
800.6 SUBJECT: APPOINTED OFFICIAL COMPENSATION PROGRAM

:1 OBJECTIVE:

To provide a pay policy and compensation system for Appointed Officials that is based on performance, internally equitable, and competitive with the relevant labor market.

:2 AUTHORITY:

This procedure amended by City Council June 18, 2007.

:3 DIRECTION:

General Administration Department Director, as an appointed official, serves at the pleasure of, and receives direction from the Mayor through the Chief Administrative Officer.

:4 METHOD OF OPERATION:

A. Definitions

The following words or phrases, for the purpose of this procedure, shall be defined as:

1. ***Appointed Official*** – Officers of the City appointed pursuant to Section 3, Chapter 2 of the City Charter and Section 2.05 of the City Code, consisting of Executive Management and Senior Management.
2. ***Executive Management*** – The Chief Administrative Officer, Assistant Chief Administrative Officer, Department Directors, Office Heads and other officers appointed by the Mayor and subject to confirmation by the City Council.
3. ***Senior Management*** – Officers of the City appointed by the Mayor on recommendation of Department Director or Office Head. Included are all appointed officials not identified under the definition of Executive Management.
4. ***Promotion*** – The advancement of an employee from his or her current position to another with greater responsibilities in a higher pay grade. When an employee is promoted to an appointed position, the employee's salary will be determined by the CAO.
5. ***Merit Increase*** – An adjustment in an individual's pay based upon performance.
6. ***Annual Review Period*** – A twelve (12) month period beginning on official's appointed date.
7. ***Appointment Date*** – Date of hire, promotion or demotion into currently held appointed position.
8. ***Demotion*** – The reduction in job duties and responsibilities that results in a salary grade reduction. When an employee is demoted, the employee's salary will be determined by the CAO.
9. ***Special Merit Bonus*** – A performance related bonus that is not added to base pay.

B. Policy

The compensation and performance appraisal programs were designed to facilitate the recruitment, selection, and retention of competent executive and senior management employees.

This procedure describes the program and outlines the administrative processes involved.

C. Description of Program

Appointed Official salaries are established by the Mayor upon recommendation of the Chief Administrative Officer.

Individual salary increases may be acquired through changes in job responsibility, market conditions, promotions, or job performance.

D. Administration of Programs

1. Pay Plan

Appointed Official salaries are established by the Mayor and Chief Administrative Officer, reviewed, and revised as needed.

2. Merit Increases

The Human Resources Division will notify the Chief Administrative Officer when Appointed Officials are eligible for pay increases. Notifications will be submitted one month prior to the planned effective date. At the end of the annual review period, the Chief Administrative Officer will approve increases for Appointed Officials except Department Directors, Office Heads, and members of the Mayor's staff for whom increases shall be approved by the Mayor. Increases will be made effective on the appointment date in currently held appointed position.

In addition to the merit increase, the Mayor or Chief Administrative Officer may grant a Special Merit Increase to Appointed Officials as an additional monetary award for outstanding performance. This increase can either be percent increase to base pay, cash bonus or deferred compensation contribution.

3. Longevity Bonus

Appointed Officials are eligible to receive an annual longevity payment based on years of continuous service (see 808.5, D 13). Service time will be calculated from the latest date of employment with the City or an adjusted date of hire, if applicable. To be eligible for this bonus, Appointed Officials must have completed the specified number of years of service on or before October 1st of each year and must be employed as of the date of payment. Employees who retire during the months of September and October are also eligible. Payment will be made by separate check in a lump sum each year, subject to the required deductions.

4. Working Higher Classification

With Chief Administrative Officer's approval, a management employee assigned to act in the capacity of a higher appointed position for an extended period of time will be compensated at a rate – twelve percent (12%) above the

acting employee's current salary. The appropriate level of additional management leave will be granted after 60 days in the acting position.

E. Severance Pay

1. Appointed Officials who were appointed prior to February 26, 2003 and who leave City employment at the convenience of the government, for reasons not related to job performance, will receive severance pay as follows:
 - a) One (1) month's pay after two (2) years service
 - b) One (1) month's pay for each additional year of service.
 - c) Total severance will *not* exceed six (6) months' pay.
2. Appointed Officials who are appointed on or after February 26, 2003 and who leave City employment at the convenience of the government, for reasons not related to job performance, will receive severance pay as follows:
 - a) Two (2) week's pay after one (1) full year of service.
 - b) One (1) week's pay for each additional year of service.
 - c) Total severance will *not* exceed twelve (12) weeks; pay.

:5 FORMS:

None.

:6 COMMITTEE RESPONSIBILITIES:

None.

:7 REFERENCE:

This procedure adopted by City Council January 5, 1987, Item 8A02; amended June 27, 1988, Item 15A-1; amended February 19, 1990, Item 10a-4; amended June 8, 1992, item 3/H; amended June 21, 1993, Item 2-P; amended July 10, 1995, Item UU; amended April 3, 2000., Item 2PPP; amended August 14, 2000, Item 6-A; amended June 3, 2002, Item B24; August 4, 2003, Item NB1; amended September 15, 2003; re-formatted only April 2004; amended June 18, 2007, Item A-2.

:8 EFFECTIVE DATE:

This procedure effective June 18, 2007.