

MINUTES
Personnel Committee
Colorado Springs Utilities Board
August 19, 2024

Committee members present via Microsoft Teams or Rosemont Conference Room:
Yolanda Avila, Dave Donelson, Randy Helms and Michelle Talarico

Staff members present via Microsoft Teams or Rosemont Conference Room:
Travas Deal, Renee Adams, Lisa Barbato, Tristan Gearhart, Joe Awad, Heather Harvey, Somer Mese, Jacqueline Nunez, Gail Pecoraro, Jason Rigler, Tara Russell, Rebecca Ryan, Natalie Watts and Al Wells

City staff present via Microsoft Teams or Rosemont Conference Room:
Renee Congdon, Elli Harris-Mevis and Matthew Vanlandingham

1. Call to Order and Welcome

Committee Chair Yolanda Avila called the meeting to order at 10:02 a.m. Ms. Renee Adams, Chief Human Resources Officer, read a statement regarding the Colorado Open Meetings Law and City Charter and stated that public comment would not be a part of the meeting.

2. Review of Minutes

The July 15, 2024, Personnel Committee minutes were approved for posting. Everyone attending introduced themselves by name and title.

3. 2024-2025 Labor and Benefits Monitoring and Planning Presentation

Ms. Heather Harvey, Human Resources Manager, explained the Labor and Benefits Monitoring and Planning falls under the enterprise strategic objective of Enable Employee Empowerment.

Workforce Planning

Strategic workforce planning is the ongoing process that plans for workforce supply and demands – having the right people with the right skills in the right place at the right time to meet both the short- and long-term needs of the organization. Some of the challenges that the organization faces include growth, fiscal management, aging infrastructure, evolving technology, retirements, competitive labor market, rising medical costs, and retention in key positions.

Workforce History

In 2005, the organization had 2,056 regular budgeted positions. Currently there are 2,030 regular positions budgeted. This could go up to 2,150 in 2025.. More than 200 positions were cut between 2009 through 2020.

Board Member Helms asked if there is a correlation between benefits and the decline in positions from 2015 through 2020. Chief Human Resource Officer Renee Adams said that there was an increase in contract labor during this time. Mr. Donelson asked who the CEO and Board Chairs were during this time. Mr. Jerry Forte was the CEO, and the Board Chair was Lionel Rivera. Mr. Donelson asked if this was seen as successful. Ms. Adams stated that the focus was not on budget but on the number of staff.

Springs Utilities is facing challenges including growth, fiscal management, retirements, competitive labor market for skilled trades, rising medical costs, and aging infrastructure.

Labor

Ms. Tara Russell, Human Resources Supervisor, explained the organization's compensation philosophy is to be market competitive. Ms. Russell further explained the organization's compensation strategies followed to help reach this goal.

Attract and retain an engaged and customer-focused workforce; address market competitiveness; reward for job performance (this has been temporarily suspended for the past 2 years). Mr. Donelson asked why this was suspended and Ms. Russell stated it was to train leaders on how to manage performance; ***communicate annual pay programs and changes; implement programs that address the needs of the organization*** - the latest large change was single pay rate (SPR) for skilled craft workers. All workers in the same job classification make the same amount after the employee comes off probation. Board Chair Donelson asked how this was accepted by employees. Ms. Russell said that initially it was met with mixed reviews. Top performers were less accepting while low performers were more accepting; ***adhere to enterprise budgets; and monitor the impact of legislative changes.***

Benefits

The organization is committed to offering competitive benefits with a continued focus on cost management strategies. Springs Utilities offers self-funded medical and dental insurance.

Benefit strategies include providing competitive benefits while managing plan costs; promoting healthcare consumerism and steering members toward cost-effective options; creating a culture of Total Worker Health; maximizing offerings to support behavioral and mental health and well-being services; evaluating health fund levels, plan designs, cost sharing and premium structures; balancing benefit premium increases with base pay adjustments; tracking healthcare legislation and impacts; and monitoring benchmark trends and evaluating plan coverage.

Ms. Russell shared that 2025 Benefits Planning is underway. Factors taken into consideration include national healthcare spending is projected to increase by 8%; planning for moderate medical and dental premium increases; health fund reserves have a surplus; maintaining current premium cost sharing; promoting convenient and low-cost telehealth options; exploring additional options for common services with

zero out of pocket for members (i.e., labs, imaging, orthopedic surgery, physical therapy, and more) -- this would be a mid-year launch; and monitoring GLP-1 prescription drug coverage.

4. Review CEO Leadership Competencies

Ms. Natalie Watts, Strategic Planning and Governance Manager, said the 2024 CEO Leadership Competencies are based on recommendations from the Personnel Committee. These competencies were approved at the November 2023 Utilities Board Meeting. The five competencies are: Balances Stakeholders, Builds Effective Teams, Drives Engagement, Drives Results and Strategic Mindset.

All Board Members submitted individual ratings for the CEO Competencies earlier in August. These results will be reported out at the Aug. 21, 2024, Utilities Board Executive Session.

The CEO Competencies comprise 50% of the CEO Performance Plan. The other 50% of the CEO Performance Plan is the Balanced Scorecard.

5. ER: 1-3 Board Expected Results Scorecard (semi-annual): Workforce Index and Occupational Injuries and Incidents

Ms. Watts reported on the Mid-Year Scorecard Results for Enable Employee Empowerment. The board focus area is relationships.

The first measure is Safety: Occupational Injuries and Illness Rate. The Occupational Injuries and Illnesses rate is 79% below benchmark for a rating of 5 or "Far Exceeds Expectations".

The second measure is Workforce Index. The rating is a 3.96 or "Exceeds Expectations".

6. Plan Future Agenda – Next meeting: Oct. 14, 2024

Ms. Adams reviewed agenda items for the October Personnel Committee meeting. The September meeting is cancelled due to the Chamber and EDC's D.C. Fly In, which is occurring the same week as Board committee meetings and the September Board meeting would be.

7. Adjournment

The meeting adjourned at 11:11 a.m.