



TO: Elizabeth Pauli, City Manager
FROM: Mayor Woodards, on behalf of the City Manager Performance Review Committee
COPY: City Council and City Clerk
SUBJECT: Resolution ratifying the Annual Performance Review of the City Manager and authorizing execution of an amendment to the employment compensation agreement with Elizabeth Pauli to serve as City Manager of the City of Tacoma – July 17, 2018
DATE: July 10, 2018

SUMMARY:

Ratifying the Annual Performance Review of the City Manager and authorizing the execution of an amendment to the employment compensation agreement with Elizabeth Pauli to serve as City Manager of the City of Tacoma, retroactive to May 16, 2018.

COUNCIL SPONSORS:

Mayor Woodards and Council Members Hunter, Mello, and Ushka

STRATEGIC POLICY PRIORITY:

- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

BACKGROUND:

On May 23, 2017, the City Council approved a motion, authorizing the execution of an employment compensation agreement with Elizabeth Pauli to serve as City Manager of the City of Tacoma for the period of May 16, 2017, through May 15, 2019. Tacoma City Charter Section 3.1 requires the City Council to review the City Manager's performance annually.

The City Manager Performance Review Committee met on June 13, 2018 and June 18, 2018, to review the City Manager's performance for the period of May 16, 2017, through May 15, 2018, and rated her performance. The City Council met in Executive Sessions on June 19, 2018, and July 10, 2018, to review the performance of the City Manager for said period.

The City Manager Performance Review Committee has determined that Elizabeth Pauli has achieved certain performance outcomes and pursuant to the current employment compensation agreement Section 5.A. she is entitled to an increase in compensation.

All non-represented City employee salary schedules were increased by a 3 percent general wage adjustment in January 2018. The City Manager's salary schedule was not increased by the 3 percent cost of living adjustment until after her annual performance review was conducted.

The City Manager Performance Review Committee now recommends approving the 3 percent general wage adjustment to City Manager's salary schedule and paying the City Manager at step 5A on the new schedule, which is equal to \$253,745.86 annually constituting a \$16,397 increase above her current salary.



ISSUE:

The City Charter requires the City Manager's performance to be reviewed annually, and the employment compensation agreement allows the City Manager to be eligible for merit consideration annually with compensation increases tied to performance outcomes.

ALTERNATIVES:

The City Council can alter, modify or reject the performance review document and the recommended increase in annual compensation.

FISCAL IMPACT:

The incremental increase in annual compensation is approximately \$16,397.

RECOMMENDATION:

The City Manager Performance Review Committee recommends ratification of the 2018 Annual Performance Review of the City Manager, and further recommends amending the employment compensation agreement with Elizabeth Pauli, retroactive to May 16, 2018 to include the new annual salary amount.