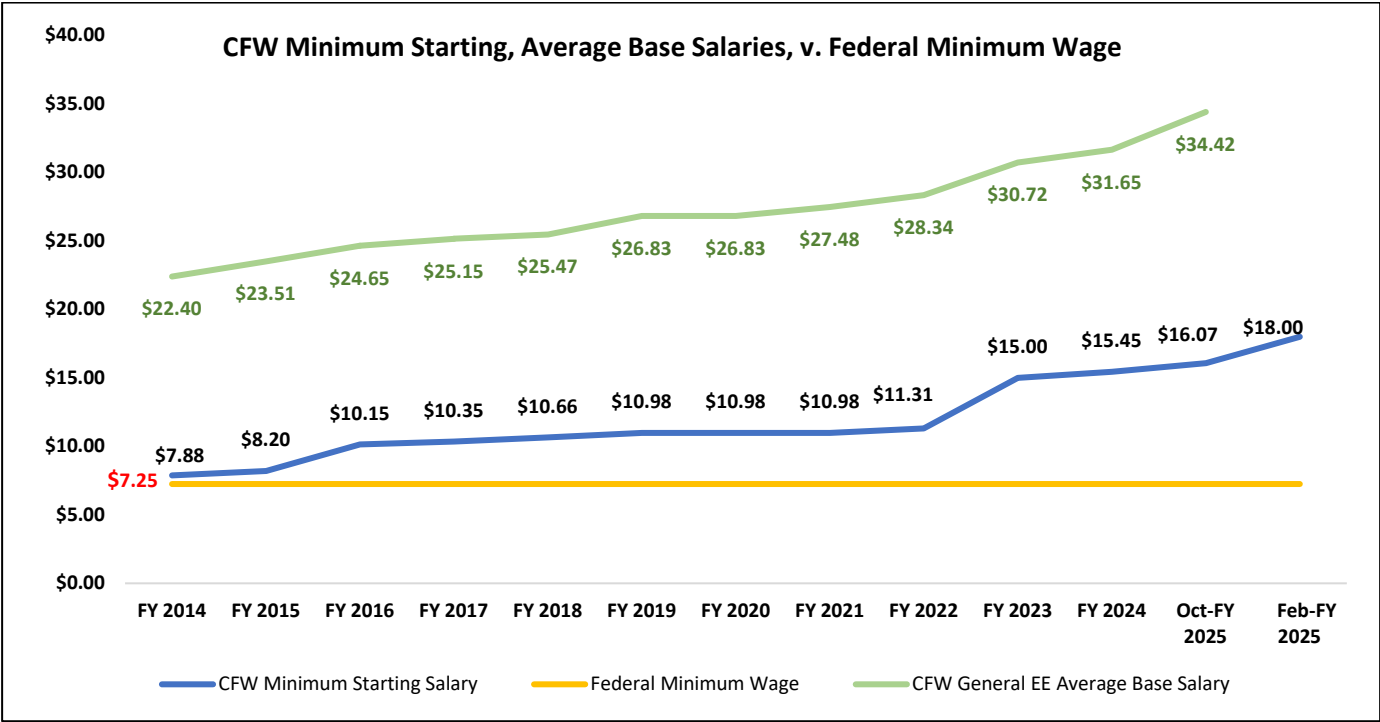


Chart A

FY26 Employee Entry Wage Survey: In May 2025, the City engaged in surveying Texas Cities and counties regarding the employee entry wage rate. The survey included major Texas cities, Dallas Fort Worth Metroplex cities and counties regarding the employee entry wage rates for regular full-time positions. The result of this survey shows an average hourly entry rate of \$16.46, median of \$15.52 and the DFW area average hourly rate of \$15.98. For entry level positions, the recruitment area would be focused on the local geographical area. See Table B.



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Minimum Wage Survey: May 2025	
Organization:	Minimum
City of Austin	\$22.05
City of Richardson	\$20.00
City of Dallas	\$19.25
City of Denton	\$18.25
Dallas County	\$18.24
City of Fort Worth	\$18.00
City of San Antonio	\$18.00
City of Irving	\$17.60
City of Houston	\$16.75
City of El Paso	\$15.75
City of Plano	\$15.28
City of Grand Prairie	\$15.00
City of Mesquite	\$15.00
City of Garland	\$14.96
Denton County	\$14.67
City of Frisco	\$14.37
Tarrant County	\$14.12
City of Arlington	\$14.05
City of McKinney	\$12.94
Average	\$16.46
Median	\$15.52
Variance (CFW v. Mkt)	109%
DFW Average	\$15.98

*2024 data, pending 2025 update Table B

FWLab Living Wage Tool

The FWLab developed a City specific living wage tool, similar to the MIT Living Wage calculator, using much of the same framework as MIT, but inclusive of:

- Local data sources where possible, such as transportation, internet, mobile.
- A lower percentile of housing cost, 20th percentile as a dataset compared to MIT's 40th.
- Actual City health and pension costs
- Appropriate tax calculations
- Addition of 5% for savings

Using the Lab's living wage tool, the results showed the Fort Worth living wage to be \$16.09 per hour for FY25 and projects the hourly rate to be \$16.53 in FY26.

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SUBJECT: ENTRY WAGE RATE MARKET SURVEY RESULTS**Closing**

As a reminder the City is currently engaged in a Citywide Classification and Compensation Study with the Segal Consulting Company. An update of this study was provided on June 3, 2025, at the City Council budget work session. The components of this study will be to evaluate the City's pay structure, pay philosophy, pay compression, and entry wage rates for all positions.

For questions, please contact Holly Moyer, interim Director of Human Resources, via e-mail to Holly.Moyer@fortworthtexas.gov.

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City Manager