


INDIAN RIVER COUNTY
MEMORANDUM

TO: Jason Brown
County Administrator

FROM: Suzanne Boyll 
Human Resources Director

DATE: November 16, 2016

SUBJECT: Approval to Reclassify Certain Positions to Non-Exempt and to Increase the Salary of Individuals in Exempt Positions to the New Minimum effective November 25, 2016 due to a Change in the FLSA White Collar Exemption which Becomes Effective December 1, 2016

BACKGROUND:

In accordance with the Fair Labor Standards Act (FLSA), certain County positions qualify for an exemption from the requirement to pay overtime for hours worked beyond 40 hours per week. In order to qualify for an exemption, the employee must meet three tests concerning 1) how the employee is paid (salary basis test), 2) how much the employee earns (salary level test), and 3) if the job duties performed qualify for a white collar exemption (job duties test). Eligible positions are classified as “exempt” from the overtime requirements. Employees holding positions who do not meet these requirements are classified a “non-exempt” and must be paid overtime for hours worked beyond 40 in a work week.

Effective December 1, 2016, the salary level to qualify for an exemption will increase from \$23,660 to \$47,476 per year. A review of County employees currently classified as exempt from overtime revealed that 11 employees earned a salary below the updated salary level of \$47,476 per year. The salaries of these employees range from \$38,772 to \$45,994 per year.

In order to comply with the new requirements, a position review was performed to determine whether the positions remain eligible to be classified as exempt based on the duties test. This review indicates the following six (6) positions are recommended to be reclassified to the non-exempt pay grades reflected below:

Job Title	Current Pay Grade	Current Minimum	Current Maximum	Proposed Pay Grade	Proposed Minimum	Proposed Maximum
Buyer	E03	\$35,146.80	\$52,720.72	N14	\$34,593.39	\$51,902.37
Computer Technician	E04	\$36,913.24	\$55,369.60	N15	\$36,350.93	\$54,525.90
GIS Technician	E04	\$36,913.24	\$55,369.60	N15	\$36,350.93	\$54,525.90
Network Technician	E04	\$36,913.24	\$55,369.60	N15	\$36,350.93	\$54,525.90
System Support Technician	E06	\$40,701.44	\$61,065.68	N17	\$40,082.06	\$60,087.30
Recycling Education & Marketing Coord.	E06	\$40,701.44	\$61,065.68	N17	\$40,082.06	\$60,087.30

The employees in these positions will retain their current pay rate and, in accordance with the FLSA, will be eligible to be paid overtime if they are required to work over 40 hours in a work week. In accordance with County policy, overtime must be approved in advance. Overtime costs would be managed consistent with operational needs and budgeted funds.

Additionally, employees in these classifications who worked overtime during the hurricane will receive overtime compensation for the hours worked consistent with other non-exempt employee who worked overtime during the hurricane. The cost to pay hurricane overtime to the reclassified non-exempt positions is \$6,097.60. The cost by fund is identified below:

Fund	Total w/ Fringe
Information Technology	\$4,718.75
Utilities	\$1,378.86
Total	\$6,097.60

The remaining five (5) positions below the salary level of \$47,476 per year would qualify to remain exempt from overtime if the salary levels were increased to the new minimum. These positions qualify for either the administrative or professional exemptions under the FLSA. The salaries of the employees in these positions would be adjusted to the required salary level of \$47,476 per year effective November 25, 2016 and maintain exemption from overtime.

Job Title	FLSA Exemption	Current Pay Grade	Current Minimum	Current Maximum
Customer Service Supervisor	Administrative	E04	\$36,913.24	\$55,369.60
Radiological Emergency Analyst	Administrative	E06	\$40,701.44	\$61,065.68
Environmental Specialist	Professional	E06	\$40,701.44	\$61,065.68
Manager Golf & Club House Operations	Administrative	E06	\$40,701.44	\$61,065.68
Aquatic Center Supervisor	Administrative	E06	\$40,701.44	\$61,065.68

ANALYSIS:

The cost to increase the salaries of the five (5) exempt positions listed above to \$47,476 is \$17,051.38. The cost by fund is identified below:

	Salary	Fringe	Total
Utilities	\$3,371.42	\$528.00	\$3,899.42
General Fund	\$2,576.60	\$403.00	\$2,979.60
Beach	\$4,739.80	\$740.00	\$5,479.80
Golf Course	\$2,576.34	\$403.00	\$2,979.34
MSTU Fund	\$1,481.22	\$232.00	\$1,713.22
Grand Total	\$14,745.38	\$2,306.00	\$17,051.38

RECOMMENDATION:

Staff recommends the Board approve the reclassification of certain positions to non-exempt, authorize the payment of overtime for hours worked during the hurricane consistent with other non-exempt positions, and approve the increase in salary of individuals in exempt positions to the new minimum effective November 25, 2016 due to a change in the Fair Labor Standards Act white collar exemption which becomes effective December 1, 2016.

ATTACHMENTS:

None.

APPROVED AGENDA ITEM

BY: _____
Jason Brown, County Administrator

FOR: November 22, 2016 _____

	Approval	Date
Admin.		
Legal		
Budget		
Dept.		
Risk Mgmt.		