



DATE: October 25, 2016

CATEGORY: New Business

DEPT.: City Council

TITLE: **Adjust Compensation for City Attorney, City Clerk, and City Manager**

RECOMMENDATION

Adopt a Resolution Approving Merit-Based Compensation Increases for the City Attorney, City Clerk, and City Manager for Performance During the 2015-16 Fiscal Year, to be read in title only, further reading waived (Attachment 1 to the Council report).

BACKGROUND

The City Council selects, appoints, and is responsible for evaluating the performance of three City officials: City Attorney, City Clerk, and City Manager. These Council appointees receive annual performance evaluations in accordance with the Standard Performance Evaluation Process as outlined in City Council Policy D-9. As is the case with other City employees, Council appointees may receive compensation adjustments in the form of merit increases to recognize successful performance and cost-of-living adjustments (COLAs).

On November 15, 2015, the City Council approved COLAs for the Council appointees equal to those approved for all other unrepresented employees, in the amount of 4 percent for Fiscal Year 2015-16 and 2 percent for Fiscal Year 2016-17. The Fiscal Year 2016-17 COLA became effective on June 19, 2016. While the City's other unrepresented employees received merit increases in Fiscal Year 2015-16 (depending on their eligibility), the Council appointees declined merit increases last year and, therefore, none were approved as part of the 2015 evaluation process.

ANALYSIS

The 2016 Council appointee performance evaluation process included review of each appointee's Fiscal Year 2015-16 accomplishments, historical salary adjustments for the Council appointees and other unrepresented employees, and a comparison survey of City Attorney, City Clerk, and City Manager compensation in other cities. Through this

process and after conducting performance evaluation sessions with each appointee, the Council expressed favorable overall ratings for the appointees' performance and determined that merit increases for all three positions were warranted. Based on dialog with each of the appointees, the City Council is supporting the following as appropriate merit compensation adjustments retroactive to June 19, 2016, and other performance-related benefits:

City Attorney: 2.0 percent merit increase
Five (5) eight-hour days of additional leave, one-time, to be used by December 31, 2017. These hours may not be cashed out and will lapse if not taken.

City Clerk: 2.0 percent merit increase
Five (5) eight-hour days of additional leave, one-time, to be used by December 31, 2017. These hours may not be cashed out and will lapse if not taken.

City Manager: 1.0 percent merit increase
1.0 percent of salary as a one-time professional development fund (in lieu of salary adjustment since the City Manager declined additional compensation) available in the budget to be used to attend a conference or for another development purpose by December 31, 2017.

FISCAL IMPACT

No additional appropriations are needed. There is sufficient funding for these salary increases and professional development funds available in the Fiscal Year 2016-17 Operating Budget.

ALTERNATIVES

Provide alternative direction to staff regarding compensation for Council appointees.

PUBLIC NOTICING – Agenda posting.

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KR/LS/7/CAM
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Attachment: 1. Resolution