

**Career Service Board Meeting #2232**  
**Minutes**  
**Thursday, January 16, 2014**  
**9:00 A.M.**  
**Webb Municipal Building**  
**201 W. Colfax, Fourth Floor, Room 4.G.2**

**Patti Klinge**  
**Colleen M. Rea (Chair)**  
**Derrick Fuller (Absent)**  
**Bob Nogueira**

- I. Opening:** *Meeting called to order at 9:04 am.*
- Approval of the Agenda for the January 16, 2014 Board Meeting.**  
*The Board unanimously approved the Agenda for the January 16, 2014.*
  - Approval of the Minutes for the September 5, 2013 Board Meeting.**  
*The Board tabled approval of the September 5, 2013 meeting minutes until they have a quorum.*
  - Approval of the Minutes for the November 21, 2013 Board Meeting.**  
*The Board tabled approval of the November 21, 2013 meeting minutes until they have a quorum.*
- II. Board Comments:** *Co-Chair Patti Klinge stated the board will re-visit the board co-chair discussion at the next meeting. Additionally, Ms. Klinge stated on the record Michelle Lucero has resigned from the Career Service Board.*
- III. Public Comments:** *None.*
- IV. Public Hearings:**
- Public Hearing Notice No. 478 – Career Service Rule 13 Pay for Performance**  
*Pete Garritt with the Office of Human Resources presented the public hearing notice to the board. Mr. Garritt explained that every year as part of budget process that ends in November, City Council passes a target for agencies for average merit increases. This year the increase is 3.66. Mr. Garritt now comes to the board with a new merit table and revision to Rule 13 based of the 3.66 merit increase. The Classification and Compensation team has put the table together with a new approach to avoid situations like the past where employees who have a lower performance rating end up making a higher salary than the employee who performed at a higher level. One change in the rule due to a pay structure change is now employees can receive a combination of a lump sum merit payment and a merit increase. Mr. Garritt made the appropriate changes to definitions within the rule to reflect employees can receive both merit increases at the same time, these definitions are reflected on page 13-1 of the respective rule. Currently the rule states employees can only receive one or the other and not both. Mr. Garritt explained page 13-4 section 2 of the rule and how to compensate an employee that is at the max in their pay range. The rule now states employee would receive a combination of compensation to reach the max, the rest of merit payment, plus 1% merit increase.*  
  
*One other change on page 13-5 makes it clear when someone is eligible for both the payment and the increase, the amount is calculated on prior base, not the new base pay.*

*Meredith Crème provided an overview of how the table is built and the methodology used to build the table which has been used for the past four years.*

*The merit table designed based of the following factors:*

- Citywide employee distribution across the pay range*
- Prior years rating distribution*
- New merit budget amount of 3.66 approved by the Mayor's Office and City Council*

*Co-Chair Patti Klinge asked how the 3.66 was determined. Meredith Crème explained the amount is based off a merit forecast from private and public sectors survey data and other economic factors. Based off that data, OHR predicts what the average American employee increase for performance is going to be and then sends the predictions to the Budget Management Office and the Mayor's Office to make the ultimate decision. Additional data used is from the Mercer survey, A World At Work survey, and the Economic cost index.*

*Ms. Crème further stated the table was built in accordance with the City's compensation philosophy around the movement of employees through the range. Currently, more weight is given to employees in the lower quartiles to allow the larger increase to move folks toward the mid-point, which is the market average. OHR compensation is recommending that more weight be put on the 3<sup>rd</sup> and 4<sup>th</sup> quartiles for strong performers*

*Ms. Klinge sought clarification about whether the market average is based off actual to which Ms. Crème stated yes.*

*Ms. Crème further stated another typical topic of concern is a below expectation rating for employees in the 1<sup>st</sup> and 2<sup>nd</sup> quartiles and the ability for them to receive an increase. Approximately 120 employees last year received a below expectations rating and about 50 of those employees received an increase. Compensation chose to leave that option to provide departments the ability to compensate the below expectation employees. Because the rating starts at zero, departments do not have to give the employee an increase, but departments are allowed to make that decision. Further, the Compensation Division has committed in 2014 to thoroughly review the below expectation rating, delivery of increases relating to the rating, the overall rating itself, the definition of how people are using the rating and whether we want to keep it in the system or alter it all together.*

*Patti Klinge asked what types of comments the Compensation staff receives as it relates to below expectation ratings and pay increases? Ms. Crème stated some managers ask if an employee is performing at a below expectations rate why is the employee getting a pay increase. Compensation also hears the reverse; for example, managers state they use this rating for new employee who still haven't quite performed successfully, but with additional training will eventually receive a successful rating. In this case, managers do not want to punish the employee while they are still in the learning stage of their job. Ms. Crème states compensation will dig deeper into the approximately 50 employees who received an increase while receiving a below expectations performance rating to see the reasoning behind the rating and the pay increases.*

*Co-chair Klinge expressed her concern about managers willingness to accurately rate employees when employees are performing below successful. This may inflate ratings because some managers might be frustrated with an employee's performance, but will not give the below successful rating because there is no pay affiliated with it. Ms. Klinge is concerned about the leeway in that category. Ms. Crème stated compensation will take that into consideration.*

*Meredith further explained Compensation worked with the Analytics Bureau to dive into each agency and confirm the agencies can they meet the 3.66 increase is they apply the table. It was determined agencies can make the table work.*

*Tom Blackman, Engineering Supervisor for Public Works stressed his concern of lack of incentive for employees because there is such a small gap between a low outstanding and a high successful. He would like to see a bigger gap and some incentive put in place for employees.*

*The Board unanimously approved Public Hearing Notice No. 478.*

2. **Public Hearing Notice No. 479 – Transit Technicians and Elevator Repairer**  
*Seth Duhon-Thornton presented the public hearing to the board on the prevailing wage of the Transit Technicians and Elevator Repairers. If an employee in this job description has been in this position for over five years, the employee will receive a 2.7% increase. If an employee within this job description has been in this position for less than five years, the employee will receive a 2.9% increase. Mr. Duhon-Thornton requested the approval have an effective date of January 1, 2014.*

*The Board unanimously approved Public Hearing Notice No. 479.*

3. **Public Hearing Notice No. 480 – Window Cleaners**  
*Seth Duhon-Thornton presented the prevailing wage public hearing to the board. Mr. Duhon-Thornton informed the board the Window Cleaners are on a tiered system. The change affected the fringe benefits only. Single party increase is 5% and two-party employees get a 4.6% increase.*

*The Board unanimously approved Public Hearing Notice No. 480.*

4. **Classification Notice No. 1399 – Director of Environmental Programs**  
*Melissa Fisher, Manager of Compensation addressed the board on this notice. Ms. Fisher explained the purpose of this classification notice is to present recommendations aimed at “cleaning up” the classification and pay plan after implementing the Management Study. First, the study created general Manager, Director and Executive classes, in addition to multiple industry specific management classes. With the implementation of these new classes, the current classifications of Manager 1 and Manager 2 are vacant and no longer needed. Ms. Fisher recommended the board abolish the classes of Manager 1 and Manager 2. Additionally, the pay grade recommendation for the Director of Environmental Programs was not correct. The correct classification should be 819-E and not 818-E.*

*The Board unanimously approved Classification Notice No. 1399*

5. **Classification Notice No. 1400 - Undersheriff**  
*Blair Mallory with the Office of Human Resources presented the notice to the board. Ms. Malloy reiterated in November of 2013 the voters in the City and County of Denver approved a Charter change, measure 2C, which changed the office known as “Undersheriff” to “Sheriff” and allows that person to exercise the duties assigned by state law to county sheriffs. This change is proposed to ensure the classification and pay plan are in line with the approved changes. The employee impact is one and there is no budget impact.*

*The Board unanimously approved Classification Notice No. 1400*

6. **Classification Notice No. 1401**  
*Blair Malloy from the Office of Human Resources presented the classification notice to the board. The proposed change amends the classification and pay plan by revising the short range, community rate and training and intern pay schedules. Additionally, the proposed change amends the classification and pay plan by changing the pay grade for Golf Starter/Ranger, Mayor’s Youth Worker, Recreation Aide and Usher to coincide with the State increase in minimum wage from \$7.78 to \$8.00. This change will impact 319 employees – 26 Golf Starter/Rangers, 28 Mayor’s Youth Workers, 102 Recreation Aides, and 163 Ushers. All impacted employees are on-call employees. 216 employees will receive an increase to the range minimum. All other impacted employee pay will fall within the*

assigned pay grade. The budget impact is \$91,989 annually. The proposed effective date is January 1, 2014.

Bob Wolf, attorney for the board, reminded the board the City is not obligated to follow the Colorado State Minimum Wage Law.

The Board unanimously approved Classification Notice No. 1401

**V. Approval to Post:** *None.*

**VI. Director's Briefing:**

1. *Nita Mosby Henry provided the board with a report on the agency's initiatives.*
2. *Nita Mosby Henry stated the OHR Leadership team is reviewing the merit system, currently there are rules that are bumping heads on this issue. OHR will develop committees and cross section committees to assist with this process.*
3. *Executive Director Henry stated she will be meeting with the Mayor for approval for Wellness monies. Shortly thereafter, OHR was approved funding for their Wellness initiatives.*
4. *Dr. Mosby Henry was informed by Miller Coors they will be honoring a second year grant to the Office of Human Resources. The past years grant went towards assisting individuals with financial literacy classes, mock interviews, employment guidance and some even obtaining their General Education Development certificate.*

**VII. New Cases:**

**VIII. Pending Cases:**

1. *Steven Economakos v. Denver Sheriff's Department, Appeal No. 28-13*
2. *Veronica Serna v. Denver Human Services Appeal No. 39-12*  
*The Board affirmed the Hearing Officer's decision, written order to follow.*

**IX. Executive Session:**

*Board went into executive session at 10:02 a.m. to discuss cases and staffing matters.*  
*Board re-convened Board meeting at 10:41 a.m.*

**X. Adjournment:**

*Adjournment was at 10:42 a.m.*