

December 6, 2010

**Date** .....

Communication from the City Council Employee Evaluation Committee regarding:

- A. City Attorney update
- B. Follow-up from 2010 Employee Reviews

Moved by \_\_\_\_\_ to receive, file and approve the recommendations.

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GRIESS				
HENSLEY				
MAHAFFEY				
MEYER				
MOORE				
TOTAL				

**CERTIFICATE**

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

MOTION CARRIED APPROVED

\_\_\_\_\_ Mayor

\_\_\_\_\_ City Clerk

Date DEC -6 2010

Agenda Item 43

Roll Call # \_\_\_\_\_



December 6, 2010

City of Des Moines Residents, Mayor and Council Members  
400 Robert D. Ray Drive  
Des Moines, Iowa 50309

Dear Residents and Honorable Colleagues:

The City Council Personnel Committee respectfully submits this letter to the Des Moines City Council, and requests the report be *Received and Approved* at the December 6<sup>th</sup>, 2010 City Council Meeting.

At the Council meeting on March 10<sup>th</sup>, 2010, the City Council Personnel Committee recommended, Coleman moved, and a 7-0 voted approved the following: (special note to the underlined portions)

- ***The Committee recommends no salary or benefit increase be extended to these four city employees at this time.*** It is imperative to the committee that Council, City Staff and our citizens understand that this is in no way a reflection of their work and commitment to the city. This reflects the reality of the times, and the expectations of our citizens that leaders lead. While city positions are being eliminated and contract negotiations are underway with bargaining units, it is improper to recommend an increase at this time. We do ask the Council to approve the following:
  1. Receive and file this communication regarding no increase in compensation. No approval is necessary.
  2. Assign the City Council Personnel Committee the task of reviewing progress with Employee Bargaining Units, and other financial performance in the coming weeks and/or months. The Committee may return to the Council with a recommended compensation adjustment for the employees that are consistent with the compensation plan for MEA, SPM and any other Bargaining Units/Employee Groups which have adjusted compensation levels.
  3. The Committee strongly believes it is not right to continue to expect high results in tough times from our top leaders without some level of pay increases before a third year passes. But, we should wait until the budget goals are met through negotiations with and directives by the Manager.

Since that time, the following actions have been taken and information made available:

- The City management has successfully negotiated a contract amendment with the MEA union, and implemented changes with SPM personnel compensation that lowers cost about \$1.4 million on an annual basis.
- The city reached a mutual agreement with the Fire Union for a two year contract extension calling for a 2% increase in FY12, and a 1.75% increase in FY13. Although mechanically different, this is comparable to the agreement reached with the MEA. The Fire Union agreement will save about \$400,000 per year in FY 13 and subsequent years.

- Finalized a two-year balanced budget rather than the traditional one-year balanced budget; Council approved on a unanimous vote.
- Strong financial results considering the record amount of snow events and subsequent snow melt and summer flooding.
- The City has aggressively pursued and successfully obtained ARRA/CDBG/I-Jobs grants totaling over \$72 million that address infrastructure and housing needs.
- The City is in its third consecutive year of receiving unqualified opinion from our external auditor.
- The City continues to maintain AAA S&P bond rating.
- The City continues to reduce annual debt service costs by restructuring the CIP and refinancing debt when fiscally prudent.

The Council Personnel Committee believes this evidence is responsive to the action taken by the City Council in March, 2010, and warrants salary adjustments in CY 2010.

**It is recommended that the City Clerk, City Attorney, City Manager and Human Rights Director are compensated similarly to the MEA and SPM in 2010. Therefore, a "lump sum" payment equal to 3.5% of compensation shall be processed before December 31<sup>st</sup>, 2010.**

The Council continues to be concerned about the long term liability of Vacation Banks. We encouraged and authorized "cashing out" the time now, while the value is less than in the future. The Committee continues to encourage this as a model for the organization and again authorizes up to three weeks of vacation buyout in December, 2010 or January 2011.

The City Personnel Committee will undertake a review of Mayor/Council's direct reports before the end of the first quarter in 2011. This will include a process for the public and all council members to participate. Further, the Mayor recommended and the City Personnel Committee agrees that a Salary Comparison Study should occur so we can establish salary ranges for some or all of the positions if we choose at that time. We will also take additional time in the first quarter addressing the Human Rights Director position, job description and goals, as he interacts less with the Council than our other direct reports. Specific and measurable goals will be established for the Commission's work.

I know I speak for Mr. Mahaffey and Mrs. Hensley when I say we are honored to serve on this committee. It is very important work and we take it seriously. The closed door sessions are engaging, constructive, and tough. Thank you for allowing us to serve the citizens of Des Moines in this capacity.

Sincerely,



*Chris Coleman*

*on behalf of Christine Hensley, Bob Mahaffey and myself*