

Career Service Board Meeting #2436**Minutes****Thursday, March 21, 2024, 9:00am**

201 W. Colfax Ave, First Floor, Career Service Hearings Office

Board Attendance: Ashley Kilroy, June Taylor, Erin Brown, Michelle DeVoe (via Teams), and Patricia Barela-Rivera.**Call to Order:** The public meeting was called to order at 9:00am by Erin Brown. Members of the Career Service Board present are listed above. Kathy Nesbitt, Executive Director of the Office of Human Resources, and Bob Wolfe, Assistant City Attorney, were also present.**I. Agenda/Minutes****1. Approval of the Agenda for the March 21, 2024, Board Meeting.**

Patricia Barela-Rivera moved to approve the March 21, 2024, agenda; it was seconded by June Taylor. The agenda was approved by unanimous consent.

2. Approval of the Minutes for the February 15, 2024, Board Minutes

June Taylor moved that the minutes be accepted, seconded by Patricia Barela-Rivera. The December minutes were approved by unanimous consent.

II. Board Comments:

No board comments.

III. Public Comments:

No public comments.

IV. Public Hearing:

No public hearing today.

V. Director's Briefing:

Kathy Nesbitt, Executive Director of Office of Human Resources: provided an updated on:

1. Mayor Johnston's Citywide Goals

- Denver's Vision - Together, we can build a Denver that is vibrant, affordable and safe for all.
- Denver's Mission - Our problems are solvable. We are the ones to solve them.
- The goals for 2024 for the Johnston Administration:
 - Vibrant Denver
 - Affordable Denver
 - Safe Denver
 - Great Government
- These goals are posted online. The mayor also had a press conference and a citywide meeting with the staff. There are Tiger Teams around these goals and an Employee Engagement goal. The Tiger Teams

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- are composed of executive directors from around the city as well as content experts and the concept is that those teams will take swift action around their goals. Kathy is on two of the Tiger Teams:
 - Great Government Tiger Team - is focused on improving city services by reducing the top 3 constituent concerns by 20% by December 31, 2024. The Tiger Team using calls into 311 to identify those concerns. Reviewing a few concerns out of DOTI, including trash pick-ups, missed pickups, wrong size trash cans, etc.
 - Employee Engagement Tiger Team - Kathy is a co-leader- and the team's goal is to improve employee engagement by 5% by December 21, 2024.

2. 2024 OHR Aligned Goals

- Culture – (Employee Engagement)
 - Increase OHR employee engagement by 5% from the 2022 engagement survey.
- Recruitment/Retention – (Employee Engagement) (Vibrant Denver)
 - Invest in community engagement.
 - Maintain time to fill (45 days limited/unlimited, 30 days for on calls)
 - Reduce agency wide vacancy rates at DEN and DHS
- Technology & Innovation – (Great Government)
 - Implement on-time data dashboards to drive agency decision making by 6/30/24 to support creating a data-driven HR function. All the agencies to rely on the data when making decisions. Ex: understand the 2022 employee engagement number.

3. **Budget Update:** City continues to have a deficit. The deficit has decreased from \$180M to \$120M. The belief is that after the mayor reviews all the agencies' budgets, the gap should close. As an agency, we will do more with less money. Kathy is meeting with the mayor today to discuss OHR's budget.

4. **Talent Acquisition Job Fair:** Parks and Recreation job fair is currently going on today. DPR is preparing for seasonal work. Hoping to resume regular hours at the rec centers. Lifeguards and golf pros are the primary needs. Landscaping jobs are available but limited services.

Nicole de Gioia-Keane, Director of Classification and Compensation and Heather Britton, Director of Benefits and Wellness: Nicole introduced Compensation Connections, an outside consultant, who was hired to the city's quadrennially-required audit of OHR's annual market analysis regarding prevailing pay and benefits under city ordinance 18.5.d. The two primary areas of the audit focus are alignment of OHR process and methodology with CCD codes and rule and adherence of the OHR analytical process to common and best practices. There will be no Board action needed.

1. Matt Johnson with Compensation Connections presented a PowerPoint presentation on the findings of the audit.

- The Compensation portion of the audit looked at the following five areas and made recommendations.
 - Process Alignment with Code and Rules - No recommended changes
 - Findings:
The intent of the City Charter is carried through to the Municipal Code, the Career Service Rules and finally through to the Procedures and Methodology followed by OHR. There is good alignment through all of these documents.

- Selection and Utilization of Survey Sources - No recommended changes

- Findings:

OHR is selecting survey sources that ensure solid coverage of survey job matches to the CCD benchmarks. Noted that OHR utilized 9 sources from 6 publishers.

OHR selected surveys which included the types of jobs, industries and geographic areas relevant to CCD. Noted that CCD had 907 jobs included in the analysis.

OHR's survey selection maximized the number of survey jobs that can be utilized from

any one source.

OHR reviews its survey selection annually.

- Aging and Factoring of Survey Data – Recommendation to have additional verification steps.
 - Findings:
OHR utilizes the practice of aging data to adjust reported pay rates to a point in time that reflects current pay rates due to normal economic fluctuations over a period.

OHR ages the pay data from the effective date of the survey to January 1 of the year of the Pay Survey Market Analysis, by using the percent change from the Projected 2023 Total Salary Budget Increase from the 2022-23 World at Work, Salary Budget Survey.

The annual aging factor using this methodology was determined to be **4.1%**.

The actual applied aging factor used in MarketPay was **2.9%** which was the previous 2022 study's aging factor.

Reviewing the historical use of the WorldatWork salary budget survey indicates that different indicators were used in different years, for instance use of the "Projected Total Increase" vs. "Projected Merit Increase"

- Recommendations: Survey Aging
Continue to use the aging process currently utilized by OHR.

Verify the aging percentage entered the MarketPay system's aging table for the current study year.

Verify the actual aging percentage being applied in MarketPay by reviewing a job match that has a full year's worth of aging.

Clearly define in the Procedures and Methodology document which WorldatWork increase projection percentage is utilized to maintain consistency over time.

- Findings: Geographic Differentials
It's critical to geographically adjust compensation data into the Denver metropolitan area to ensure that the CCD is paying at a market competitive rate for Denver. OHR does apply a geographic differential.

The geographic differential is applied to all survey jobs from the "National" data.

In 2022's analysis, OHR utilized the Economic Research Institute's Geographic Assessor to determine the National-to-Denver geographic factor.

The documented ERI factor was +10% using the 2022 ERI Geographic Assessor.

The 2022 analysis consistently utilized the ERI factor in the MarketPay system.

The factors used were documented directly from the ERI website with a screenshot.

- Recommendations – Geographic Differentials:
The 2022 analysis consistently utilized the ERI factor in the MarketPay system.

The factors used were documented directly from the ERI website with a screenshot.

There were no recommendations for this area.

- Benchmark Job Selection – Recommended minor process adjustment.

- Findings:

- OHR follows industry best practice in the selection of benchmark jobs.

The coverage of benchmark jobs to CCD employees follows best practice and is sufficient to determine compensation levels.

67% of all CCD employees covered by survey benchmarks.

Employees included in 2022 study benchmark jobs = 7,808

- Recommendations:

- Maintain one place (or original list with separate tabs) for classifications marked for future study or research; track within MarketPay if possible.

- More clearly define action notes: Pay Range Adjustment Determination - No recommended changes as the methodology is consistent with best practice and follows the Procedures and Methodology.

- The Benefits portion of the audit looked at the following three areas and made recommendations:
 - Process alignment with Codes and Rules – Recommend creating a standard procedures document outlining the steps followed each year for the review, selection and implementation of benefit program changes and updates. This document would bring together all the relevant process steps and timelines required for successful process completion each year.
 - Process for Selection of Benefits - Conduct a semi-regular selection benefits satisfaction survey for gathering feedback on benefits from employees and other stakeholders for use in the consideration of altering, adding or removing benefits.
 - Alignment With Best Practice - Recommend creating a formalized process for gathering feedback on benefits from employees and other stakeholders for use in the consideration of altering, adding or removing benefits.

The Board members were then asked if they had any questions. Co-Chair Kilroy stated that this team from Compensation Connections was analyzing the process for surveying compensation information. She asked if the next steps are to analyze in total comp and work type fashion and will it be the same team from Compensation Connections? Ms. DeGioia-Keane responded that this team is for the structural portion. Part II will be performed addressed the in next study by the same team.

Board Member Taylor asked about the implementation of the recommendations. Ms. DeGioia-Keane said that her group looks at the survey selection annually. Recently, her group has picked up two new surveys from Promeyer and Culpepper. Recommendation to have additional eyes on findings will be easy to implement. On the variance analysis recommendation, her group found it last year and has already incorporated it into their practice. Ms. Britton agrees with doing the process document. With regards to the benefit survey, if structured correctly with the employees, it is a great idea. Need to ensure it is structured so there are realistic choices and not raise false hopes.

VI. Executive Session:

Executive Session was called to order by Ashley Kilroy at 9:42 am. June Taylor moved to adjourn Executive session, Erin Brown seconded the motion. Motion passed unanimously. Executive Session was adjourned at 10:12am.

VII. Pending Appeals:

No pending appeals.

VIII. Adjournment

Adjournment of the Public Session of the Career Service Board meeting was at 9:42pm.

Adjournment of the Executive Session of the Career Service Board meeting was at 10:12am.