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To: Levy County Commission District 1; Levy County Commission District 2; Levy County Commission District 3; Levy County Commission District 4; Levy County Commission District 5; Wilbur Dean; Jacqueline Martin; Chief Mitch Harrell
Subject: DPS Labor Supply and Demand Disparity Issues
Attachments: Wage Surveys 3-25-21.xlsx; Wage Surveys 9-18-21.xlsx; OTHER COUNTY COMPARISONS.xlsx

INTRODUCTION

This is long. But if you really want to understand and solve the problems we face, it takes some effort. I haven't done what I've done without effort. There is no substitute for time and thought. Except in the matter of calling on the name of Jesus for forgiveness of sin, there usually aren't easy ways out of hard problems in life. I've worked roughly 16-18 hours over Friday and Saturday on this issue since I got the notice of a meeting. I may have some details off a bit here or there, and that could swing some variables a little, but overall, I feel strongly that we have issues that are getting worse. My concern is that we're suddenly jumping to do something without considering the problems underneath the surface.

Before I get started with these points, I want to say that I plan to have a great deal of supporting data and exhibits proving the mathematical portions of my arguments if anyone thinks I'm just sharing opinions without facts. I have already pulled this sort of data in the past few years and I monitor what's going on so I know most of these points are still valid, but I need to update and obviously with this rushed meeting there was no time to gather up what I planned to do during October and November – particularly because our database is like a vault with a maze in it – no canned reports do what I do. I have to use extra programs to extract and reformat data. Rest assured, the data updates are eventually coming. The stuff I've attached is just simple and easy stuff.

WHY PAY ATTENTION TO MY LATE NIGHT NONSENSE?

1. I care. And I try. The things I'm going to say may sound harsh and arrogant, but before I say them, consider this: In every other area of financial management I can remember the Board has pretty much acted on my advice, excepting when it comes to the IAFF. I'm not always right, but most everywhere else, money is flowing, investment returns are up, things are getting done, wages are rising as overall personnel costs have stabilized, taxes have steadied and don't need drastic changes, capital equipment is now affordable, road project and resurfacing money is flush, Reserves are healthy, and even the Sheriff relations and financial management have smoothed. Even Covid shutdown was no panic time, no layoffs, no worry about raises, and that was before we knew we'd get the CARES windfall. Everything was under control, because I built shocks into contingency planning. But in this one area, I keep ranting while the status quo is kept, and we keep playing the weak hand, reacting out of anxiety of the (mostly, really, toothless) IAFF instead of rationally, and it's a continual mess. For example: Paying retro pay on insurance offset for a period that insurance wasn't even reduced, Buying ambulances out of lawsuit/grievance worries and ultimately spending 8-10 times what your max liability exposure was, giving people OT to be off sick or on vacation and adding \$250K to your costs artificially in year one, paying out retention incentives to keep employees who couldn't get their six-figure pay matched anywhere else, only to have them turn on you and creating a ruckus with the Clerk's office because of something ridiculous that wasn't written into their agreement, etc. Ask yourself why anything is going to be

any different if you throw money at the problem again. Ignore me, knee jerk to “the sky is falling” again and the sky will be falling again in 8-12 months. It will never be enough, and via this bad case study in reactionary management (the worst I’ve experienced) you’re conditioning them to extort you more by rewarding it every single time. We need both intelligence and guts. **These problems are solvable – but we keep treating the wrong problem, at the wrong time, and as a result the sky will keep falling while 15-25 employees keep taking you to the cleaners and other staff gets trampled and rotates in and out.** Maybe I’m wrong about this...but I think it’s pretty clear the path you’ve been on isn’t working, either. If you take an action – make it count this time.

2. Secondly, and this is important: Just like with the Sheriff’s Office and BOCC and everyone else: **I am all for paying DPS employees a good wage to do their job of serving the public. I’ve told Chief Harrell a number of times: I will help advocate to get what it takes to fund the service to the public, and I think from Assessments to finding ways to fund capital via leases to Morrison Staffing I’ve shown a willingness to help.** But at DPS we pay for a lot of stuff that’s unnecessary to the public’s service, and that gets in the way of paying good employees a good wage to do a good job. I suggested 3 years ago raising PT and starting wages to \$20-\$25 per hour and get rid of most OT. Pay them better to work. Pay them less to not work. I’ll get to that. I was told the IAFF will balk at it if the seniors don’t get as big a chunk. Look, no one thinks they shouldn’t get some raise, it’s just impossible to give the same proportions at the top as the bottom.

3. Thirdly – Before I say the following, I recognize that the continual backpedaling has put us in such a weak position that it is going to be difficult and painful to get out of. But if you don’t address these underlying disparities (DPS is a model of “compression” in the extreme reverse), it will only get worse and worse, and morale will decline as well. So, I’m fully aware that the things I’m going to say won’t be easy pills to swallow or act upon.

4. Fourthly – Let me be clear that I think there are good and decent employees up and down the chain at DPS. But the system is such that many are getting quite wealthy while the poor get relatively poorer. I don’t blame those at the top for making money while they can make it, but they are benefitting disproportionately from a broken model. If I seem to speak negatively, that is directed toward union representation that I think has done great disservice to those it’s supposed to help by pushing policies that increase disparity (perhaps in ignorance, I’ll admit), and doing so in an unnecessarily abrasive and whiny way.

WHY I AM NOT ESPECIALLY WORRIED ABOUT CITRUS COUNTY, AND WHY WE SHOULDN’T REACT TO THEM. MORE OF OUR PROBLEM IS CANNABILIZATION THAN IT’S EXTERNAL

5. Part of what Citrus is doing I agree with: It is what I’ve been recommending for years: raising starting wages and adjust schedules. I was saying \$20+ per hour years ago. It’s also smart to offer higher hourly rates to those who will do 40 hour weeks.

6. But them taking over the service to avoid subsidy increase is like scratching an itch with a razorblade. Overcorrection.

7. Citrus County was subsidizing their Ambulance service \$858K and balked at going to \$1.6M so they decided to take it over. We are ¼ their size and have to subsidize ours over \$3.5M beyond ambulance fees. They’re not thinking clearly as they’re doing this and will quickly realize the reason it got privatized to begin with. If Mr. Oliver thinks he’s going to run that service for a \$1M subsidy (it’s already at \$858K) and raise those wages by 55-95% (from \$12.72 to \$19.62-\$24.90) he has perhaps found some unicorn dust, or there is another agenda...but even he said “response times are improved” with NCEMS as it was after the Director change. Sounds like just a money issue, but it’s penny-wise and pound-foolish. 3/5 feel like 1.6M is too much. We have to pay \$3.5M+ and are much smaller. They’ll find out.

8. Note that Mr. Oliver already admitted a millage increase is coming next year to pay for this. Coming soon to a theatre near you if we don’t think our way through: Increase in the \$154 Assessment.

9. Citrus 24/48-hr shift people are going to be in the \$65K range. Ok. We have 20 of 57 full-time employees that are on track to make more than that this year already. Would appear the 40-hour people would be in the low \$50k’s, despite a higher hourly pay rate. I do like their 2-rate approach. I think that’s smart if they can get away with it.

10. **Citrus County has also said they're going to hire all of the Nature Coast employees. So where is the emergency for us? How many openings could they have once they hire all of the Nature Coast employees as they've promised?** There has been little change in supply and demand of the labor supply based on this action. Perhaps they want to increase FTE count a little, but it doesn't sound like much since "response times are improved". We need to think supply and demand, not feel fear and panic. They can't have a ton of open positions if they take all of those people on. Where's our emergency?
11. Dixie is going to \$49K. We have 33 of 57 full-time employees over that this year already. Some of them are so far above that they'd never leave – not until we restructure schedules, anyway. They're not going to jump over there and be guaranteed the hours to get them to \$65K. Our people at the bottom are oppressed by their starting wage and their own superiors' OT diet more than anything. Dixie is one of many green pastures they could go to. And it's a very small pasture already.
12. The point is: Until we solve internal structural problems, we're only making our hole deeper and symptoms worse by treating every single emergency with a "cash barrel" solution.

SUPPLY AND DEMAND ECONOMICS – SOME THOUGHTS

13. We continue to neglect a basic understanding of supply and demand economics in this and as a result continue to be perplexed: These people who are EMTs and Paramedics are not a rare commodity. The never ending roster of names that have passed through our Employee Master files is all it takes to demonstrate that. It takes a few months (essentially a semester) of training to be an EMT, and a Paramedic takes a year beyond that. I'm not trying to be disrespectful, but just honest. Do they get more training and certs and better with time on the job? Of course, but my point is: let's not act like they're unicorns and hard to find, either. There are a lot of people with various levels of this training in the job market – if there weren't we wouldn't have had so many names rotate through. They're not really in shortage. They just keep flowing place to place and back again because they've been conditioned to have the mercenary mindset, and their 24/48 schedules allow them to work other jobs in ways that 5/8 employees can't. So, why are we having trouble retaining the ones we need? Part of it is not paying attention to our pay scale, I think. Part of it is not paying attention to hours used. I mean, we have the OPPOSITE of compression going on. Expansion? Explosion?
14. The LCSO was covering the County 24/7 with 67 Law Enforcement employees last time I asked Nicole, not including 11 SRO's assigned to schools. Levy DPS had 57 Full-Time and 37 PT's last time I got a sheet from Karen. Comparable employee counts for 24/7 coverage, although there are more officer jobs. Similar demand levels, similar coverage needs, similar barriers to entry in the form of certification/education schedules.
15. BUT, Levy County Deputies start at \$36,000 and won't make several hundred hours of OT. Paramedics can make more OT in 6 weeks than an LEO may make in a year. Why are more hours required (and thus) such higher pay for Levy DPS? OUR PROBLEM IS ONE OF SCHEDULE AND PAY SCALE DISPARITY. The service needs more OT hours per staff person to cover because of: (1) LEAVE/OT policies that incentivize absences and therefore extra OT, and (2) The top of the pay scale is VERY heavy, while the bottom doesn't seem to be budging with these raise packages and movements very much. We're hiring people this fiscal year as Paramedics at \$12.11 still? Can HR give a history of how much we've moved this the last 3-4 years while we've been giving raises to existing employees?
16. We've got a demand for employees but we cannot acquire them for \$12 an hour. There's no supply at that price. I mean, I didn't know we were still trying to do that. I thought the whole pay scale would have shifted by now after those tiered raises and then flat \$3200 and \$500 raises. We should have already been at the \$15-\$16 range, anyway.
17. On the other hand, we're paying WAY more for hours on the clock because we're paying for them at \$30-\$45 per hour. There will be an unlimited supply of senior and captain hours to purchase at those prices.

THE DISPARITY AT THE TOP OF EMS VS EVERYONE ELSE IS IMMORAL. REALLY, I'M SAYING IT'S IMMORAL AND I MEAN IT.

18. Mr. Jerrels made \$61,461 his last full year here. 14 people at DPS made more than that in 2020. They'll all retire much younger with fewer years of service than he was able to. Is their skill set more rare than his? In a normal, non-extortive market, considering the unique value of his knowledge running a Road Department, I'd say not. Is being a paramedic more specialized skill than someone digging rock out of the edge of a pit with heavy equipment? No, but it generally pays better, at least when you can "work" tons of hours while you sleep and eat. Busy station/shift, maybe different story. But the reason their benefits are much richer have more to do with an effective "first responder" lobby, whereas Road or Maintenance employees don't have that public sentiment machine, despite them having a higher likelihood of dying on the job than a Paramedic. There is pressure to satisfy and roll over for this particular group that seems to far exceed the favor other employees than get.

19. We are going to continue to trample the rest of the County's employees (including Deputies and pretty much all of your own Department Heads and long-time employees) while nurturing a mercenary pay/benefit mindset at one department, particularly mid-to-top. We will continue to tax the public for benefits like the right to retire in their 50's and get Overtime for sleeping and being off sick, when much of that same public may not even get sick leave at their work, and certainly don't get a pension plan. Deputies don't get facilities with beds and recliners and kitchens, but still respond 24/7. Their retirement package is rich, and it's law. Some of this other stuff is not.

20. This is not only dumb, it's immoral. Immoral because we're taking taxpayer money and misusing it by not paying employees to provide a service to the public whom we serve. We're paying them for many things unrelated to service levels. We are paying for them to have their expected lifestyle. A lifestyle that's actually harmful to them, too. I'll get to that. 24-hour shifts are bad for employees and the public.

21. OT for being off sick or on vacation is just nuts. It's the exact opposite of what "Overtime" actually means. You're giving OVERTIME for people when they work UNDERtime. Smh. It's abuse of the taxpayer. You'd never do this with your own business money.

22. It's also wrong because, in addition to the bottom of the pay scale being nailed to the floor, OT hours are getting cannibalized. It would appear that, the higher your pay rate, the more likely you are to get tons of OT. Why? We are abusing half of that department: the bottom half. No wonder they leave...if we're able to even get them in the door.

23. The top 20 in EMS: Paid like mercenaries, benefits like soldiers, sleeping like babies, eating like kings. I can't fault them for taking advantage of it when we've set the stage. I mean, given that the pay scale entry pretty much eliminates recruitment, if they don't care about family life why not get 142 hours in one pay period (yes someone did that two weeks ago – 142 hours of Overtime)?

24. Why is no other employee group such a constant threat to leave every 6 months? I mean, en masse. The mercenary mindset is fully entrenched. We need to solve some pay scale and schedule problems, but on terms that are best for the County. Not their terms.

THE FOCUS SHOULD BE PAYING FOR PUBLIC SERVICE RATHER THAN LIFESTYLE CHOICES

25. The problem is that so much of what we're paying for is not at all related to the necessary service levels. I was already planning to mathematically demonstrate some of this, but it requires a lot of data and since the budget is just wrapping up I am just starting the process. I had planned a vacation in October...Now suddenly we need to be reactionary so there's little time, but the data I pulled 2 years or so ago clearly proves what I'm saying. Other agencies gave raises since then, and so have we. You have some employees who now make \$20K more than they did 2 years ago, and work less actual hours – much of that is due to increased OT application on leave or Holidays.

26. What is the answer? There are many tools of possibility, but we need to return to the core essentials of providing a service and paying people to do that job rather than paying them to eat, cook meals, sleep, think about grievances, take risqué selfies for social media, and commit adultery. Because face it, you are

doing that, at least sometimes. The truth is, if you cut out all of the garbage, you have tons of money to pay GOOD employees a GOOD wage to do a GOOD job.

27. It's been my hypothesis, oft-repeated, for 3-4 years that if we raised starting pay at DPS dramatically, including an increase in PT wages, we could compete and lower OT utilization rates. But I was told by Mitch the union wanted no part of that. Why? That cuts into the gravy train at the top, maybe? I don't know. They take some dumb positions, so I shouldn't be surprised. There's also the matter of we simply cannot afford to shift ALL of the pay rate by the same proportion. If we did for the Captains what we need to do for the entry level then some of them will be making more than your new County Attorney AND the Sheriff. I can objectively, mathematically prove that gravy train at the top exists. They don't want to lose those OT hours. Some (not all) may complain about how grueling it is, but then watch as their wages have gone from \$50K to \$67K and \$70K to \$90K or \$90K to \$115K in 3 years. One is on track for \$123K this year. They're not leaving, nor are they really grieving. Throw more money at them, and they keep all the OT hours, get paid like mercenaries, with benefits like soldiers. EMT's and newer staff get the scraps, get dissatisfied, and look elsewhere for employment. More vacancy means more OT for those at the top. We hire new underlings. They get scraps only. Top get paid like the Sheriff. Cycle repeats.

SOME TOOLS/OPTIONS

28. So, what are some tools/options to actually address the problems rather than keep prescribing more painkillers for two broken legs? Below are a start:

A. **Eliminate 24-hour shifts. They're a waste of money when employees aren't busy and they're more dangerous and unhealthy if the employees are busy.** They can remain on call in the trucks. If the LCSO can do this and cover 24/7, so can DPS. This reduces facility overhead and improper fraternizing. It reduces labor overhead and response times because people aren't in bed or in the kitchen. You will need some extra time for things like maintenance of vehicles, but it may be better just to hire more cheaper, non-emergency, support staff, to handle all of those sorts of matters. Just "runners". Going to shorter shifts also increases employee alertness and reduces likelihood of dangerous exhaustion when employees have a true busy shift wherein they haven't been able to sleep. Much is written in Firefighter websites about the additional dangers of 24-hour shifts.

Then staff gets held over sometimes, further exacerbating any exhaustion issues. If we want people performing their best, and public safety is the real goal, this is not sensible. But the 24-hour shift does support a lifestyle of having 2 days off to work other jobs or whatever. It's just not in the public's best interest. They may like it for some lifestyle preferences, but it's really not in the best long-term interest of these employees and their health or their families, either. It increases their risk of fatigue-related vehicle accidents, health issues, and some research would say, marital problems. I think the latter is an obvious conclusion of the type of things we have heard about.

<https://www.fireemsleaderpro.org/2018/04/17/24-hour-shifts-killing-firefighters/>

From the above: *"In light of such research, can fire and EMS managers continue to support shift schedules that, **though desirable to the employee, may not be congruent with the safety interests of the employee or the public?** When EMS accidents involving the operation the ambulance account for the leading cause of EMS line-of-duty deaths, can a department afford to have an employee behind the wheel whose cognitive abilities may be akin to those of the motorist taking a field sobriety test at the scene the motor-vehicle crash?"*

We need to be asking ourselves that question and before a plaintiff's attorney does it for us."

I find this interesting: Looks like 24-hour shifts are legitimately more dangerous to employees and legally risky to us than are some *slightly* overweight ambulances.

<https://www.fireengineering.com/fire-ems/the-24-hour-shift-impact-on-health-and-safety/>

From the above: *“Implementing change in a fire department can be a difficult proposition. It requires that we challenge fire service traditions many of us hold dear. Remember how long it took for many departments to use SCBAs? Or how long it took before we realized diesel exhaust filling our stations wasn’t a good idea? Firefighters and paramedics have no special immunity that allows for less sleep than the rest of the population. We need to recognize when it’s time to change work schedules for our benefit and the benefit of the communities we serve.”*

<https://flightsafetynet.com/ambulance-induced-divorce-syndrome-aids/>

<https://www.hmpgloballearningnetwork.com/site/emsworld/article/1222339/stress-silent-killer-ems-career>

- B. **Eliminate Overtime for Sick Leave, Vacation Leave, and Holidays not worked that you instituted in March of 2018.** None of these should count toward OT eligibility. And it costs you \$200K-\$300K per year alone. That’s \$300K being paid for NO SERVICE TO THE PUBLIC. You’re simply paying extra for employees NOT to work. Now that you’ve incentivized leave, more people take time off. And then, when they’re off, someone else has to come cover that shift so you’ve doubled the OT (and that part isn’t even included in my \$300K estimate). So the real figure could be an extra \$400K+ per year you’re paying just for bad leave policy that almost no one else does.
- C. **Captains should be management not bargaining-subject positions.**
- D. **Make anyone setting schedules, like Captains, salaried exempt and ineligible for Overtime.** You shouldn’t be a high paid employee given the choice of getting on a truck and taking OT hours for yourself when many other employees are eligible. These salaries should be set higher than their current hourly rate X 2080, but considerably lower than their annual income as of late with 1,000 hours of OT. They’ll stop working those hours. Fine. We can get 1.5 times as many hours from newer staff even with improved hourly rates.
- E. **Compare movements at the bottom of the pay scale since 2017 with actual employee raise amounts. Have these moved congruently and concurrently? If not, was this specifically because of the Union, or because of oversight? The pay scale should shift as raise packages are implemented – this is part of the point of moving from benefits to wages.**
- F. **With at least a few of these other mitigating issues taken care of, shift the pay scale upward DRASTICALLY to be competitive at the front-end.** This will increase your labor supply and straight time at entry level, even with some Health Insurance, is cheaper than your top 20 at time-and-a-half. One of your high-end employees are making enough to pay for a new FTE’s insurance in 6-8 weeks of OT. But you cannot shift the pay scale and continue to let 20-25 or so higher paid employees get all of the OT.
- G. If you don’t totally eliminate the 24-hour shift, you should consider following Citrus’ lead by incentivizing other shift schedules with a higher hourly rate.

H. One other possibility: Actually go for broke and raise the rates for everyone, but then you raise entry rate so high and get so many people in the door you effectively cut off OT at the top of your pay scale and cap their ridiculous hours. If they leave, they leave. Now you have the pay rate in place to more quickly replace them. But I doubt they'll leave very seriously.

I. **If all of this fails: Privatization must be on the table as at least a talking point to keep everyone honest, because you cannot continually have an employee group who tells you what to do; you've lost all control if you go through another negotiation cycle just rolling over like a struck manatee again. You're ALREADY paying 4 times the subsidy Citrus was paying to NCEMS, and you're way smaller. There's a lot of play in between \$858K and \$3.5M. If someone like NCEMS could operate Levy at just a \$1.5M-\$2M subsidy that's \$1.5M-\$2M cheaper than you are currently doing it.**

These are my general thoughts about solving the labor and resource allocation issues at DPS. I know it's been said "everyone is having these issues". That's maybe partly true. Many are having recruitment, retention issues at the front end. If that's all we had, that's a one-trick solution. But unlike them, we have these massively high wages at the top end simultaneously. Last time I surveyed counties our size around here no one was within 20% of what we're paying at the top. And we've only gone up, so I can't imagine that's changed much. But much of that is a factor of hours. We need to get the bottom higher and cap the hours at the top. Also unlike 11/13 counties we surveyed: The other counties aren't paying Overtime on Vacation and Sick Leave.

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