

MINUTES OF THE STATE PERSONNEL BOARD
November 16, 2017
Charleston, West Virginia

The State Personnel Board (SPB) met on November 16, 2017, at 1:00 p.m. to conduct business and to consider other administrative matters. Present at the meeting: Chair John Myers; Board members Rick Wallace, Jay Arceneaux and Bernie Deem (in person) and Mark Carbone and Ross Taylor (participating by telephone); Lynne Peters and Eric Walker, Mid-Ohio Valley Health Department; Della Lyons; Natasha White and Chad Robinson, Division of Highways; Dale Steager, Lydia McKee and Danny Morgan, State Tax Department; and Becky Manning, Department of Health and Human Resources.

Division of Personnel (DOP) staff members attending were: Sheryl Webb, Director; Joe Thomas, Deputy Director; Wendy Elswick, Elisabeth Arthur, Lisa Collins, and Board Secretary, Drema Gibson.

APPROVAL OF MINUTES

The members of the SPB received the minutes from the October 19, 2017, meeting prior to the meeting. Mr. Arceneaux moved to accept the minutes and Mr. Wallace seconded the motion. The Board approved the minutes by unanimous consent.

PROPOSALS

2754-A Department of Administration – Division of Personnel

The SPB at its meeting on September 28, 2017, approved the Division of Personnel's (DOP) proposal (SPB #2754) to abolish the classification specification Word Processor and to revise the classification specifications Data Entry Operator 1 and Data Entry Operator 2, and to reclassify positions from Word Processor to Data Entry Operator. The Department of Health and Human Resources (DHHR), the only agency utilizing the classifications, has three positions classified as Word Processor who were to be reclassified to Data Entry Operator 2. DHHR requested there be no special plan of implementation considered by the SPB at the September 28, 2017, meeting. At today's meeting, upon motion of Ms. Deem and seconded by Mr. Arceneaux, the SPB approved the DOP's proposal (SPB #2754-A) to allow a special plan of implementation to provide a 7% increase in pay for the three Word Processors upon processing the reclassification of their positions to Data Entry Operator 2, as now requested by DHHR, to be effective December 9, 2017.

2768 Mid-Ohio Valley Health Department

Upon motion of Mr. Wallace and seconded by Mr. Arceneaux, the SPB approved the Mid-Ohio Valley Health Department's proposal (SPB #2768) to designate its Administration section as the organizational unit for a reduction in force due to lack of funds to be effective no sooner than the close of business on December 2, 2017. This proposal had been tabled from the October 19, 2017 meeting of the SPB.

2769 Jefferson County Health Department

Upon motion of Ms. Deem, seconded by Mr. Arceneaux, the SPB approved the Jefferson County Health Department's proposal (SPB #2769), as modified by the DOP, to implement a retention incentive for the Sanitarian 1 (9930) and Sanitarian 2 (9931) classifications within the Jefferson County Health Department. The following was approved effective December 9, 2017.

- 1) 8% increase after successful completion of the Sanitarian exam to be effective on the next pay period following the successful completion of the exam. (This exam is typically taken as a Sanitarian 1 but may be taken at any time).
- 2) After one (1) year of continuous service as a Sanitarian 1, the agency may reallocate and provide a pay increase in accordance with the DOP Pay Plan Policy.
- 3) 8% increase after one (1) year of continuous service as a Sanitarian 2 to be effective on the next pay period following the service date.

2770 Monongalia County Health Department

Upon motion of Mr. Arceneaux, seconded by Mr. Taylor, the SPB approved the Monongalia County Health Department's proposal (SPB #2770) to implement a \$1,500 per year across-the-board base building salary adjustment for all full-time employees, and a \$996 per year across-the-board base building salary adjustment for each part time employee of the Monongalia County Health Department to be effective December 16, 2017.

**2771 Department of Health and Human Resources –
Bureau for Behavioral Health and Health Facilities**

Upon motion of Mr. Wallace, seconded by Mr. Arceneaux, the SPB approved the DHHR's proposal (SPB #2771) regarding the implementation of market rate increases and special hiring rates for direct care employees of Mildred Mitchell-Bateman and William R. Sharpe, Jr. Hospitals, effective January 1, 2018. DHHR stated that no employee will be permitted to go over the maximum for their pay grade as a result of the increase. The details of this proposal are outlined in the attached letter of October 27, 2017 from Mischelle Williams, Director, DHHR Office of Human Resources Management.

2772 Department of Revenue – Tax Department

Upon motion of Ms. Deem, seconded by Mr. Wallace, the SPB approved the State Tax Department's proposal (SPB #2772) requesting an across the board salary adjustment and special hiring rates. It was presented to the SPB by Danny Morgan, Assistant Commissioner, Operations as a result of Senate Bill 2003, which passed during the 2017 Second Extraordinary Session of the West Virginia Legislature and provides "Special employment procedures for Tax Division personnel". The bill was effective upon passage with an internal effective date of December 1, 2017. The details of this proposal are outlined in the attached November 1, 2017 memorandum from Mr. Morgan, State Tax Department.

2774 Department of Administration – Division of Personnel

Upon motion of Mr. Arceneaux, seconded by Ms. Deem, the SPB approved the DOP proposal (SPB #2774) to abolish multiple classification specifications that are no longer being used by state agencies. The chart below reflects the classification specifications abolished effective November 16, 2017.

Classification	Code
Access Control Assistant	9011
Access Control Coordinator	9012
Baker	9774
Bindery Supervisor	9705
Bindery Worker	9701
Butcher	9776
Chief Photographer	9837
Computer Audit Specialist	8287
Court Reporter	9017
Director of Monuments	9541
Director, Office of Coalfield Community Development	8664
Duplicating Equipment Operator 1	9810
Econometrician	9168
Facility Resource Manager	8869
Facility Resource Specialist	8868
Family Outreach Worker	9590
Field Representative 1	9686
Field Representative 2	9687
Houseparent	9669
Library Services Manager	9394
Lithographic Camera Operator	9812
Locksmith	9738
Nicet Enrollee 1	8359
Principal	9552

2776 Department of Administration – Division of Personnel

Upon motion of Mr. Arceneaux, seconded by Mr. Wallace, the SPB approved the DOP proposal (SPB #2776) to establish a series of classifications and correlating pay grades specific to the DOP to be effective November 25, 2017, and to reclassify positions with a special plan of implementation of a 5% increase to raise the employee's pay commensurate with the newly assigned pay grade upon reclassification. It is noted that the Proposal Review Summary for SPB 2776 contained incorrect titles and pay grades. The approved titles and pay grades are outlined below and were also correctly presented to Cabinet Secretary John Myers by memorandum dated November 9, 2017, which was presented with this proposal to the SPB.

Classification	Pay Grade	Salary Range
Human Resources Specialist Associate, Division of Personnel	9	\$22,584 - \$41,784
Human Resources Specialist 1, Division of Personnel	11	\$24,912 - \$46,092
Human Resources Specialist 2, Division of Personnel	13	\$27,732 - \$51,312
Human Resources Specialist 3, Division of Personnel	15	\$31,164 - \$57,660
Human Resources Manager, Division of Personnel	17	\$35,028 - \$64,812
Human Resources Assistant Director, Division of Personnel	21	\$44,244 - \$81,852

OTHER BUSINESS

Division of Personnel

Upon motion of Mr. Wallace and seconded by Mr. Arceneaux, the SPB approved the DOP's proposed revisions to the Pay Plan Policy (DOP-P12), effective December 1, 2017.

Disqualification Appeal

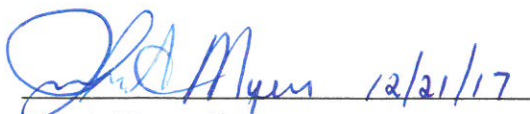
Upon motion of Mr. Wallace and seconded by Mr. Arceneaux, the SPB went into Executive Session to hear an appeal pertaining to disqualification from classified employment by a former employee of the West Virginia Department of Transportation, Division of Motor Vehicles. After review and discussion, the SPB upon motion of Mr. Wallace and seconded by Mr. Arceneaux returned to the Regular Session. After motion of Mr. Wallace and seconded by Ms. Deem, the Board denied the appeal.

ADJOURN

Upon motion of Mr. Arceneaux and seconded by Ms. Deem, the meeting adjourned at 2:18 p.m.

NEXT BOARD MEETING

The next regular meeting of the SPB is scheduled for Thursday, December 21, 2017, at 1:00 p.m. in Building 3, Suite 500, State Capitol Complex, Charleston, West Virginia.


John A. Myers, Chair
State Personnel Board


Drema Gibson, Secretary
State Personnel Board

SPB # 2771



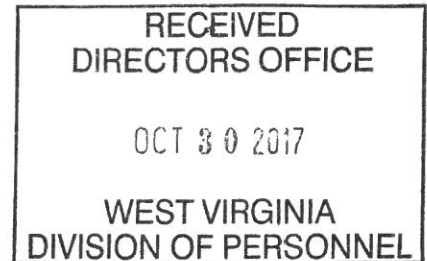
STATE OF WEST VIRGINIA
DEPARTMENT OF HEALTH AND HUMAN RESOURCES

Jim Justice
Governor

Office of the Cabinet Secretary
One Davis Square, Suite 100 East
Charleston, West Virginia 25301
Telephone: (304) 558-0684 Fax: (304) 558-1130

Bill J. Crouch
Cabinet Secretary

October 27, 2017



Cabinet Secretary John Myers
Department of Administration
Building 1, Room E119
1900 Kanawha Blvd. E.
Charleston, WV 25305

Sec. Myers:

I write today to request your approval and recommendation to the State Personnel Board of Special Hiring Rates and a Retention Incentive for designated classes of employees at the two (2) State-run psychiatric hospitals – Mildred Mitchell-Bateman Hospital in Huntington, WV and William R. Sharpe, Jr. Hospital in Weston, WV – pursuant to the August 1, 2014 Order of the Kanawha County Circuit Court in *E.H. v. Matin*, Civil Action No. 81-MISC-585. This is the fourth (4th) annual proposal related to this Court Order. I respectfully request that this proposal be placed on the November 2017 State Personnel Board (SPB) agenda or a special meeting of the SPB be convened before December 2017 to take up the proposal.

As of October 16, 2017, the Department of Health and Human Resources (DHHR), through its Bureau for Behavioral Health and Health Facilities (BHFF) employed approximately 425 employees in the following classifications at its two (2) psychiatric hospitals:

- Health Service Worker Trainee
- Health Service Worker
- Health Service Assistant
- Licensed Practical Nurse
- Nurse 1
- Nurse 2
- Nurse 3
- Nurse 4
- Director of Nursing 1
- Director of Nursing 2
- Nurse Practitioner
- Physician Specialist

It is these classifications to which the Court's Order applies.

The Division of Personnel (DOP) has conducted a market study from which DHHR/BHMF has established hiring rates for each of the designated classifications. As in previous years, the market rate for several classifications exceeded the maximum permitted by DOP's Schedule of Salary Grades. The Special Hiring Rates requested in this proposal have been capped at those maximums. Further, where the new market rate was lower than the previous Special Hiring Rate, that previous Special Hiring Rate has been maintained.

As in prior years, DOP conducted the requested market study using information available to the public in a database called YODA maintained by the West Virginia Health Care Authority. (See attached). Upon receipt of DOP's market study, DHHR adjusted the market rates across DOP classification series consistent with DOP's Schedule of Salary Grades. It then compared the market study rates to the salaries of applicable Sharpe and Bateman employees. Details about the market study and adjustments are contained in prior proposals in this matter.

Having established the 2018 Special Hiring Rates, DHHR requests that the SPB approve the Special Hiring Rates set forth below effective January 1, 2018 for all applicable employees hired on or after that date. DHHR requests that the SPB approve salary increases to the rates set forth below effective January 1, 2018 for all applicable employees whose salaries fall below these rates.

Proposed New Special Hiring Rates Effective January 1, 2018

Classification	Bateman	Sharpe
Health Service Trainee	\$ 27,682.25 ●	\$ 25,793.32 +
Health Service Worker	\$ 29,765.86 ●	\$ 27,734.75 +
Health Service Assistant	\$ 31,849.47 ●	\$ 29,676.18 +
Licensed Practical Nurse	\$ 39,792.00 *	\$ 37,449.37 ●
Nurse 1	\$ 54,396.00 *	\$ 52,982.84 ●
Nurse 2	\$ 57,660.00 *	\$ 56,970.80 ●
Nurse 3	\$ 61,128.00 *	\$ 61,128.00 *
Nurse 4	\$ 64,812.00 *	\$ 64,812.00 *
Director of Nursing 1	\$ 68,712.00 *	\$ 68,712.00 *
Director of Nursing 2	\$ 77,220.00 *	\$ 77,220.00 *
Nurse Practitioner	\$ 77,220.00 *	n/a
Physician Specialist	\$ 164,748.00 *	n/a

* Market Rate is above DOP maximum for that classification; DOP maximum established as Special Hiring Rate.

+ Market Rate is lower than 2017; 2017 Special Hiring Rate maintained.

● Market Rate is the established Special Hiring Rate.

The following table compares the Special Hiring Rates across the four (4) years since they were ordered by the Court, rounded to the nearest whole dollar.

Year-to-Year Comparison

Classification	Bateman				Sharpe			
	2018	2017	2016	2015	2018	2017	2016	2015
HST	\$ 27,682	\$ 26,584	\$ 24,910	\$ 24,428	\$ 25,793 *	\$ 25,793	\$ 24,738	\$ 24,710
HSW	\$ 29,766	\$ 28,585	\$ 26,784	\$ 26,267	\$ 27,735 *	\$ 27,735	\$ 26,600	\$ 26,570
HSA	\$ 31,849	\$ 30,586	\$ 28,659	\$ 28,106	\$ 29,676 *	\$ 29,676	\$ 28,462	\$ 28,450
LPN	\$ 39,792	\$ 39,792	\$ 37,639	\$ 37,003	\$ 37,449	\$ 36,840	\$ 36,414 *	\$ 36,414
Nurse 1	\$ 54,396	\$ 54,396	\$ 52,953	\$ 51,102	\$ 52,983	\$ 50,605	\$ 49,443 *	\$ 49,443
Nurse 2	\$ 57,660	\$ 57,660	\$ 56,939	\$ 54,948	\$ 56,971	\$ 54,413	\$ 53,164 *	\$ 53,164
Nurse 3	\$ 61,128	\$ 61,128	\$ 61,128	\$ 59,084	\$ 61,128	\$ 58,509	\$ 57,166 *	\$ 57,166
Nurse 4	\$ 64,812	\$ 64,812	\$ 64,812	\$ 63,220	\$ 64,812	\$ 62,605	\$ 61,168 *	\$ 61,168
DON 1	\$ 68,712	\$ 68,712	\$ 68,712	\$ 68,712	\$ 68,712	\$ 68,712	\$ 68,712	\$ 68,712
DON 2	\$ 77,220	\$ 77,220	\$ 77,220	\$ 77,220	\$ 77,220	\$ 77,220	\$ 77,220	\$ 77,220
NP	\$ 77,220	\$ 77,220	\$ 77,220	\$ 77,220				
Phys Spec	\$164,748	\$164,748	\$160,473	\$153,370				

* Actual Market Rates lower than prior year; Special Hiring Rate maintained at higher level.

In addition to requiring annual market rate salary adjustments, the August 1, 2014 Order also required Retention Incentives of three percent (3%) every three (3) years for employees who remain in their designated classifications for three (3) years or more. The last Retention Incentive was given on January 1, 2015.

Because DHHR will not exceed the maximum salaries permitted by DOP's Schedule of Salary Grades, when the Retention Incentives were last given, some employees received no Retention Incentive and some received only a portion of the Retention Incentive, up to the maximum permitted by DOP's Schedule of Salary Grades. Each year since, the Special Hiring Rates of some of the designated classifications increasingly have reached the maximum permitted. Thus, this year, even fewer employees will be eligible for Recruitment Incentives; only three (3) classifications at each facility will receive the full benefit of the Retention Incentive. Another three (3) classifications at one of the facilities will receive partial benefit. A total of thirteen (13) (of 22) classifications will receive no Retention Incentive.

As stated below, DHHR is certifying that BHHF has the funds available to pay for the proposed court-ordered pay increases for this fiscal year. DHHR cannot guarantee available funding for the future and is required to appear before the State Personnel Board periodically for approval as stated in the court ordered proposal. Funding for the current proposed increases was approved during the 2017 legislative session and includes funding for current vacancies.

Thank you for your consideration.

Sincerely yours.

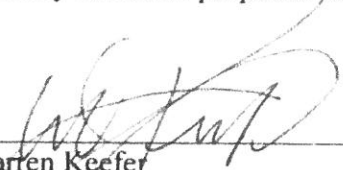


Mischelle Williams
Director, OHRM

/jet

Cc: Secretary Bill J. Crouch
Warren Keefer

I, Warren Keefer, in my role as Chief Operations Officer of the West Virginia Department of Health and Human Resources, hereby certify that the Bureau for Behavioral Health and Health Facilities has the funds available to pay for the salary increases proposed as set forth above.



Warren Keefer
Chief Operations Officer

10/27/17
Date



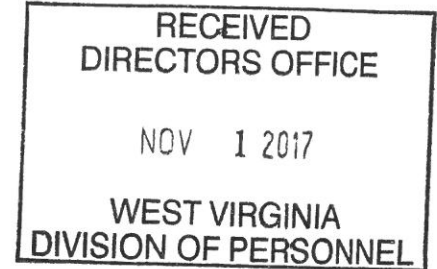
STATE OF WEST VIRGINIA
Department of Revenue
State Tax Department

SPB # 2772
Approved 11-16-17

Jim Justice
Governor

Dale W. Steager
State Tax Commissioner

MEMORANDUM



TO: Sheryl Webb, Director
Division of Personnel

CC: Dale W. Steager, Tax Commissioner *DWS*
State Tax Department

Dave Hardy, Cabinet Secretary
Department of Revenue *Dave Hardy*

FROM: Danny W. Morgan, Assistant Commissioner, Operations
State Tax Department *dm*

RE: Across the Board Salary Adjustment & Special Hiring Rate Proposal

DATE: November 1, 2017

As you are aware, Senate Bill 2003, that passed during the second extraordinary session of the 2017-2018 West Virginia Legislature, gives the Tax Department broad discretion in addressing long standing personnel issues with: recruitment; retention; salaries that lag behind the rest of State Government; and, the length of time required to hire employees. The Tax Department has consulted with staff, including you and Deputy Director Joe Thomas, at the Division of Personnel on the new provisions of the bill that was passed. As you are also aware, this new authority is not without adequate checks and balances. The Tax Department must now submit any change request to the State Personnel Board who will approve, deny, or modify any request that Tax would make. We appreciate the support and help the Division of Personnel has provided Tax, both prior to this change, and after the new legislation was enacted as we endeavor to ensure we are studious, responsible, and measured in our approach to addressing long standing issues with the new tools provided to us.

As such, Tax is requesting that you provide the following proposals to the State Personnel Board for including on the November Board Meeting Agenda.

Proposal #1 - 7% Across the Board Increase

Tax has historically had some of the lowest salaries in state government. In attachment 1, you will see the current average salaries for state government, Tax's average salaries, and the impact of the proposed plans on those average salaries. Tax currently has 64 titles in use. Of those, 18 titles are above the statewide average and 46 are below. If our plan were implemented in its entirety, there would be 31 titles over the statewide average, and 33 below. While this will not fully address the situation we find ourselves in, it is a step in the right direction. To bring every

title at Tax to the statewide average for their paygrade would cost at least an additional \$1 Mil that Tax does not believe it can absorb without additional appropriation authority.

The 7% across the board would be awarded to nearly all staff. There are exceptions which include the following situations.

1. No employee will be permitted to exceed the maximum allowed salary for any salary grade, regardless of classified, or classified-exempt status. This impacts 3 employees who are near the top of the pay band and are marked in yellow on Attachment 3.
2. No employee will be permitted to exceed the salary of the Deputy Tax Commissioner, currently \$89,500. Salaries are being limited to \$89,000 and this impacts 2 employees. These are marked in orange on Attachment 3.
3. Three titles are being excluded from this plan entirely: Tax Commissioner, Deputy Tax Commissioner; and, General Counsel. These are marked in red on Attachment 3.

This is affordable under the current appropriation authority of the Tax Department and we can fully fund this request, both in the current fiscal year, and in subsequent fiscal years. No additional funds are required for this salary modification.

Tax is currently staffed at 331 FTE and we continue to lose people on a regular basis, both to other agencies, and to the private sector. While we understand that we cannot retain staff indefinitely, we continue to lose quality employees in all chapters of their state career. We have recently lost employees to the private sector with more than 20 years of experience because of increased salaries available outside government. We are no longer just seeing the loss of new, younger staff who are not vested in the retirement system, we are now seeing the loss of seasoned employees who are simply freezing their retirement and leaving for the money. With the increased responsibilities levied upon the Tax Department with the Roads to Prosperity project, we simply cannot afford to lose more staff. We anticipate being granted 28 additional FTE in the next legislative session dedicated to this project alone. Without support for salary adjustments, we cannot hire and retain new staff, and the continued loss of seasoned staff is compromising our ability to achieve core mission activities.

The Tax Department was granted the ability to award merit increases to some employees. As a result, some employees who were slated to retire have withdrawn their retirement papers and decided to continue working. Increased salaries have been sufficient to retain some seasoned staff who we hope to be able to utilize in the training and teaching of new staff supported through additional proposals found in this memo.

Special Hiring Rates

Tax is also requesting special hiring rates and retention incentives for the following titles: Tax and Revenue Auditor 1, 2 & 3; Revenue Agent 1 & 2; and, Taxpayer Services Representative. A list of the requested changes is included with Attachment 2. We strongly believe that adjusting the starting salary for the positions requested will lead to more applications from better qualified individuals. The increases range from 10% to 15% above current levels and would mean that any new employee would receive at least the newly proposed salary. Further, new employees with experience would use this new base salary for purposes of being granted additional starting pay

for experience that exceeds the minimum required for the position. These determinations will follow current practice at the Tax Department and are made on a case by case basis.

Current employees in these titles would first be awarded their 7% increase in the across the board increase contemplated above. Subsequent to that we would ensure that each individual in an affected title would be granted a salary modification to ensure that they are at or above the new minimum hiring rate for their title. These additional salary modifications would be limited to an additional 10% so that we do not have staff in supervisory positions surpassed in salary levels by their subordinates. This also ensures that these long serving employees will be higher paid than a new hire who has the benefit of the new hiring rates.

Proposal # 2 - Tax and Revenue Auditor 1, 2 & 3 Special Hiring Rates

Tax and Revenue Auditor 1

The Tax Department was awarded a special hiring rate for Tax and Revenue Auditor 1 (5% increase to \$30,870) and a plan of special implementation at the State Personnel Board meeting in August of this year. The plan of special implementation addressed salaries for nearly the entire Audit Division and helped relieve the salary compression we had in this unit. While we would like to be able to do more to address issues in Audit with regards to salary, we have been successful through the prior Board proposal, Merit awards, and we are hopeful that our 7% across the board increase will be awarded. That being said, and based upon the most recent postings, we are requesting additional modifications to the starting salaries for each of the three titles in question.

The most recent postings for Tax and Revenue Auditor 1 and 2 were not as successful as we had hoped they would be. In Attachment 4 you will see the results of the most recent postings. The average starting salary requested by individuals who included one is approximately \$35,000. Actually, its nearly \$38,000 if you adjust the couple of requests that were for an amount below the minimum for the pay grade up to the minimum of \$30,870. While the Tax and Revenue Auditor 1 is an entry level position, and no real experience is required to meet the minimum requirements for the position, the average auditing experience for all 14 individuals was approximately 6 months. Based upon a minimum salary of \$30,870, we could pay, at most, \$32,400. This figure is actually misleading. There were only 5 of the 14 applicants with any experience at all, totaling 7.4 years, and a single applicant has 5 years of those 7.4 years.

Our starting salary is still too low. An increased rate, up to \$33,957, or an additional 10% increase, will at least get us closer to the starting salaries requested by those who applied. Of the 14 applications we received, 8 were new to us in the last 2 years as 6 of them were repeat applications from prior postings and were not selected by the Department. Based upon this meager increase in applications, and a requested salary that still exceeds ours by over \$6,000, we are hoping that an additional increase will produce additional applications.

Tax and Revenue Auditor 2

We were concerned in the August meeting that addressing the starting salaries for only the Tax and Revenue Auditor 1 would be an issue. The most recent posting for a Tax and Revenue Auditor 2 returned zero qualified applications, which was not much of a fall since the prior posting garnered only 2 applicants. We are requesting an increase in the starting salary for a Tax

and Revenue Auditor 2 of 15%, or \$31,164 to \$35,839. We are hopeful that this will help solicit additional applicants.

Tax and Revenue Auditor 3

We have not yet posted a Tax and Revenue Auditor 3 since the most recent changes were made. We do however intend to post between 10 and 12 positions in the coming months to address the Roads to Prosperity program enhanced enforcement program spin up as requested by the Governor's Office. Because we have so few Tax and Revenue Auditor 1s and 2s, (4 & 5 respectively) we cannot staff these new hires through promotions. Outside hires will be required for this program to be successful.

Other Adjustments

As a result of these changes the Tax and Revenue Auditor 1s salaries will be adjusted because three of the four of them will be below the new minimum starting salary. We would bring the three of them to the new minimum. We would like to also maintain the salary stack for the single Tax and Revenue Auditor 1 by increasing their salary by a commensurate amount above the new floor, matching the amount they were above the old floor. This would be a onetime adjustment and would result in a \$1,271 increase for this individual. The other three Tax and Revenue Auditor 1s would see an increase of \$926. This assumes the 7% across the board increase is passed. These numbers will have to be recalculated if that proposal is not approved.

Proposal #3 Revenue Agent 1 & 2 Special Hiring Rates and Retention Incentive

Tax disclosed at the August meeting of the State Personnel Board that we intended to bring forth an additional proposal for the Revenue Agent 1 and Revenue Agent 2 in the Compliance Division. The turnover and recruiting issues in this unit are very similar to that of Auditing. The primary duties for the Revenue Agent 1 and Revenue Agent 2 is to collect outstanding tax debts from individuals and businesses. This includes the use of liens, levies, wage garnishments, payment plans, tax refund offsets etc. This work is complicated, legally technical, and very mentally exhausting work. This unit receives more threats of physical harm than any other unit at the Tax Department. When we levy a bank account and sweep funds to cover outstanding tax debt we are generally met with a level of hostility that would shock most people.

Attachment 5 includes all of the data for both of these titles.

Revenue Agent 1

Revenue Agents 1s remain with the Department, on average, 1.53 years over the last 5 years. Turnover for this title is 143% over the last 3 years, and we only fill a position 40% (35 postings, 14 hires) of the time we post them. This position is paid, on average \$7,400 less than a comparable pay grade 11 at another agency. The nature of the work and the low salary are both issues we must overcome to staff these positions. On average, a well-trained Revenue Agent 1 can collect approximately \$3.8 Million per year. Revenue Agent 1s primarily work on personal income tax cases and work exclusively in the office.

We are requesting an increase in the starting salary of 15%, or from \$24,912 to \$28,649. This is still well below the statewide average but will get us closer to a salary we can work with for new

hires. In addition, we are requesting a 2% increase at the end of year 1, and a 2% increase at the end of year 2 to help retain these employees.

Revenue Agent 2

Revenue Agents 2s remain with the Department, on average, 6.17 years over the last 5 years. Turnover for this title is 45% over the last 3 years, and we only fill a position 22% (9 postings, 2 hires) of the time we post them. This position is paid, on average \$5,300 less than a comparable pay grade 12 at another agency. The nature of the work and the low salary are both issues we must overcome to staff these positions. On average, a well-trained Revenue Agent 2 can collect approximately \$1.4 Million per year. Revenue Agent 2s primarily work on business tax cases and work both in the field and in the office.

Revenue Agent 2s will also be utilized as part of the Roads to Prosperity project. These individuals will be the “boots on the ground” on worksites, drilling rigs, construction sites, highways projects, and provide visits and support to ancillary businesses for each of these industries. We believe that higher starting salaries and retention incentives will help us attract and retain employees to ensure we can provide sufficient coverage for the projects that we currently cannot cover.

We are requesting an increase in the starting salary of 15%, or from \$26,160 to \$30,084. This is still well below the statewide average but will get us closer to a salary we can work with for new hires. In addition, we are requesting a 2% increase at the end of year 1, and a 2% increase at the end of year 2 to help retain these employees.

Other Adjustments

Nearly every employee in both titles will receive a raise because of the increase in the minimum starting salary. As a result, we are also requesting an adjustment to help with the salary stack issue this creates. Employees will also be provided a raise commensurate with the amount they were above the previous minimum salary except that we are capping this increase at 10%. Four employees will receive a smaller raise because of this cap. No other adjustments are being requested for Compliance.

Proposal #4 - Taxpayer Services Representative Special Hiring Rate

Taxpayer Service Representative

Taxpayer Service Representatives work both walk-in customers and phone calls routed through our automated call distribution system. This group of employees fielded over 32,500 face-to-face interactions and 114,000 phone calls. A core issue is that we received 292,000 phone calls so we only interacted with about 39% of the individuals who called us. This is a very complex job that requires well versed staff who can think on their feet, read, understand, explain, and apply any tax type administered by the state of West Virginia. Thankless does not begin to explain this work.

Taxpayer Services Representatives remain with the Department, on average, 6.21 years over the last 5 years. Turnover for this title is 91% over the last 3 years, and we only fill a position 38%

(16 postings, 6 hires) of the time we post them. This position is paid, on average \$4,500 less than a comparable pay grade 12 at another agency. The nature of the work and the low salary are both issues we must overcome to staff these positions.

We are requesting an increase in the starting salary of 10%, or from \$26,160 to \$28,776. This is still well below the statewide average, but will get us closer to a salary we can work with for new hires. We are not asking for any additional adjustments in Taxpayer Services.

We anticipate that higher starting salaries will improve the number of applicants we receive. These positions are difficult to fill and are located in all six Tax offices located in Beckley, Charleston, Clarksburg, Martinsburg, Parkersburg, and Wheeling. These employees are the face of the Tax Department and are the individuals you will talk to if you have a tax related question or problem. We are experiencing difficulty in filling these positions in every office location.

Attachment 6 includes all of the data for this title.

Summary

The total cost for this entire program is \$1,149,127.33. This is inclusive of fringe and all related charges. We believe this is affordable based upon our currently appropriation authority and no additional monies will be required to execute it. A line of attrition will be required to ensure that funds are available as needed to hire new employees and ensure payroll processes smoothly. The state Budget Office has agreed to provide this modification for this program.