



Career Service Board Meeting #2358

Minutes

Thursday, April 18, 2019, 9:00am

Webb Municipal Building

201 W. Colfax Ave, Fourth Floor, Room 4.G.2

Karen DuWaldt (Co-Chair)
Neil Peck (Co-Chair)
David Hayes
Tracy Winchester
Patricia Barela Rivera - Absent

I. Opening: *Meeting was called to order at 9:02am*

1. **Approval of the Agenda for the April 18, 2019 Board Meeting.**
The Board unanimously approved the agenda for the April 18, 2019 meeting.
2. **Approval of the Minutes for the March 21, 2019 Board Meeting.**
The Board unanimously approved the minutes for the March 21, 2019 meeting.

II. Board Comments: *None.*

III. Public Comments: *None.*

IV. Public Hearing:

1. Public Hearing Notice No. 597 – Proposed Revision to CS Rule 9-80

Lauren Locklear, HR Compliance Officer, presented Public Hearing Notice No. 597 regarding proposed revisions to Career Service Rule 9–80 – Special Work Schedules.

Ms. Locklear noted Section G was being added to the Rule, in which full-time, unlimited Career Service employees who have successfully completed probation are eligible to volunteer for up to eight (8) hours per calendar year while receiving their regular rate of pay under the new Employee Volunteer Program (“EVP”).

The new EVP will be administered by the Office of Human Resources (“OHR”), who will maintain an approved volunteer activity project list in coordination with other city agencies. Participation in the program is a privilege and supervisors/managers must approve the request two weeks in advance, which can be withdrawn at any time due to performance, business need, or any other operational reason.

Volunteer hours do not count towards hours worked in the work week and have no impact to accruals for vacation, sick, or paid time off.

The Career Service Board unanimously approved Classification Notice No. 1589.

2. Classification Notice No. 1592 – Tax Payment Processing & Collection Classifications

John Hoffman, Senior Classification & Compensation Analyst, presented Classification Notice No. 1592 to amend the Classification and Pay Plan by: (1) creating three new classifications, Tax Technician Specialist, Tax Compliance Specialist, and Tax Technician Supervisor; (2) changing the titles and pay grades of three existing classifications: Tax Compliance Agent I, Tax Compliance Agent II, and Tax Compliance Supervisor; (3) modifying the pay grade of two existing classifications: Tax Technician I and Tax Technician II; and, (4) abolishing two classifications: Tax Analyst and Treasury Agent.

NEW CLASSIFICATIONS

<u>Job Code</u>	<u>Proposed Class Title</u>	<u>Proposed Pay Grade & Range</u>
CV3160	Tax Technician Specialist	V-618 (\$23.07 - \$28.38 - \$33.68)
CV3161	Tax Compliance Specialist	V-621 (\$26.37 - \$32.44 - \$38.50)
CV3162	Tax Technician Supervisor	V-810 (\$59,953 - \$77,939 - \$95,925)

TITLE & PAY GRADE CHANGES

<u>Current Class Title</u>	<u>Proposed Class Title</u>	<u>Proposed Pay Grade & Range</u>
Tax Revenue Agent I	Tax Compliance Agent I	V-617 (\$22.07-\$27.15-\$32.22)
Tax Revenue Agent II	Tax Compliance Agent II	V-619 (\$24.12-\$29.67-\$35.22)
Tax Revenue Supervisor	Tax Compliance Supervisor	V-810 (\$59,953-\$77,939- \$95,925)

PAY GRADE CHANGES

<u>Class Title</u>	<u>Current Pay Grade & Range</u>	<u>Proposed Pay Grade & Range</u>
Tax Technician I	V-612 (\$17.67 - \$21.74 - \$25.80)	V-614 (\$19.31 - \$23.75 - \$28.19)
Tax Technician II	V-613 (\$18.47 - \$22.72 - \$26.97)	V-616 (\$21.11 - \$25.97 - \$30.82)

ABOLISHED

<u>Job Code</u>	<u>Class Title</u>
CV2063	Tax Analyst
CV2131	Treasury Agent

The Department of Finance – Treasury Division requested a study of its tax payment processing and collections classifications as these had not been reviewed in over 10 years and Treasury suspected that these classifications were not in alignment with current market rates of pay.

Classification & Compensation worked with Treasury to design and develop two new classification series to better align with the duties and responsibilities being performed within the tax payment processing section and the delinquent tax collections section.

Board Co-Chair Karen DuWaldt asked for clarification as to whether more than one employer was found as a comparator when reviewing the Mountain States pay data. Mr. Hoffman stated Class & Comp used a custom data survey of at least 10 to 12 local municipalities to review pay data.

Board Member Tracy Winchester clarified that a specific match was unable to be found in the regional data for Tax Technician, to which Mr. Hoffman replied there were three to four title matches, however, when specifying tax collections, the number dropped to two or three, which was not considered a robust comparator.

Board Member David Hayes asked if internal equity was considered once the positions were slotted and whether the analysis confirmed the proposed pay ranges were appropriate, to which Mr. Hoffman replied in the affirmative. Mr. Hoffman noted the impact to existing employees was positive as they will be two pay grades higher than in their current classifications. Mr. Hoffman stated five employees will have their pay adjusted to the new minimum salary of their proposed pay grades at a cost of less than \$10,000 annually.

Ms. DuWaldt asked if factors such as retention or high turnover prompted the review. Donald Korte, Director of Treasury, responded turnover has been low, however, retention was a

major concern as the affected employees were asking why other financial classifications were receiving pay adjustments and they were not, creating morale problems.

Mr. Hayes asked if employees have sufficient development and experience to continue moving up to higher level classifications, to which Mr. Hoffman stated both education and experience are factors in whether employees are able to do so.

The Career Service Board unanimously approved Classification Notice 1592.

3. Classification Notice No. 1594 – 2019 Pay Survey

Nicole de Gioia-Keane, Director of Classification & Compensation, and Blair Malloy, Senior Classification & Compensation Analyst, presented Classification Notice No. 1594 to amend the Classification & Pay Plan by adjusting the pay ranges and grades, as recommended by the 2019 Pay Survey Market Analysis, for certain occupational groups and/or classifications.

Ms. de Gioia-Keane stated she would like to acknowledge the hard work and contributions of Alena Duran and Lori Schumann, both Senior Classification & Compensation Analysts, as this is the culmination of a year's worth of work.

The Pay Survey is required to be conducted annually, per the City Charter and as further defined in the Denver Revised Municipal Code ("DRMC"), to ensure the classification and pay plan (pay ranges structure) remains competitive to the market. The survey reviews the city's pay ranges versus the current market by occupational groups and by individual classifications.

Classification & Compensation uses local and national data surveys of both public and private sector employers, as well as specialized surveys for aviation classifications at the airport, and certain engineering, construction, and safety positions. Ms. de Gioia-Keane noted 72% of the city's classifications are directly matched with one or more of the data surveys, while the remaining 28% are reviewed for a direct relationship or career path to a matched classification. The market median pay rate data is compared to the city's range midpoints and adjusted to the local market, aged to January 1, 2019, and averaged into a market composite rate per classification.

There are two possible outcomes each year as a result of the pay survey. All occupational groups are reviewed to ensure pay ranges are competitive with generally prevailing rates, with range minimums and maximums adjusted within an entire occupational group as the market data indicates. There is no impact to employee pay except for those individuals whose pay falls below a new range minimum, which are effective on July 1st.

Individual pay grades are also reviewed to ensure classifications' pay range midpoints are competitive to market median rates, with adjustments made to individual classifications whose pay ranges have fallen behind market by 10% or more. The DRMC mandates a 4.55% pay increase for each pay grade adjustment to an individual classification, which are effective on January 1, 2020.

Board Member David Hayes asked what the city's target range is for pay to be considered competitive. Ms. de Gioia-Keane responded the Charter requires the city to pay employees "generally prevailing wages" as evidenced by the annual pay survey, which generally has been interpreted to be the median, or 50th percentile, of market as fiscally possible.

Ms. de Gioia-Keane reviewed the historic local economic and employment data since 2009, which demonstrates the steady improvement in the Denver Metro economy since the Great Recession. While the city's turnover rate has increased as expected, at 14.6%, it is still lower than the average public sector turnover rate of 17%, and the private sector rate of 22%. Board Co-Chair Neil Peck asked if the turnover rate includes retirements, to which Ms. de Gioia-Keane confirmed was the case.

Ms. de Gioia-Keane highlighted 2016-2018 trends, noting an outside consultant was engaged in 2016 to review the city's pay survey practices and methodology, as required by DRMC

every four years. As a result of the consultant's recommendations, 2017 pay adjustments totaling \$6.6 million were implemented with the support of the Budget & Management Office, the Mayor's Office and City Council to bring a large number of classifications to market pay, after delaying these adjustments for two years.

Ms. de Gioia-Keane also noted 2016 pay survey results were implemented in 2017, indicating a very strong Denver Metro economy and a record-low unemployment rate. This trend has continued in 2018 and 2019. The 2020 adjustments of \$4.6 million are largely attributable to a sizable increase in market pay for the Administrative occupational group, as the city has approximately 600 employees in the Administrative Support Assistant classification series.

Board Co-Chair Karen DuWaldt noted the total amount of pay adjustments in 2016 was substantially smaller than 2017 and asked if this reflected a decision to wait until the consultant completed their recommendations. Ms. de Gioia-Keane stated it was not related and was a reflection of the market data. Blair Malloy, Senior Classification & Compensation Analyst, noted the data reflected 2015 market conditions, in which wage increases were still modest and the labor market began to tighten substantially.

Ms. Malloy reviewed the recommendations and costs as a result of the 2019 survey. Total occupational group adjustments are \$116,893, effective July 1st, with a full-year cost of \$233,787, reflecting the movement of employees to minimum pay within the grade range. Total pay grade adjustments are \$4.6 million, effective January 1st, reflecting the movement of individual classifications into higher pay grades.

Board Member David Hayes commended the thoroughness and comprehensive work done by Classification & Compensation in completing the annual pay survey.

The Career Service Board unanimously approved Classification Notice 1594.

V. Director's Briefing: None

VI. Pending Cases:

1. Pasquale Tamburino vs. Department of Safety, Appeal No. A040-17A
The Career Service Board affirmed the Hearing Officer's decision, written order to follow.
2. Darrell Jordan vs. Denver Sheriff's Department, Appeal No. A021-18
The Career Service Board affirmed the Hearing Officer's decision, written order to follow.
3. Emina Gerovic vs. General Services-Facility Management, Appeal No. A077-17
The Career Service Board affirmed the Hearing Officer's decision, written order to follow.

VII. Executive Session:

The Board went into executive session at 9:49am. Karen Niparko discussed several OHR issues with the Board. The Board re-convened the meeting at 10:40am.

VIII. Adjournment: Adjournment was at 10:41am.