

ADDENDUM TO CITY OF ANKENY EMPLOYEE HANDBOOK FOR DEPARTMENT DIRECTORS/OFFICERS

Compensation

The city manager shall have the authority to negotiate a starting salary between the minimum and maximum of the pay grade depending on prior experience, education, nature of position, etc.

Salary Adjustments

The purpose of a merit salary increase program is to, over time, better align pay with performance and foster an organizational culture that recognizes and rewards performance and strategic goal attainment rather than solely longevity. The salaries of department directors/officers may be adjusted annually through both an across-the-board increase and a merit increase. First, as part of the budget process, the city manager recommends and includes funding in the recommended budget for across-the-board adjustments to the nonunion pay plans if economic conditions, job market, cost of living, and other factors provide the justification for these increases, subject to available funding. The minimum and maximum salaries of the management pay plan shall be adjusted by an amount equal to the across-the-board nonunion salary adjustment and directors/officers shall receive these across-the-board increases except as noted below. Directors/officers who fail to receive at least a “meets expectations” or a 3 on a 5-point scale, on their annual performance evaluation, are not eligible for any type of salary adjustment, including across-the-board adjustments, until their performance meets expectations. Second, in lieu of step progression available in the nonunion pay plan, directors and officers shall be eligible for a merit salary increase of up to 5 percent based on the following factors: 1). Performance as measured in the employee’s annual performance evaluation; 2). Attainment of goals identified as part of the evaluation process that support the City’s strategic plan, City Council strategic priorities and/or department goals approved by the City Manager’s Office; and 3). The employee’s current salary within the position’s range. Directors/officers whose salaries are in the first quartile of the range shall be eligible for up to a 5 percent merit increase; those whose salary are in the second quartile shall be eligible for up to a 4 percent merit increase. Directors/officers whose salaries are in the third quartile shall be eligible for up to a 3 percent merit increase, while directors/officers whose salaries are in the fourth quartile shall be eligible for up to a 2 percent merit increase. The city manager may award an additional 1 percent merit increase to directors/officers who meet all of the following criteria: 1). They receive an aggregate performance appraisal rating of 4.2 or higher on a 5-point scale; 2). They attain all short-term goals and make higher-than-expected progress on long-term goals identified in their performance evaluation. Aggregate merit increases shall be subject to a 5 percent maximum per employee per year. City manager approval is required prior to merit salary adjustments. The merit increase program is subject to the availability of funding in each fiscal year budget and shall be suspended in years when nonunion employees are not eligible for step increases.

Vacation

Department directors/officers shall receive 4 weeks (160 hours) of vacation upon hire. An employee advanced vacation at hire will not progress on the vacation schedule until attaining the requisite years of service to advance to the next increment. At the discretion of the city manager, any director/officer shall be allowed to carryover vacation.

Sick Leave

The city manager shall be allowed to negotiate a beginning balance of sick leave for directors/officers. The sick leave accrual at hire shall not be more than thirty (30) days.

Deferred Compensation

Department directors/officers shall receive deferred compensation payments. The City Manager shall have the authority to negotiate deferred compensation payments up to \$5,000 annually for directors/officers. If the initial payment is less than \$5,000, the amount shall increase by \$1,000 each fiscal year until the maximum is reached. The assistant city manager shall receive \$15,000 in deferred compensation. The police chief and fire chief may receive different amounts depending on their participation in the MFPSI.

Vehicle Program

The police chief, fire chief, and parks and recreation director shall be provided a city vehicle for his/her use. The assistant city manager, public works director, municipal utilities director, economic development director, and planning and building director shall receive a car allowance of \$400 per month. All other directors/officers shall be eligible to receive mileage reimbursement in accordance with city policy.

Severance Pay

In the event the Employer wishes to terminate the Employee without just cause, the Employer may do so by giving the Employee thirty (30) days' notice in writing prior to the termination date. The Employee, if requested by the Employer, shall continue to render the Employee's services and shall be paid Employee's regular compensation up to the date of termination. The Employer agrees to pay the Employee three (3) months salary, benefits and deferred compensation, in addition to whatever accrued benefits the Employee may have. The Employee agrees to accept said severance pay as full settlement of any and all damages or claims the Employee might have against the Employer as a result of the termination. The position of assistant city manager shall be paid six (6) months salary, benefits and deferred compensation, in addition to whatever accrued benefits the Employee may have.

Voluntary Resignation

In the event the Employee voluntarily resigns with the Employer, the Employee shall give the Employer thirty (30) days advance notice, unless the parties agree otherwise.