



Employees' Advisory Council Merit Pay Committee Meeting Minutes

Wednesday, January 16, 2019, 1:15 p.m. - 2:15 p.m. – **Approved by the EAC**
County Office Annex, Room 429, Clearwater, Florida

1. Call to Order

2. Introductions

- Committee open to all EAC Representatives – Present: Randy Rose, Lisa Arispe, Leena Delli Paoli, Charles Toney, Bill Gorman, Marion Nuraj, Richard Carvale
- Human Resources Representative – Meagan Decker
- Office of Management and Budget (OMB) – Bill Berger
- EAC Appointee to the Personnel Board – Bill Schultz

3. Approval of Minutes

12-16-18 EAC Merit Pay Committee minutes – not available at time of meeting

4. Objective

Develop a merit based pay system to forward to Human Resources, Appointing Authorities including the County Administrator, and Personnel Board for consideration. Have a draft available and distributed prior to the April EAC / AA joint meeting.

5. Discussion Current Pinellas County Budget – approximately \$2.4 billion.

- A proposed 3% merit pay is estimated to actually cost about 1.5% which equates to about \$2.25 million. Calculating factors – numbers utilized do not include the constitutional officers (Sherriff, etc.), 1% of employees' salaries equals about \$1.5 million, merit increases would be calculated at 0.25 % increments, merit increases would range from 0.25% – 3.0%, estimated that approximately 85% of work force would receive a merit increase. This should also cover the cost to include merit increases for approximately 310 state funded employees with the Clerk of the Court – additional calculations will be checked and submitted to the OMB for review.
- Reestablishing the merit pay should reduce turnover of employees. Questions – what is the average age of incoming employees, what is the average age of employees leaving the County for reasons other than retirement, what is the number of employees leaving the County for retirement?
- Should the merit pay be awarded once per year on a given date for everyone or awarded throughout the year based on the employee's anniversary date? Check Personnel Rules.

6. Previous Items noted

- The recommendation for merit pay is that it will be in addition to a general increase not replacing it. The general across the board increases should be tied to a general index, something that is already established.

- The committee discussed the previously used merit pay system and will look at examples of the way it was used in the past and suggested changes for current situation use.
- Review previously used points / weighted merit based pay system. Examples of old form with impact and performance rating numbers – in process.
- Review previously used points / weighted merit based pay system. Reviewed the 400 point System - < 100 needs attention no merit, 100-200 Good 0-1% merit, 200-300 Very Good 1-2% merit, 300-400 Excellent 2-3% merit. The 100 point spread in each category could be divided by four and merit awarded at 0.25% increments.
- Out of the box suggestion - Employee self-funding merit pay – retain an ongoing % of suggestion awards continued cost savings, capture a % of non-tax county income (fertilizer, real estate, energy, etc.)
- What is the cost of NOT having a merit pay system? – increased turnover, repetitive hiring, increased time for training ...
- What is the cost of replacing an employee? This is the value added worth to keep an employee that is performing the job duties in a satisfactory manner. Meagan provided information on this question. Studies on the cost of turnover are all over the board depending on the position, difficulty of filling the position, location of position etc. but typical estimators are around 6-9 months of salary. It might be a high estimate but it is hard to take into consideration all of the impacts of turnover including your basic effort and time involved in recruiting, interview and onboarding, training of new employee, and the cost to the department in terms of loss of productivity and impact on morale.
- Employees should be able to achieve or be close to mid-point (market pay for satisfactorily performing the job) of their pay grade within five years.
- Currently with the County the top three reasons for employees leaving are (from electronic exit interviews): retirement, money, and management issues. Management issues continue to be a concern – 360° input on management reviews may help with accountability and reduce turnover, grievances, and absenteeism.
- The Rating Factor Definitions were reviewed.
 - Safety - may need to be revised to include OSHA
 - Initiative - will be an important consideration for determining work that is performed beyond what is expected

7. Other Items to Consider

Reminder – Clerk of the Court budgeting – all / any recommendations are to include Clerk of the Court personnel and a method for funding.

Lisa Arispe*	Donna Beim*	Linda Cahill	Richard Carvale*	Kevin Connelly
Leena Delli Paoli*	Bill Gorman*	Henry Gomez	Clare McGrane*	Doris McHugh
Marion Nuraj*	Randy Rose*		Charles Toney*	Jackie Warr

*EAC Representatives in attendance at this meeting.