

**AGENDA ITEM SUMMARY**

February 5, 2019

City Council

**STAFF**

Jamie Heckman, Compensation and Technology Manager  
 Jenny Lopez Filkins, Legal

**SUBJECT**

First Reading of Ordinance No. 015, 2019, Amending Section 2-596 of the Code of the City of Fort Collins and Setting the Compensation of the City Manager.

**EXECUTIVE SUMMARY**

The purpose of this item is to establish the 2019 total compensation of the City Manager. City Council met in executive session on January 8, 2019, to conduct the performance review of Darin Atteberry, City Manager. This Ordinance sets the 2019 total compensation of the City Manager. Any amendments to the City Manager’s employment agreement will come forward with the second reading of this Ordinance.

**STAFF RECOMMENDATION**

None.

**BACKGROUND / DISCUSSION**

City Council is committed to compensating employees in a manner which is market based, competitive and understandable. The goal as an employer is to attract, retain, engage, develop and reward a diverse and competitive workforce to meet the needs of the community now and in the future. To accomplish this goal, the City Council and the City Manager meet twice a year to discuss performance and set goals for the coming year.

In 2018, the total compensation including benefits provided to the City Manager is as follows:

| <b><u>2018 Salary and Benefits</u></b> | <b><u>Annual</u></b> |
|--|----------------------|
| Salary                                 | \$ 262,489           |
| Medical Insurance                      | \$ 11,364            |
| Dental Insurance                       | \$ 612               |
| Life Insurance                         | \$ 458               |
| Long Term Disability                   | \$ 1,273             |
| ICMA (457)                             | \$ 7,875             |
| ICMA (401)                             | \$ 26,249            |
| Car Allowance                          | \$ 9,000             |
| <b>Total Monetary Compensation</b>     | <b>\$ 319,320</b>    |

**Non-Monetary Benefits**

Vacation (30 days per year)  
 Holidays (9 days per year)

In addition, the City manager cashed out 120 hours of accrued and unused vacation totaling **\$15,144**.

Resolution 2018-098 establishes the process for evaluating the performance of the City Manager, City Attorney, and Chief Judge. It states that any change in compensation for these employees will be adopted by the Council by Ordinance. This Ordinance will amend the City Code to reflect the City Manager's 2019 total compensation.

**ATTACHMENTS**

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1. PowerPoint Presentation (PDF)



Establishing Compensation of the City Manager  
Jamie Heckman

# City Compensation Philosophy

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Data driven and transparent

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Based on established market

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Competitive

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Based on performance

## Market

- Two data groups
  - National – 9 Western region peer cities
  - Colorado – 10 Front Range cities
- Benchmark data
  - Annual salary
  - Retirement
  - Car allowance

# City Manager – Market Analysis

|            | City Employee Data | NATIONAL Market Data* | NATIONAL Ahead / (Behind) | COLORADO Market Data* | COLORADO Ahead / (Behind) |
|------------|--------------------|-----------------------|---------------------------|-----------------------|---------------------------|
| Salary     | \$262,489          | \$260,998             | 0.57%                     | \$232,965             | 12.00%                    |
| Retirement | \$34,124           | \$42,917              | (20.49%)                  | \$31,489              | 7.87%                     |
| Total Comp | \$305,613          | \$308,982             | (1.09%)                   | \$270,067             | 12.52%                    |

\* Mean

ORDINANCE NO. 015, 2019  
OF THE COUNCIL OF THE CITY OF FORT COLLINS  
AMENDING SECTION 2-596 OF THE CODE OF THE CITY OF FORT COLLINS  
AND SETTING THE COMPENSATION OF THE CITY MANAGER

WHEREAS, pursuant to Article III, Section 1 of the City Charter, the City Council is responsible for fixing the compensation of the City Manager; and

WHEREAS, the City is committed to compensating its employees in a manner that is fair, competitive and understandable; and

WHEREAS, the City's pay philosophy is based on total compensation, which includes not only base salary but also deferred compensation payments, vacation and holiday leave, and amounts paid by the City for medical, dental, life and long-term disability insurance; and

WHEREAS, the City Council met with the City Manager to conduct a review and establish next year's goals; and

WHEREAS, the City Council supports a compensation philosophy of paying employees a competitive salary based on established market data, and is adjusting the salary of the City Manager to bring that salary more in line with the appropriate market data; and

WHEREAS, the City's philosophy is to reward performance that meets or exceeds expectations; and

WHEREAS, the City Council believes that the base salary of the City Manager should be established at the amount of \$ [REDACTED] effective January 1, 2019, so that the total compensation of the City Manager in 2019 will be \$ [REDACTED].

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the City Council hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. That Section 2-596 of the Code of the City of Fort Collins is hereby amended to read as follows:

**Sec. 2-596. Salary of the City Manager.**

The base salary to be paid the City Manager shall be ~~two hundred sixty-two thousand, four hundred eighty-nine dollars (\$262,489)~~ [REDACTED] (\$ [REDACTED]) per annum, payable in biweekly installments. Forty (40) percent of such sum shall be charged to the city electric utility, twenty (20) percent to the city water utility and forty (40) percent to general government expense.

Section 3. That the effective date of the salary adjustment shall be January 1, 2019, to be paid retroactively within a reasonable period of time after this Ordinance becomes final.

Introduced, considered favorably on first reading, and ordered published this 5th day of February, A.D. 2019, and to be presented for final passage on the 19th day of February, A.D. 2019.

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Mayor

ATTEST:

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City Clerk

Passed and adopted on final reading on the 19th day of February, A.D. 2019.

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Mayor

ATTEST:

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City Clerk