

**Memorandum**

TO: Greg Trainor, Utility and Street Systems Director  
Dan Tonello, Wastewater Services Manager

SUBJ: Reclassification of Industrial Pretreatment Inspector

DATE: December 21, 2011

Greg and Dan,

I would like to request reconsideration of the City's recent decision to deny the reclassification of the Industrial Pretreatment Inspector to the Industrial Pretreatment Specialist job classification.

The reasons to reconsider the decision are:

- The Inspector position was collectively grouped with other City reclassified positions for consideration in the 2012 budget. Many of the proposed reclassified positions in the group are funded from the City General Fund. The 2012 overall City budget was not able to support the large budgetary impact for the collective grouping.

Is it appropriate that enterprise fund positions be included in this large collective grouping with resulting large overall increases to the City budget? Pretreatment believes that enterprise fund managers should be allowed the discretion to reclassify positions based on the impacts to each enterprise fund.

- The revenues generated by the City Pretreatment program greatly offset the small increase resulting from the reclassification. The USEPA requires that the City's Pretreatment Program generate adequate revenues to cover the costs of the Pretreatment program costs. The reclassification increase to the Pretreatment program budget for the Inspector position is \$8316 per year, which is 2% of total Pretreatment revenues.

In 2010 the budget for Pretreatment was \$237,708 and the revenue generated by the Pretreatment Program was \$414,236. The Specialist position is responsible for grease enforcement and for reviewing development projects and applications. In 2011 Pretreatment increased enforcement of restaurant grease interceptor cleaning to prevent blockages in the City sewer system. The estimated 2011 increase in revenue due to this enforcement is \$14,000. In 2011 Pretreatment also began to consistently charge City industrial user fees to cover the costs of reviewing proposed development projects and industrial pretreatment applications. The estimated increase in revenue due to such review fees is \$8000.

The \$22,000 increase in grease enforcement and industrial user review fees more than pays for the minor budgetary impact of the Inspector reclassification.

- The 2010 classification and compensation study results clearly support the need to reclassify the Inspector position. Two Specialist positions are justified to support the federally-mandated requirements of the Industrial Pretreatment program.
- The reclassification of the Inspector to the Specialist position is critical to the success of the City's Pretreatment program. Workload has increased in the Pretreatment program due to management changes and a greater emphasis on investigation and enforcement of illicit environmental issues.

The current Inspector position performs all duties and responsibilities at the level of Specialist and spends about 20% of time involved in the investigation of illicit Pretreatment activities. Recent examples of such investigation and enforcement involve illicit waste hauler activities (currently under federal investigation from the USEPA Criminal Investigation Unit) and the Mesa State College illicit glycol discharge.

On June 2, 2010 the Human Resources Division provided a memorandum titled "Review of Job Descriptions" to all City employees whose job classifications were proposed to be changed per the Fox Lawson and Associates (FLA) classification and compensation study. Industrial Pretreatment employees were provided only two job descriptions, one for the Industrial Pretreatment Specialist and one for the Industrial Pretreatment Supervisor positions, for review. The Inspector job description was deleted since the FLA study, with concurrence from Human Resources, the Utilities and Street Systems Director, the Wastewater Services Superintendent and the Industrial Pretreatment Supervisor, supported the need for two Specialist positions in the City's Pretreatment program.

The Inspector position was proposed for reclassification to the Specialist position because the classification and compensation job audit clearly showed that the Inspector position was performing at the same level of job duties and responsibilities as the Specialist position.

It appears to me that the only issue holding up the well-justified reclassification of Inspector to Specialist position is funding. The Inspector has been performing at the level of Specialist position since hired in July 2010. This is far above and beyond the salary compensation at the Inspector level. The reclassification is warranted to keep the position performing at this level of work to meet the needs of the Pretreatment Division's program.

I appreciate your reconsideration of this issue. Please let me know if you would like to meet for further discussion.

Thank you,  
/eileen

To: Claudia Hazelhurst, HR Director

From: Laura Conant, HR Supervisor

Re: Auditor / Analyst Reclassification

Date: August 29, 2012

**Background:**

The Financial Operations Director has requested a reclassification of the Auditor/Analyst to Revenue Supervisor. The request is based on anticipated changes of the responsibilities of the position in order to improve operations of the tax compliance area. In addition to the current duties of the Auditor/Analyst, the position will be responsible for direct supervision of the Financial Operations Senior Administrative Assistant, the Taxpayer Support Specialist and a future Sales Tax Auditor which is expected to be added in 2014.

The Financial Operations Director anticipates that increasing personnel resources in this area will have a positive impact to revenue. In addition, she reports that the current organizational structure with the Sr. Admin Assistant and Taxpayer Support Specialist reporting directly to her is not effective because she does not have the working knowledge or time to dedicate to the tax compliance area.

**Market Data and Internal Alignment:**

Internally, the Director views the new Revenue Supervisor to be equivalent to the Finance Supervisor in scope and responsibility.

A Revenue Supervisor is not currently a classification in our pay plan. A review of MSEC's public sector survey shows a close match to Sales Tax Auditor Supervisor. Based on current pay rates, the proposed pay rate appears to be in line with market. Because we have not yet been able to implement our new internal alignment structure, the relationships of the positions in pay as described by the director may change. However, since the Auditor/Analyst and Finance Supervisor are in the same benchmark the relationship between those two positions as being equivalent can be maintained.

**Recommendations:**

With the tight availability of funds in the general fund for new positions in 2013, the City Manager and department heads may want to consider if this request could be delayed for one year until the new Auditor is added. A more thorough analysis as to how the duties of this position would compare to the Finance Supervisor, which appears on the surface to have a broader scope, may be needed.

The 2013 budget impact of this reclassification is \$4240, general fund.



## POSITION AUDIT REQUEST

DEPARTMENT

Administration

DIVISION

Financial Operations

Submitted By: Jodi Romero

Date: 8/17/2012

Dept. Head Approval: Jodi Romero

Date: 8/17/2012

Incumbent Name

Elizabeth Tice

Current Position

Auditor/Analyst

1) Is request for change in **status** only? (example: 1/2 time to 3/4 time)

Yes

No ☒ X

If yes, change status from

to

2) Has this position been **audited prior** to this request?

Yes

No ☒ X

If yes, date position was last reviewed

3) Prepare and attach written justification for the position audit. Include the following: *SEE ATTACHED*

A. Description of what has changed, or will change, in the duties and responsibilities of the position.

B. Description of the business or operational reasons for the change.

C. Indicate the classification you feel better fits this position and why (if applicable).

4) Have incumbent complete the **Job Analysis Questionnaire** (JAQ). If position is vacant or proposed, the supervisor should complete the JAQ.

5) Review the JAQ; add supervisor comments and signature where indicated.

6) Submit Position Audit Request Form and justification to department head for approval.

7) Human Resources will conduct interviews as needed, prepare recommendation report and budget impacts.

8) Results of reclassification requests will be submitted to the department head for review and approval prior to being added to the budget.

### ***This Section for Human Resources Use***

Reclassification recommended?

Yes

No

If yes, new class

Effective date

Budget Impact

W&B:

Notes

Offsets:

Total Labor:



Attachment to Position Audit Request/Reclassification Request  
August 17<sup>th</sup>, 2012  
Jodi Romero  
Financial Operations Director

**Background**

Over the last year and a half, we have continued to evaluate how best to accomplish the priorities of the Tax Compliance operation within the Financial Operations Division. Those priorities are guided by City Council Resolution No. 45-04 regarding a "Sales tax enforcement, collection, and delinquency policy for the City of Grand Junction." As stated in the Resolution the foundation for collection of taxes is a voluntary compliance system, therefore our goal is to achieve the highest possible degree of voluntary compliance. "The fair and effective administration of the City tax laws assures that all vendors are held to the same level of responsibility and thus creates a "level playing field" for all involved."

Our system has a three-pronged approach; first we try to educate and support the taxpayer business as much as possible through education classes, on-line information, written materials, and direct personal assistance in person, over the phone, and via e-mail; second through our sales tax enforcement efforts we ensure that there is a high level of compliance within our licensed businesses which includes filing the required returns on-time and with full payment; third we need to ensure through our audit program that the City tax laws are being followed and all taxes due the City are being charged and remitted correctly. As the City organization overall is experiencing challenges, we are also challenged in Financial Operations with limited resources available to dedicate to these functions. With that said, I still believe thanks to the efforts of Elizabeth Tice (Auditor/Analyst), Lori Bang (Taxpayer Support Specialist), and Pam Coombs (Senior Administrative Assistant) that we have made great improvements in all of these compliance areas.

After the implementation of major changes as well as numerous minor adjustments, the following is a summary of **current responsibilities and operations**: Customer Service, led by Debi Overholt (Customer Service Supervisor) is responsible for the accuracy of the data in the sales tax system through the processing of the majority of sales tax returns on a monthly, quarterly and annual basis, as well as an initial point of contact for new sales tax accounts and licensing and maintenance of account information.

Although the only administrative support staff for all of Financial Operations, the strong majority of Pam Coomb's work is in the Tax Compliance Operation, which I believe falls well within a senior administrative assistant's job description. The following describes some of Pam's main responsibilities in tax compliance; new account authorization and set up, new vendor welcome packets, refund processing, overpayment notices, revocation and voluntary closure of accounts, and collection and monitoring of E911 revenue surcharges. Pam also maintains a variety of critical databases including E911 surcharge, initial use tax, and construction use tax.

While not exhaustive the following describes some of Lori Bang's main responsibilities; primary information resource for taxpayers, enforces and collects non-sufficient checks on sales tax accounts, ensures proper licensing of businesses, verifies tax compliance for liquor licensing hearings, first level of delinquency identification and enforcement.





**A. Description of what has changed, or will change, in the duties and responsibilities of the position.**

Currently Elizabeth Tice in the Auditor/Analyst position is responsible for audit & compliance, advance enforcement measures, and educations classes in addition to her job duties per the job description in the areas of legislative liaison and economic/financial analyst.

If promoted and re-classified to a Revenue Supervisor position, in addition to the duties she already has she will be responsible for supervising all aspects (education, enforcement, audit) of the Tax Compliance Operation as well as the direct supervision of the Senior Administrative Assistant, Taxpayer Support Specialist, and a future Sales Tax Auditor position including prioritization, assignment, supervision and review of their work.

**Education:** supervises and coordinates all processes, procedures, and staff for education and communication with taxpayer. **Enforcement:** supervises taxpayer support and initial enforcement efforts, reviews, monitors, and reports on overall compliance rate. **Audit:** (with the approval of auditor position) determines best practices and manages all of the audit forms and templates by developing the annual audit plan and by overseeing the various audits in process; guides the activities of the auditor(s) and approves all audits for assessment and administers the protest process to resolve disputed assessments.

**Tax Policy.**

The Revenue Supervisor would be heavily involved in forming City tax policy. In concert with the Financial Operations Director, City Attorney, and City Manager: drafts ordinances, regulations, and guidance publications, and is the final authority on City tax practices, interpretations, and procedures.

**B. Description of the business or operational reasons for the change.**

In addition to the background information provided above: The City's sales and use tax revenues are the single largest source of revenue for the organization. In order to safeguard this critical source of revenue as well as a properly supervise this politically sensitive area of operations, it is my recommendation to increase personnel resources.

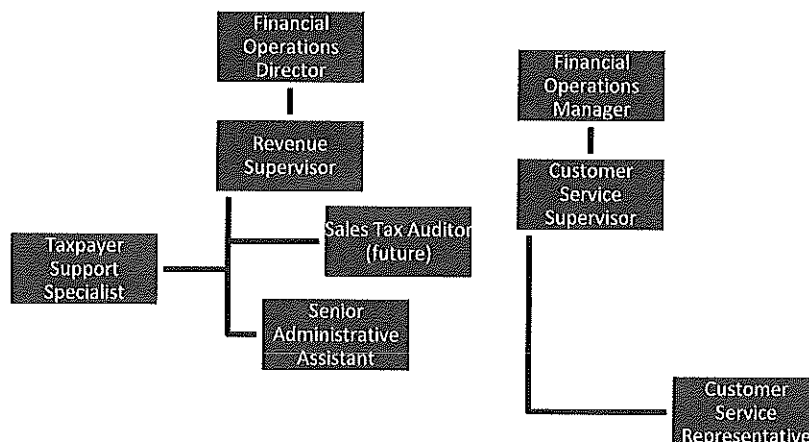
Currently, although we have 4 staff positions working in this area, we only have the equivalent of 2 ½ to 3 full time positions dedicated to this operation. At this time because we do not have any other supervisory staff in Financial Operations with the capacity, experience, or knowledge base to take on the supervisory duties, I as the Financial Operations Director am functioning as the direct supervisor for the Taxpayer Support Specialist and the Senior Administrative Assistant and the tax compliance operation. However, I do not have the capacity nor the detail working knowledge to dedicate the time or effort required to assume these duties permanently. Thanks to the dedication of staff, we have managed for the short-term, but we cannot continue to operate with a partial-time supervisor without impacting long term our efforts for tax compliance and taxpayer service which directly impacts tax revenue collected.



**C. Indicate the classification you feel better fits this position and why (if applicable).**

The proposed Revenue Supervisor would have the same scope and responsibility as the Finance Supervisor and therefore I feel that a classification level equivalent to the Finance Supervisor would be appropriate. Furthermore moving into the near future (2013 if possible) I would recommend the addition of at least one Sales Tax Auditor position that would be placed 15% below the Revenue Supervisor. This position could generate enough revenue (from \$130k-\$170k per year) to easily cover the cost of the position (@ \$81k with benefits) as well as the re-classification of the Revenue Supervisor (additional \$4k-\$5k per year dependent upon market). Below is a breakdown of the pay scale for the positions that would be working directly in this area of operation and the proposed reporting structure.

Proposed Tax Compliance/Revenue Division		Proficient Monthly (1)	
	Revenue Supervisor	\$ 6,356	Equivalent to Finance Supervisor
	Customer Service Supervisor	\$ 5,754	10% below Revenue and Finance Supervisor
	Sales Tax Auditor	\$ 5,402	15% below Revenue Supervisor
	Taxpayer Support Specialist	\$ 4,271	@ 8% above the Senior Administrative Assistant
	Senior Administrative Assistant	\$ 3,963	@ 8% above the Customer Service Representative
	Customer Service Representative	\$ 3,678	
(1) Based on Full-Time Class and Compensation posted on intranet as of 8/17/12			



In summary, I request and recommend the re-classification of the Auditor/Analyst to Revenue Supervisor (at a cost of \$4k to \$5k a year depending on market). Moving into the near future, I strongly recommend the addition of a Sales Tax Auditor. For comparison sake, Commerce City who has about 1/2 of the same number of sales tax accounts as the Grand Junction has 9 auditors, and Westminster who is comparable to Grand Junction in sales tax revenues has 4 full-time auditors and 7 total FTE's in the sales tax administration operation. Thank You! Jodi Romero

