

INDIAN RIVER COUNTY
MEMORANDUM

TO: The Honorable Board of County Commissioners

THROUGH: John A. Titkanich, Jr., County Administrator

FROM: Suzanne Boyll, Human Resources Director and
Michael Zito, Deputy County Administrator

DATE: September 4, 2024

SUBJECT: Approval of Implementation of Compensation and Classification Study

In October 2023, Evergreen Solutions LLC began the Compensation and Classification Study project. The project consisted of the following:

- Data collection and review of current pay plans, salary schedules, job descriptions, organizational charts, and related personnel policies and procedures to assess our current conditions.
- Employee outreach consisting of onsite interviews and focus groups with cross section of employee classifications as well as “all employee” survey. Approximately 65% of County employees provided feedback.
- Job Assessment Tool (JAT) was distributed to all employees (online or paper version) to allow employees to provide in-depth information about their duties and responsibilities of their position. JATs collected information regarding leadership, working conditions, complexity, decision making, and relationships of each position. JATs were reviewed by supervisors for accuracy. Approximately 63% of our employees completed a JAT and 85% of classifications were represented. This information was used to conduct a classification analysis.
- Salary survey of 19 peer organizations for 100 benchmark classifications was conducted. Over 700 data points were collected and the results were adjusted for cost of living. Out of the 19 peer organizations surveyed, Indian River County had the 3rd highest cost of living.

Based on the results of the market survey, Evergreen has provided recommendations to the County to implement three (3) new pay plans for Exempt, Non-Exempt, and Labor employee groups. The recommended plans are at 60% of market, placing us above the market midpoint. The pay plans and corresponding placement of classifications in each plan are reflected in the attached Final Report, Chapter 5 - Recommendations.

Employee meetings to discuss Evergreen's recommendations and proposed implementation were held on August 29th and 30th. Additionally, the County has presented the implementation of the study to the Teamsters' employee group during negotiations. Following these meetings, and based on employee feedback, the County Administrator requested that additional consideration be given to the minimum increase provided under the implementation. Budget confirmed that funding is available to provide the following implementation for non-union and exempt employees:

Non-Exempt Employees

- Employees with less than 6 months of service on October 4, 2024, will be placed at the minimum of the new pay grade or retain their current pay rate (whichever is greater)
- Employees with 6 months of service or greater on October 4, 2024, will be placed in the new pay grade and receive the greater of:
 - 5% above new pay grade minimum, OR
 - a \$1.75 per hour or 6% per hour increase (whichever is greater) OR
 - the hourly rate in the new pay grade as determined by the compensation and classification study based on an average of the employee's class year parity (time in position) and current pay grade penetration not to exceed a 15% increase in pay.

In no case will an employee's rate of pay exceed the maximum of the new pay grade. If an employee receives less than a 6% increase due to the maximum of the new pay grade, the employee will receive the balance in a lump sum.

Exempt employees (excluding E19 Department Directors)

- Employees with less than 6 months of service on October 4, 2024, will be placed at the minimum of the new pay grade or retain their current pay rate (whichever is greater).
- Employees with 6 months of service or greater on October 4, 2024, will be placed in the new pay grade and receive the greater of:
 - 5% above new pay grade minimum, OR
 - 6% increase in pay, OR
 - the pay rate in the new pay grade as determined by the compensation and classification study based on an average of the employee's class year parity (time in position) and current pay grade penetration not to exceed a 7.5% increase in pay.

Every employee with 6 months of service or greater as of October 4, 2024, will receive at least a 6% increase in their rate of pay up to the maximum the new pay grade. In no case will an employee's rate of pay exceed the maximum of the new pay grade. If an employee receives less than a 6% increase due to the maximum of the new pay grade, the employee will receive the balance in a lump sum.

Department Directors

- Employees with less than 6 months of service on October 4, 2024, will be placed at the minimum of the new pay grade or retain their current pay rate (whichever is greater).
- Employee with 6 months of service or greater on October 4, 2024, will receive a 4-6% increase in pay as determined by the County Administrator.

Contract employees (not included in the compensation study) will receive 4% general wage increase.

The associated wage increases will be effective October 4, 2024.

The proposed implementation provides a 6% to 15% wage increase for our hourly employees, provides a 6% to 7.5% increase for our exempt employees, and provides a competitive wage increase for our Department Directors and Contract employees.

Following approval by the Board, staff will continue negotiations with the Teamsters' employees and will prepare for implementation effective the first pay period in October.

FUNDING:

Funding in the amount of \$2,886,941 is budgeted and available in the proposed FY2024/25 budget to provide for the implementation and associated wage increases including benefits. This excludes Teamsters' who will be presented to the Board at a later date once agreement is reached.

RECOMMENDATION:

Staff recommends and respectfully requests that the Board approve staff's recommendation to implement the Compensation and Classification Study effective October 4, 2024, providing for a minimum increase and maximum increase based on each employee group for non-exempt, exempt, and Director level employees and approving 4% general wage increase for contract employees as recommended.

ATTACHMENTS:

Compensation and Classification Study for Indian River County Final Report