

**OKEECHOBEE UTILITY AUTHORITY**  
**WORKSHOP AGENDA**  
**April 11, 2024**  
**1:30 P.M.**

1. Call the Meeting to Order
  - Pledge of Allegiance
  - Roll Call
2. Compensation and Classification Study
3. PTO (Paid Time Off)
4. Paid Holiday
5. Employee Merit & COLA Payment
6. Health Allowance
7. Longevity Bonus
8. Uniform Allowance
9. Employee Licensing
10. Elimination of Single Person Shift
11. Public Comments

**OKEECHOBEE UTILITY AUTHORITY**

AGENDA ITEM NO. 1

APRIL 11, 2024

Call Meeting to Order

Pledge of Allegiance  
Roll Call

	<u>Present</u>	<u>Absent</u>
Melanie Anderson – Alternate	_____	_____
Tommy Clay – Board Member	_____	_____
John Gilliland – Vice Chairperson	_____	_____
Harry Moldenhauer – Board Member	_____	_____
Steve Nelson – Chairperson	_____	_____
Tabitha Trent – 2 <sup>nd</sup> Vice Chairperson	_____	_____
Glenn Sneider – Alternate	_____	_____
Vacant – City Alternate	_____	_____

# **OKEECHOBEE UTILITY AUTHORITY**

## **AGENDA ITEM NO. 2**

**APRIL 11, 2024**

### **COMPENSATION & CLASSIFICATION STUDY**

Please find included a draft of the OUA Compensation and Classification Study dated March 14, 2024. The OUA team consisting of OUA Board member Tabitha Trent, OUA Executive Director John Hayford and OUA Finance Director Lauriston Hamilton have met and discussed this report at length. Comments, questions and edits have been sent to Evergreen for processing. Evergreen has presented the results of study to the OUA Board at a previous monthly meeting so this review will not go in to detail, only a summary.

Employee outreach was conducted through in person visits, telephone and by internet access to ascertain the individual employee cares, concerns and thoughts on their job, the OUA and the market. The Evergreen data collection process was varied and appeared to be complete.

Evergreen reviewed OUA data, policies and procedures to understand a baseline condition of the OUA. Evergreen wanted to understand the strengths and weaknesses of the OUA with respect to the employees, the market and relationship to the peer group included in the Study.

Evergreen conducted several market summaries and surveys concerning salary and benefits analysis. How does the OUA pay scale match up with local and nearby markets. Additionally, the benefits provided to OUA employees, how do this benefit package stack up against other employers in the peer group.

Finally, once all of this work has been studied, analyzed and evaluated, where does the OUA fit within the peer group. Evergreen has made several recommendations that need to be discussed and or acted upon.

### **RECOMMENDATIONS**

#### **Job Classifications**

In review of the current OUA Job Classification schedule Evergreen found some job titles which seem repetitive. Additionally, a few job titles appeared to be dated and in need of modification to bring them in to current HR practice for defining the position. Evergreen also suggested in adding two classifications. Overall, the process is a relatively simple fix and will make the OUA better suited for job comparisons in the future with other peer groups.

#### **Pay Grades**

Evergreen grouped the current OUA pay classifications in to 23 pay grades. Established minimum, midpoint and maximum pay ranges for each pay grade.

#### **Implementation of Pay Grades**

Evergreen developed a process to best fit existing OUA employee pay in to the new pay grades such that the final placement brought about equity and fairness to a company wide pay plan. The process only relied upon a given employees years of service to the OUA (Tenure), or years of service within their current job classification (Class) or a compilation of both (Hybrid). Other generally accepted

practices such as job performance, education, certifications, etc. were not considered in this phase. However, a few of those parameters could be utilized in future evaluations. A select group of employees were determined to be out of range for their pay grade and will need point specific pay adjustments to bring them within their appropriate pay grade.

### **Small Scale Markets Surveys & Analysis**

The OUA should continue to conduct small scale evaluations of its' market position relative to the peer group identified in this study. This will keep the OUA workforce in a competitive salary structure which will enhance retention while making personnel acquisition more manageable due to the benefits and enticements offered. This small-scale study is directed more to specific job classifications rather than a company wide approach.

### **Comprehensive Compensation/Classification Study**

Evergreen suggests that the OUA conduct this type of study every 3 – 5 years dependent upon market conditions.

### **Revise Policies & Procedures with regards to Employee Movement within the Proposed Pay Grades**

As with any living document, employee personal growth and direction within a company pay scale is tantamount to success. The ability for employee growth begins with each employee, but, employer nurturing and guidance tends to lend higher performance. And as such, Evergreen has recommended and provided additions, edits and comments regarding how the OUA reach these goals:

Salary Progression through structural, classification and individual milestone enhancements

New Hires will provide workforce growth and training opportunities. Providing the same classification/pay grade enhancements will be supportive of this workforce growth.

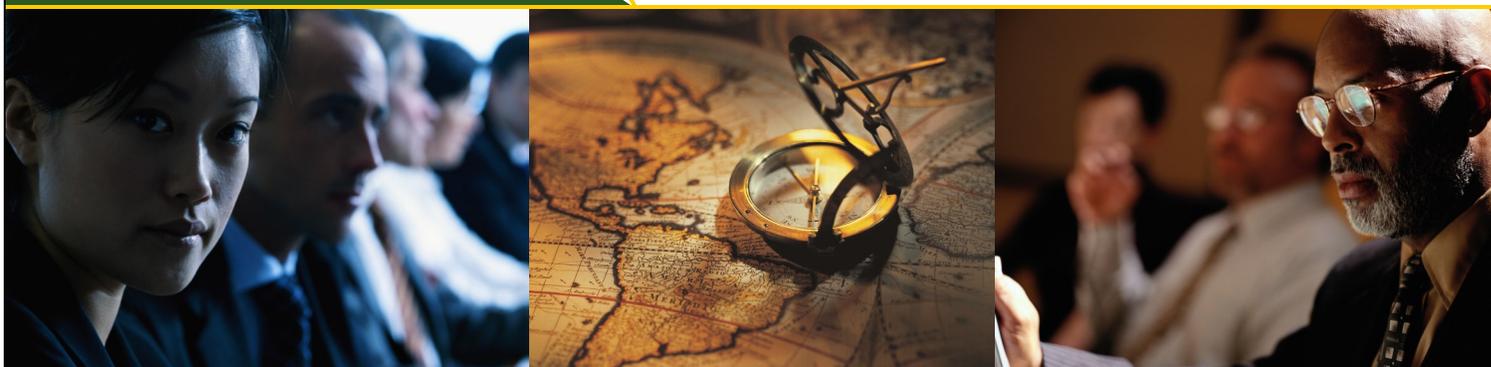
### **Revise/Update policies & procedures regarding promotions/demotions/transfers**

Stagnation can lead to a failure of the system to provide for growth and potential for success. To that end, Evergreen suggested a review of current OUA policies regarding these matters to make sure that they are in alignment with the proposed pay grade/pay scale options.

While the final Evergreen report has not been submitted, it is the belief of the OUA team working with the Evergreen team that should not be any significant differences between the draft report you have today and the final report. The OUA team is ready willing and able to discuss merits and content of the report. At some future OUA regular meetings, specific proposed improvements will be brought back to the OUA Board for review, discussion and possible actionable items.

# Compensation and Classification Study for Okeechobee Utility Authority, FL

## DRAFT REPORT



Evergreen Solutions, LLC

March 14, 2024

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# Chapter 1 - Introduction

The leadership of Okeechobee Utility Authority, FL (the “Authority”) in keeping with its commitment to attracting and retaining the employees necessary to provide high quality services determined that its current compensation and classification systems and structure needed to be updated to better reflect best practices. Evergreen Solutions, LLC (“Evergreen”) was selected by the Authority during June of 2023 as its partner in order to accomplish this goal. This engagement sought to evaluate the strengths and weaknesses of the Authority’s current systems, conduct a job and pay grade analysis to study internal equity, collect peer salary data to study external equity, and adjust the current compensation and classification systems to better reflect the market. This study and the analysis contained within provides Authority leadership with valuable information related to their employee demographics, opinions, and market data, as well as internal and external equity.

Internal equity relates to the fairness of an Authority’s compensation practices among its current employees. Specifically, by reviewing the skills, responsibilities, and duties of each position, it can be determined whether similar positions are being compensated in an equitable manner within the Authority. External equity relates to the differences between how an Authority’s classifications are valued and the compensation available in the marketplace for the same skills, responsibilities, and duties. This component of the study aims to address how the Authority is positioned in the market relative to other local area government entities with similar positions and to develop recommendations that allow the Authority to recruit and retain quality employees.

## **1.1 STUDY METHODOLOGY**

Evergreen Solutions combines qualitative and quantitative data analysis to produce recommendations that maximize the fairness and competitiveness of an Authority’s compensation structure and practices. It is important to note that the data utilized in the study represents a snapshot in time. As market conditions can change rapidly, it is important for the Authority to conduct regular market surveys to ensure their external market position does not decay. A full compensation and classification review is recommended approximately every three to five years. Some examples of project activities included:

- Conducting a project kick-off meeting
- Presenting orientation sessions to employees
- Facilitating focus group sessions with employees
- Conducting an external market salary survey
- Conducting an external market benefits survey
- Comparing the Authority’s salary and benefit offerings to that in the market



- Developing recommendations for compensation management
- Revising classification descriptions based on employee JAT feedback
- Developing recommendations for compensation and classification changes
- Presentation of study findings and recommendations to OUA Board
- Creating draft and final reports
- Conducting training sessions with human resources staff in the methodology used to systematically assess job classifications

### Kickoff Meeting

The kickoff meeting provided an opportunity to discuss the compensation history of the Authority, identify study goals, finalize the work plan, and begin the data collection process. Data collection included the gathering of relevant background material including: existing pay plans, policies, job descriptions, and other pertinent material.

### Employee Outreach

Through the orientation sessions and focus groups, Evergreen consultants briefed employees on the purpose and major processes of the study. This process addressed employee questions in an effort to resolve misconceptions about the study and related tasks and explained the importance of employee participation in the Job Assessment Tool (JAT) survey process.

In addition, employees participated in focus group sessions designed to gather input from their varied perspectives as to the strengths and weaknesses of the current system. Feedback received from employees in this context was helpful in highlighting aspects of the Authority which needed particular attention and consideration. This information provided some basic perceptual background, as well as a starting point for the research process.

### Job Assessment Tool® (JAT) Classification Analysis

Employees were asked to complete individual JAT surveys, where they shared information pertaining to their work in their own words. These JATs were analyzed and compared to the current classification descriptions, and classifications were individually scored based on employee responses to five compensable factor questions. Each of the compensable factors—Leadership, Working Conditions, Complexity, Decision Making, and Relationships—were given weighted values based on employee responses, resulting in a point factor score for each classification. The rank order of classes by JAT scores was used to develop a rank order of classes within the proposed compensation structure. Combined with market data, this information formed the foundation of the combined recommendations. The nature of each compensable factor is described below:

- Leadership –relates to the employee’s individual leadership role, be it as a direct report of others who have leadership responsibilities, or as an executive who has leadership over entire departments or the Authority as a whole.
- Working Conditions – deals with the employee’s physical working conditions and the employee’s impact on those conditions, as well as the working conditions impact or potential impact on the employee.



- Complexity – describes the nature of work performed and includes options ranging from entry-level manual or clerical tasks up to advanced scientific, legal, or executive management duties.
- Decision Making – deals with the individual decision-making responsibility of the employees. Are decisions made on behalf of the employee or is the employee making autonomous decisions that impact the individual, other employees, or even the entire Authority?
- Relationships – deals with organizational structure and the nature of the employee's working relationships. Responses range from employees who work primarily alone, those who work as members of a team, those who oversee teams, and those who oversee the Authority as a whole.

### Salary and Benefits Surveys

The external market for this study was defined as identified local government organizations with similar positions as well as similar characteristics, demographics, and service offerings. All positions in the Authority were surveyed, although not all positions had matching positions at the peer organizations. The data were then analyzed comparing Authority classifications to the jobs performing the same duties at peer organizations to gain a fuller understanding of their market position. Key benefits offerings for OUA were compared to typical benefits found in the market. The synopsis of this comparison provides an overall competitive market position in the areas of health care, retirement, and employee leave, to name a few.

### Recommendations

Evergreen developed recommendations for the Authority to consider in order to help maximize the effectiveness and efficiency of its current compensation and classification structure. Evergreen provided the Authority with a variety of recommendations for the future at various costs. Plans ranged from minor tweaks to the current compensation and classification system to wholesale changes to the entire structure. These plans were designed to fix the issues identified in this report, while continuing to build on the strengths the Authority currently exhibits.

## 1.2 REPORT ORGANIZATION

This report includes the following additional chapters:

- Chapter 2 – Summary of Employee Outreach
- Chapter 3 – Assessment of Current Conditions
- Chapter 4 – Market Summary
- Chapter 5 – Benefits Summary
- Chapter 6 – Recommendations



## Chapter 2 – Summary of Outreach

In person outreach was conducted by an Evergreen consultant. The consultant met with Authority employees and explained the process of the study and fielded questions that employees had about the study. Focus groups were conducted to solicit information from employees that gave Evergreen solid information to begin researching. Employees provided Evergreen their opinions on classifications that were outdated, behind market, or had trouble retaining employees.

Information was also provided on the employees' opinions of the biggest competitors to the Authority. Finally, employees provided information on all the positive aspects of employment with the Authority. Evergreen used employee opinions as a starting point for some data collection, but everything that was used in the course of this study was independently verified by Evergreen. A full summary of the outreach can be found in **Chapter 2** of this report.

## Chapter 3 - Assessment of Current Conditions

An assessment of current conditions was conducted to help Evergreen better understand the current standing of the Authority pay plan, demographics, and compensation structures. This assessment should be considered a snapshot in time and is reflective of the conditions present within the Authority upon the commencement of this study. By leveraging this information, Evergreen was able to gain a better understanding of the strengths and weaknesses of the current compensation system. When combined with the market results, the Assessment of Current Conditions helped provide a basis for recommendations. A full summary of the Assessment of Current Conditions can be found in **Chapter 3** of this report.

## Chapter 4 - Market Summary

A salary survey was designed by Evergreen and approved by the Authority's project team. The external market was defined by Evergreen and approved by the Authority's project team. After the results were received, the data were analyzed to compare the Authority to the overall results. Combined with the Assessment of Current Conditions, the market survey gave Evergreen the information needed to understand the Authority's position relative to its labor market. A full summary of the market results can be found in **Chapter 4** of this report.

## Chapter 5 – Benefits Summary

A benefits survey was designed by Evergreen to garner information from targeted peers regarding their benefits. Information was collected on insurance coverage, leave policies, retirement plans, and other fringe benefits. It is important to remember salary is only one part of the complete compensation package for employees. A full report can be found in **Chapter 5** of this report.



## Chapter 6 – Recommendations

During the recommendations phase, Evergreen provided several different solution options based on their current relationship to market. Solutions were provided that only require minor tweaks to the current compensation and classification systems, as well as some solutions that would require wholesale changes to Authority’s current structure. Evergreen has provided the Authority with recommendations that can both leverage the current compensation structure and also help expand its ability to recruit and retain talent in the most competitive classifications. A full explanation of the recommendations can be found in **Chapter 6** of this report.

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## Chapter 2 – Summary of Employee Outreach

On July 11, 2023, an Evergreen consultant conducted orientation sessions and focus groups for the Okeechobee Utility Authority (OUA). The format and multiple locations were approved by the OUA project leadership team made up of the Executive Director and Finance Director. Orientation sessions were conducted in order to inform employees about the purpose of the study, study goals, timeline, the employee survey process and give employees information about the different ways they would be asked to participate in the study. Employees in each session were afforded an opportunity to ask questions as well. These sessions were designed to solicit open feedback from employees concerning a number of topics related to compensation and classification.

Following the in-person outreach sessions and job assessment tool (JAT) survey administration, several additional supervisor focus groups sessions were conducted with Evergreen Consultants from September 6 – 13<sup>th</sup>, 2023. These sessions were requested by the OUA project leadership team to receive specific feedback from supervisors in addition to what was provided through the Management Issues Tool and JAT Supervisor Review. Overall, the goal of all sessions was to capture the general employee sentiment towards the current compensation and classification structures of OUA.

The observations in this chapter are a generalized summary of opinions, general themes, and trends expressed by employees who either participated in a focus group or provided direct feedback to Evergreen. Information that may identify the commenter has been removed. This chapter is not meant to pass judgement on the accuracy or intent of the employee feedback, only to provide the feedback as it was received. The OUA leadership team and policy makers should use the information provided in this chapter to identify possible gaps in communication, policy vulnerabilities and chart a course for future improvements. It is important to note that the views shared in this summary are perceptual in nature and may not necessarily reflect actual conditions in OUA.

Comments are separated by the following four categories below:

- 2.1 General Feedback
- 2.2 Compensation and Classification
- 2.3 Market Peers
- 2.4 Summary

### 2.1 GENERAL FEEDBACK

The primary focus of this study is to address the OUA compensation and classification structures. However, it is important to understand how employees currently view employment at large within the OUA, and as a result, general feedback was sourced from employees on



what brought them to work for the OUA and what were the primary factors that led to their continued employment. The comments described in this section reflect the factors that incentivize prospective applicants to pursue employment and also reflect the reasons employees have decided to continue working for the OUA. These elements are important to highlight, as compensation, while an important factor, is often not the sole determination for where employees wish to work. The responses varied from the benefits offerings and preferred location along with the genuine sense of camaraderie employees feel toward their coworkers. Comments expressed by employees include:

- **Benefits** – Employees expressed that the benefits package was a big factor in their initial and continued employment.
- **Culture** – Several employees described the quality of people they work with as the number one reason they've stayed with the organization. One employee stated, "We look out for each other."
- **Location** – Employees said they felt the location had a slower pace, with less stress and a better work life balance.
- **Schedule** – There were positive comments on the flexibility of the work schedules (4, 10 hour shifts); but there were also concerns expressed that everyone is being asked to do more with less.

## 2.2 COMPENSATION AND CLASSIFICATION

As the main focus of this study, feedback on compensation and classification was solicited from employees. Employees were asked to identify any concerns, challenges, or limitations observed with how the OUA currently compensates and classifies its positions. It is important to note that a significant increase was recently implemented at the time of this report and, as such, the perceptions of employees listed below may not necessarily reflect or align with the data collected in the market survey, found in **Chapter 4**.

Specific feedback shared by employees related to compensation practices included the following:

- **External Equity** – Feedback on the competitiveness of pay in the OUA was consistent, with employees sharing that their starting pay is lower than in other municipalities, private companies, and utility-based operations.
- **Internal Equity** – There was a belief among employees that new hires were being hired at rates above those of tenured employees and that drove morale down among the employees who complained.
- **Turnover/Vacancy** – Several positions were mentioned as positions employees felt had a higher turnover or vulnerability due to low compensation. Those positions included:



- Maintenance Positions
  - Electricians (Lift Station Technician)
  - Water Operator Trainee
  - Meter Reader
  - Distribution Trainee
  - Operator Trainee
- **Recognition**– The general consensus was that employees “*don’t feel appreciated.*” In fact, several employees mentioned this in the sessions. Many requested recognition for their efforts and the reinstatement of the longevity policy to reward and recognize tenured employees.
  - **Raises** - A concern brought up regarding raises was the cost of living increases are not keeping up with inflation and the higher costs of living in the area. Many employees highlighted the higher rent prices and home affordability issues make it difficult to recruit and retain talent.
  - **Benefits (perceived strengths)** – Employees, in general, spoke positively about health insurance. Multiple employees mentioned that they felt the leave time offered by the OUA provided was good as well.
  - **Benefits (perceived weaknesses)** –Several employees were upset that the OUA took away longevity pay. Others commented on the increase in the cost of benefits, especially family coverage, with several employees stating, “*We are basically working for health insurance.*”

## 2.3 MARKET PEERS

Focus group participants were asked to name organizations they considered to be both local and regional market peers, who they believe have similar characteristics to the OUA. Respondents shared numerous public-sector municipalities and mentioned that, for some positions, the private sector were competitors in the local market as well. Responses are listed below and were considered when developing the list of peers for the compensation and classification survey. The Seminole Tribe of Florida, Waste Management and Okeechobee County were referenced as the three top paying entities influencing the local labor market. Participants named the following municipalities with some frequency as the OUA’s biggest competitors in terms of employee compensation and classification:

- Seminole Tribe of Florida
- Ft. Pierce Utilities Authority
- Lakeport Utilities
- Glades Electric (for customer service)
- Sea Coast Utility
- Highlands County
- Martin County
- Okeechobee County
- City of Okeechobee



- Sebring
- Port St. Lucie
- Stuart
- Wildwood
- Vero Beach
- Gilbert Family
- Waste Management

## 2.4 SUMMARY

From the initial kick off call, the OUA project leadership team and Board representative were willing to help with the outreach process. The in-person and virtual meetings were well attended, and the feedback received by Evergreen Solutions provided a solid foundation for the development of recommendations for the Okeechobee Utility Authority. The willingness of the OUA employees to contribute to this dialogue was evident in the number of employees that took time out of their busy schedules to provide a number of reasonable observations with respect to potential compensation and classification strengths/weaknesses across the organization. These comments were verified and taken into consideration when identifying challenges and formulating recommendations for the Authority. The main issues identified by employees were pay, education, the cost of benefits, housing affordability and employee appreciation. These issues, especially pay, increasing benefits costs and housing affordability are not unique to OUA and can be found at many utility providers across Florida. The Evergreen Team will use the information gathered from employees during outreach and throughout the remainder of this study in order to arrive at appropriate recommendations for the Okeechobee Utility Authority.



## Chapter 3 – Assessment of Current Conditions

The purpose of this chapter is to provide a statistical analysis of the compensation and classification system in place at the Authority at the start of this study. The assessment is divided into the following sections:

- 3.1 Analysis of the Pay Plan
- 3.2 Grade Placement Analysis
- 3.3 Quartile Analysis
- 3.4 Compression Analysis
- 3.5 Summary

The analysis represented in this chapter represents a snapshot in time – this chapter was built from employee information collected in June of 2023. Every Authority changes continuously, so this chapter is not meant to be a definitive statement on continuing compensation practices at the Authority. Rather, this AOCC is meant to represent the conditions that were in place when this study began. The data contained within provide the baseline for analyses through the course of this study but are not sufficient cause for recommendations in isolation. By reviewing employee data, Evergreen gained a better understanding of the structure and methods in place and identified issues for both further review and potential revision.

### 3.1 ANALYSIS OF THE PAY PLAN

The purpose of analyzing the pay plan used within the Authority is to help gain an overview of the compensation philosophy as it existed when the study began. The Authority had a system in place that categorized classifications by level and type of work. Instead of grades, this system used class titles to represent classifications of varying level and responsibility. **Exhibit 3A** displays the Authority's pay plan summarized for ease of comparison. The exhibit provides the name; each pay grade on the plan; the value of each pay grade at minimum, midpoint, and maximum; the range spread for each pay grade – which is a measure of the distance between the minimum and maximum of the grade; the midpoint progression between grades; and the number of employees per pay grade.

The Authority does have a single ungraded position for the Executive Director, which is a contract employee.

The Authority's pay plan includes 28 occupied pay grades that hold 52 employees. The pay range spreads average 61 percent. Many of these "pay grades" or classifications only have one employee, while the classification of Distribution System Operator 3 and Plant Operator C contain the most employees with eight.



### EXHIBIT 3A PAY PLAN SUMMARY

Pay Plan	Grade	Minimum	Midpoint	Maximum	Range Spread	Midpoint Progression	Employees
General	Accts Payable/Payroll Clerk	\$ 31,304	\$ 40,799	\$ 50,294	61%	-	1
General	Assistant Office Manager	\$ 36,338	\$ 47,476	\$ 58,614	61%	16%	1
General	Billing Clerk	\$ 31,304	\$ 40,799	\$ 50,294	61%	-14%	1
General	Construction Inspector/Dist System Operator 3	\$ 47,008	\$ 61,610	\$ 76,211	62%	51%	1
General	Customer Service Clerk I	\$ 30,035	\$ 39,125	\$ 48,214	61%	-36%	4
General	Director of Operations	\$ 79,435	\$ 104,572	\$ 129,709	63%	167%	1
General	Distribution System Operator 1	\$ 44,304	\$ 58,032	\$ 71,760	62%	-45%	1
General	Distribution System Operator 3	\$ 37,086	\$ 48,464	\$ 59,842	61%	-16%	8
General	Distribution System Operator Trainee	\$ 31,304	\$ 40,799	\$ 50,294	61%	-16%	4
General	Distribution System Operator/Backflow Tester	\$ 38,730	\$ 50,638	\$ 62,546	61%	24%	1
General	Executive Director	-	-	-	-	-	1
General	Finance Director	\$ 75,587	\$ 99,476	\$ 123,365	63%	-	1
General	Inventory Control Specialist	\$ 41,080	\$ 53,758	\$ 66,435	62%	-46%	1
General	Maintenance Foreman	\$ 45,115	\$ 59,103	\$ 73,091	62%	10%	1
General	Maintenance Supervisor	\$ 50,814	\$ 66,654	\$ 82,493	62%	13%	1
General	Meter Reader Supervisor	\$ 50,814	\$ 66,654	\$ 82,493	62%	0%	1
General	Meter Service Technician	\$ 32,656	\$ 42,598	\$ 52,541	61%	-36%	3
General	Office Manager	\$ 44,845	\$ 58,739	\$ 72,634	62%	38%	1
General	Plant Operator B	\$ 32,656	\$ 42,598	\$ 52,541	61%	-27%	2
General	Plant Operator B	\$ 39,582	\$ 51,771	\$ 63,960	62%	22%	1
General	Plant Operator C	\$ 37,523	\$ 49,046	\$ 60,570	61%	-5%	8
General	Plant Operator C	\$ 37,523	\$ 49,046	\$ 60,570	61%	0%	1
General	Plant Operator Non-Certified	\$ 32,656	\$ 42,598	\$ 52,541	61%	-13%	2
General	Plant Supervisor A	\$ 51,251	\$ 67,236	\$ 83,221	62%	58%	1
General	Plant Supervisor B	\$ 47,008	\$ 61,610	\$ 76,211	62%	-8%	1
General	Senior Finance Clerk	\$ 40,622	\$ 53,144	\$ 65,666	62%	-14%	1
General	Sludge Press Operator	\$ 30,035	\$ 39,125	\$ 48,214	61%	-26%	1
General	Vehicle Mechanic	\$ 38,147	\$ 49,868	\$ 61,589	61%	27%	1

Comparing the summary data in **Exhibit 3A** to best practices, a number of observations can be made regarding the Authority's pay plan. Based on the analysis of the pay plan, the following facts can be observed:

- Range spreads—generally set between 50-70 percent—fall right in the middle of that range, falling between 61% and 63%. Typically, however, we would see range spreads increase as one advances within the pay plan.
- The number of employees on each pay grade is widely varied. Multiple pay grades have only a single incumbent occupying the grade, while several pay grades contain more than five employees.
- The minimum pay grade is \$30,035 while the maximum pay grade is \$129,709.

### 3.2 GRADE PLACEMENT ANALYSIS

The Grade Placement Analysis examines how employee salaries are distributed throughout the pay grades. This can help identify salary progression issues, which are usually accompanied by employee salaries that are clustered in segments of the pay grades. A clustering of employee salaries in the lower part of ranges can indicate a lack of salary

progression for employees or a high level of employee turnover. A clustering of employee salaries in the high end of pay ranges can be a sign of high employee tenure or a sign that the pay ranges are behind market, forcing the Authority to offer salaries near the maximum of the range to new hires. With regard to minimum and maximum salaries, employees at the grade minimum are typically newer to the Authority or to the classification, while employees at the grade maximum are typically highly experienced and highly proficient in their classification. The Grade Placement Analysis examines how salaries compare to pay range minimums, midpoints, and maximums. Only pay grades with at least one incumbent are included in this analysis.

**Exhibit 3B** displays the percentage and number of employees compensated at their pay grade minimum and pay grade maximum. The percentages presented are based on the total number of employees in that grade. As can be seen in the exhibit, 0.0 percent (zero total) of all employees are compensated at their pay grade's minimum. A larger percentage of employees, 13.5 percent (seven total), are compensated at their pay grade's maximum.

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**EXHIBIT 3B**  
**EMPLOYEES AT MINIMUM AND MAXIMUM BY GRADE**

Grade	Employees	# at Min	% at Min	# at Max	% at Max
Accts Payable/Payroll Clerk	1	0	0.0%	0	0.0%
Assistant Office Manager	1	0	0.0%	0	0.0%
Billing Clerk	1	0	0.0%	1	100.0%
Construction Inspector/Dist System Operator 3	1	0	0.0%	0	0.0%
Customer Service Clerk I	4	0	0.0%	1	25.0%
Director of Operations	1	0	0.0%	0	0.0%
Distribution System Operator 1	1	0	0.0%	1	100.0%
Distribution System Operator 3	8	0	0.0%	0	0.0%
Distribution System Operator Trainee	4	0	0.0%	0	0.0%
Distribution System Operator/Backflow Tester	1	0	0.0%	0	0.0%
Executive Director	1	0	0.0%	0	0.0%
Finance Director	1	0	0.0%	0	0.0%
Inventory Control Specialist	1	0	0.0%	0	0.0%
Maintenance Foreman	1	0	0.0%	0	0.0%
Maintenance Supervisor	1	0	0.0%	1	100.0%
Meter Reader Supervisor	1	0	0.0%	0	0.0%
Meter Service Technician	3	0	0.0%	0	0.0%
Office Manager	1	0	0.0%	0	0.0%
Plant Operator B	2	0	0.0%	1	50.0%
Plant Operator B	1	0	0.0%	0	0.0%
Plant Operator C	8	0	0.0%	1	12.5%
Plant Operator C	1	0	0.0%	0	0.0%
Plant Operator Non-Certified	2	0	0.0%	0	0.0%
Plant Supervisor A	1	0	0.0%	0	0.0%
Plant Supervisor B	1	0	0.0%	1	100.0%
Senior Finance Clerk	1	0	0.0%	0	0.0%
Sludge Press Operator	1	0	0.0%	0	0.0%
Vehicle Mechanic	1	0	0.0%	0	0.0%
<b>Total</b>	<b>52</b>	<b>0</b>	<b>0.0%</b>	<b>7</b>	<b>13.5%</b>

In addition to assessing the number of employees at minimum and maximum, an analysis was conducted to determine the number of employees below and above pay grade midpoint. The percentages refer to the percentage of employees in each pay grade that are above and below midpoint. **Exhibit 3C** displays the results of this analysis: a total of 23 employees are compensated below their pay grade midpoint—which is 44.2 percent of all employees for the Authority. There are 28 employees compensated above the midpoint of their pay grade, which is 53.8 percent of all employees.

**EXHIBIT 3C  
EMPLOYEES ABOVE AND BELOW MIDPOINT BY PAY GRADE**

Grade	Employees	# < Mid	% < Mid	# > Mid	% > Mid
Accts Payable/Payroll Clerk	1	0	0.0%	1	100.0%
Assistant Office Manager	1	0	0.0%	1	100.0%
Billing Clerk	1	0	0.0%	1	100.0%
Construction Inspector/Dist System Operator 3	1	0	0.0%	1	100.0%
Customer Service Clerk I	4	1	25.0%	3	75.0%
Director of Operations	1	1	100.0%	0	0.0%
Distribution System Operator 1	1	0	0.0%	1	100.0%
Distribution System Operator 3	8	6	75.0%	2	25.0%
Distribution System Operator Trainee	4	3	75.0%	1	25.0%
Distribution System Operator/Backflow Tester	1	0	0.0%	1	100.0%
Executive Director	1	0	0.0%	0	0.0%
Finance Director	1	0	0.0%	1	100.0%
Inventory Control Specialist	1	0	0.0%	1	100.0%
Maintenance Foreman	1	0	0.0%	1	100.0%
Maintenance Supervisor	1	0	0.0%	1	100.0%
Meter Reader Supervisor	1	1	100.0%	0	0.0%
Meter Service Technician	3	2	66.7%	1	33.3%
Office Manager	1	0	0.0%	1	100.0%
Plant Operator B	2	0	0.0%	2	100.0%
Plant Operator B	1	0	0.0%	1	100.0%
Plant Operator C	8	6	75.0%	2	25.0%
Plant Operator C	1	1	100.0%	0	0.0%
Plant Operator Non-Certified	2	1	50.0%	1	50.0%
Plant Supervisor A	1	0	0.0%	1	100.0%
Plant Supervisor B	1	0	0.0%	1	100.0%
Senior Finance Clerk	1	1	100.0%	0	0.0%
Sludge Press Operator	1	0	0.0%	1	100.0%
Vehicle Mechanic	1	0	0.0%	1	100.0%
<b>Total</b>	<b>52</b>	<b>23</b>	<b>44.2%</b>	<b>28</b>	<b>53.8%</b>



### 3.3 QUARTILE ANALYSIS

The last part of the Grade Placement Analysis is a detailed look at how salaries are distributed through classification grades, through a quartile analysis. Here, each classification grade is divided into four segments of equal width, called quartiles. The first quartile represents the first 25 percent of the pay range; the second quartile represents the part of the range above the first quartile up to the mathematical midpoint; the third quartile represents the part of the range from the midpoint to 75 percent of the pay range; and the fourth quartile represents the part of the range above the third quartile up to the pay range maximum. Employees are assigned to a quartile within their pay range based on their current salary.

The quartile analysis is used to determine the location of employee salary clusters. Quartile analysis helps identify whether clusters exist in specific quartiles of pay grades. Additionally, the amount of time the employee has spent at the Authority is also analyzed, to observe any relationship between Authority tenure and salary progression. This information, while not definitive alone, can shed light on any root issues within the current compensation and classification plan when combined with market data and employee feedback.

**Exhibit 3D** shows the number of employees that are in each quartile of each grade, as well as the average overall tenure (i.e. how long an employee has worked for the Authority) by quartile. Overall, data provide that 9.8 percent of employees fall into Quartile 1 of their respective grade; 35.3 percent fall into Quartile 2; 25.5 percent fall into Quartile 3; and 29.4 percent fall into Quartile 4. While this distribution does not lead to a conclusion, data for average tenure do lead to determinations on the relationship between tenure and salary.

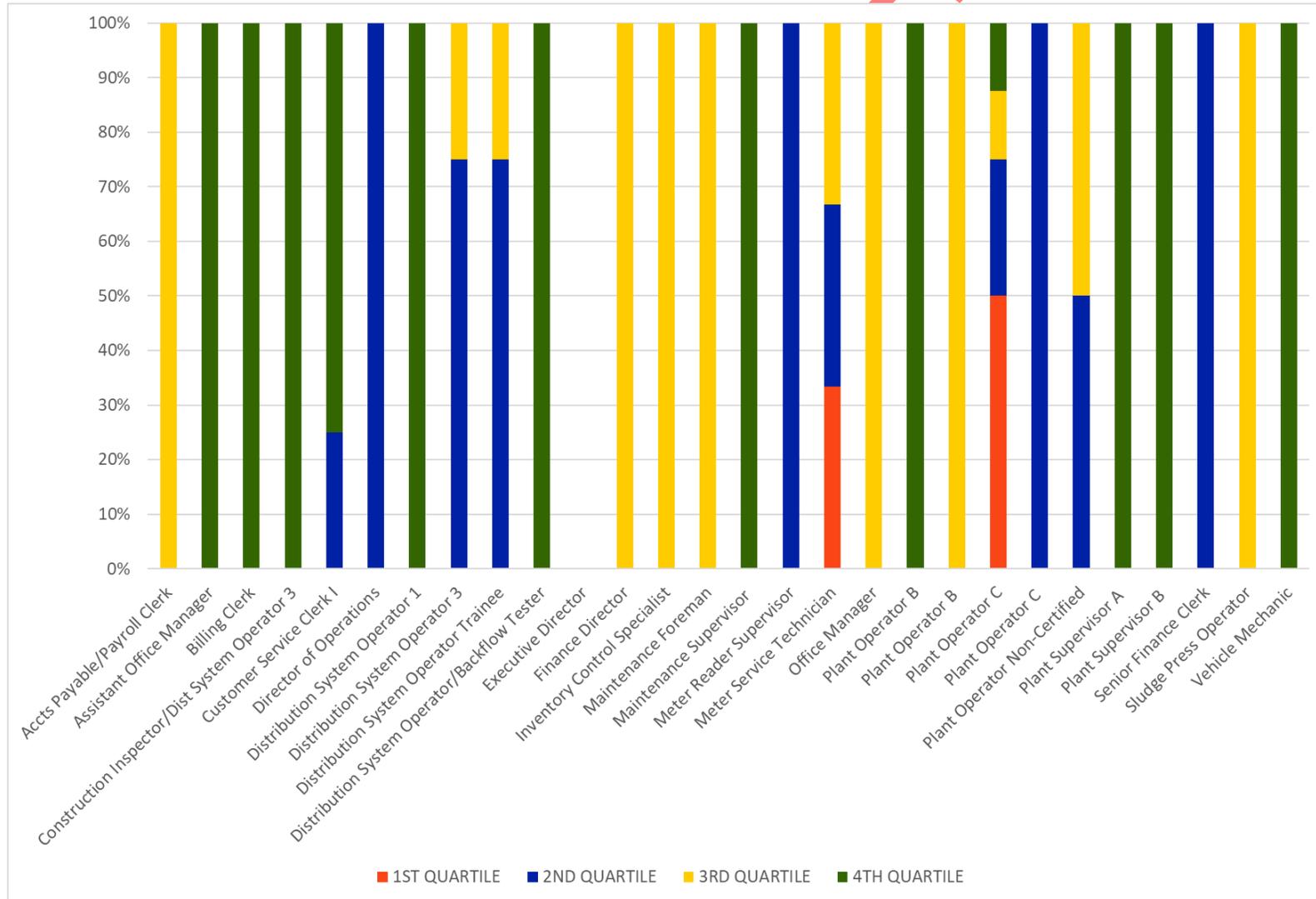
Specifically, overall average tenure increases as quartile increases; the average tenure in Quartile 1 is 0.6 years; in Quartile 2 is 6.3 years; in Quartile 3 is 9.5 years; and in Quartile 4 is 19.6 years. This would seem to indicate that employees are moved through their pay grades equitably, or at the very least a positive linear relationship exists between tenure and pay.

**Exhibit 3E** displays a graphical representation of the data contained in **Exhibit 3D**. Each pay grade is divided into up to four sections representing the percentage of employees, in that pay grade, who belong in each quartile. For example, Accts Payable/Payroll Clerk has zero employees in Quartiles 1, 2, or 4. That pay grade is represented by a 100 percent yellow bar, showing that 100 percent of Accts Payable/Payroll Clerk employees are in Quartile 3. The title of Plant Operator C has employees in all four quartiles, however, and is consequently represented with bars displaying all four colors, corresponding to the percentage of employees for each pay grade in each quartile.

**EXHIBIT 3D**  
**QUARTILE ANALYSIS AND TIME WITH THE AUTHORITY**

GRADE	Total Employees	Average Tenure	1st Quartile		2nd Quartile		3rd Quartile		4th Quartile	
			# Employees	Avg Tenure						
Accts Payable/Payroll Clerk	1	6.1	0	-	0	-	1	6.1	0	-
Assistant Office Manager	1	2.8	0	-	0	-	0	-	1	2.8
Billing Clerk	1	25.6	0	-	0	-	0	-	1	25.6
Construction Inspector/Dist System Operator 3	1	22.2	0	-	0	-	0	-	1	22.2
Customer Service Clerk I	4	9.4	0	-	1	0.5	0	-	3	12.4
Director of Operations	1	33.0	0	-	1	33.0	0	-	0	-
Distribution System Operator 1	1	34.7	0	-	0	-	0	-	1	34.7
Distribution System Operator 3	8	6.0	0	-	6	5.2	2	8.5	0	-
Distribution System Operator Trainee	4	2.0	0	-	3	0.9	1	5.4	0	-
Distribution System Operator/Backflow Tester	1	26.8	0	-	0	-	0	-	1	26.8
Executive Director	0	22.9	0	-	0	-	0	-	0	-
Finance Director	1	1.2	0	-	0	-	1	1.2	0	-
Inventory Control Specialist	1	20.3	0	-	0	-	1	20.3	0	-
Maintenance Foreman	1	8.2	0	-	0	-	1	8.2	0	-
Maintenance Supervisor	1	27.5	0	-	0	-	0	-	1	27.5
Meter Reader Supervisor	1	31.6	0	-	1	31.6	0	-	0	-
Meter Service Technician	3	3.1	1	0.4	1	1.5	1	7.6	0	-
Office Manager	1	15.8	0	-	0	-	1	15.8	0	-
Plant Operator B	2	7.9	0	-	0	-	0	-	2	7.9
Plant Operator B	1	15.0	0	-	0	-	1	15.0	0	-
Plant Operator C	8	6.0	4	0.7	2	3.8	1	15.3	1	22.7
Plant Operator C	1	4.3	0	-	1	4.3	0	-	0	-
Plant Operator Non-Certified	2	2.0	0	-	1	0.0	1	4.0	0	-
Plant Supervisor A	1	28.4	0	-	0	-	0	-	1	28.4
Plant Supervisor B	1	28.6	0	-	0	-	0	-	1	28.6
Senior Finance Clerk	1	1.8	0	-	1	1.8	0	-	0	-
Sludge Press Operator	1	7.6	0	-	0	-	1	7.6	0	-
Vehicle Mechanic	1	21.6	0	-	0	-	0	-	1	21.6
<b>Overall</b>	<b>51</b>	<b>10.5</b>	<b>5</b>	<b>0.6</b>	<b>18</b>	<b>6.3</b>	<b>13</b>	<b>9.5</b>	<b>15</b>	<b>19.6</b>

**EXHIBIT 3E  
QUARTILE PLACEMENT BY PAY GRADE**



Studying the data from the preceding exhibits can reveal certain patterns. One thing that can be observed is that there are very few employees within the first quartile. Employees within this quartile are found in the classifications of Meter Reader Technician and Plant operator C. Other than that, all other employees can be found in quartiles two through four, the majority in quartile 2. This can be a sign of low turnover in that there aren't too many new employees. It can also be observed that many of the employees are found within quartile 4. This is a sign of an aging employee population; one that has an average tenure of 19.6 years as can be seen in the exhibit.

### 3.4 COMPRESSION ANALYSIS

Pay compression can be defined as the lack of variation in salaries between employees with significantly different levels of experience and responsibility. Compression can be seen as a threat to internal equity and morale. Two common types of pay compression can be observed when the pay of supervisors and their subordinates are too close, or when the pay of highly tenured staff and newly hired employees in the same job are too similar.

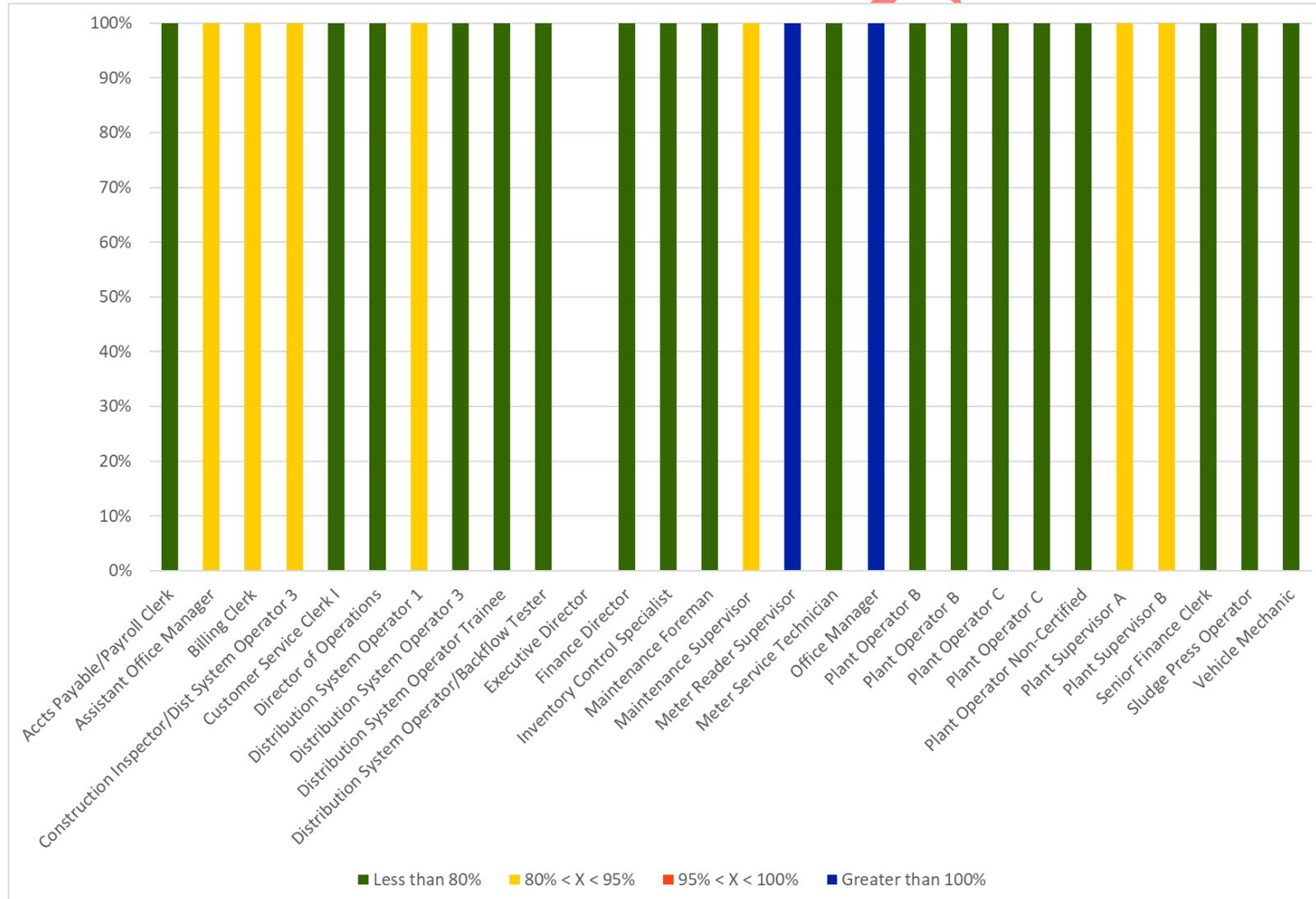
According to the Society for Human Resources Management (SHRM), specific examples of actions that may cause pay compression include the following:

- Organizations change peer relationships and can create compression if jobs are not reevaluated.
- In some Organizations, certain departments or divisions may be relatively liberal with salary increases, market adjustments, and promotions—while others are not.
- Some employers have overlooked their Human Resources policies designed to regulate pay, paying new hires more than incumbents for similar jobs under the mantra of “paying what it takes to get the best talent.”
- Many Organizations have found it easy to hire people who have already done the same work for another Authority, eliminating the need for training. Rather than hiring individuals with high potential and developing them for the long term, they have opted for employees who could “hit the ground running”—regardless of their potential.

**Exhibit 3F** indicates the ratio of subordinate to supervisor salaries by grade graphically and **Exhibit 3G** displays these results numerically. Employees were grouped into categories reflecting whether their actual salary was less than 80 percent, less than 95 percent, or greater than 95 percent of their supervisor's salary. Less than 80 percent would indicate that the ratio of an employee's salary to his supervisor's salary would yield a result of less than 0.8. For example, an employee with a salary of \$79,000.00 and a supervisor with a salary of \$100,000.00 would yield a ratio of 0.79 and be placed into the Less than 80 percent category.

An analysis of the data would quickly reveal that while most positions in the Authority are in a great position, with plenty of space between employee and supervisor salaries, there are still some employees with salaries more than 100 percent of their supervisor's salary. Anywhere blue or red appears on **Exhibit 3F** is somewhere that warrants an examination of supervisor vs. employee salary.

**EXHIBIT 3F**  
**EMPLOYEE TO SUPERVISOR SALARY RATIO BY PAY GRADE**



**EXHIBIT 3G  
EMPLOYEE TO SUPERVISOR SALARY RATIO BY PAY GRADE**

Grade	Less than 80%	80% < X < 95%	95% < X < 100%	Greater than 100%
Accts Payable/Payroll Clerk	1	0	0	0
Assistant Office Manager	0	1	0	0
Billing Clerk	0	1	0	0
Construction Inspector/Dist System Operator 3	0	1	0	0
Customer Service Clerk I	4	0	0	0
Director of Operations	1	0	0	0
Distribution System Operator 1	0	1	0	0
Distribution System Operator 3	8	0	0	0
Distribution System Operator Trainee	4	0	0	0
Distribution System Operator/Backflow Tester	1	0	0	0
Executive Director	0	0	0	0
Finance Director	1	0	0	0
Inventory Control Specialist	1	0	0	0
Maintenance Foreman	1	0	0	0
Maintenance Supervisor	0	1	0	0
Meter Reader Supervisor	0	0	0	1
Meter Service Technician	3	0	0	0
Office Manager	0	0	0	1
Plant Operator B	2	0	0	0
Plant Operator B	1	0	0	0
Plant Operator C	8	0	0	0
Plant Operator C	1	0	0	0
Plant Operator Non-Certified	2	0	0	0
Plant Supervisor A	0	1	0	0
Plant Supervisor B	0	1	0	0
Senior Finance Clerk	1	0	0	0
Sludge Press Operator	1	0	0	0
Vehicle Mechanic	1	0	0	0
<b>Total</b>	<b>42</b>	<b>7</b>	<b>0</b>	<b>2</b>

### 3.5 SUMMARY

There were many observations made with respect to the Authority's compensation system in place at the beginning of the study.

- Pay range spreads, generally recommended to be between 50-70 percent, vary across several classifications. The Authority's plan has range spreads varying from 61 percent up to 63 percent.
- More than half of employees are paid above their pay grade midpoint.
- A very small amount (9.8 percent) is in Quartile 1 of their pay grade. This can indicate a workforce with low turnover, however, can be a concern regarding an aging employee pool. Further analysis is required to determine the cause of this imbalance.
- Most Authority employees are paid less than 80.0 percent of their supervisors' salaries.

This analysis acts as a starting point for the development of recommendations in subsequent chapters of this report. Paired with market data, Evergreen can make recommendations that will ensure that the Authority's compensation system is structurally sound in terms of best practice, competitive with the market, and treats all employees equitably moving forward.

## Chapter 4 – Market Summary

The purpose of the market summary chapter is to benchmark the Authority's compensation practices against that of its market peers, to establish the competitive market position for the Authority. To complete this market study, Evergreen compared pay ranges of select benchmark positions the Authority possesses against the compensation of positions performing those same duties within approved peer organizations. By aggregating the differences in pay ranges across all the positions, a reasonable determination is made as to the Authority's competitive position within the market.

It is important to note that individual salaries are not analyzed in this methodology, since individual compensation can be affected by a number of variables such as experience and job performance. For this reason, Evergreen looked at average pay ranges across the entire classification to make the most accurate comparison. The results of this market study should be considered reflective of the current state of the market at the time of this study; however, market conditions can change rapidly. Consequently, it is necessary to perform market surveys of peer organizations at regular intervals in order for an organization to consistently monitor its position within the market. Furthermore, the market results detailed in this chapter provide a foundation for understanding the Authority's overall structural standing to the market, and the rates reflected in this chapter, while an important factor, are not the sole determinant for how classifications were placed into the proposed salary ranges outlined in **Chapter 6**.

Evergreen conducted a comprehensive market salary survey for the Authority, which included soliciting 24 target peer organizations for 43 benchmark positions. The OUA project leadership team also requested that several privately held companies be solicited for the market survey. None of the private sector entities choose to participate in the study. Of the more than 20 organizations contacted, 17 responded and provided data for the benchmark positions. Target peers were selected based on a number of factors, including geographic proximity, resource level, job overlap, and size. Target organizations were also identified for their competition with the Authority for employee recruitment and retention efforts. The list of targets that provided data for the purpose of this study is included in **Exhibit 4A**.



**EXHIBIT 4A  
RESPONDENT MARKET PEERS**

Respondent Organizations
Okeechobee County
DeSoto County
Highlands County
Indian River County
Martin County
City of Okeechobee
City of Punta Gorda
City of Port St. Lucie
City of Sebring
City of Stuart
Englewood Water District
Ft. Pierce Utilities Authority
Peace River Manasota RWSA
Loxahatchee River District
Okeechobee School Board
SeaCoast Utility Authority
TOHO Water Authority

Because the data collected for the market summary was from various regions, it was necessary to adjust peer responses relative to the Authority based on cost-of-living. For all organizations that fell outside the Authority’s immediate region, a cost-of-living adjustment was applied to the reported pay ranges to ensure a market average was attained in terms of the spending power an employee would have in the Authority’s local area. Evergreen utilizes cost-of-living index information from the Council for Community and Economic Research. The cost-of-living index figures for the Authority and each of the respondent market peers are located in **Exhibit 4B**.

**EXHIBIT 4B**  
**RESPONDENTS WITH COST-OF-LIVING ADJUSTMENTS**

Organization	Cost of Living
<b>Okeechobee Utility Authority</b>	<b>96.4</b>
Okeechobee County	96.4
DeSoto County	92.8
Highlands County	95.6
Indian River County	110.7
Martin County	115.0
City of Okeechobee	96.4
City of Punta Gorda	99.5
City of Port St. Lucie	97.8
City of Sebring	95.6
City of Stuart	115.0
Englewood Water District	109.8
Ft. Pierce Utilities Authority	97.8
Peace River Manasota RWSA	107.3
Loxahatchee River District	115.4
Okeechobee School Board	96.4
SeaCoast Utility Authority	115.4
TOHO Water Authority	95.0

#### 4.1 MARKET DATA

The results of the market study are displayed in **Exhibit 4C**, which includes the benchmark job titles and the market average salaries for each position at the minimum, midpoint, and maximum points of the pay ranges. Also included within the exhibit are the percentage differentials of the Authority's pay ranges at each respective point, relative to the market average pay. A positive percent differential is indicative of the Authority's pay range exceeding that of the average of its market peers; alternatively, a negative percent differential indicates the Authority's compensation for a given position lagging behind the average of its peers. The exhibit also includes the average pay range for the market respondents for each position, as well as how many responses each benchmark received.

While all benchmarks are included in the survey, not every peer organization possesses an appropriate match. Consequently, the benchmarks receive varying levels of response. For the purpose of this study, all positions that received fewer than five matches from market peers were not considered in establishing the Authority's competitive position. Additionally, any positions within OUA that do not contain pay ranges cannot be directly compared to the market values. Of the 43 positions surveyed, 31 met the criteria for inclusion and are included in the exhibit.



**EXHIBIT 4C  
MARKET SURVEY RESULTS**

Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Survey Avg	# Resp.
	Average	% Diff	Average	% Diff	Average	% Diff		
Accts Payable/Payroll Clerk	\$36,072.37	4.0%	\$46,075.51	7.7%	\$56,078.65	9.9%	56.1%	11
Assistant Finance Director	\$68,206.68	-10.8%	\$87,596.49	-7.7%	\$106,986.31	-5.8%	57.0%	7
Assistant Office Manager	\$36,185.03	16.2%	\$47,145.05	17.9%	\$58,105.07	18.9%	61.1%	9
Billing Clerk	\$35,363.86	6.0%	\$45,261.81	9.4%	\$55,159.76	11.6%	56.7%	11
Construction Forman	\$46,711.25	9.5%	\$60,747.74	11.3%	\$74,784.23	12.5%	60.4%	8
Construction Inspector/Dist System Operator 3	\$47,053.43	12.4%	\$59,793.94	16.5%	\$72,534.44	19.1%	54.5%	9
Customer Service Clerk I	\$33,619.14	7.6%	\$43,401.31	10.2%	\$53,183.48	11.8%	58.8%	11
Customer Service Clerk II	\$38,789.80	-3.3%	\$50,132.76	-0.8%	\$61,475.72	0.8%	59.4%	5
Director of Operations	\$85,410.34	0.3%	\$110,067.68	3.1%	\$134,725.03	4.8%	58.1%	10
Distribution System Operator 1	\$44,826.00	12.0%	\$58,013.32	14.3%	\$71,200.64	15.8%	59.0%	6
Distribution System Operator 3	\$38,643.23	11.4%	\$50,827.39	12.2%	\$63,011.55	12.6%	63.5%	6
Distribution System Operator Trainee	\$35,637.14	5.2%	\$45,855.71	8.1%	\$56,074.28	9.9%	58.1%	8
Executive Secretary	\$42,750.52	-0.4%	\$54,906.42	2.7%	\$67,062.31	4.7%	57.3%	14
Finance Director	\$84,290.74	-3.0%	\$108,634.34	-0.2%	\$132,977.93	1.5%	58.2%	13
Lift Station Technician	\$45,723.42	10.0%	\$58,046.46	14.3%	\$70,369.51	17.0%	54.4%	7
Maintenance Foreman	\$52,491.59	-2.2%	\$67,121.94	1.4%	\$81,752.28	3.6%	56.3%	8
Maintenance Supervisor	\$54,100.81	5.3%	\$69,372.33	8.6%	\$84,643.85	10.6%	56.8%	7
Meter Service Technician	\$36,587.25	6.1%	\$45,810.07	11.8%	\$55,032.90	15.4%	50.6%	6
Office Manager	\$48,848.30	4.5%	\$62,767.03	7.5%	\$76,685.76	9.4%	57.6%	10
Plant Operator B	\$45,630.84	0.4%	\$58,750.44	3.3%	\$71,870.04	5.1%	57.9%	12
Plant Operator C	\$42,345.50	3.3%	\$54,512.59	6.2%	\$66,679.69	8.0%	57.9%	12
Plant Supervisor A	\$57,706.03	-0.4%	\$74,725.78	1.9%	\$91,745.52	3.3%	59.4%	7
Senior Finance Clerk	\$38,196.39	20.4%	\$48,879.81	23.8%	\$59,563.22	25.9%	56.1%	5
Vehicle Mechanic	\$40,075.23	10.2%	\$51,099.23	14.0%	\$62,123.22	16.4%	55.4%	14
Waste Water Treatment Maintenance Technician I	\$33,920.60	6.7%	\$43,791.50	9.3%	\$53,662.39	10.9%	58.7%	11
Waste Water Treatment Plant Certified Operator A	\$48,785.46	1.3%	\$63,043.99	3.8%	\$77,302.52	5.3%	59.0%	12
Waste Water Treatment Plant Certified Operator B	\$45,551.71	0.6%	\$58,760.76	3.3%	\$71,969.82	4.9%	58.4%	13
Waste Water Treatment Plant Supervisor A	\$57,706.01	-0.4%	\$74,725.76	1.9%	\$91,745.52	3.3%	59.4%	7
Water Treatment Plant Maintenance Technician I	\$34,431.61	5.2%	\$44,340.22	8.1%	\$54,248.84	9.8%	58.0%	12
Water Treatment Plant Operator A	\$48,785.46	1.3%	\$63,043.99	3.8%	\$77,302.52	5.3%	59.0%	12
Water Treatment Plant Operator C	\$42,265.13	3.5%	\$54,513.44	6.2%	\$66,761.75	7.9%	58.4%	13
<b>Overall Average</b>		<b>4.6%</b>		<b>7.5%</b>		<b>9.4%</b>	<b>57.8%</b>	<b>9.5</b>

**4.2 SALARY SURVEY RESULTS**

**Market Minimums**

It is important to assess where an organization is relative to its market minimum salaries, as they are the beginning salaries of employees with minimal qualifications for a given position. Organizations that are significantly below market may experience recruitment challenges with entry-level employees. As seen in **Exhibit 4C**, the Authority is currently 4.6 percent above the market average minimum, when considering positions with sufficient responses. The Authority’s benchmark positions ranged from 10.8 percent below to 20.4 percent above at the market minimum.

The following points are regarding the Authority’s position relative to the market average minimum:

- Of these 31 positions, seven were below market, averaging 2.9 percent below. These seven classifications represent roughly 22.6 percent of the surveyed positions that met the criteria for inclusion.
- Of the seven positions below market, three were more than 2.5 percent below the average market minimum. These positions are displayed in **Exhibit 4D**.

**EXHIBIT 4D**  
**CLASSIFICATIONS MORE THAN 2.5 PERCENT BELOW THE MINIMUM**

Classification	% Diff
Assistant Finance Director	-10.8%
Customer Service Clerk II	-3.3%
Finance Director	-3.0%

- Of these 31 positions, 24 were above market, averaging 6.8 percent above. These 24 classifications represent roughly 77.4 percent of the surveyed positions that met the criteria for inclusion.
- Of the 24 positions above market, 15 were more than 5 percent above the average market minimum. These positions are displayed in **Exhibit 4E**.

**EXHIBIT 4E**  
**CLASSIFICATIONS MORE THAN 5 PERCENT ABOVE THE MINIMUM**

Classification	% Diff
Senior Finance Clerk	20.4%
Assistant Office Manager	16.2%
Construction Inspector/Dist System Operator 3	12.4%
Distribution System Operator 1	12.0%
Distribution System Operator 3	11.4%
Vehicle Mechanic	10.2%
Lift Station Technician	10.0%
Construction Forman	9.5%
Customer Service Clerk I	7.6%
Waste Water Treatment Maintenance Technician I	6.7%
Meter Service Technician	6.1%
Billing Clerk	6.0%
Maintenance Supervisor	5.3%
Water Treatment Plant Maintenance Technician I	5.2%
Distribution System Operator Trainee	5.2%



## Market Midpoints

The market midpoint is exceptionally important to analyze, as it is often considered the closest estimation of market average compensation. As seen in **Exhibit 4C**, the Authority is currently 7.5 percent above the market average midpoint, when considering positions with sufficient responses. The Authority's benchmark positions ranged from 7.7 percent below to 23.8 percent above at the market midpoint.

The following points are regarding the Authority's position relative to the market average midpoint:

- Of these 31 positions, three were below market, averaging 2.9 percent below. These three classifications represent roughly 9.7 percent of the surveyed positions that met the criteria for inclusion.
- Of the three positions below market, one was more than 2.5 percent below the average market midpoint. This position is displayed in **Exhibit 4F**.

### EXHIBIT 4F CLASSIFICATIONS MORE THAN 2.5 PERCENT BELOW THE MIDPOINT

Classification	% Diff
Assistant Finance Director	-7.7%

- Of these 31 positions, 28 were above market, averaging 8.7 percent above. These 28 classifications represent roughly 90.3 percent of the surveyed positions that met the criteria for inclusion.
- Of the 28 positions above market, 19 were more than 5 percent above the average market midpoint. These positions are displayed in **Exhibit 4G**.



**EXHIBIT 4G**  
**CLASSIFICATIONS MORE THAN 5 PERCENT ABOVE THE MIDPOINT**

Classification	% Diff
Senior Finance Clerk	23.8%
Assistant Office Manager	17.9%
Construction Inspector/Dist System Operator 3	16.5%
Distribution System Operator 1	14.3%
Lift Station Technician	14.3%
Vehicle Mechanic	14.0%
Distribution System Operator 3	12.2%
Meter Service Technician	11.8%
Construction Forman	11.3%
Customer Service Clerk I	10.2%
Billing Clerk	9.4%
Waste Water Treatment Maintenance Technician I	9.3%
Maintenance Supervisor	8.6%
Distribution System Operator Trainee	8.1%
Water Treatment Plant Maintenance Technician I	8.1%
Accts Payable/Payroll Clerk	7.7%
Office Manager	7.5%
Plant Operator C	6.2%
Water Treatment Plant Operator C	6.2%

### Market Maximums

The pay range maximum averages, and how they compare to the Authority's, are also detailed in **Exhibit 4C**. As seen in **Exhibit 4C**, the Authority is currently 9.4 percent above the market average maximum, when considering positions with sufficient responses. The Authority's benchmark positions ranged from 5.8 percent below to 25.9 percent above at the market maximum.

The following points are regarding the Authority's position relative to the market average maximum:

- Of these 31 positions, one was below market, averaging 5.8 percent below. This one classification represents roughly 96.8 percent of the surveyed positions that met the criteria for inclusion.
- One position was more than 2.5 percent below the average market maximum. This position is displayed in **Exhibit 4H**.



**EXHIBIT 4H**  
**CLASSIFICATIONS MORE THAN 2.5 PERCENT BELOW THE MAXIMUM**

Classification	% Diff
Assistant Finance Director	-5.8%

- Of these 31 positions, 30 were above market, averaging 9.9 percent above. These 30 classifications represent roughly 96.8 percent of the surveyed positions that met the criteria for inclusion.
- Of the 30 positions above market, 22 were more than 5 percent above the average market maximum. These positions are displayed in **Exhibit 4I**.

**EXHIBIT 4I**  
**CLASSIFICATIONS MORE THAN 5 PERCENT ABOVE THE MAXIMUM**

Classification	% Diff
Senior Finance Clerk	25.9%
Construction Inspector/Dist System Operator 3	19.1%
Assistant Office Manager	18.9%
Lift Station Technician	17.0%
Vehicle Mechanic	16.4%
Distribution System Operator 1	15.8%
Meter Service Technician	15.4%
Distribution System Operator 3	12.6%
Construction Foreman	12.5%
Customer Service Clerk I	11.8%
Billing Clerk	11.6%
Waste Water Treatment Maintenance Technician I	10.9%
Maintenance Supervisor	10.6%
Distribution System Operator Trainee	9.9%
Accts Payable/Payroll Clerk	9.9%
Water Treatment Plant Maintenance Technician I	9.8%
Office Manager	9.4%
Plant Operator C	8.0%
Water Treatment Plant Operator C	7.9%
Waste Water Treatment Plant Certified Operator A	5.3%
Water Treatment Plant Operator A	5.3%
Plant Operator B	5.1%



### 4.3 SALARY SURVEY CONCLUSION

The standing of individual classifications pay range relative to the market should not be considered a definitive assessment of actual employee salaries being similarly above or below the market; however, such differentials can, in part, explain symptomatic issues with recruitment and retention of employees. The recent increases to employee salaries dramatically improved the overall market position of the Authority and this is reflected in results.

The main summary points of the market study are as follows:

- The Authority's pay ranges are approximately 4.6 percent above the market minimum overall. Reviewing the positions that fall below the market minimum would help with recruitment in those positions as generally recruitment and applicant flow is stronger when the range is above market minimum.
- The Authority's pay ranges are approximately 7.5 percent above the market midpoint. Maintaining a market midpoint at a competitive level with the market is important in employee retention and referral.
- The Authority's pay ranges are approximately 9.4 percent above market maximum. This is positive for growth. However, as the minimums and midpoints for classifications are reviewed and adjusted, the maximum will need to be adjusted as well to avoid pay compression issues.
- The Authority's pay range spread is approximately 65.0 percent, while its peers' pay range spread is 60.4 percent.

The results of the market summary chapter are pivotal in the formulation of recommendations by Evergreen Solutions. By establishing the Authority's market position relative to its peers, Evergreen is better able to propose recommendations that enable the Authority to occupy its desired competitive position.



## Chapter 5 – Benefits Survey Results

As a component of this study, Evergreen conducted a benefits market analysis. A benefits analysis, much like a salary evaluation, represents a snapshot in time of what is available in peer organizations. The Benefit Survey can provide the organization with an understanding of the total compensation (salary and benefits) offered by its peers. It is important to realize that there are intricacies involved with benefits programs that are not captured by a benefits survey alone.

This information should be used as a cursory overview and not a line-by-line comparison, since benefits can be weighted differently depending on the importance to the organization. It should also be noted that benefits are sometimes negotiated and acquired through third parties, so one-to-one comparisons can be difficult. The analysis in this chapter highlights aspects of the benefits survey that provide pertinent information and had high completion rates by target peers.

Exhibit 5A provides a list of the 11 target peers from which full or partial benefits data were obtained for this analysis.

### EXHIBIT 5A BENEFITS SURVEY RESPONDENTS

City of Palatka Utility Department
Englewood Water District
Ft. Pierce Utilities Authority
Loxahatchee River District
SeaCoast Utility Authority
South Florida Water Management District
DeSoto County
Highlands County
Indian River County
Martin County
Okeechobee County
City of Port St. Lucie
City of Sebring
City of Stuart
Okeechobee School Board



## 5.1 EMPLOYEE INSURANCE COVERAGES AND MISCELLANEOUS BENEFITS

**Exhibit 5B** displays a basic overview of peer organization size, benefits as a percent of total compensation, and the average number of health plans offered. Market peers have an average of 235 full-time employees and 9 part-time employees. Comparatively, Okeechobee Utility Authority has 58 full-time employees and no part-time employees.

**EXHIBIT 5B  
OVERALL BENEFITS INFORMATION**

Organization Demographics	Peer Average		Okeechobee Utility Authority	
Full-Time Employees	235	96.4%	58	100.0%
Part-Time Employees	9	3.6%	0	0.0%
Benefits as a Percentage of Total Compensation	35.8%		25.0%	
Average Number of Health Plans Offered	2.3		5	

**Exhibit 5B** also displays that the average number of health plans offered by peers (any combination of HMO, PPO, High Deductible, or other type of plan) is 2.3. Okeechobee Utility Authority offers five types of health plans—four PPO plans and an HSA plan.

## 5.2 HEALTH PLANS

**Exhibit 5C** displays data on the types of health plans offered by peers. As can be seen, 30.8 percent of peers offer a HMO plan, 69.2 percent offer a PPO plan, and 60.0 percent offer some other type of plan. The data show that the percentage of an individual employee's premium paid by the employer is, on average, 95.5 percent for HMO plans and 91.4 percent for PPO plans. For employee plus family plans, employers contribute 75.0 percent for HMO plans and 72.8 percent for PPO plans. Shown at the bottom of **Exhibit 5C**, Evergreen surveyed respondents for health plan deductible and co-pay amounts.



**EXHIBIT 5C  
OVERVIEW OF HEALTH PLANS OFFERED BY PEERS**

Health Plan Premiums & Deductibles	Peer HMO Average	Peer PPO Average	Peer HSA Average	Other Plans Average
Plan offered? (% Yes)	30.8%	69.2%	0.0%	60.0%
<b>DOLLAR AMOUNT</b> (monthly) of <b>employee</b> premium paid by <b>employer</b>	\$802.50	\$811.12	-	\$709.51
<b>PERCENTAGE</b> (monthly) of <b>employee</b> premium paid by <b>employer</b>	95.5%	91.4%	-	89.6%
<b>DOLLAR AMOUNT</b> (monthly) of <b>employee</b> premium paid by <b>employee</b>	\$44.14	\$76.29	-	\$68.69
<b>PERCENTAGE</b> (monthly) of <b>employee</b> premium paid by <b>employee</b>	4.5%	8.6%	-	10.4%
<b>Individual Maximum Deductible In Network</b>	\$500.00	\$1,240.63	-	\$1,316.67
<b>Individual Maximum Deductible Out of Network</b>	-	\$2,357.87	-	\$3,000.00
<b>DOLLAR AMOUNT</b> (monthly) of <b>employee plus child</b> premium paid by <b>employer</b>	\$1,288.27	\$1,298.78	-	\$1,077.74
<b>PERCENTAGE</b> (monthly) of <b>employee plus child</b> premium paid by <b>employer</b>	80.7%	77.6%	-	77.7%
<b>DOLLAR AMOUNT</b> (monthly) of <b>employee plus child</b> premium paid by <b>employee</b>	\$318.62	\$364.52	-	\$284.58
<b>PERCENTAGE</b> (monthly) of <b>employee plus child</b> premium paid by <b>employee</b>	19.3%	22.4%	-	22.3%
<b>Employee Plus Child Maximum Deductible In Network</b>	\$1,000.00	\$2,600.00	-	\$2,910.00
<b>Employee Plus Child Maximum Deductible Out of Network</b>	-	\$5,165.74	-	\$6,000.00
<b>DOLLAR AMOUNT</b> (monthly) of <b>employee plus spouse</b> premium paid by <b>employer</b>	\$1,407.53	\$1,491.12	-	\$1,127.40
<b>PERCENTAGE</b> (monthly) of <b>employee plus spouse</b> premium paid by <b>employer</b>	78.5%	75.5%	-	76.1%
<b>DOLLAR AMOUNT</b> (monthly) of <b>employee plus spouse</b> premium paid by <b>employee</b>	\$405.29	\$470.15	-	\$327.24
<b>PERCENTAGE</b> (monthly) of <b>employee plus spouse</b> premium paid by <b>employee</b>	21.5%	24.5%	-	23.9%
<b>Employee Plus Spouse Maximum Deductible In Network</b>	\$1,000.00	\$2,562.50	-	\$2,910.00
<b>Employee Plus Spouse Maximum Deductible Out of Network</b>	-	\$3,332.41	-	\$6,000.00



**EXHIBIT 5C (CONTINUED)**  
**OVERVIEW OF HEALTH PLANS OFFERED BY PEERS**

Health Plan Premiums & Deductibles	Peer HMO Average	Peer PPO Average	Peer HSA Average	Other Plans Average
Plan offered? (% Yes)	30.8%	69.2%	0.0%	60.0%
<b>DOLLAR AMOUNT</b> (monthly) of employee plus family premium paid by <b>employer</b>	\$1,720.10	\$1,876.52	-	\$1,300.00
<b>PERCENTAGE</b> (monthly) of employee plus family premium paid by <b>employer</b>	75.0%	72.8%	-	72.4%
<b>DOLLAR AMOUNT</b> (monthly) of employee plus family premium paid by <b>employee</b>	\$636.75	\$650.61	-	\$445.00
<b>PERCENTAGE</b> (monthly) of employee plus family premium paid by <b>employee</b>	25.0%	27.2%	-	27.6%
<b>Employee Plus Family Maximum Deductible In Network</b>	\$1,000.00	\$2,600.00	-	\$3,008.33
<b>Employee Plus Family Maximum Deductible Out of Network</b>	-	\$3,610.19	-	\$6,000.00

For comparison purposes, a summary of the plans offered by Okeechobee Utility Authority are displayed in **Exhibit 5D**. As can be seen, Okeechobee Utility Authority offers five health plans—four PPO plan and one HSA plan to all employees. Okeechobee Utility Authority covers 100 percent of the premiums for individual coverage for all plans and the percentage paid varies by plan for the other coverage options.



**EXHIBIT 5D**  
**HEALTH PLANS OFFERED BY THE**  
**OKEECHOBEE UTILITY AUTHORITY**

Health Plan Premiums & Deductibles	Okeechobee Utility Authority				
	PPO	PPO	PPO	PPO	HSA
Which employee groups are covered by each health plan?	All	All	All	All	All
<b>PERCENTAGE</b> (monthly) of <b>Employee</b> premium paid by employer	100%	100%	100%	100%	100%
<b>DOLLAR AMOUNT</b> (monthly) of <b>Employee</b> premium paid by employer	\$848.67	\$963.31	\$681.68	\$667.76	\$685.16
<b>PERCENTAGE</b> (monthly) of <b>Employee Plus Child</b> premium paid by employer	68.8%	60.6%	89.3%	91.1%	80.7%
<b>DOLLAR AMOUNT</b> (monthly) of <b>Employee Plus Child</b> premium paid by employer	\$1,100.00	\$1,100.00	\$1,100.00	\$1,100.00	\$1,100.00
<b>PERCENTAGE</b> (monthly) of <b>Employee Plus Spouse</b> premium paid by employer	62.4%	55.0%	81.0%	82.7%	73.9%
<b>DOLLAR AMOUNT</b> (monthly) of <b>Employee Plus Spouse</b> premium paid by employer	\$1,100.00	\$1,100.00	\$1,100.00	\$1,100.00	\$1,100.00
<b>PERCENT</b> (monthly) of <b>Employee Plus Family</b> premium paid by employer	42.2%	37.2%	55.6%	56.8%	52.0%
<b>DOLLAR AMOUNT</b> (monthly) of <b>Employee Plus Family</b> premium paid by employer	\$1,100.00	\$1,100.00	\$1,100.00	\$1,100.00	\$1,100.00
<b>Individual maximum Deductible – In Network</b>	\$1,500.00	\$1,500.00	\$3,000.00	\$6,350.00	\$1,500.00
<b>Employee Plus Family maximum Deductible – In Network</b>	\$4,500.00	\$3,000.00	\$6,000.00	\$12,700.00	\$3,000.00

In addition to questions regarding health care coverages, Evergreen asked peers to provide information on dental, vision, short-term disability, long-term disability, and life coverages.

**Exhibit 5E** shows that 63.6 percent of peers offer an employer paid dental insurance for employees, while 78.6 percent offer one or more employee paid dental plan options. The average cost to peers for employee only dental coverage is \$24.42 while the average employer cost for employee plus dependent coverage is \$96.99. These data should not be used as a foundation to make decisions. The employee's premiums for optional employee paid plans averaged \$15.51 for employee only coverage while the average employee cost for employee plus dependent coverage is \$6014. Okeechobee Utility Authority does offer a dental plan as part of health plans.



**EXHIBIT 5E  
DENTAL COVERAGE QUESTIONS**

Question	Peer Percentage Offering a Separate Employer Paid Plan	Okeechobee Utility Authority Offering Employer Paid	Peer Percentage Offering Employee Paid Option	Okeechobee Utility Authority Offering a Separate Employee Paid Option
Does your organization offer employees Dental insurance? (% Yes)	63.6%	Yes	78.6%	Yes
Monthly Cost to Employer for Individual coverage?	\$24.42	\$31.97*	\$15.51	\$31.97
Monthly Cost to Employer for Employee Plus Dependent coverage?	\$96.99	\$102.64*	\$60.14	\$102.64

\*Okeechobee Covers if \$1,100.00 is not fully utilized.

**Exhibit 5F** shows that 44.4 percent of peers offer an employer paid vision insurance for employees, while 93.3 percent offer one or more employee paid vision plan options. The average cost to peers for employee only vision coverage is \$5.86 while the average employer cost for employee plus dependent coverage is \$16.28. These data should not be used as a foundation to make decisions. The employee’s premiums for optional employee paid plans averaged \$4.23 for employee only coverage while the average employee cost for employee plus dependent coverage is \$14.70. Okeechobee Utility Authority offers employer paid vision insurance and employee paid vision insurance. The employee’s premiums for optional employee paid plans average \$5.24 for employee only coverage while the average employee cost for employee plus dependent coverage is \$16.19.

**EXHIBIT 5F  
VISION COVERAGE QUESTIONS**

Question	Peer Percentage Offering a Separate Employer Paid Plan	Okeechobee Utility Authority Offering Employer Paid	Peer Percentage Offering Employee Paid Option	Okeechobee Utility Authority Offering a Separate Employee Paid Option
Does your organization offer employees Vision insurance? (% Yes)	44.4%	Yes	93.3%	Yes
Monthly Cost to Employer for Individual coverage?	\$5.86	\$5.24	\$4.23	\$5.24
Monthly Cost to Employer for Employee Plus Dependent coverage?	\$16.28	\$16.19	\$14.70	\$16.19



For short-term disability coverage, 66.7 percent of responding peers offer an employer paid plan and 85.7 percent offer an employee paid plan as displayed in **Exhibit 5G**. On average, peers pay an average of 60 percent of salary at the time of a disability. Okeechobee Utility Authority does not offer employer paid short-term disability coverage but does offer employee paid short-term disability coverage.

**EXHIBIT 5G  
SHORT-TERM DISABILITY COVERAGE QUESTIONS**

Short-Term Disability		Does your organization offer the following?	Monthly Cost to Employer for Individual coverage?	What Percent of Salary Does Employee Receive?
Coverage Plans	Employer Paid	66.7%	Varies by Salary	60.0%
	Okeechobee Utility Authority	No	-	-
	Employee Paid	85.7%	Varies by Salary	60.0%
	Okeechobee Utility Authority	Yes	Varies by Salary	-

Similar to short-term disability coverage, 80 percent of responding peers offer an employer paid long-term disability plan and 100 percent offer an employee paid plan as displayed in **Exhibit 5H**. On average, employer paid plans pay 60 percent of salary at the time of a disability and employee paid plans paid an average of 60 percent of salary. Okeechobee Utility Authority provides an employee paid long-term disability plan that gives employees 60 percent of salary.

**EXHIBIT 5H  
LONG-TERM DISABILITY COVERAGE QUESTIONS**

Long-Term Disability		Does your organization offer the following?	Monthly Cost to Employer for Individual coverage?	What Percent of Salary Does Employee Receive?
Coverage Plans	Employer Paid	80%	Depends on Salary	60%
	Okeechobee Utility Authority	Yes	Depends on Salary	60%
	Employee Paid	100%	Depends on Salary	60%
	Okeechobee Utility Authority	Yes	Depends on Salary -	60%

**Exhibit 5I** summarizes the life insurance offerings of responding peers and Okeechobee Utility Authority. Overall, 100 percent of the responding peers offer life insurance and 100 percent indicated that they offer optional dependent coverage. Okeechobee Utility Authority offers employer-paid life insurance and additional voluntary life insurance policies.



Of the responding peers, 100 percent indicated providing accidental death insurance, 100 percent indicated offering dependent coverage. Okeechobee Utility Authority offers accidental death insurance and dependent coverage.

### EXHIBIT 5I LIFE INSURANCE

Life Insurance	Peer Percentage Yes	Peer Average	Okeechobee Utility Authority
Is employer-paid life insurance offered?	100%	-	Yes
Cost (monthly) to employer for individual coverage	-	-	\$17.50
Dollar amount of death benefit	-	\$32,500.00	\$50,000.00
Is Optional dependent coverage offered?	100.0%	-	Yes
Can the employee purchase (additional) life insurance if desired?	100.0%	-	Yes
Is accidental death insurance provided?	100.0%	-	Yes

### 5.3 EAP AND TUITION REIMBURSEMENT

**Exhibit 5J** displays questions regarding Employee Assistance Programs. As shown, 100 percent of participating peers offer EAP. For 100 percent of respondents, benefits are available to family members in addition to the employee. On average, peers provide 5.8 EAP visits per year. Okeechobee Utility Authority offers EAP annual visits and allows the benefits to be available to family members in addition to the employee.

### EXHIBIT 5J EMPLOYEE ASSISTANCE PROGRAMS

EAP	Peer Percentage Yes	Peer Average	Okeechobee Utility Authority
Is an EAP offered?	100.0%	-	Yes
Are benefits available to family members as well as the employee?	100.0%	-	Yes
Number of Annual EAP Visits Provided	-	5.8	Varies

**Exhibit 5K** displays questions regarding Tuition Reimbursement. As shown, 100 percent of the responding peers indicated that they have provisions to provide some type of tuition reimbursement for employees. Okeechobee Utility Authority offers tuition reimbursement.



**EXHIBIT 5K  
TUITION REIMBURSEMENT**

Tuition Reimbursement	Peer Percentage Yes	Peer Average	Okeechobee Utility Authority
Is Tuition Reimbursement offered?	100%	-	Yes
Tuition Reimbursement Limit	-	-	-

**5.4 RETIREMENT**

Exhibit 5L displays that the average number of plans offered by peers is 2.2 while Okeechobee Utility Authority has one plan.

**EXHIBIT 5L  
NUMBER OF RETIREMENT PLANS**

Retirement Plans	Peer Average	Okeechobee Utility Authority
How many types of retirement plans/systems are used by your organization?	2.2	1

Exhibit 5M provides questions regarding retirement details. On average, participating peers offer 4.6 years to fully vest. COLA is offered to retiree pensions for 25 percent of participating peers. This COLA varies for all participating peers. As shown, 33.3 percent of participating peers’ retirement plan offers a disability provision. For participating peers, organization contribution to this retirement option varied by job type while the employee contributes, on average, 3.5 percent of their salary.

**EXHIBIT 5M  
RETIREMENT DETAILS**

Retirement Plans	Peer Average	Riviera Utilities
Does the organization participate in a State Retirement System?	77.8%	No
Years to Fully Vest	4.6	5-
COLA Offered to Retiree Pensions (% Yes)	25%	No
Does the organization's retirement plan offer a disability provision? (% Yes)	33.3%	Yes-
What percent of salary does the organization contribute to this retirement option?	15.5%	Varies
What percent of salary does the employee contribute to this retirement option?	3.5%	6%



**Exhibit 5N** shows that 90 percent offer additional retirement options. Of respondents, 66.7 percent of peers provide their employees with a D.R.O.P. retirement option. As can be seen, 50 percent of peer respondents offer a 401k, 401a, 403(b), 457, or similar plan. Okeechobee Utility Authority does not offer a D.R.O.P. retirement option.

**EXHIBIT 5N  
RETIREMENT OPTIONS**

Retirement Provisions	Peer Percentage Yes	Employer contribute to these options?	If so, how much percentage is contributed?	Okeechobee Utility Authority
Do you provide additional retirement options?	90%			-
Is D.R.O.P. offered?	66.7%	-	-	-
Is a 401k, 401a, 403(b), or 457 offered?	50%	0.0%	-	-
Is a type of plan other than a 401k, 401a, 403(b) or 457 offered?	0.0%	0.0%	-	-

**Exhibit 30** shows that 100 percent of participating peers offer health insurance to retired employees. Additionally, 100 percent of respondents offer dental insurance to retired employees while 100 percent offer life insurance to retired employees. Okeechobee Utility Authority offers health, dental and life insurance to retired employees.

**EXHIBIT 5O  
INSURANCE FOR RETIREES**

Insurance for Retirees	Peer Average	Okeechobee Utility Authority
Does your organization offer health insurance to retired employees?	100.0%	Yes
Does your organization offer dental insurance to retired employees?	100.0%	Yes
Does your organization offer life insurance to retired employees?	100.0%	Yes

**5.5 EMPLOYEE LEAVE, HOLIDAYS, AND COMPENSATORY TIME**

**Exhibit 5P** provides the average minimum and maximum accrual rates—the average years of service required to achieve the maximum accrual rate for Personal Leave, Sick Leave, Annual/Vacation Leave, and Paid Time off (PTO) leave for respondents.



**EXHIBIT 5P  
LEAVE TIME ACCRUAL**

Leave Accrual	Organization	Peer Percentage Yes	Years of service required to begin accruing the minimum rate?	Minimum Accrual Rate in Hours (Monthly)	Years of service required to begin accruing the maximum rate?	Maximum Accrual Rate in Hours (Monthly)	Maximum Accrual in Hours (Cap)
Personal Leave	Peer Average	42.9%	0	4.7	0	4.8	20
	Okeechobee Utility Authority	Yes	0	0.8	0.8	0	-
Sick Leave	Peer Average	80.0%	0.1	5.1	0.2	5.2	68.0
	Okeechobee Utility Authority	Yes	0	8	0	8	-
Annual/Vacation Leave	Peer Average	90%	.0	4.7	17.8	9.3	214.5
	Okeechobee Utility Authority	Yes	0	8	15	13.4	-
Paid-Time Off	Peer Average	57.1%	0	12.3	15.0	21.5	258.48
	Okeechobee Utility Authority	No	-	-	-	-	-

As shown, 42.9 percent of peers reported that employees accrue personal leave while 57.1 percent of peers reported that employees accrue paid-time off.

Okeechobee Utility Authority offers sick leave, personal leave, and annual/vacation leave, but does not offer paid-time off.

**Exhibit 5Q** summarizes respondent policies regarding sick and vacation leave payout. Sick leave is paid out upon voluntary separation in 66.7 percent of responding peer organizations. Vacation leave is paid out upon voluntary separation in 88.9 percent of responding peer organizations, and vacation leave is paid out upon involuntary separation in 50 percent of responding peer organizations.

Okeechobee Utility Authority pays out sick leave upon voluntary separation but does not pay out upon involuntary separation. Okeechobee Utility Authority does allow unused sick leave to count towards retirement.



**EXHIBIT 5Q  
SICK AND VACATION LEAVE PAYOUT**

Sick and Vacation Leave Policies	Peer Percentage Yes	Peer Average	Okeechobee Utility Authority
Is unused sick leave paid out upon voluntary separation?	66.7%	-	Yes
Max hours of sick leave paid out upon voluntary separation	-	320.1	50%
Is unused sick leave paid out upon involuntary separation?	50.0%	-	No
Max hours of sick leave paid out upon involuntary separation	-	-	-
Can unused sick leave count towards retirement?	No	-	No
Max hours of sick leave that can count towards retirement	-	-	-
Is unused annual/vacation leave paid out upon voluntary separation?	88.9%	-	Yes
Max hours of annual/vacation leave paid out upon voluntary separation	-	232.2	340
Is unused annual/vacation leave paid out upon involuntary separation?	50.0%	-	Yes
Max hours of annual/vacation leave paid out upon involuntary separation	-	160.5	-

The percentage of peers that offer various holidays are shown in **Exhibit 5R**.



EXHIBIT 5R  
HOLIDAYS

Holidays Observed by Peer Organizations	Peer Percentage Yes
New Year's Day	100.0%
New Year's Eve	0.0%
Martin Luther King, Jr. Day	100.0%
Lincoln's Birthday	0.0%
Washington's Birthday/Presidents Day	33.3%
Good Friday	41.7%
Memorial Day	100.0%
Independence Day	100.0%
Labor Day	100.0%
Veteran's Day	91.7%
Thanksgiving Day	100.0%
Day after Thanksgiving	91.7%
Christmas Eve	91.7%
Christmas Day	100.0%
Personal Holiday	25.0%
Employee Birthday	0.0%
Juneteenth	33.3%
Columbus Day	33.3%
Other	11.1%
<b>Total Number of Holidays</b>	<b>11.4</b>

5.6 SUMMARY

Overall, Okeechobee Utility Authority was found to be comparable to the market with respect to the benefits portion of total compensation. Consideration should be given to the employer contribution for dependent health care coverage as the Authority lags the market for this key benefit offering. Employees value a competitive benefits package and this applies to individual and family coverages. When single benefits were analyzed in isolation, some of Okeechobee Utility Authority's offerings appeared more or less generous than those offered by peers except for the aforementioned dependent care or "family" health care coverage. However, when taken as a whole, the total package appeared to be in alignment with the market.



## Chapter 6 - Recommendations

After reviewing the information provided in the preceding sections of this report, Evergreen developed recommendations to improve the Authority's current compensation and classification system. The recommendations, as well as the findings that led to each recommendation, are discussed in detail in this section. The recommendations are organized into three sections: classification, compensation, and administration of the system.

### 6.1 CLASSIFICATION RECOMMENDATIONS

An organization's classification system establishes how its human resources are employed to perform its core services. The classification system consists of the titles and descriptions of the different classifications, or positions, which define how work is organized and assigned. It is essential the titles and descriptions of an organization's classifications accurately depict the work being performed by employees in the classifications in order to ensure equity within the entity and to enable comparisons with positions at peer organizations. The purpose of a classification analysis is to identify such issues as incorrect titles, outdated job descriptions, and inconsistent titles across departments. Recommendations are then made to remedy the identified concerns based on human resources best practices.

In the analysis of the Authority's classification system, Evergreen Solutions collected classification data through the Job Assessment Tool (JAT) process. The JATs, which were completed by employees and reviewed by their supervisors, provided information about the type and level of work being performed for each of the Authority's classifications. Evergreen reviewed the data provided in the JATs and used the information as the basis for classification recommendations along with current internal equity. Approximately 96 percent of the Authority's employees participated and 98 percent of supervisors completed the survey. One hundred percent of the Authority's classifications were represented through complete surveys. The employee participation resulted in 100% of all job classifications observed during the survey, which far exceeds the national average. This robust employee response helped provide a solid foundation for the study. These results can be seen in **Exhibits 6A and 6B**.



**EXHIBIT 6A  
EMPLOYEE JOB ASSESSMENT TOOL PARTICIPATION**

Total # of Employees taking electronic JAT	# Of Employee Surveys Complete	# Of Employee Surveys Incomplete	# Of Supervisor Reviews Complete	# Of Supervisor Reviews Incomplete
53	51	2	50	1
	<b>% Complete</b>	<b>% Incomplete</b>	<b>% Complete</b>	<b>% Incomplete</b>
	96.23%	3.77%	98.04%	1.96%

**EXHIBIT 6B  
JOB CLASSIFICATIONS PARTICIPATION SUMMARY**

Classification Summary		
Total # of Classifications Surveyed	# of Classifications with a JAT	# of Classifications without a JAT
26	26	0
	<b>% Complete</b>	<b>% Incomplete</b>
	100.00%	0.00%

**FINDING**

The classification system being utilized by the Authority was generally accurate, and titles described the work being performed by employees. However, there were multiple classifications observed throughout the study process and in collaboration with the Authority project leadership team that require updating to better align with current HR best practices and job functions. As a result of this analysis, Evergreen is recommending updating five job titles and adding two new job titles. A list of the seven recommended classification title changes can be found in **Exhibit 6C**.

**EXHIBIT 6C  
RECOMMENDED CLASSIFICATION TITLE CHANGES AND ADDITIONS**

Classification	Recommended Title
Accts Payable/Payroll Clerk	<b>ACCOUNTS PAYABLE/PAYROLL TECHNICIAN</b>
Customer Service Clerk I	<b>CUSTOMER SERVICE REPRESENTATIVE I</b>
Customer Service Clerk II	<b>CUSTOMER SERVICE REPRESENTATIVE II</b>
Executive Secretary	<b>EXECUTIVE ASSISTANT</b>
HR OFFICER	<b>HUMAN RESOURCES MANAGER</b>
New Positions - Suggest on JAT Info	<b>LEAD PLANT OPERATOR</b>
New Positions - Suggest on JAT Info	<b>METER SERVICE TECHNICIAN II</b>



**RECOMMENDATION 1: Update existing class description to reflect the new classifications and review all updated descriptions for FLSA status.**

During the internal equity assessment, consideration of the relationships between and the type of work being performed by the Authority's employees in their classifications was reviewed and analyzed. Specifically, a composite score was assigned to each of the Authority's classifications that quantified the classification's level of five separate compensatory factors. The level for each factor was determined based on responses to the JAT.

In conjunction with the Authority making the proposed title changes displayed in Exhibit 6C, Evergreen will provide the Authority with updated classification descriptions to ensure that they accurately reflect the work being carried out by employees. These are being provided under separate cover. Upon completion and approval of the proposed class descriptions, Evergreen will further recommend an updated FLSA status for the roles based on the new, updated content contained within the description.

**6.2 COMPENSATION RECOMMENDATIONS**

The compensation analysis consisted of two parts: an external market assessment and an internal equity assessment. During the external market assessment, the Authority's compensation for selected benchmark classifications was compared to average compensation offered in the market the Authority competes for employees. The external assessment revealed that the Authority is currently slightly above the market as a result of recent Board approved increases awarded to employees.

**FINDING**

The Authority currently maintains a compensation structure that categorizes by classifications not a pay plan. The overall plan lacked uniformity in how pay grades progressed from one to the next, and the overall titling conventions of the grades themselves were not intuitive in their design.

**RECOMMENDATION 2: Adopt a new, market responsive compensation structure and assign all positions to it equitably.**

Evergreen has developed a new pay plan for the Authority's consideration. The new structure consists of 23 unique pay grades, each with a range spread of 65 percent between the minimum and the maximum of the range. Furthermore, the midpoint progression between grades is standardized to a static 4.0 percent. The details of the proposed plan are located in Exhibit 6D.



**EXHIBIT 6D  
PROPOSED PAY PLAN**

Grade	Minimum	Midpoint	Maximum	Range Spread	Midpoint Progression
101	\$ 36,400.00	\$ 48,230.00	\$ 60,060.00	65.0%	-
102	\$ 37,856.00	\$ 50,159.20	\$ 62,462.40	65.0%	4.0%
103	\$ 39,370.24	\$ 52,165.57	\$ 64,960.90	65.0%	4.0%
104	\$ 40,945.05	\$ 54,252.19	\$ 67,559.33	65.0%	4.0%
105	\$ 42,582.85	\$ 56,422.28	\$ 70,261.71	65.0%	4.0%
106	\$ 44,286.17	\$ 58,679.17	\$ 73,072.17	65.0%	4.0%
107	\$ 46,057.61	\$ 61,026.34	\$ 75,995.06	65.0%	4.0%
108	\$ 47,899.92	\$ 63,467.39	\$ 79,034.86	65.0%	4.0%
109	\$ 49,815.91	\$ 66,006.09	\$ 82,196.26	65.0%	4.0%
110	\$ 51,808.55	\$ 68,646.33	\$ 85,484.11	65.0%	4.0%
111	\$ 53,880.89	\$ 71,392.18	\$ 88,903.47	65.0%	4.0%
112	\$ 56,036.13	\$ 74,247.87	\$ 92,459.61	65.0%	4.0%
113	\$ 58,277.57	\$ 77,217.78	\$ 96,158.00	65.0%	4.0%
114	\$ 60,608.68	\$ 80,306.50	\$ 100,004.31	65.0%	4.0%
115	\$ 63,033.02	\$ 83,518.76	\$ 104,004.49	65.0%	4.0%
116	\$ 65,554.34	\$ 86,859.51	\$ 108,164.67	65.0%	4.0%
117	\$ 68,176.52	\$ 90,333.89	\$ 112,491.25	65.0%	4.0%
118	\$ 70,903.58	\$ 93,947.24	\$ 116,990.90	65.0%	4.0%
119	\$ 73,739.72	\$ 97,705.13	\$ 121,670.54	65.0%	4.0%
120	\$ 76,689.31	\$ 101,613.34	\$ 126,537.36	65.0%	4.0%
121	\$ 79,756.88	\$ 105,677.87	\$ 131,598.86	65.0%	4.0%
122	\$ 82,947.16	\$ 109,904.98	\$ 136,862.81	65.0%	4.0%
123	\$ 86,265.04	\$ 114,301.18	\$ 142,337.32	65.0%	4.0%
UNG	-	-	-	-	-

Implementation of the new compensation structure requires two steps. First, all positions were assigned to an appropriate pay grade within the overall plan. To determine what pay grade each position was assigned, Evergreen used the following factors: collaboration with the Authority Project Leadership Team, the results of the JAT analysis, the results of the market study, as well as consideration for both existing and newly created internal relationships between classifications. Assigning pay grades to classifications requires a balance of internal equity and desired market position, and recruitment and retention concerns also played a role in the process. Thus, the market results discussed in **Chapter 4** were not the sole criteria for the proposed pay ranges.

**RECOMMENDATION 3:** Evergreen recommends the Authority adopt a methodology to transition employee salaries into the proposed pay plan that aligns with its established compensation philosophy and meets the available financial resources of the Authority.



The second step of implementing the proposed structure is to transition employee salaries into their new recommended pay ranges. This step can be done via a variety of methods, each with their own strengths and drawbacks; these options are summarized in **Exhibit 6E** and are outlined below.

**EXHIBIT 6E  
IMPLEMENTATION OPTIONS SUMMARY**

Implementation Option	Total Salary-Only Cost	Number of Employees Adjusted	Average Adjustment for Impacted Employees	% of Payroll
<b>Bring to Min</b>	\$ 12,261.73	10	\$ 1,226.17	0.4%
<b>Class Parity</b>	\$ 72,928.63	32	\$ 2,279.02	2.3%
<b>Hybrid Parity</b>	\$ 103,468.99	36	\$ 2,874.14	3.2%
<b>Tenure Parity</b>	\$ 255,353.72	46	\$ 5,551.17	8.0%

#### Bring to Min

This option consists of placing employees into proposed pay ranges and raising the wage of any employee who is below the minimum of their recommended pay range up to the minimum of their pay range. If an employee's current salary is higher than their pay range minimum, no adjustment is made, and as such no salaries are decreased as part of this adjustment. The estimated cost for this adjustment is **\$12,262** affecting a total of 10 employees.

#### 30-Year Class Parity

This option consists of placing employees into their proposed pay ranges based on how long employees have been in their current class title with the Authority. The parity effectively divides the pay range by 30, and places employees within their range based on their class time. For example, an employee who has been in their classification for 15 years would be placed at the midpoint of the range. If an employee's current salary is higher than their class parity projected salary, no adjustment is made, and as such no salaries are decreased as part of this adjustment. This methodology seeks to re-align employee salaries on the basis of years in classification but does not take into account additional organizational experience in different classification titles. This method can space out compressed employee salaries along the range. The estimated cost for this adjustment is **\$72,929** affecting a total of 32 employees.

#### 30-Year Tenure Parity

This option consists of placing employees in their proposed pay ranges based on how long employees have been with the Authority. The parity effectively divides the pay range by 30, and places employees within their range based on their time with the Authority. For example,

an employee who has been in their classification for 15 years would be placed at the midpoint of the range. If an employee's current salary is higher than their tenure parity projected salary, no adjustment is made, and as such no salaries are decreased as part of this adjustment. This methodology seeks to re-align employee salaries on the basis of years with the Authority, but does not differentiate between time in current classification, and time in a previous classification. This method can space out compressed employee salaries along the range. The estimated cost for this adjustment is **\$255,354** affecting a total of 46 employees.

### 30-Year Hybrid Parity

This option consists of placing employees in their proposed pay ranges based on hybrid years. The parity effectively divides the pay range by 30, and places employees within their range based on their class time. Additionally, employees are given partial credit for any time they have spent at the Authority outside of their current classification at 25 percent credit. For example, an employee who has been in their classification for 12 years, but had 24 years with the Authority overall, would be placed at the midpoint of the range, due to their receiving 12 years of class time at straight credit, and the remaining 12 years of experience at 25 percent credit, for a total of 15 years of credit. If an employee's current salary is higher than their hybrid parity projected salary, no adjustment is made, and as such no salaries are decreased as part of this adjustment. This methodology seeks to re-align employee salaries on the basis of years in classification, while also giving credit for additional organizational experience, and can space out compressed employee salaries along the range based on this factor. The estimated cost for this adjustment is **\$103,469** affecting a total of 36 employees.

## **6.3 COMPENSATION AND CLASSIFICATION SYSTEM ADMINISTRATION**

Any organization's compensation and classification system will need periodic maintenance. The recommendations provided in this chapter were developed based on conditions at the time the study was conducted. Without proper upkeep of the system, the potential for recruitment and retention issues may increase as the compensation and classification system becomes dated and less competitive. This is especially true given the unique location and rapid growth of the "Lake O" area.

**RECOMMENDATION 4: Conduct small-scale salary surveys as needed to assess the market competitiveness of hard-to-fill classifications and/or classifications with retention issues and make adjustments to pay grade assignments if necessary.**

While it is unlikely that the pay plan as a whole will need to be adjusted for several years, a small number of classifications' pay grades may need to be reassigned more frequently. If one or more classifications are exhibiting high turnover or are having difficulty with recruitment, the Authority should collect salary range data from peer Organizations to determine whether an adjustment is needed for the pay grade of the classification(s).



**RECOMMENDATION 5: Conduct a comprehensive classification and compensation study every three to five years.**

While small-scale salary surveys can improve the market position of specific classifications, it is recommended that a full classification and compensation study be conducted every three to five years to preserve both internal and external equity for the Authority. Changes to classification and compensation do occur, and while the increments of change may seem minor, they can compound over time. A failure to react to these changes quickly has the potential to place the Authority in a poor position for recruiting and retaining quality employees.

While the previous two recommendations intend to maintain the competitiveness over time of the classification and compensation structure as a whole, it is also necessary to establish procedures for determining equitable pay practices for individual employees.

**RECOMMENDATION 6: Revise policies and practices for moving employees' salaries through the pay plan, including procedures for determining salaries of newly hired employees and employees who have been promoted, demoted, or transferred to a different classification.**

The method of moving salaries through the pay plan and setting new salaries for new hires, promotions, demotions, and transfers depends largely on an organization's compensation philosophy. However, it is important for the Authority to have established guidelines for each of these situations, and that they are followed consistently for all employees. Common practices for progressing and establishing employee salaries are outlined below.

Salary Progression

As outlined above, Evergreen recommends the Authority enact the second phase of implementing the new pay plan which would involve a one-time salary adjustment for employees to ensure they are placed in the proper percentile of their salary range. While this major adjustment should be performed when the Authority has the financial resources to do so, the Authority should continue to adjust salaries annually when financially feasible. Based on the feedback from employees and Authority leadership, Evergreen recommends the basis of salary adjustment in the future be done at three distinct levels.

- **Structural:** Adjustment to the ranges should be done annually and with the aim of adjusting for the changes in cost of living. Evergreen recommends the Authority tie the annual compensation structure movement to the local change in the Consumer-Price-Index (CPI). This annual adjustment will ensure the Authority's pay ranges do not rapidly fall out of line with that of its peers; however, when conducting the small-scale surveys referenced above, the Authority should also collect pay plan movement and anticipated movement from its peers to gauge if market movement is keeping pace with CPI movement.
- **Classification:** As a result of the market surveys, the Authority may identify classifications or job families that are experiencing considerable market movement and as a result, reassignment of the pay grades should be considered when this occurs. Alternatively, if the Authority identifies classifications that have become hard



to recruit and retain, pay grade reassignment should also be considered to ensure the Authority is competitive for both recruiting new talent and retaining existing employees.

- Individual: To tie into the adjustment of the structure, Evergreen recommends the Authority adjust employee salaries annually for Cost-of-living adjustment (COLA). This adjustment would be done for all employees who receive a satisfactory performance evaluation, and the percentage adjustment would need to be at least 1.0 – 2.0 percent more than the movement of the compensation structure in any given years, in order to allow for employee progression into the range. Moreover, based on the feedback from employees and Authority's desire to recruit and retain a high-quality workforce, Evergreen recommends the Authority grant additional adjustment to employees who receive above average performance evaluations. The Authority should exercise a differentiated percentage for high performers that meet the financial constraints of the budget but while still providing a meaningful incentive for high performance.

### New Hires

A new employee's starting salary largely depends on the amount of education and experience the employee possesses beyond the minimum requirements for the job. Typically, an employee holding only the minimum education and experience requirements for a classification is hired at or near the classification's pay grade minimum. An upper limit to the percentage above minimum that can be offered to a new employee with only the minimum requirements should be established, where approval is needed to offer a starting salary that is a higher percentage above minimum. Another threshold should be established as the maximum starting salary possible without approval for new employees with considerable experience and/or education above the requirements for the position. It is common for the midpoint to be used as the maximum starting salary for most classifications. Once the Authority has performed the initial implementation adjustment for current employee salaries, new employee starting salaries should take into consideration internal equity, meaning that new hires should be offered comparable salaries to existing employees in the classification with similar levels of education and experience.

### **RECOMMENDATION 7: Evergreen recommends the Authority update its policy regarding promotions/demotions and transfers to align with its new compensation structure.**

Evergreen recommends the Authority implement a minimum increase equal to the midpoint progression between the employee's current grade, and the employee's new grade. However, the employee's salary should always be increased to at least the minimum of the new salary range. In the case of demotions, Evergreen recommends a minimum salary decrease equal to the midpoint progression between the employee's current grade, and the employee's new grade, except in cases where this percent decrease would reduce the employee's salary below the new range minimum. If the employee's salary exceeds the new range maximum after the pay decrease, the employee should be capped from receiving any salary adjustments until the pay moves upward to allow for increases.



### Promotions/Demotions

When an employee is promoted to a new classification, it is important to have guidelines for calculating the employee's new salary that rewards the employee for their new responsibilities, moves the salary into the new pay grade, and ensures internal equity in the new classification. It is common for organizations to establish a minimum percentage salary increase that depends on the increase in pay grade as a result of the promotion. Regardless of the minimum percent increase, the employee's new salary should be within the new pay grade's range, and internal equity of salaries within the classification should be preserved.

### Transfers

An employee transfer occurs when an employee is reassigned to a classification at the same pay grade as their current classification or when an employee's classification stays the same, but their department changes. In either of these cases, it is likely that no adjustment is necessary to the employee's salary. The only situation in which a salary adjustment would be needed for a transferred employee would be if their current salary is not aligned with the salaries of employees in the new classification or department. If that occurs, it may be necessary to adjust the salary of the employee or the incumbents of the classification to ensure salary equity within the new classification.

## **6.4 SUMMARY**

The Authority Board of Directors should be commended for its desire and commitment to provide competitive and fair compensation for its employees. The recommendations in this report establish a new competitive pay plan, externally and internally equitable classification titles and pay grade assignments, and system administration practices that will provide the Authority with a responsive compensation and classification system for years to come. To achieve the desired operational outcomes in a rapidly growing area, maintaining a competitive market position will be vital. This study will provide a meaningful improvement and modernization to the current compensation structure and the Authority can use the results to make strategic decisions and strengthen overall competitive position of OUA for the foreseeable future.



# OKEECHOBEE UTILITY AUTHORITY

## AGENDA ITEM NO. 3

APRIL 11, 2024

### **PTO (PAID TIME OFF)**

OUA Personnel Manual (adopted June 2022) allows for full time OUA personnel to earn both annual leave as well as sick leave.

With respect to annual leave, full-time employees earn annual leave based upon hours worked and commensurate to years of service.

The amount of annual leave employees receive each year increases with the length of their active employment as shown in the following schedule:

- Upon initial eligibility up to ten (10) years, the employee earns annual leave at the accrued rate of regular hours worked (2,080) times the rate of 0.048125 per hour which equates to 100 hours of annual leave.
- From ten (10) years up to fifteen (15) years of eligible service, the employee earns annual leave at the accrued rate of regular hours worked (2,080) times the rate of 0.06125 per hour which equates to 127 hours of annual leave.
- After 15 years of eligible service and all years thereafter the employee earns annual leave at the accrued rate of regular hours worked (2,080) times the rate of 0.077125 per hour which equates to 160 hours of annual leave.

The length of eligible service is calculated on the basis of a "benefit year." The "benefit year" begins on the date the employee is hired and starts to earn annual leave. Up to 240 hours of annual leave may be carried over to the next fiscal year. All annual leave in excess of this time (240 hours) will be paid to the employee at year end. Additionally, employees are allowed to cash in unused annual leave during the year. Employees that leave employment of the OUA (must be in good standing), will be paid for all unused annual vacation leave at a rate of 100%.

With respect to sick leave, full-time employees earn sick leave based upon hours worked at an accrued rate of 0.048125 per hour, which equates to 100 hours of sick leave. Sick leave shall be earned as of the last day in the work week and there shall be no limit to the number of hours that may be accumulated and carried over year to year.

Employees that leave employment of the OUA (must be in good standing) with ten or more years of service, will be paid for all unused sick leave time at a conversion rate of 50%.

As a part of the employee benefit review, consideration was given to a paid time off (PTO) evaluation in lieu of employees earning annual leave and sick leave. Employees that have PTO make better use of and managing of their personnel time off. From an employer perspective, the need for appropriate documentation (e.g. doctor's note) for use of sick time becomes unwarranted.

However, based upon current policy, employees are entitled to full use of their sick if used as sick time. They are not allowed to cash in their banked sick time on a dollar-for-dollar basis. Converting sick time to PTO will now allow this practice. Based upon the latest tabulation of OUA personnel sick time, a cash basis of this time equated to an expense of approximately \$117,000.00 as allocated to

banked sick time.

If PTO is approved, the recommendation from staff would be as follows:

- Amend the OUA Personnel Manual:
  - To allow for PTO and to remove the concept of annual and sick leave accruals.
  - Allow for up to 240 hours as carry over at the end of each fiscal year. Any time in excess of this amount will be paid to the employee prior to September 30<sup>th</sup>.
  - Earned PTO should accrue at the current three-tiered approach for annual leave except add in 100 hours per year to represent the current sick leave rate as follows:

From initial hire date up to ten (10) years: accrue PTO at the rate of 180 hours per year;  
**(Note: this is 20 hours less than the current rate – the proposed rate equals two weeks of vacation (80 hours) + ten days sick time (100 hours) for the year). The current manual allows 100 hours towards open use and 100 hours restricted use while the PTO plan allows for up to 180 hours of open use.**

From ten (10) years up to fifteen (15) years: accrue PTO at the rate of 220 hours per year;  
**(Note: this is 7 hours less than the current rate – the proposed rate equals three weeks of vacation (120 hours) + ten days sick time (100 hours) for the year). The current manual allows 127 hours towards open use and 100 hours restricted use while the PTO plan allows for up to 220 hours of open use.**

From fifteen (15) years and all years thereafter: accrue PTO at the rate of 260 hours per year;  
**(Note: this is equal to the current rate – the proposed rate equals four weeks of vacation (160 hours) + ten days sick time (100 hours) for the year)**

Years of Service	CURRENT			Proposed PTO (hrs)
	Annual Leave (hrs)	Sick Leave (hrs)	Total (hrs)	
0 - 10	100	100	<b>200</b>	<b>180</b>
10 - 15	127	100	<b>227</b>	<b>220</b>
> 15	160	100	<b>260</b>	<b>260</b>

- Rather than an accrual rate based upon actual hours worked during the year, apply the tiered annual PTO amount to each full-time employee at the beginning of the fiscal year (October 1<sup>st</sup>). For all probationary employees as of October 1<sup>st</sup>, when the employee obtains full time status during the fiscal year, calculate the prorated PTO annual amount earned from hire date to September 30<sup>th</sup> and add that to the October 1<sup>st</sup> PTO amount. For all employees hired during the fiscal year, once they obtain full time status, calculate the prorated annual PTO for the current fiscal year from their hire date and apply that amount to their PTO account. PTO must be earned prior to utilization.
- If an employee leaves employment during the fiscal year, all PTO due the employee

will be paid to the employee. No attempt will be made by the OUA to take back any prorated share of the unused annual PTO allotment.

➤ General Notes:

PTO is to be earned by full time employees;

Part time employees are not eligible to earn PTO;

Probationary employees do not earn PTO during their probationary period. However, once they obtain full time status, PTO earned is then calculated from the date of their hire. If the probationary employee leaves OUA employment for any reason during the probationary period, since PTO is not earned during probation, PTO will not be paid.

PTO can be requested in minimum increments of one quarter (1/4) hour. The employees' Supervisor may flex time. Employees who have an unexpected need to be absent from work shall notify their Supervisor before the scheduled start of their workday, if possible. The Supervisor must also be contacted on each additional day of unexpected absence.

To schedule planned PTO, employees shall request advance approval from their Supervisors. Requests will be reviewed based on a number of factors, including business needs and staffing requirements.

PTO paid to an employee will be paid at the then current base rate of pay of the employee. Full time employees who are laid off, resign in good standing, or retire, shall be paid for all PTO earned but not taken prior to the date of lay-off, resignation or retirement.

A maximum of two (2) consecutive weeks of PTO can be taken at one time with prior approval of the employees Supervisor or the Executive Director.

All requests for PTO must be approved by the employee's Supervisor before it is taken. All requests are to be submitted in writing on the PTO request form and approved by the Supervisor. All Supervisors should have their leave request approved by the Director of Operations. Violation of these rules may result in the employee being considered to have taken an unauthorized absence with appropriate corrective actions being taken.

Payment for unpaid PTO for a deceased employee shall be made to the spouse or heirs as appropriate.

Employees are allowed to request a lump sum payment of accumulated PTO. The lump sum payment needs to be requested prior to payroll processing day. Request will need to be approved by your Supervisor and Executive Director. This lump sum request is paid in a separate check from your regular paycheck to exclude these earnings from the employee's pension compensation.

When all accrued PTO has been utilized by an employee, then the employee would apply for leave without pay. If you have exhausted your PTO, you may be eligible for donated time.

OUA recognizes that an employee may have catastrophic illness/injury or a serious health condition that may result in a need for additional PTO. To address this need, all full-time employees will be allowed to donate accrued PTO from their personal

accrued balance to employees that may be in need of additional PTO. Please contact Human Resources or designee for further information and guidelines regarding the voluntary donation of annual PTO time.

OUA staff believes that the implementation of PTO will better assist OUA employees in the use of their earned paid time off. Yes, there will be a one-time payment of banked sick time in the conversion to PTO. However, the long-term benefit of PTO to the employee and the easing of staff time associated with tracking annual leave and sick leave will help to offset this expense.

# OKEECHOBEE UTILITY AUTHORITY

## AGENDA ITEM NO. 4

AUGUST 28, 2023

### PAID HOLIDAY

On page 5 -13 of Evergreen’s report, the issue of paid holidays by OUA peers were highlighted with an average of 11.4 days paid holidays.

In the table below, staff provides a comparison listing between OUA’s paid holidays and 2024 Federal holidays for the Board’s consideration.

<b>Holidays</b>	<b>OUA</b>	<b>Federal - 2024</b>
New Year’s Day (Monday Jan. 1)	Yes	Yes
New Year’s Eve (Sunday Dec. 31 <sup>st</sup> )		
Martin Luther King Jr. Day (Monday Jan.15 <sup>th</sup> )		Yes
Easter Sunday (Sunday March 31 <sup>st</sup> )	Yes	
President Day (Monday Feb. 19 <sup>th</sup> )		Yes
Good Friday (Friday March 29 <sup>th</sup> )		
Memorial Day (Monday May 27 <sup>th</sup> )	Yes	Yes
Independence Day (Thursday July 4 <sup>th</sup> )	Yes	Yes
Labor Day (Monday Sept. 2 <sup>nd</sup> )	Yes	Yes
Veteran’s Day (Monday Nov. 11 <sup>th</sup> )	Yes	Yes
Thanksgiving Day (Thursday Nov. 28 <sup>th</sup> )	Yes	Yes
Day After Thanksgiving (Friday Nov. 29 <sup>th</sup> )		
Christmas Eve (Tuesday Dec. 24 <sup>th</sup> )	Yes	
Christmas Day (Wednesday Dec. 25 <sup>th</sup> )	Yes	Yes
Personal Day	Yes	
Employee Birthday		
Juneteenth Day (Wednesday June 19 <sup>th</sup> )		Yes
Columbus Day (Monday Oct. 14 <sup>th</sup> )		Yes
Other		
<b>Total Number of Holidays</b>	<b>10</b>	<b>11.0</b>

Although the table identifies 10 approved holidays, as per the Authority’s hand book, it should be noted that only scheduled plant operators and maintenance staff on call/call-out received a benefit via a premium paid for work done on Easter Sunday, while the remainder of the staff are generally off on a Sunday.

In an attempt to increase the number paid holidays authorized by the Authority, staff recommends the Board’s approval of two additional holidays as follow:

1. A Federal holiday.
2. An additional Personal day.
3. Employee birthday.
4. Work Anniversary
5. A combination of the above.

The increase in the number of holidays, will only result in a minimal increase in salary, due to the payment of rates of 2 ½ times regular rates for scheduled Plant Operators and Maintenance Workers on call/call out. All other staff full workable time of 2,080 hours are accounted for in the budget.

**OKEECHOBEE UTILITY AUTHORITY**

**AGENDA ITEM NO. 5**

**AUGUST 28, 2023**

**EMPLOYEES MERIT & COLA PAYMENT**

Including in FY24 budget are amounts for:

- a) General salary adjustment of \$1/hr. to all staff
- b) 2 ½% merit allocation:

FY 24 Budget - \$1/hr increase to all staff	-	\$155,730
FY24 Budget - 2 ½ % Merit	-	\$103,176

During discussions with the Board on the implementation of COLA and Merit adjustments, the decision was taken to defer all staff related benefits payment, discussion and implementation to after the receipt of Evergreen’s Salary and Benefits Survey Report.

With Evergreen’s draft study now submitted to the Authority, with an underlined notation that despite the Authority’s favorable position compared to its peer, it’s recommended that the Authority continue to make proactive decision in order to maintain its market positioning.

In light of the above and given that both the COLA and Merit adjustments were included in the approve FY24 budget, staff recommends that the Board authorize the implementation of both.

Staff proposed that the COLA payment be approved for work week starting April 12<sup>th</sup>, which will be paid on May 2<sup>nd</sup> and the Merit allocation of be paid following the completion of the evaluation process.

# OKEECHOBEE UTILITY AUTHORITY

## AGENDA ITEM NO. 6

AUGUST 28, 2023

### HEALTH ALLOWANCE

At the July '23 board meeting, the Board approved an increase in the monthly health stipend from \$750.00 per month per employee to \$1,100.00 which from all indication from staff, was greatly appreciated.

However, included in the presentation of Evergreen's Salary and Benefits Survey, the report highlighted that the Authority's health benefits package, although being comparable with its peers at three classifications (see table below), a notable shortfall in cost share was observed for family coverage compared to peer cost share percentage.

The table below presents a summary representation of the Authority's peer review cost sharing of PPO:

	Peer	OUA
% of EE only cost cover by Employer	91.4	100
% of EE + spouse cost covered by Employer	75.5	70.3
% of EE + children covered by Employer	80.7	77.4
% of EE + family covered by Employer	72.8	48.0

EE – Denotes employee only

From the above table, although it can be concluded that the Authority adequately meets its cost share at EE, EE + spouse and EE + children compare to its peer, it is noticeable that the \$1,100 stipend at 48% is materially below its peer cost sharing of 72.8%.

In an attempt to narrowing the gap at family coverage, staff suggests a possible revisiting of the methodology of allocating a monthly stipend in determining the best option available for staff retention and employee attraction.

From staff review and market investigation, possible cost sharing options available for the Board's consideration includes, but by no means complete, the following:

1. Introducing a two-tiers system, where the first tier of \$1,100 is allocated monthly to employees with plan EE only, EE + spouse and EE + children and a second tier of an additional dollar amount for EE with family which increases the Authority's cost share percentage from 48% to 75%.

Example

- Monthly cost per family coverage = 48% X \$2,295 = \$1,100.00
- Proposed cost per family coverage = 75% X \$2,295 = \$1,720.00  
Increased monthly allowance for family coverage by \$620.00

2. Introducing a separate type of two-tier system where the first tier of \$1,100 is available for employees only and a fixed additional amount (e.g. \$250) is made available to employees with coverage of other relative. This approach is presently being utilized at the City of Okeechobee.

Example

Employee Only	-	\$1,100
Employee + Spouse	-	\$1,350
Employee + Children	-	\$1,350
Employee + Family	-	\$1,350

3. Introducing a four-tier system, where a set dollar amount is pre-determined and established for each coverage classification selected by employees.

Example - % of highest Premium

Employee Only	-	\$ 880
Employee + Spouse	-	\$1,510
Employee + Children	-	\$1,465
Employee + Family	-	\$1,600

Or Example

Employee Only	-	\$1,100
Employee + Spouse	-	\$1,350
Employee + Children	-	\$1,350
Employee + Family	-	\$1,600

This method is implied as the most used approach in Evergreen's peer review and could incorporate the cost of dental and vision in its calculation should the Board so desire.

4. Allowing for a fixed stipend amount, as currently is the case, irrespective of the plan chosen by the employee. While the fixed amount may remain at the current \$1,100, it could increase or decrease. The current system utilized at the Authority is also employed at Okeechobee County and County Sheriff. Of note, however, this approach does not address the present shortfall identified at the employee plus family coverage unless an excessively high stipend is allotted.
5. Historically, the Authority's methodology has only considered health coverage of the employee only. Since the highest employee coverage only is on Blue Option 3748 for \$963.31 per month, the Authority could revert to such methodology with or without an additional amount for dental, vision and supplementary.

Given the high cost and complexity of packages associated with the provision of health care to staff, which will continue in the foreseen future, staff believes that this could be an opportune time to assess the configuration of OUA's health system. Therefore, staff seeks the Board guidance on the way forward on the matter.

# OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 7

AUGUST 28, 2023

## LONGEVITY BONUS

The employee recognition plan, in part, as stated in the current Employee Manual:

### **3-17 Employee Recognition**

Full time employees are to be recognized on the following anniversaries:

- Five (5) years - \$ 50.00 and certificate
- Ten (10) years - \$ 100.00 and certificate
- Fifteen (15) years - \$ 150.00 and certificate
- Twenty (20) years - \$250.00 and certificate
- Twenty-five (25) years - \$350.00 and certificate
- Thirty (30) years - \$500.00 and certificate
- Thirty-five (35) years - \$750.00 and certificate

It was discussed that while this recognition is appreciated, it could be considered for modification as follows:

- Five (5) years – 1% salary and certificate
- Ten (10) years – 1.5% salary and certificate
- Fifteen (15) years – 2% salary and certificate
- Twenty (20) years – 2.5% salary and certificate
- Twenty-five (25) years – 3% salary and certificate
- Thirty (30) years – 3.5% salary and certificate
- Thirty-five (35) years – 4% salary and certificate \* This would be the maximum \*

This item is up for review, discussion & direction by the OUA Board.

# OKEECHOBEE UTILITY AUTHORITY

## AGENDA ITEM NO. 8

AUGUST 28, 2023

### UNIFORM ALLOWANCE

Current OUA Employee Manual states:

#### **5-24 Employee Dress and Personal Appearance**

Dress, grooming, and personal cleanliness standards contribute to the morale of all employees and effect the business image OUA presents to customers and visitors.

During business hours or when representing OUA, you are expected to present a clean, neat, and tasteful appearance. You should dress and groom yourself according to the requirements of your position.

Your supervisor or department head is responsible for establishing a reasonable dress code appropriate to the job you perform. Consult your supervisor if you have any questions as to what constitutes appropriate appearance. Where necessary, reasonable accommodation may be made to a person with a disability.

#### **Uniforms**

The Authority shall furnish an annual allowance for uniforms (pants & shirts) to employees assigned to water plants, wastewater plants, maintenance department, and meter reading department. The Administrative Department will be provided uniforms on an as needed basis.

Currently the OUA provides up to \$ 300 per year per eligible employee for uniforms.

It was discussed and the following modifications below in red are up for consideration:

#### **5-24 Employee Dress and Personal Appearance**

Dress, grooming, and personal cleanliness standards contribute to the morale of all employees and affect the business image OUA presents to customers and visitors. **Employees are expected to come to work in clothes that are appropriate for the job. Jeans, slacks and shirt shall be free of holes and stains.**

During business hours or when representing OUA, you are expected to present a clean, neat, and tasteful appearance. You should dress and groom yourself according to the requirements of your position.

Your supervisor or department head is responsible for establishing a reasonable dress code appropriate to the job you perform. Consult your supervisor if you have questions as to what constitutes appropriate appearance. Where necessary, reasonable accommodation may be made to a person with a disability.

## Uniforms

The Authority shall furnish an annual allowance for uniforms (~~pants & shirts~~) to each employee. **OUA approved logo will be required on all uniform shirts.** ~~Assigned to water plants, wastewater plants, maintenance department, and meter reading department. The Administrative Department will be provided uniforms on an as needed basis.~~ **The OUA shall pay to each current employee on October 1st, \$450.00 towards uniform expenses to meet the requirements identified in 5-24 above. All new hires will be required to wait 60 days before they will receive their uniform allowance. This change does not specifically address footwear (e.g. safety boots) or the wearing of other safety related attire. The employee may use the annual allowance for any items worn to work.**

# OKEECHOBEE UTILITY AUTHORITY

## AGENDA ITEM NO. 9

AUGUST 28, 2023

### EMPLOYEE LICENSING

Current OUA policy is to have the necessary licenses to meet FDEP regulatory requirements for each facility. The following is a listing of the treatment plants, the required licenses and the minimum hours of operation.

#### TREATMENT PLANTS

##### WATER

Surface Water Treatment Plant – Category 1, Class B

Requires: Class B License Lead/Chief Operator  
Class C License Operator 16hr/day 7day/week

Ground Water Treatment Plant – Category 1, Class C

Requires: Class C License Operator 6hr/5 day/week, one visit each weekend day

##### WASTEWATER

Cemetery Road Wastewater Treatment Facility – Category 3, Class B

Requires: Class B License Lead/Chief Operator  
Class C License Operator 16hr/day 7day/week

Everglades School Package Treatment Plant – Category 3, Class D

FLA013884 15,000 gpd Issue date: 12/10/2015 Expire Date: 12/9/2025

Requires: Class D License Lead/Chief Operator  
Class D License Operator 1½ hr/week over 3 nonconsecutive visits

King's Bay Package Treatment Plant – Category 3, Class C

FLA013900 46,500 gpd Issue date: 7/12/2015 Expire Date: 7/11/2025

Requires: Class C License Lead/Chief Operator  
Class C License Operator ½ hr/day 5day/week 1 weekend visit

Okee-Tantie Wastewater Package Treatment Plant – Category 3, Class C

FLA013939 35,000 gpd Issue date: 4/17/2017 Expire Date: 4/16/2027

Requires: Class C License Lead/Chief Operator  
Class C License Operator ½ hr/day 5day/week 1 weekend visit

Lakeview Estates Wastewater Treatment Plant – Category 3, Class D

FLA014251 13,500 gpd Issue date: 12/29/2019 Expire Date: 12/28/2024

Requires: Class D License Lead/Chief Operator  
Class D License Operator 1½ hr/week over 3 nonconsecutive visits

The types of licenses held by OUA employees is listed below. The OUA currently meets or exceeds the FDEP regulatory requirements. The concern is and always has been, does the OUA have enough licensed operators.

**OUA LICENSES**

**WATER TREATMENT**

FDEP Class A – 1  
 FDEP Class B – 2  
 FDEP Class C – 4

**WASTEWATER TREATMENT**

FDEP Class A – 0  
 FDEP Class B – 4  
 FDEP Class C – 3

**MAINTENANCE**

FDEP Level 1 –3  
 FDEP Level 2 –1  
 FDEP Level 3 –10

To obtain an FDEP license, the basic requirements are the same: the applicant has to have an accredited high school diploma or State of Florida approved GED, pass the FDEP exam and have the necessary on the job training hours.

FDEP Class C or Level 3 – 2,080 hours  
 FDEP Class B or Level 2 – 6,240 hours  
 FDEP Class A or Level 1 – 10,400 hours

In order to get a “B” license, the applicant is required to have a “C” license then do the hours. Same general requirement for an “A” license, the applicant is required to have a “B” license, then the hours. Currently, the OUA has several employees studying for licenses.

**OUA SALARY & HOURLY PAY PLAN**

OUA Classification (Position)	Current Salaries		Hourly Rate	
	Minimum	Maximum	Minimum	Maximum
<b>WATER TREATMENT PLANT</b>				
Plant Operator A	\$49,400.00	\$81,515.00	\$23.75	\$39.19
Plant Operator B	\$45,822.00	\$75,608.00	\$22.03	\$36.35
Plant Operator C	\$43,763.00	\$72,218.00	\$21.04	\$34.72
<b>WASTEWATER TREATMENT PLANT</b>				
Plant Operator A	\$49,400.00	\$81,515.00	\$23.75	\$39.19
Plant Operator B	\$45,822.00	\$75,608.00	\$22.03	\$36.35
Plant Operator C	\$43,763.00	\$72,218.00	\$21.04	\$34.72
<b>MAINTENANCE</b>				
Distribution Operator 1	\$50,544.00	\$83,408.00	\$24.30	\$40.10
Distribution Operator 2	\$44,970.00	\$74,194.00	\$21.62	\$35.67
Distribution Operator 3	\$43,326.00	\$71,490.00	\$20.83	\$34.37

As noted in the table above, each license as expected has a higher hourly rate of pay.

The direction provided by the OUA Board was to eliminate the “restriction” in licensing and to allow employees to obtain the highest license that they want. They could get and stop at a “C” license or continue on until they earned an “A” license. While the OUA will benefit in the additional knowledge gained by employees and applying this knowledge to their work, administrative staff need to calculate or estimate the financial burden this will add to the OUA.

As with any financial projection, reasonable assumptions will need to be made.

- Employees have been restricted for some time so it was assumed that many may have already met the time requirements; and
- That they want the next license, corresponding job challenges and the pay adjustment;

- The cost to test (books, study guides and exam fees) are minimal and will be carried in the existing departmental budgets;
- This unrestricted license requirement will only be applicable to those OUA employees in these OUA job classifications;
- Assuming with each passing exam, the employee will move up to the next level and will begin at or near the minimum pay for that level. It was assumed for this calculation that every employee will be at or near the minimum rate of pay. It is realized that this will not be true in every case, but, the hourly difference will be small compared to the hourly difference from one pay classification to the next higher classification and this difference is in the calculation;

For this effort, assume all employees make the minimum (OUA Classification) for their current FDEP permit and that they will make one step up for FY24.

Water Treatment Classification	Current		FY24		Difference
	Employees	Hourly	Employees	Hourly	
FDEP Class A	1	\$23.75	2	\$23.75	\$23.75
FDEP Class B	2	\$22.03	2	\$22.03	\$0.00
FDEP Class C	4	\$21.04	3	\$21.04	(\$21.04)
					<b>\$2.71</b>

Wastewater Treatment Classification	Current		FY24		Difference
	Employees	Hourly	Employees	Hourly	
FDEP Class A	0	\$23.75	3	\$23.75	\$71.25
FDEP Class B	4	\$22.03	3	\$22.03	(\$22.03)
FDEP Class C	3	\$21.04	1	\$21.04	(\$42.08)
					<b>\$7.14</b>

Maintenance Classification	Current		FY24		Difference
	Employees	Hourly	Employees	Hourly	
FDEP Level 1	3	\$24.30	4	\$24.30	\$24.30
FDEP Level 2	1	\$21.62	8	\$21.62	\$151.34
FDEP Level 3	10	\$20.83	2	\$20.83	(\$166.64)
					<b>\$9.00</b>

\$18.85

The net total hourly increase for these new license holders is \$18.85 per hour, which equates to an annual multiplied labor cost of approximately \$40,000. This is a scenario where everybody who could advance does and obtained a license. It also assumes that the OUA does not hire any new people in these departments with licenses.

It should also be noted, that an increase will happen for several years until everyone has had the chance to move up. New “C” licenses may or may not show up each year if positions are not available.

This agenda item is provided as a discussion item and will develop this policy over the next several OUA Board meetings.

**OKEECHOBEE UTILITY AUTHORITY**

**AGENDA ITEM NO. 10**

**AUGUST 28, 2023**

**ELMINATION OF SINGLE PERSON SHIFT**

Currently the OUA utilizes single person shifts at the treatment plant for nights, weekends and holiday schedules. The OUA Board addressed this issue at previous meetings stating that this policy needed to be addressed and asked staff to look in to eliminating single person shifts.

At the Surface Water Treatment Plant and the Cemetery Road Wastewater Treatment Facility single person shifts typically occurred during the times mentioned above. Day shifts always had more than one person onsite. The Ground Water Treatment Plant generally only had one person per shift for the ten hours that it operated.

Elimination of the single person shifts will require another person to be present, but they would not necessarily need to be a licensed operator. It could be a non-certified operator, trainee or other classification. With respect to a licensed operator, one of the extras will need to be a “floater” that will be needed to fill in during the absence of one of the other licensed operators.

**Surface Water Treatment Plant**

This plant operates 16 hours a day 7-days a week. To meet this schedule the OUA needs a minimum 4 licensed “C” operators. With the four operators there will be some float time allowed, but, not much (approximately 20 hours). To eliminate the single shift requirement, up to two extra people will be needed. To meet the sick, vacation, PTO or Holiday time off coverage at least one extra person will be needed.

2<sup>nd</sup> Shift Personnel

Sick, Vacation & Holiday

<b>Surface Water Treatment Plant</b>	
0 X \$30.65 X 2080	\$0
2 X \$27.73 X 2080	\$115,357
	<b>\$115,357</b>

<b>Surface Water Treatment Plant</b>	
0 X \$30.65 X 2080	\$0
1 X \$27.73 X 2080	\$57,678
	<b>\$57,678</b>

The licensed operator is listed at \$30.65 while an assistant is listed at \$27.73.

**Ground Water Treatment Plant**

The GWTP by permit is only required to have a licensed operator there five days a week with one weekend visit. In consideration of the 10-hour OUA work day policy it typically would require 7 10-hour days (more production) from two licensed operators. To eliminate the single shift requirement, up to two extra people will be needed. To meet the sick, vacation, PTO or Holiday time off coverage at least one licensed operator and one extra person will be needed.

2<sup>nd</sup> Shift Personnel

Sick, Vacation & Holiday

<b>Ground Water Treatment Plant</b>	
1 X \$30.65 X 2080	\$63,752
1 X \$27.73 X 2080	\$57,678
<b>\$121,430</b>	

<b>Ground Water Treatment Plant</b>	
1 X \$30.65 X 2080	\$63,752
1 X \$27.73 X 2080	\$57,678
<b>\$121,430</b>	

**Cemetery Road Wastewater Treatment Facility**

This plant also operates 16 hours a day 7-days a week. To meet this schedule the OUA needs a minimum 4 licensed “C” operators. With the four operators there will be some float time allowed, but, not much (approximately 20 hours). To eliminate the single shift requirement, up to two extra people will be needed. To meet the sick, vacation, PTO or Holiday time off coverage at least one licensed operator and one extra person will be needed

2<sup>nd</sup> Shift Personnel

Sick, Vacation & Holiday

<b>Cemetery Rd WWTF</b>	
0 X \$30.65 X 2080	\$0
2 X \$27.73 X 2080	\$115,357
<b>\$115,357</b>	

<b>Cemetery Rd WWTF</b>	
1 X \$30.65 X 2080	\$63,752
1 X \$27.73 X 2080	\$57,678
<b>\$121,430</b>	

**Four Package Treatment Plants**

These plants need two licensed operators to meet the required time as required in the four different permits. To eliminate the single shift requirement, up to one extra person will be needed. To meet the sick, vacation, PTO or Holiday time off coverage, it is proposed that staffing can be obtained from the use of “floaters” from the Cemetery Road WWTF.

2<sup>nd</sup> Shift Personnel

<b>Package WWTF</b>	
0 X \$30.65 X 2080	\$0
1 X \$27.73 X 2080	\$57,678
<b>\$57,678</b>	

OUA supervisory staff will investigate shifting day time personnel to night/weekend duties to eliminate the immediate need for hiring the eleven additional staff listed above. OUA staff intends to bring on new staff in incremental elements so as to minimize training on existing staff.

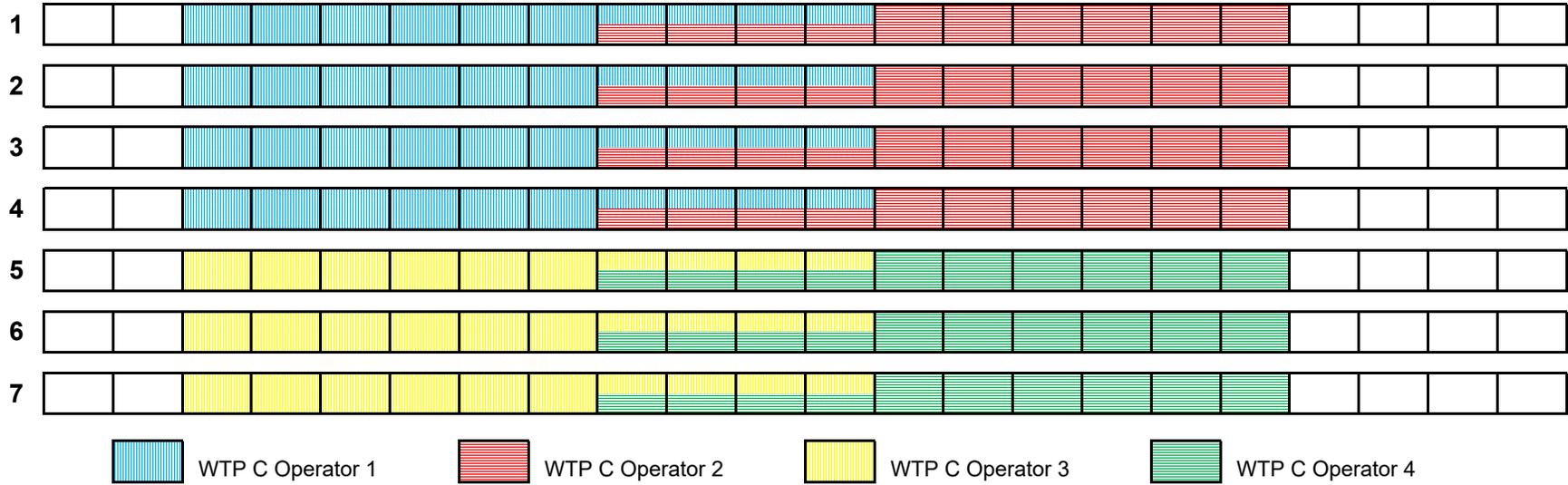
**Projected annual cost to eliminate the single shift: \$409,822**

Administratively, this element will be incorporated by treatment plant staff or included in the overall FY budget, not as a cost attributed to elimination of single shifts.

Projected sick, vacation or Holiday time off coverage: \$300,538

# WATER

## Surface Water Treatment Plant

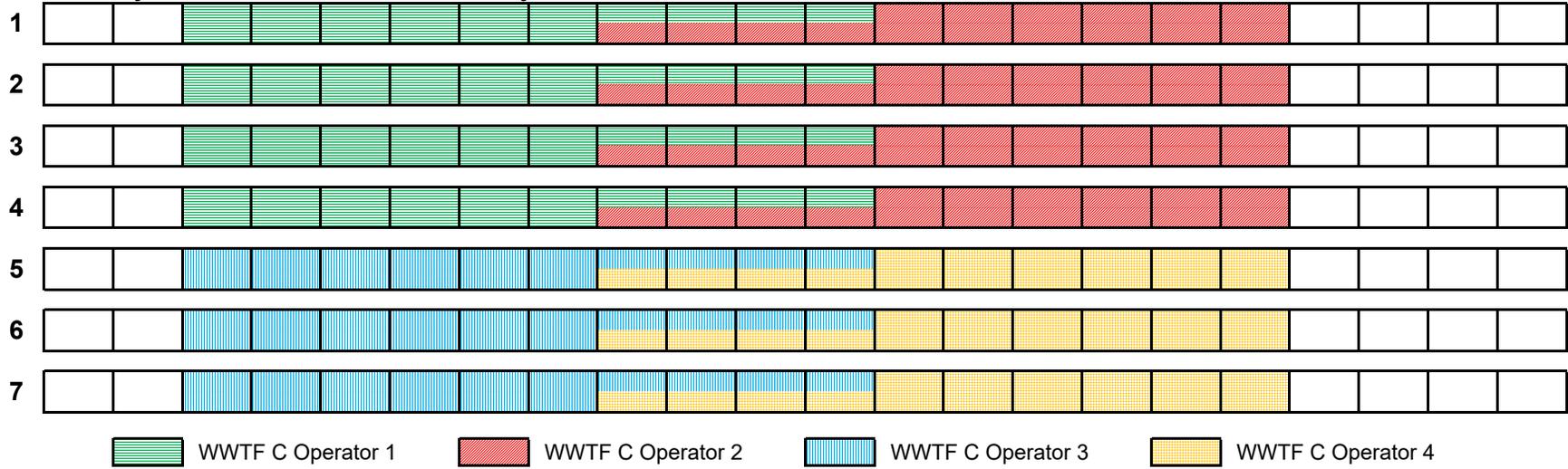


## Ground Water Treatment Plant (when GWTP is back online)

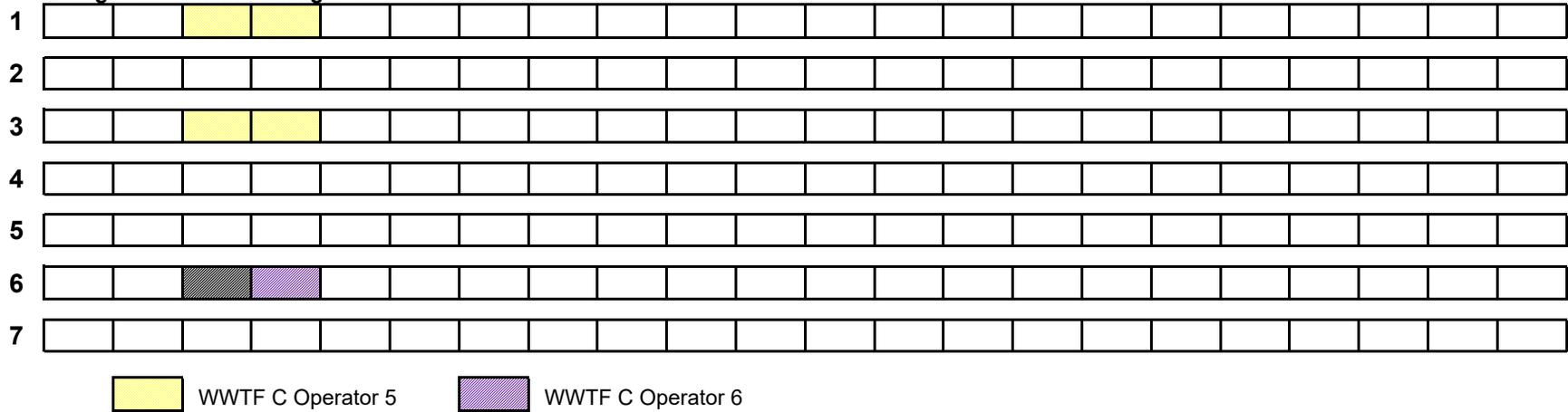


# WASTEWATER

## Cemetery Road Wastewater Treatment Facility



## Everglades School Package Treatment Plant



**King's Bay Package Treatment Plant**



 WWTF C Operator 5       WWTF C Operator 6

**Okee-Tantie Package Treatment Plant**



 WWTF C Operator 5       WWTF C Operator 6

**Lakeview Estates Package Treatment Plant**



 WWTF C Operator 5       WWTF C Operator 6

**OKEECHOBEE UTILITY AUTHORITY**

AGENDA ITEM NO. 11

AUGUST 28, 2023

**PUBLIC COMMENTS**