



**DATE:** October 23, 2018

**CATEGORY:** New Business

**DEPT.:** City Council

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

### **RECOMMENDATION**

Adopt a Resolution Approving Annual Compensation Increases for the City Attorney, City Clerk, and City Manager, to be read in title only, further reading waived (Attachment 1 to the Council report).

### **BACKGROUND**

It is the City's practice to conduct annual performance evaluations for City employees and provide merit or step increases as appropriate. The City Council is responsible for evaluating the performance of the three City officials that it selects and appoints: 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, including merit increases, equity adjustments, and cost-of-living adjustments (COLAs).

### **ANALYSIS**

The 2018 Council appointee performance evaluation process included review of each appointee's Fiscal Year (FY) 2017-18 accomplishments, professional development, 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 salary adjustments for all three positions were warranted.

The City Council recommends that the COLAs and other benefits provided to unrepresented miscellaneous department heads be granted to the City Attorney, City

Clerk, and City Manager. These compensation adjustments will be retroactive to July 1, 2018, when these terms went into effect for the other unrepresented employees. Retroactive compensation is necessary each fiscal year since the annual schedule for the Council appointee evaluation process routinely takes place after the close of the fiscal year. The one-time contribution of 21 hours of leave time must be used by Pay Period 2 of 2019 or any balance will be cashed out with Pay Period 2 payroll.

In addition, the Council recommends that the City make an ongoing contribution of 2 percent of salary to the Retirement Health Savings plans of the City Attorney and City Manager. This will be effective upon execution of the amended plans by the Plan Administrator, ICMA-RC. Additional compensation was not considered at this time for the City Clerk due to her start date with the City in March of this year.

City Attorney: 4.0 percent cost-of-living increase for FY 2018-19.  
A one-time contribution of 21 hours of leave time for FY 2018-19.  
2.0 percent ongoing contribution to the City Attorney's Retirement Health Savings Plan.

City Clerk: 4.0 percent cost-of-living increase for FY 2018-19.  
A one-time contribution of 21 hours of leave time for FY 2018-19.

City Manager: 4.0 percent cost-of-living increase for FY 2018-19.  
A one-time contribution of 21 hours of leave time for FY 2018-19.  
2.0 percent ongoing contribution to the City Manager's Retirement Health Savings Plan.

### **FISCAL IMPACT**

There is sufficient funding for these salary increases available in the Fiscal Year 2018-19 Operating Budget.

### **ALTERNATIVES**

Provide alternative direction to staff regarding compensation for Council appointees.

**PUBLIC NOTICING** – Agenda posting.

Prepared by:

Lisa Matichak  
Vice Mayor

LM/KB/2/CAM  
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Attachment: 1. Resolution