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**Date** March 8, 2010  
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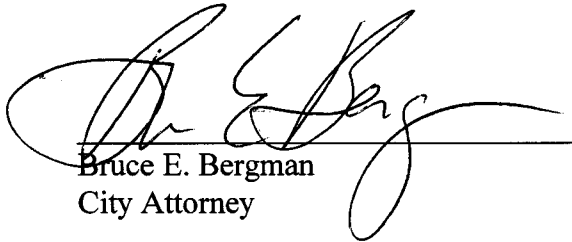
**APPROVING RECOMMENDATION FROM THE CITY COUNCIL EMPLOYEE  
EVALUATION COMMITTEE**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DES MOINES, IOWA:

That the recommendation from the City Council Employee Evaluation Committee concerning City Manager Rick Clark, City Attorney Bruce Bergman, City Clerk Diane Rauh, and Human Rights Director Rudy Simms be approved.

Moved by \_\_\_\_\_ to adopt.

APPROVED AS TO FORM:

  
Bruce E. Bergman  
City Attorney

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

50433

Monday, March 8<sup>th</sup>, 2010

City of Des Moines Residents, Mayor and Councilmembers  
401 Robert Ray Drive  
Des Moines, Iowa 50309

Dear Residents and Honorable Mayor and Council:

The City Council Personal Committee respectfully submits this letter and attachments to the Des Moines City Council, and requests the materials and report be *Received and Approved* at the March 8<sup>th</sup>, 2010 City Council Meeting. The materials contain information related to the annual review of employees who report directly to the City Council. The four staff are:

- Rick Clark, City Manager
- Bruce Bergman, City Attorney
- Diane Rauh, City Clerk
- Rudy Simms, City Human Rights Director

**In summary**, we present the following recommendations:

1. A motion to receive and file the comments herein regarding the excellent professional leadership our city has through these leaders.
2. A motion to receive and file a recommendation that NO INCREASE in salary be awarded at this time.
3. A motion to approve continue existing benefits; allowing participating in the city's Performance Plan and changing the formula by which they contribute for Health Insurance.
4. A motion to approve our recommendation that City Council members and the Mayor lead by example and begin a 10% co-payment towards the monthly cost of city provided health care.

**Motion 1: Commendation of City Leadership Background:**

The Committee consists of Chris Coleman (Chair), Christine Hensley, and Bob Mahaffey.

The work of the committee included:

- A Self Evaluation by each employee
- A written evaluation opportunity for all seven Councilmembers / Mayor
- Input from citizens, commissioners, staff and colleagues who responded to the public request made by the committee

***The Council is proud of the hard work and commitment made by our staff.*** Over the past year, significant structural changes have occurred within the city enterprise to address budget issues and priorities. After nearly five months of work, the City Council was honored to unanimously approve management's recommended budget that is balanced, addresses citizens' priorities, creates transformational changes in city government and lasts 2-years for the first time.

The committee recognizes this is not an ideal time to lead a public body. There is more intense focus by the citizenry to our decisions and their consequences. There are limited funds to address priorities. Competition for resources is growing. ***Our four staff have led the city in these times,***



CHRISTOPHER J. COLEMAN  
COUNCIL MEMBER AT LARGE  
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PHONE (515) 283-4944  
FAX (515) 297-1645

ALL-AMERICA CITY 1949, 1976, 1981

***without an increase in pay for over 24 months. For this, we are indebted and thankful for your service.***

Importantly, our meetings this winter with the four staff convince the Committee that they recognize the serious moment the city finds itself in with a struggling economy and issues that face our workforce.

Importantly, the input received from citizens, staff, bargaining units, business and civic leaders and professional colleagues were all very positive and encouraging. These staff are seen around the state and country as excellent leaders with a passion to make Des Moines the very best.

### **Motion 2: Salary Freeze**

Our Committee recognizes and commends their understanding and willingness to accept the following recommendation from the Council Personal Committee.

- ***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 Personal 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 recommend 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.

### **Motion 3: Benefit Package**

With regards to the benefit package available to these four employees, the Council Personal Committee recommends the following:

- ***All benefits that the four employees are offered today continue.***
- To further the Council's goal of reduced long-term liability of high vacation banks, the Council directs each of the four employees to sell back to the City at least one week of vacation; and authorizes up to five weeks during calendar year 2010. Vacation balances for these four employees should be no more on December 31<sup>st</sup>, 2010 than it was on December 31<sup>st</sup>, 2009.
- The Health Insurance package for the employees will not change, but the way in which the employees provide payment towards the

premiums will. Today, payments are based on the salary level of the employees. This is dictated by Council Policy. Since this policy was adapted, the City's policy for Directors has been modified. Today, all other City Directors pay a percentage of the premium for Family Health Care. The Personal Committee considered recommending our four employees be in conformance with the City Policy for Directors. To further our goal of addressing the staggering cost of health insurance, the Council Personal Committee recommends a stronger step; that direct reports to the Council (these four employees) pay a simplified formula of 10% of any health care plan in which they participate through the city. This means a single plan would cost approximately \$520 annually and a family plan would cost approximately \$1310 annually. This means the separate existing policy based on salary level for these employees is eliminated. Further, the Council directs the City Manager to continue to find cost sharing and cost savings within the Health Insurance program offered to employees. While leading with a 10% contribution to the plan; we must acknowledge that continued increases born by the city's 90% are unaffordable for our citizens. Plan modifications must also be investigated and considered, beyond increasing employee contributions.

- The City Manager has also eliminated "A" time pay for employees. This program once described "comp time" for employees who worked above the 40 hour work week. In its place, all City Employees since 2001 can only be awarded "Performance" through a process by their supervisor. This policy effectively put a cap on the amount of comp time that an employee could accumulate and cash out upon retirement. We endorse this policy change; but have never included our four employees in the policy. The Personal Committee recommends approval for the City Manager, City Attorney and City Clerk to be awarded the week of Performance in 2010. The City Manager is also provided a "performance" week for the fourth quarter of 2009 when the two-year budget process unfolded. These employees have been with the city since this policy was created in 2001, but have never been awarded performance pay by the Council. It is important to remind the Council and these employees that earlier in this report we stated that 12/31/2010 Vacation balances must not be larger than their balance on 12/31/2010. We do not intend for Performance to be a tool to accumulate more vacation time.
- The city's car allowance has not been increased in nearly a decade. Today it stands at \$275 a month. The Personal Committee reviewed car allowances offered to City Managers in 11 other metro cities. The average was over \$5,000. We also understand the City Manager is considering changes in the city policy for city cars and car allowances. We encourage these changes. If rate changes occur in city policy, the Council Personal Committee will address the rates in when we report back to Council.

**Motion 4: City Council leadership – Health Insurance Co-pay**

The Council intends to lead the city by example. In this spirit, the Council Personal Committee proposes the following:

- **We move to approve a new Health Insurance payment plan which will require all Council members and the Mayor to contribute 10% of the cost of monthly premiums towards the cost of single and family health insurance.** In the current fiscal year, this means a monthly payment of approximately \$43 for single coverage and \$109 for family coverage.
- Interestingly, past Council action led to an existing policy which requires all City Department Directors to pay a portion of the premium of family insurance; amounting to approximately \$98.00 per month. But the Council has never imposed a similar fee on ourselves.
- Councilmembers Coleman, Mahaffey and Hensley have all individually promoted the idea of shared costs for Health Insurance, and today we formalize that opinion into a recommendation from our Personal Committee.

The Council Personal Committee also reminds the Community and our employees that the City Council has led by example. Effective January 1<sup>st</sup>, 2010, the City Council imposed a 3% decrease in the pay for Councilmembers and the Mayor. This action is saving the city money in this tough budget year. It is also important to note, that the council has not approved many of the annual increases which would result from following the council adopted policy that Council members receive the same increase in pay as the lowest increased bargaining unit. Over the past eight years, this has saved the community tens of thousands of dollars.

It is also important that the community understand the Council created a policy nearly six years ago to allow any council member the option for foregoing any benefit (salary, health, retirement, etc) upon their request

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*