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Special Report: Your Tax Dollars, At Work

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About The Numbers

Government salaries are subject to Florida's open-records law. The information used to compile this report and [database](#) is a product of public records requests seeking full 2010 pay for all local government employees.

- Totals should include such things as overtime and bonus pay but not government costs for medical insurance or pension contributions.
- The online list includes employees who made more than \$15,000. In the interest of public disclosure, we also included many elected officials who made less.
- The Flagler County school district provided budgeted salary figures, so many are not indicative of how much an employee was actually paid last year. A request from the Flagler County Sheriff's Office is still pending.

In any discussion of salaries, there is one universal truth:

You and I are underpaid; it's the other guy who makes too much.

Not long ago, the "other guy" was a banker on Wall Street or corporate CEO. More recently, though, attention has increasingly turned to public employees. Schoolteachers, firefighters and bureaucrats who once basked in praise for their selfless public service (well, maybe not the bureaucrats) have found their compensation scrutinized in statehouses from New Jersey to California.

Florida is no exception. During the spring legislative session, public employees faced new laws that targeted the power of their unions and steered 3 percent of their salaries into the state retirement system.

With local governments facing another tough summer of budget talks -- and salaries accounting for the biggest expense in any agency -- government employees are likely to again come under the microscope of public scrutiny.

Are salaries too high? How much is too much? What's fair when taxpayers are footing the bill?

To address those questions and more, The News-Journal compiled the most comprehensive survey of public salaries ever conducted in the Volusia-Flagler area -- 18,000 jobs totaling \$783 million in tax dollars and encompassing 21 cities, two school districts, two counties, a state college and two dozen state agencies with offices or employees in the two-county region.

What we found may surprise you. It may anger or even depress you. But it most certainly will inform you. Here's a sampling of what we learned:

- There were 269 public employees in the two-county area who made at least \$100,000 last year. Topping the list was former Daytona State College president Kent Sharples, who was paid \$1,805,106 (including a \$1.2 million payout he was given on departing).
- Sharples was one of 35 employees at the college who earned six figures, including 23 who carried some sort of vice president's title. The Volusia County school district, with more than seven times the number of total employees, had 30 who made at least \$100,000.
- State offices had the most local employees making at least \$100,000 with 64, their ranks swelled by 41 judges at the county, circuit and appeals level. Volusia's county government was next with 42 people making at least \$100,000, topped by County Manager Jim Dinneen at \$215,394.
- Among cities, Daytona Beach City Manager Jim Chisholm had the highest salary among city managers at \$186,701.

The city also had the best-paid police chief (Mike Chitwood, \$149,962) and deputy city manager (Paul McKittrick, \$145,111).

- The city of South Daytona, with fewer than 100 full-time employees, had six making at least \$100,000, creating an average salary of about \$51,000, the highest in the area. On the low end is little Beverly Beach, where the town clerk made \$24,000, and an office clerk made half that.

As to the answer of the larger question -- are government employees paid too much? -- the answer may depend on your perspective.

Government workers can cite studies that show people doing similar jobs in the private sector are paid more. They can also point to state data that shows government employees in Volusia and Flagler counties are paid on average thousands less than their counterparts throughout the state.

But there's also this: Almost everyone in the Volusia-Flagler area, in all types of jobs, is paid significantly less than state averages. But if you work in government, chances are your salary is closer to the state average than your neighbors in the private sector.

METHODS & CAVEATS

The News-Journal obtained public employee salaries through public records requests of the area's local governments. We asked for total annual pay, including overtime and other bonuses.

No one keeps a list of all government employees, so we may have missed some. We left out the area's two public hospitals because the jobs are not part of the government and tax dollars represent a small percentage of their budgets. A request from the Flagler County Sheriff's Office is still pending. The Flagler School District responded with budgeted salary figures rather than actual pay.

All the information is public record under Florida law, though not widely reported. Many local governments are uncomfortable revealing employee salaries, as any employer would be. But the public good of such transparency outweighs that discomfort, said Jim Rhea, director of the First Amendment Foundation, an open-government advocacy group based in Tallahassee.

"These individuals are public employees, and their salaries are funded by tax dollars. It's just one more way of having public oversight of our government," Rhea said.

"There have been situations in the past where people could hire friends and family and give them salaries that were way out of range of what anybody else would get. One way of avoiding that sort of thing is to make sure salaries are available for the public to review."

The data compiled by The New-Journal and available online make it possible to look up salaries of government employees, but they don't lend themselves to easy comparisons because the same kind of data is not available for employees of private companies. The best comparables are surveys conducted by agencies like the Census Bureau, but that information has to be volunteered.

And salaries alone don't tell the full story. Many studies have found that government employees enjoy more valuable retirement and health benefits than their counterparts in the private sector, but getting truly fair comparisons can be tricky.

The libertarian Cato Institute last year released a report that showed when benefits were added, federal employees' average total compensation (about \$123,000) was twice the average that workers in the private sector were paid (\$61,000).

That report provided a lot of talking points for conservative pundits on cable news shows, but it was criticized by some researchers for failing to consider education levels. Government employees, especially at the federal level, are more likely to be college-educated than the labor force at large.

In contrast, a Labor Department report conducted annually and designed to compare pay rates for the same type of work and in the same areas found that federal employees were paid 22 percent less on average than nonfederal workers (the disparity was even greater in some high-cost areas of the country). But that study doesn't account for retirement and health benefit costs.

A USA Today analysis published last year compared federal salaries with private-sector pay for more than 200 occupations that existed in both areas. The study -- which also excluded the cost of benefits -- concluded that federal employees were paid better in more than four out of five jobs, making an average of almost 13 percent more than their private-sector counterparts.

ARE SALARIES TOO HIGH?

With all the conflicting data, how do taxpayers decide if they think government salaries are too high?

Count local economist Mark Soskin among those who say they are.

"It's the best job around," Soskin, a professor of economics with the University of Central Florida, said of working for the government. "Plus the fringe benefits, it's an absolutely terrific job. You get job security for life. So you have all the advantages and none of the disadvantages of other high-paid people who can be fired and have to perform."

Soskin cites census data using sector-by-sector comparisons in Florida that show Volusia jobs, on average, are paid about 80 percent of the level of pay for similar jobs in markets like Orlando. Local government salaries, though, are often based on statewide comparisons that are inflated by higher salaries in South Florida, Soskin said.

"You have one of the very lowest income metro areas in the state (in Volusia)," Soskin said. "When you do it by sector, (government) employees are (near) the state average or Orlando. Most other sectors are at 80, 85 percent tops."

Annual wage data compiled by the state Office of Economic and Demographic Research reveal just how low average incomes are in the Volusia-Flagler market. The per capita personal income in 2009 (the last year for which the agency had data) was \$32,255 in Volusia and \$32,671 in Flagler, both far below the state average of \$38,965.

Government officials don't consider it fair to compare their salaries to the per capita averages because so many private-sector jobs, particularly locally, are low-paying service jobs that don't require a higher degree as the best government jobs do.

Simply put, because there aren't a lot of high-paying jobs in the area, government jobs look better by comparison.

Consider: The state average pay for all industries is about \$41,000, while the average in Volusia is about 80 percent of that figure. Volusia government workers make about 88 percent of the state average for government workers.

A similar trend holds true in Flagler County. Government workers in Flagler make about 79 percent of the state average, which looks bad except in comparison to the average for all industries in Flagler, which is barely 74 percent.

In the neighboring counties of Seminole, Brevard and St. Johns, the ratio for government pay was slightly lower than the average for all industries.

The trend for local jobs to be underpaid relative to state averages is reinforced, critics say, when governments use comparison studies that look at salaries outside the area to justify raises for their employees. While private owners are unlikely to pay for a salary study -- unless their companies are suffering low retention rates -- many tax-supported entities routinely used them, especially before the recession.

Elected officials approved raises when the studies showed government employees were lower paid relative to other areas because it seemed fair -- and, in the eyes of tax critics, because it wasn't their money they were spending.

"That's what's wrong with our county," said Margie Patchett, founder of the local government watchdog group Volusia Tax Reform, which has argued for years that property tax rates are too high in Volusia. "People should be outraged with that. Our surrounding counties have a lower millage rate. They've got their act together. That highlights how broken our system is."

OR ARE THEY TOO LOW?

All this talk of percentages doesn't change the fact that Volusia government employees are paid about \$5,500 less on average than their counterparts throughout the state, according to the state surveys. It's even worse in Flagler, where government employees get \$10,000 less than the state average.

Numbers like those leave many government workers feeling stunned when they hear criticism of their salaries -- particularly in an era when Wall Street investors making millions feel persecuted by proposals they be taxed at the same rate as teachers and garbage truck drivers.

You want to pick on Sharples for having the top salary in the area? Consider this example from Southwest Florida: Edison State College President Kenneth Walker was paid \$643,000, more than Sharples if you don't include the latter's buyout. (Walker agreed to a 22 percent cut in salary and benefits in April after coming under fire from faculty.)

Broad studies also don't take into account specialized skills that can drive up government averages, even when the pay for individual jobs is worse than what employees could get in the private sector, South Daytona City Manager Joe Yarbrough said.

Back when the building industry was booming, Yarbrough said his city couldn't afford to hire seasoned planners or engineers. The salaries were too good in the private sector. The city later filled those positions, driving up some citywide salary averages but saving taxpayers money overall by bringing in the expertise to do work in-house that at one time had to be farmed out to consultants.

Governments are now going through the shrinking pains that the private sector endured at the start of the recession, Yarbrough said.

"We (in government) can shrink with the economy. It may not be as fast and severe as the private sector because of the nature of our services. We still have basic services that have to be provided," Yarbrough said. "They say all the time to run government more like a business. But we're not the private sector. We're a nonprofit entity that's out there for the public health and well-being."

For an example of local government response to the recession, consider Volusia County. While employees haven't faced any layoffs, the county is down 475 positions over the last few years because of attrition, spokesman Dave Byron said.

And it's not like the workload has decreased, he added. While a manufacturer might lay off part of its work force because there's an oversupply or lack of demand for goods, that's not true with government work. More people than ever are checking out free DVDs from the library, visiting parks or the beaches or standing in line for county services.

"The great irony for local government," Byron said, "is at this time of constrained resources, our customer service loads have gone up tremendously in some areas."

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