

**Career Service Board Meeting #2430**  
**Minutes**  
**Thursday, September 21, 2023, 9:00am**  
**201 W. Colfax Ave, First Floor, Career Service Hearings Office**

**Erin Brown (Co-Chair)**  
**Ashley Kilroy (Co-Chair)**  
**June Taylor**

- I. **Opening:** *The public meeting was called to order at 9:06am by Board member Erin Brown. Members of the Career Service Board were present, as listed above. In addition, Bob Wolf, Sr. Assistant City Attorney to the Board, and Kathy Nesbitt, Executive Director, Office of Human Resources (“OHR”).*
- **Approval of the Agenda for the September 21, 2023, Board Meeting.**  
*Board Member Erin Brown made a motion, seconded by Board Member Ashley Kilroy, to approve the agenda for the September 21, 2023, meeting, which was approved unanimously by the Board.*
  - **Approval of the Minutes for the August 17, 2023, Board Meeting.**  
*Board member Erin Brown made a motion, seconded by Board Member Ashley Kilroy, to approve the minutes for the August 17, 2023, meeting, which was approved unanimously by the Board.*

**II. Board Comments:**

*Kathy Nesbitt announced a new OHR Deputy Director, Carla Anthony, starting Monday, September 25, 2023. Mrs. Anthony was previously the HR Director of the Department of Safety.*

**III. Public Comments:**

*Nicole De Gioia- Keane, Classification & Compensation (Class & Comp) Director, mentioned that after many years of efforts, the Career Service Board and OHR have been released from having to determine prevailing rates for the city’s contractors. Previous Career Service Boards have been advocating for this change as it took away from conducting work on behalf of Career Service employees. This function is now performed by a position in the Auditor’s Office that functions independently from the Labor & Compliance Enforcement Division and reports directly to the City Auditor. The official Ordinance change occurred in late August, so it was not completed in time to include this comment in the Career Service Board held in August. This change was through a collaborative effort of the City Auditor, City Council, Budget Management Office, and Office of Human Resources (OHR).*

**IV. Public Hearing:**

1. *Classification Notice No. 1791 – Engineer, Architect, and Project Manager Engineering Series, Plans Review Engineer, and changing the title of Engineer-to-Engineer Associate*

*Alena Duran, Classification & Compensation Analyst, presented Classification Notice No. 1791. There is a total of eighteen classifications. Classification & Compensation is recommending a change to the original Public Notice about changing the Engineer to Engineering Associate but based on feedback from an employee from the Department of Transportation & Infrastructure (DOTI) indicating that if the word Associate applies to the Engineering title, it implies that it is nonlicense and non-degree classification. This will confuse potential candidates, and OHR will not get suitable candidates when posting for this type of position. Therefore, Classification & Compensation decided to pull this classification from the original posting.*

During the 2023 Annual Market Analysis, the Project Management Engineering classification series was identified as lagging the market data and should've seen the pay rate change with the others brought to the Career Service Board in May. However, the Office of Human Resources (OHR) had just initiated a construction classification study with Denver International Airport (DEN) and the Department of Transportation & Infrastructure (DOTI), which would include this series. Because of this, OHR needed to complete the study to determine the impact between the Engineering series, Architecture series, and the Project Management Engineering series to fully understand all potentially affected job classifications as these classifications have a historically established pay relationship to one another. If OHR had adjusted the pay grades for the Project Management Engineering series and not reviewed the impacts on the Engineering & Architecture series, this would have resulted in significant organizational challenges for the city due to the similarity of duties and responsibilities as well as licensure requirements for the Engineering and Architecture series thus necessitating changes to all three-classification series. Additionally, due to what has remained a competitive market, DOTI has been struggling to attract and retain candidates for these jobs as well. As a result, it is proposed to adjust the pay grades for the Project Management Engineering, Engineering, and Architecture series by one (1) or two (2) grades, depending on market data, organizational structure, and established pay relationships. Lastly, it is proposed to change the classification title of Engineer classification to Engineer Associate to follow the city's naming convention for exempt classification series.

Ten (10) of the eleven (11) classifications in scope currently have market data from the city's current surveys. However, this analysis used a blend of market data, pay relationships, and operational data, resulting in the proposed recommendations. Market data was found across the current 3rd-party published surveys for these classifications used by OHR, which are blended into a composite market rate for each benchmark job. During the 2023 Annual Market Analysis, it was observed that Project Manager I Engineering and Project Manager II Engineering were 10% and 14% behind the market. This triggered the larger holistic project to review and propose pay grade adjustments for the above-related classifications.

Below is the variance to market for those classifications that we currently have matches to:

CCD Job Title	Variance (calculated)
Architect Associate	1.7%
Architect Senior	8.9%
Architect Staff	5.5%
Engineer	-7.5%
Engineer Senior	-4.4%
Engineer Staff	0.9%
Engineer-Architect Specialist	-8.9%
Engineer-Architect Supervisor	-11.4%
Project Manager I Engineering	-10.0%
Project Manager II Engineering	-14.1%

Department/Agency	Count of Employees
CASR Climate Action, Sustainability & Resiliency	2
CPD Community Planning & Development	41
DEN Denver International Airport	28
DFD Denver Fire Department	9
DOF Department of Finance	7
DOTI Dept of Transportation & Infrastructure	167
DPR Parks and Recreation	17
GS General Services	2
HRCP Human Rights & Community Partnerships	1
<b>Grand Total</b>	<b>275</b>

There are 274 employees across nine (9) different agencies throughout the city. The total budget impact is \$13,418.08 because of four (4) DOTI employees moving to an adjusted pay grade range minimum.

Board Co-Chair Erin Brown opened for Board discussion as the Board received written comments from three employees on this classification notice. Mrs. Brown mentioned that this discussion is similar to the discussion held during the Career Service Board meeting in August, which was about the challenges of remaining competitive by trying to attract “top-notch” talent for the city as well as being able to retain employees.

Board member June Taylor commented that Denver has a highly educated workforce. Engineering and architects probably could choose to work anywhere, but the City is grateful they choose to work here. However, the City is now competing with other public service entities where individuals can pursue their careers with more income. Ms. Taylor appreciated the modification Classification & Compensation made to the engineering title and shared it earlier in the presentation. But acknowledged that although efforts are made from the benefits, recruiting, and retention side, if individuals cannot make enough income to pay their bills and student loans, it will still be a challenging topic for the City’s workforce.

Board Co-Chair Ashley Kilroy indicated that one of the written comments that stood out to her was other jurisdictions paid more than Denver overall and asked if Ms. Duran found on their paid studies this to be accurate. Ms. Duran responded she did not find that but acknowledged finding some of the classes to be behind the market and some aligned with the market. Ms. Duran commented that they are currently looking at pay in DOTI as the agency is conducting a full equity pay review, but the reason is that they have to increase the engineer pay rate.

Kathy Nesbitt commented they will need to be more strategic around positions the City is experiencing issues recruiting and retaining. Nicole de Gioia-Keane added Classification & Compensation is contracting a consultant to review the OHR’s annual market analysis process. This happens every four years, and after the review is completed, the consultant will be undertaking a total reward study. The results will be shared with OHR in early 2024, which will assist OHR in indicating how to remain competitive in the public and private sectors. This is called the Quadrennial Audit and Total Rewards Study.

Board Co-Chair Erin Brown asked Ms. Duran to explain how it will help solve some of the immediate issues if the classification notice is approved. Ms. Duran responded with an example of a staff engineer (with a BA degree) whose minimum pay is 56K; Class & Comp cannot bring them up to that minimum pay rate. Therefore, they must bring them in 10K, so changing the range helps solve this issue. Mrs. Brown asked how many current employees would be impacted. Ms. Duran said Class & Comp is reviewing about 300 current employees’ positions within DOTI alone.

Board Co-Chair Ashley Kilroy asked if the pay study will be conducted per employee position or classification series. Ms. Duran responded that it would be an employee position and would take a couple of weeks to thirty days to complete as there is a lot of collaboration.

Board Co-Chair Ashley Kilroy alerted that if the current approach for the classification studies is not addressed, the City will have an ongoing issue with pay equity and remain competitive in the market.

Board Co-Chair Erin Brown expressed discomfort with moving this classification notice forward. But Nicole de Gioia-Keane reiterated that with the approval of this classification notice, pay rates will increase, and Classification & Compensation can proceed with this equity review because this will allow bringing individuals higher into the pay range, more market competitive, which will trigger disparities that Class & Comp will address to close the pay gaps.

Board Co-Chair Erin Brown indicated that what she has understood from Mrs. de Gioia-Keane since the Class & Comp is that if the Board advances this notice today along with the processes in place, this will assist in making employees more whole in this series. However, a broader conversation exists about a more holistic approach to pay studies. Board Co-Chair Ashley Kilroy commented that instead of conducting this process “backward” and surprising budget with sudden pay equity adjustments for employees that have not been under “the radar” ahead of time.

Board Co-Chair Erin Brown indicated that due to the current situation and having a plan moving forward, Ms. Brown made a motion, which was seconded by Board Co-Chair Ashley Kilroy, to approve Classification Notice No. 1791, which the Board unanimously approved.

2. Public Hearing Notice No. 690 – 2024 Employee Health Insurance (Board’s approval was not required)

Heather Britton, Benefit & Wellness Director, presented on Public Hearing Notice 690. According to Sec. 18-2 (a)(3) of the Denver Revised Municipal Code, “Powers and duties of the career service board... Conduct at least one (1) public hearing on any proposed change to employee benefits before the director makes any recommendation to the mayor and city council as provided in section 18-5(c)”. The Health Insurance Committee, which the Mayor appoints, made the decisions at this public hearing. This committee includes career service employees, Denver Police, Sherriff Department employees, and retiree members. Changes to the health insurance benefits will consist of Denver Police active & retirees, civilian active & retirees. As part of Sheriff and police bargaining agreements, they have represented this committee.

Health Insurance Committee current members, as follows:

Councilman Chris Hinds	Kimberly Trudel (Police)
Stephanie Adams (Budget)	Ryan Koenigsfeld (Police)
Tammy Davis (OHR)	Ivan Williams (Sheriff)
Arthur Gilkison (DPR)	Sonya Gillespie (Sheriff)
Roni Kirchhevel (DERP)	

Summary of Medical Plans Changes in 2024:

- Raise deductibles and out-of-pocket maximums for the High Deductible Health Plans (HDHP) – required to maintain qualified status as HSA-eligible HDHP.
- Premium increases:
  - United Health Care (self-insured): 6%
  - Kaiser (fully insured): 5.17% (rate cap negotiated in 2022; actual utilization called for 16% for civilians and 21% for Police)
- Increase reasons:
  - Medical trends and delayed care during Covid lockdowns
  - Police population experienced a 26% increase in pharmacy spend.
  - Both civilians and police had eight large claims greater than \$225 000
- Medical Plans
  - Two Insurance Carriers to choose from, each with two types of plans, a total of four options:
    - United Health Care Doctor’s plan/Deductible HMO
    - United Health Care High Deductible Health Plan
    - Kaiser Permanente Deductible HMO
    - Kaiser Permanente High Deductible Health Plan
- High Deductible Health Plan
  - Deductible- required before insurance pays. At Denver, they are:
    - \$1,600 if you cover just yourself (was \$1,450 from 2018-2022, and \$1,500 in 2023)
    - \$3,200 if you enroll dependents (was \$2,900 from 2018-2022, and \$3,00 in 2023)
  - Coinsurance- The percentage of costs after meeting deductible expenses. At Denver, it is 20%
  - Out-of-pocket Maximum- The most employees pay for eligible expenses during the calendar year. At Denver, they are:
    - \$3,200 if you cover just yourself (was \$2,900 from 2018-2022, and \$3,000 in 2023)
    - \$6,400 if you enroll dependents (was \$5,800 from 2018-2022), and \$6,000 in 2023)
  - Health Savings Account (HAS)- Savings account used to pay for expenses of the HDHP. Funded both by the City and the employee through pre-tax payroll deductions/.

## High Deductible Health Plan – Monthly Rates

UHC HDHP					\$2.16
	Employee + Spouse	87%	\$217.02	\$228.24	\$11.22
	Employee + Children	89.5%	\$159.35	\$167.59	\$8.24
	Family	87.5%	\$376.37	\$395.84	\$19.47
Kaiser HDHP	Employee Only	94.5%	\$31.64	\$33.39	\$1.75
	Employee + Spouse	87%	\$164.52	\$173.64	\$9.12
	Employee + Children	89.5%	\$120.80	\$127.50	\$6.70
	Family	84.5%	\$285.28	\$301.09	\$15.81

### High Deductible Health Plan:

1. *Deductible – The expenses you are responsible for before insurance pays*
2. *Coinsurance- the percentage of costs you are responsible for after you pay your deductible expenses.*
3. *Out-of-pocket Maximum- You will pay for eligible expenses during the calendar year.*
4. *Health Savings Account – the account you use to pay your healthcare expenses.*

### Health Saving Accounts

- *Savings account used to pay for eligible health expenses.*
- *Must be enrolled in an HDHP to contribute*
- *Account balances do not forfeit, but they are not pre-funded.*
- *Funded with employee and city contributions, maximums based on medical enrollment.*
  - *Since HDHP enrollees (employee only)*
    - *HSA maximum contribution: up to \$4,150*
    - *The City will deposit \$12.50/check if you pledge \$6.25/check, up to \$300*
    - *The City will deposit another \$600 for the completion of the wellness incentive*
  - *Family HDHP enrollees (employee plus one or more)*
    - *HAS maximum contribution: up to \$8,300*
    - *The City will deposit \$37.50/check if you pledge \$18.75/check, up to \$900*
    - *The City will deposit another \$600 for the completion of the wellness incentive.*

### Deductible HMO

- *UHC and Kaiser each offer one Deductible HMO (DHMO) plan*
- *UHC calls their DHMO to the Doctor's plan*
  - *The Doctor's plan network is smaller than the HDHP network and has the following restrictions:*
    - *You must go to a Centura/New West provider and live in Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, El Paso, or Jefferson County to enroll*
    - *Must choose a primary care provider and get referrals to specialists.*
  - *Kaiser DHMO members can see the same providers as the HDHO members; no referrals are required from specialists.*

**Deductible HMO**

- *No cost services- Primary care (PCP), virtual, convenience, and urgent care visits (procedures subject to deductible and coinsurance)*
- *Co-pay prescriptions and specialty visits*
- *Deductible – required before insurance pays for procedures performed during any primary care visit, specialist visit, or hospitalization; they are \$500 each up to \$1000/family/year*
- *Coinsurance- the percentage employees pay for all procedures and hospitalizations after deductible expenses. At Denver, it is 20%.*
- *Out-of-pocket- most employees will pay for eligible expenses during the calendar year. They are \$4,500 each, up to \$9,000/family/year.*

**Deductible HMO – Monthly Rates**

<b>UHC DHMO</b>					\$8.76
	Employee + Spouse	76.5%	\$406.94	\$432.20	\$25.26
	Employee + Children	79%	\$330.59	\$351.20	\$20.61
	Family	74%	\$654.88	\$695.72	\$40.84
<b>Kaiser DHMO</b>	Employee Only	84%	\$110.02	\$117.40	\$7.38
	Employee + Spouse	76.5%	\$355.50	\$379.37	\$23.87
	Employee + Children	79%	\$288.80	\$308.91	\$20.11
	Family	74%	\$572.10	\$610.51	\$38.41

**Dental Premium Changes**

		2023 Total Monthly Cost	2023 Monthly Employee Cost	Proposed 2024 Increase	2024 Total Monthly Cost	2024 Monthly Employee Cost	Employee Increase
<b>Employee Only</b>	Delta PPO Low	\$29.49	\$4.25	5.36%	\$31.07	\$4.52	\$0.27
	Delta PPO High	\$40.29	\$15.05	5.36%	\$42.45	\$15.90	\$0.85
	Delta EPO	\$30.64	\$5.40	5.36%	\$32.28	\$5.73	\$0.33
<b>Employee + Child(ren)</b>	Delta PPO Low	\$58.96	\$11.46	5.36%	\$62.12	\$12.15	\$0.69
	Delta PPO High	\$80.58	\$33.08	5.36%	\$84.90	\$34.93	\$1.85
	Delta EPO	\$61.28	\$13.78	5.36%	\$64.56	\$14.59	\$0.81
<b>Employee + Spouse</b>	Delta PPO Low	\$65.46	\$14.39	5.36%	\$68.97	\$15.24	\$0.85
	Delta PPO High	\$89.46	\$38.39	5.36%	\$94.25	\$40.52	\$2.13
	Delta EPO	\$68.02	\$16.95	5.36%	\$71.66	\$17.93	\$0.98
<b>Family</b>	Delta PPO Low	\$104.96	\$25.70	5.36%	\$110.58	\$27.20	\$1.50
	Delta PPO High	\$143.44	\$64.18	5.36%	\$151.13	\$67.75	\$3.57
	Delta EPO	\$109.08	\$29.82	5.36%	\$114.92	\$31.54	\$1.72

#### *Wellness Incentive (no change)*

- *Complete the incentive requirements and earn \$600*
  - *Elect the HDHP- the City will deposit \$600 in your HSA on January 1*
  - *Elect the DHMO- the City will reduce your monthly premiums by \$50 (\$600 annually)*
- *To earn incentive:*
  - *Reach 6,000 points and complete the health questionnaire on powerofvitality.com between 1/1 and 12/31 of the previous year or attend a city-sponsored on-site screening.*
- *Diversity- Increase the diversity of the use of Vitality by sponsoring about 25 on-site screenings (15 on-site screenings already completed) at a Recreation Center of a DOTI facility.*

*Board member Co-Chair Ashley Kilroy asked how many employees under the High Deductible are, and Ms. Britton indicated that 60% joined the High Deductible Plan and 40% joined the DHMO plan. Ms. Britton noted that the City Council asked the City to continue offering the DHMO plan as employees sometimes have upfront expenses they have not planned for.*

#### **V. Director's Briefing:**

*Director's OHR Update: Kathy Nesbitt presented on OHR:*

- *City-Spirit- first event held on September 20 with excellent attendance. Employees expressed gratitude for this event and expressed this sentiment through the employee survey or feedback on the Employee Voice. Mrs. Nesbitt thanked Theresa Marchetta, Marketing and Communications Director, for coordinating this event with her team.*
- *Mayor's Appointees Vacancies- Mrs. Nesbitt thanked Tara Eckberg, Talent Acquisitions Director, and her team for assisting this administration in filing these vacancies.*
- *Migrant Shelter- increase in numbers of migrants coming to Denver. The main challenge is the lack of volunteers signing up to fill the shifts. We are looking at a hiring strategy to assist and support this effort.*
- *Unhoused Emergency: Emergency Operations Center was activated, and they had a lower Request for Proposal being conducted to assist with this effort. It was indicated that managing volunteers sits with the Denver Agency for Human Rights & Community Partnerships (HRCP), not OHR. Therefore, HRCP will be managing the contract along with HOST. Tara Eckberg, Director of Talent Acquisition, is discussing creating a Pool of Employees that the City could count on in emergencies. Board Co-Chair Ashley Kilroy asked if the lack of employee support was coming from the city employees or agencies that do not want to give up that employee. Mrs. Nesbitt mentioned that the response to the Call for reassignments has been low. Today, they have received only five individuals who responded to be reassigned.*
- *Open Enrollment- will start Oct 9-November 3<sup>rd</sup>.*
- *Webb Building Restack: met with Lisa Lumley, Director of Real Estate, and Kasha Przywitowski, project manager for the Webb building restacks; they confirmed that communication will be distributed later the following week. The intent still is to move the 1st floor of the building at the end of October. More information will come on this project as soon as Real Estate shares more details with the broader audience.*

#### **VI. Executive Session:**

*The Board entered its executive session at 10:12 am. Board discussed OHR and personnel matters.*

#### **VII. Adjournment:** *Adjournment was at 10:50 a.m.*