

MIAMI BEACH

City Committee of the Whole

City Hall, Commission Chambers, 3rd Floor, 1700 Convention Center Drive
August 29, 2012

Mayor Matti Herrera Bower	Present
Vice-Mayor Jorge R. Exposito	Present
Commissioner Michael Góngora	Present
Commissioner Jerry Libbin	Present
Commissioner Edward L. Tobin	Present (arrived at 4:58 p.m.).
Commissioner Deede Weithorn	Present
Commissioner Jonah Wolfson	Arrived at 4:42 p.m.
Interim City Manager Kathie G. Brooks	Present
City Attorney Jose Smith	Present
City Clerk Rafael E. Granado	Present

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The Committee of the Whole was called to order at 4:37 p.m.

1. BUDGET OVERVIEW FOR THE OFFICE OF THE MAYOR AND COMMISSION:

Mayor Bower commented that she thought they would be talking about the entire budget, not merely the budget for the Office of the Mayor and Commission.

Interim City Manager Kathie G. Brooks responded that they have had this item in a couple of agendas, and it has never been discussed. Ms. Brooks commented that the presentation should be quick. Ms. Brooks explained that the first seven pages of the handout (Mayor & Commission FY 12/13 Budget Request) are the narratives that are put in the budget book, that the significant accomplishments portion will be added consistent with the Mayor's accomplishment, and; therefore, the focus of the discussion are the figures that commence after page seven of the handout. Ms. Brooks explained that as in other departments, the increases that are included are related to salary, which is based on the impact of the 3% COLA that the City gave last year, which only had half a year impact last year, but has a full year impact next year. Ms. Brooks added that this is an ongoing issue, as the budget still assumes that there will be merits for the current year for unclassified employees, plus merits for next year. Also, further discussion needs to be had relating to employee givebacks, and whether or not they are going to do that for unclassified employees and whether they are going to do merits for employees in the OTHER classification next year. Currently that is the \$17,684 in increased salaries. When the Administration and Commission decide what will be done as far as merits and givebacks, that \$17,684 may come down. The numbers shown are with merits built in. In response to Commissioner Weithorn's question, Ms. Brooks responded that this is consistent with how the budget is being formulated for other City departments.

Commissioner Libbin inquired as to the \$18,000 increase in Health Insurance. Ms. Brooks explained that the \$18,000 represents the City's share of health insurance; and that one of the reasons it went up more than 10% is because a couple of employees switched insurance plans. One employee was participating in a spouse's health plan, and now decided to take the City's plan. There was another person who switched to a higher insurance plan. That is why it is slightly larger than 10%.

Commissioner Libbin stated that he has the highest-level insurance plan. In addition, he is one of only a few individuals in that insurance plan. The City pays half the premiums and he pays the other half. Moreover, he has met over the last year or so with the City's Benefits consultant Gallagher. He feels that the plan is absolutely a rip-off; there are only eight total participating employees in the plan. However, the premiums that are paid are outrageous. Coca-Cola offers its employees a better health plan than the City has, and the total costs is about \$13,000 a year. The City is charging \$26,000 to the employee and another \$26,000 to the City on a yearly basis. That amounts to \$52,000 for the premium, and employees still have to pay a deductible, copay and medicines. He believes that what is happening is that consultant looks at the insurance cost, as we are self-funded, they look at the fact that they are losing money over here and then decide lets "sock-it" to the people who can afford to pay for the premiums. Each plans needs to be looked at individually. If Coca-Cola can offer a better health plan for a quarter of the price, it is outrageous that the City and City employees are paying \$52,000 a year in premiums.

Mayor Bower inquired as to why there are only eight people in the health plan. Commissioner Libbin explained that is because it is expensive; it provides for "any doctor any time anywhere." Commissioner Libbin stated that it is about \$400,000 in premiums for eight people, which seems outrageous to him.

Human Resources Director Ramiro Inguanzo stated that one of the things the City has tried to do is to make the standard plans more accessible.

Commissioner Exposito commented that the problem with some of the standard plans is that doctors are not accepting them. Human Resources Director Inguanzo stated that what Commissioner Exposito may be referring to was that there was a dispute between the doctors and Humana, but that has been resolved. There was an eight-month period when some doctors were not participating in the health plan, but they are now. Those doctors have been readmitted, explained Mr. Inguanzo.

Commissioner Libbin stated that Humana is the TPA (Third Party Administrator), but the City is self-insured; it collects the premiums, and if there is a surplus the City is the one who gains, and if there is a loss the City is the one who loses.

Commissioner Weithorn explained that they are paying on Humana's negotiated rate. Interim City Manager Brooks stated that the premiums are based on the claim activity. Commissioner Libbin asked if the premiums are paid on claims, then if there is over \$400,000 in premiums for eight employees and their families, that is a huge amount of money and there is still out of pocket. That particular plan seems "so out of whack" to him. Commissioner Libbin spoke to an executive at Coca-Cola, who referred him to his Human Resources person that does their health plan, and Commissioner Libbin showed the representative of Coca-Cola this particular plan costs and the benefit level. The Coca-Cola executive said they pay \$13,000 or \$14,000 and they get better benefits, which cover all costs.

Commissioner Exposito added that the cost of the Coca-Cola plan might have to do with the large number of employees in their health plan, and there are only eight employees in this City plan.

Interim City Manager Brooks explained that the City has five health plans, and the one referred to by Commissioner Libbin is the most expensive. Human Resources Director Inguanzo stated that there are there two standards and three premium health plans.

Mayor Bower stated that someone should look into this.

Commissioner Wolfson inquired if what they are seeing in the budget is the cost of the premiums or the cost of the medical services. Interim City Manager Brooks stated that overall, the City premiums and the employee premiums combined, are set to cover the overall cost of the claims as well as the administrative cost. What is listed are premiums, not claim amounts.

Commissioner Libbin asked if Ms. Brooks could look into this and possibly speak to Coca-Cola to see how they are able to provide a better plan at less cost.

Commissioner Wolfson reminded everyone that Humana is the City's TPA, and can change the TPA if they so choose. He inquired as to how much discretion the City has, as the insurer, over the rates that are charged. Human Resources Director Inguanzo explained that the City has more discretion over the plan design.

Commissioner Libbin stated that he thinks that Gallagher's premium recommendations are coming in way too high.

Interim City Manager Brooks stated that one of the things they may have not examined in the past is looking at rates/premiums by the different types of plans. One of the things that the City does is look at the plans in aggregate; "here are all the premiums you get from all of these plans in total in comparison to our claim activity." Ms. Brooks does not think the City has looked at it by plans.

Commissioner Libbin stated that one of the things that happen in group insurance is that you end up with what is called "adverse selection." The people who are sick stay in the plan. Therefore, the experience loss ratio sharply increases. Then the healthy people say, "I cannot afford that," and they go without insurance or they sign up under their spouse's plan. Therefore, you end up with sicker and sicker people, and the cost goes up. However, when there are only eight people in the plan, someone must look at what is the loss experience of those eight people. Is the City charging appropriately based on the claims of those eight people?

Ms. Brooks stated that they could look at premium by plans. **Ramiro Inguanzo and Sue Radig to handle.**

Commissioner Weithorn mentioned that other than that, the Mayor & Commission FY 12/13 Budget Request is fine. She questions why there is a line item for subscriptions in this day and age.

Commissioner Exposito inquired as to how they negotiate the insurance.

Commissioner Weithorn stated that she sat in the Budget Advisory Committee (BAC) the last time they comprehensively looked at insurance. What the BAC said, and she believes the City made the change, was to encourage employees to go to the low-priced plans and the City would pay a higher percentage of the premiums on these lower cost plans. This ultimately had

the result of lowering the City's costs, as people migrated to lower cost plans. Commissioner Weithorn is not sure if the BAC ever did the analysis of tier-by-tier and what is costing the City and what is not. What they should do is look at that, because maybe that is how they should do plan redesign. What occurred at the BAC last time, was in an effort to increase the number of healthy employees who would go to the less expensive plans, it was decided to lower the rates those employees have to pay to incentivize them to have insurance. That was the theory. She believes that is what happened; they had healthier people in these plans, because the City now pays 70% of the lowest plan, so the employee is paying a lot less. When the City initially did this, it did have the impact that they intended. That is one of the reasons the City went to self-insurance, as the City now has this layer of healthy people in the plans. When the City paid 50% of the premiums, no matter what plan the employees were in, everyone was in the premium plans because it did not make a difference; and consequently, it was actually costing the City more. When it was flipped, many people moved.

Commissioner Weithorn recommended that BAC look at premium by plans, and perform a tier-by-tier analysis of what each plan is receiving in premiums and what it is costing. **Ramiro Inguanzo and Sue Radig to handle; Tim Finch and Jennifer White to place on the committee agenda.** Once BAC looks at it, then it should be sent to the Finance & Citywide Projects Committee. **Ramiro Inguanzo and Sue Radig to handle; Patricia Walker to place on the committee agenda.**

2. OVERVIEW OF JOB AUDIT FOR CLASSIFICATION OF OFFICE ASSOCIATE V IN THE OFFICE OF THE MAYOR AND COMMISSION:

Ramiro Inguanzo, Human Resources Director, introduced the item and explained that Neville Johnson, the independent contractor utilized to conduct job audits, was supposed to be at the meeting but had a conflict. Mr. Johnson spoke to the Mayor and all the Commissioners, as well as to all the current Commission Aides, prior to making his recommendation.

Mr. Johnson interviewed the incumbents in the position, and then subsequently interviewed their supervisors. The present job audit is unique, when compared to other job audits conducted in the City, because the incumbents have seven supervisors, the Mayor and the Commissioners. After the interviews, Mr. Johnson did some comparisons to internal positions that they have in the City that are comparable to the Commission Aide position as well as externally looking at Miami-Dade County, City of Miami, City of Hialeah, City of Coral Gables and some other comparable jurisdictions. Based on all the analyses, the Administration's recommendation is that the position does warrant a reclassification. Currently the Commission Aide position is a grade 11 in the City's system, and the recommendation is that it be reclassified to a grade 12. Mr. Inguanzo requested that the Mayor and Commissioners look at Attachment A of the handout, which summarizes when the current Aides were originally hired, their original starting salary, current salary and what the adjustment is to take the employees to the minimum of the new salary range.

Commissioner Tobin inquired as to why they were changing the range in salary. Mr. Inguanzo responded that Human Resources believes that the work being performed by the Commission Aides is comparable to a grade 12.

Commissioner Tobin inquired why the Aides could not be moved within their current grade (Grade 11). Commissioner Wolfson responded that the work being performed was consistent with work being performed by others who are currently in grade 12.

Mayor Bower stated that the problem was the salary freeze that had occurred. Her former Aide had never received a merit increase, as salaries were frozen during the time her former Aide worked for the City.

Commissioner Weithorn thanked the Administration for doing what the Commission had asked.

Mr. Inguanzo stated that what was done was to look at what Condrey & Associates recommended. Condrey & Associates developed a classification recommendation for the position and created the title of Constituent Aide for the position. Mr. Inguanzo explained that the current pay range for grade 12 is a minimum of \$50,678 yearly to a maximum of \$81,848 yearly.

Motion by Commissioner Góngora to move forward with the recommendation as proposed by the Administration, with an implementation date of October 1, 2012, and to have further discussions on the matter; seconded by Commissioner Weithorn. Voice-vote: 7-0. **Ramiro Inguanzo to handle.**

Commissioner Libbin stated that for those Aides who have been with the City for a long time, a salary compression issue had resulted over time, which has to be taken into consideration.

Commissioner Wolfson stated that they should be doing more for the Aides.

Commissioner Tobin stated that they should also do performance-based salaries.

3. UPDATE ON CITY MANAGER RECRUITMENT:

Interim City Manager Kathie G. Brooks introduced the item and explained that in the package, the Mayor and Commissioners have the advertisement brochure that is being used by Bob Murray & Associates for the recruitment of the City Manager position. The City had previously sent it out by LTC, but she just wanted to check-in and make sure that the Commission was comfortable with it. It is her understanding that Bob Murray & Associates is planning to do a series of cutoff points where they look to see the resumes they have gotten. The first cut off point they are indicating is September 12, 2012.

Ramiro Inguanzo, Human Resources Director, stated that Renee Narloch, Vice President for the Eastern Region for Bob Murray & Associates, is available by telephone if the Commission wanted to call her to obtain an update as to the status of the search. Ramiro Inguanzo clarified that Bob Murray & Associates has indicated that their first cutoff point is September 12th, but the decision as to whether or not the Commission wants to have subsequent cutoff points beyond that is something that has not been discussed by the Commission. Therefore, if that is something that the Commission would like to do, then that is the direction that the Commission needs to give to Bob Murray & Associates.

Commissioner Weithorn inquired as to how they can make that decision until they determine what the interest is.

Interim City Manager Brooks stated that the Commission might want to wait until September 12 or 13.

Human Resources Director Inguanzo stated that the theory is not to make September 12 the drop-dead deadline in the event that they would like to extend it.

Interim City Manager Brooks stated that maybe what the Commission can do is that since there is a Commission meeting on September 12, she can have Bob Murray & Associates give an update on September 12, to see how it is going. Ms. Brooks added that Bob Murray & Associates would still potentially be getting some resumes on that day, as some people may want to wait until that last day before submitting their resume.

Commissioner Weithorn stated that there is no way that come September 12 she is looking at any candidate. Therefore, if the Commission decided that they commence looking at resumes in October, they do not care when the resumes come in. What is more important is when the Commissioner's next meeting will be on this subject. Commissioner Weithorn does not care how fast it takes Bob Murray & Associates to get data, what she cares about is when Bob Murray & Associates gets her the data.

Human Resources Director Inguanzo stated that Renee Narloch needs to know if September 12 is the drop-dead deadline. Commissioner Weithorn responded "no."

Interim City Manager Brooks clarified that what Commissioner Weithorn was saying was that Bob Murray & Associates could go beyond September 12, as long as the Commission has enough data in time to present, for example, at the October Commission meeting.

Commissioner Weithorn explained that if October is the date the Commission chooses, then she does not care if Bob Murray & Associates goes beyond September 12. What she cares more is when is Bob Murray & Associates is going to give her the information; she is not interested in when Bob Murray & Associates receives it.

Commissioner Libbin inquired if he should give the feedback to Renee Narloch, as he had three questions.

1. In the paragraph on the first page, where it talks about community, they always talk about the population swelling to more than 190,000; he thinks that this is underestimating the daily population. Not that it is a huge issue, but they always refer to the City's population as 300,000 to 350,000. Interim City Manager Brooks explained that the 190,000 figure represents the average daily population, but not how much it swells to. It is the average over 365 days. If that is the case, Commissioner Libbin stated the number was acceptable to him.
2. On page five (5) of the booklet, under capital improvements, in the second sentence it reads, "in addition the City is in the planning phase for the development of a 52-acre Miami Beach Convention Center District." Commissioner Libbin does not think that is what the City is in. He thinks the City is in the planning phase or the bid phase of a potential development. He does not think that anyone is considering a 52-acre development; at least he is not. He thinks that some in the community have given them pushback because they think the City is considering such a project. Therefore, he does not want Bob Murray & Associates to say that in the brochure. Commissioner Libbin recommends rewording the sentence in such a way as to say that the City is looking at potential redevelopment of the Convention Center. He does not think they should be talking about 52-acres, as it gives the wrong impression. Interim City Manager Brooks agreed. **Ramiro Inguanzo to contact Renee Narloch and modify.**
3. The Commission had already said that the salary would be \$220,000, but the brochure says that it is "open." Open leaves the impression that the applicant can ask for much more.

Commissioner Weithorn stated that she actually had this conversation with the recruiter when she came to talk to the Mayor and Commission. The recruiter's comment was, "I know what your number is, but what if someone comes to me and they do not want \$220,000 but they want \$235,000 and they are excellent?" Of course, Commissioner Weithorn told her to bring them. For \$15,000, the Commissioners may opt to change their minds. The recruiter said she is not going to bring the Commission people that are in the \$300,000 to \$400,000 range, Commissioner Weithorn explained. The recruiter knows what their number is; it does not mean that she will not bring people slightly above or below that number.

Commissioner Tobin stated that his number is any number, as he looks for performance. He will agree to pay the selected Manager anything if they are great and they can get the job done. He would structure the compensation based on performance, so the selected Manager would get a base salary that is very reasonable, but they could certainly earn up to a real salary consistent with a CEO of a billion dollar company if the Manager performs. He would tie compensation to performance benchmarks. For example, if the Manager brought the City's bond ratings up; brought the Community satisfaction more safety, etc., the selected Manager would be entitled to larger compensation. The Commission would have to sit and decide what benchmarks would be tied to salary and benefits, but he is for structuring compensation based on performance.

Commissioner Weithorn stated that what the Commission can say to the recruiter is, "if there is somebody that is extraordinary, tells us." That was the reason why the recruiter did not publish the salary; because the City might miss someone over the stated number, for instance by \$5,000.

Commissioner Libbin stated that as long as Bob Murray & Associates is handling it that way, he concurs. He did not want Bob Murray & Associates to be bringing someone who is making \$380,000 as an assistant, coming to apply.

Commissioner Tobin stated that many times what happens is that recruiters give you a resume without telling you who the applicant is. The recruiter gives you a preliminary feel before they provide all the information.

Commissioner Exposito stated that after listening to what Commissioner Weithorn had stated, regarding her conversation with the recruiter, he is comfortable with the way the compensation portion is written in the brochure. The recruiter should know that if they have someone who is "super-top-notch," let the Commission decide.

Commissioner Weithorn stated that is exactly what the City is paying the recruiter to do. If the recruiter finds someone who is "super," she should tell us.

Commissioner Tobin stated that after they signed the contract with the recruiter, the recruiter should have been able to bring to them who she considers the top people to go after in the country. Normally an advertisement for a job is not where you are finding your great superstars. Commissioner Tobin is sure the recruiter has some people in mind. The recruiter even told him, when she was meeting with him, that she had in mind a couple of people.

Mayor Bower inquired if they were going to get the resumes as they come in, or are they going to get them all at once.

Commissioner Libbin explained to the Mayor that the Commission had agreed for the recruiter to provide the Commission with the top 10 to 12 applicants, and then the Commission would review the resumes.

Commissioner Weithorn explained that some of the members of the Commission wanted more than the top 10.

Commissioner Libbin stated that he wanted all the resumes; but as a group, the Commission had agreed for the recruiter to do the preliminary screening.

Mayor Bower inquired how far after September 12 is the Commission going to be receiving resumes. Commissioner Weithorn and Mayor Bower requested to know when the next deadline would be.

Mayor Bower stated that she wanted to have time to look at the resumes and suggested that they not be given to her the day before they are having their meeting.

Commissioner Tobin inquired if the Commission can come to a formal agreement at this meeting that any communication that is had with Renee Narloch that is of a direction in nature, to please send an e-mail to Narloch and cc the Mayor and Commission if there are any policy changes.

Mr. Smith interjected to go to through the City Manager, as it may get into Sunshine Law issues if the Commission is communicating with one another via e-mail and telling each other what they prefer.

Commissioner Tobin stated that the Mayor and Commissioners should go through the Manager, and the Manager ought to set the parameters. If the Manager decides that there are any changes to the parameters, or if the Manager is giving instructions in regards to parameters, then she should cc all the Commission so that they may be informed.

Mayor Bower stated that the City Commission should be sitting together when they are going to make these decisions. The Commission should set a date as to when they can sit down and talk. It is better in a debate, where they can tell her what they like.

Commissioner Tobin stated that he does not want the recruiter looking for something, or not looking for something, based on what somebody individually said. Mayor Bower concurred, and stated that the Commission should not have any communication with the recruiter.

Commissioner Weithorn stated that she asked the salary question of the recruiter, but did not give any instructions to the recruiter.

Mayor Bower stated that the Commission should not be talking to the recruiter. From now on, there should be no direct interaction with the recruiter; the Commission should get what the recruiter brings. Questions should be asked by the Commission as a group, and as a group, a decision should be made.

Interim City Manager Brooks inquired that, if based on the discussion today, do the Mayor and Commission want to add a clarification regarding compensation.

Commissioner Tobin explained that what he wanted is for there to be no changes to the parameters, and if there is going to be a change to the parameters or qualifications, that the

Manager will inform them via e-mail and cc all the Commission. Interim City Manager Brooks should be the point person with the recruiter. **Kathie G. Brooks to handle.**

Commissioner Tobin asked if the recruiter has provided the City with any candidates. Interim City Manager Brooks stated that she has not. Commissioner Tobin stated that normally in the private sector, the recruiter would already have in mind people that she thought were great, and she would say, "you need to look at so and so." Commissioner Tobin added that he is in no rush to find someone, as he thinks that Interim City Manager Brooks is doing a great job.

Commissioner Weithorn wanted to discuss time frames. She believes that the next step is to have a meeting with the recruiter and ask her questions, probably at a Committee of the Whole, as that is the appropriate place to do it. However, the Commission would have to have the resumes in advance. Can the Commission; therefore, set a deadline today to notify the recruiter? This does not mean that if the recruiter gets a hot resume after the recruiter gives the Mayor and Commissioners the resumes and before a Manager is selected, that the recruiter does not pass that resume along to the City. Commissioner Weithorn inquired of her colleagues as to how much time is needed for them to review resumes. Mayor Bower responded that the period is correlated to the number of resumes she will be receiving. Commissioner Weithorn responded that they would be receiving about 10 to 12.

Commissioner Libbin stated that he wanted to see all the resumes. He wants to see the 10 to 12 that the recruiter recommends; but in addition, he wants to see all of them. **Human Resources Director Ramiro Inguanzo and Interim City Manager Brooks to handle.**

Interim City Manager Brooks explained that the preliminary deadline is September 12, 2012.

Commissioner Libbin asked why the Commission could not have the recruiter send them the resumes on a weekly basis. The consensus from the Commission was "no." Commissioner Weithorn and Wolfson stated that they wanted "a single package."

Commissioner Wolfson stated that if Commissioner Libbin wants to look at all the resumes, that is fine. However, the Commission should allow the recruiter to do her job. Once a Commissioner receives the 10 to 12 resumes, if they want to see the rest of them, that is fine; however, the Commission should not be involved on a weekly basis going forward.

Commissioner Weithorn stated that she wants to receive a package with 10 to 12 resumes by October 10, which is two weeks prior to the October Commission Meeting. This; however, with the understanding that if someone spectacular comes in after, the recruiter will add it. Mayor Bower agreed with the deadline suggested by Commissioner Weithorn.

Commissioner Tobin reiterated that he wants a bifurcated package; one with the recommended 10 to 12 resumes, and a second with all the remaining applicants, as he may find a "diamond in the ruff" that the recruiter missed.

Commissioner Wolfson stated that he chooses to see the resumes after the recruiter has sifted through them, and look at the 10 applicants recommended by the recruiter.

Commissioner Weithorn stated that recruiter is being paid to look at the resumes, and she wants to wait until the recruiter is done with her job.

Commissioner Góngora asked that if they are getting resumes trickling in, then what is the benefit of having a recruiter?

Commissioner Weithorn asked if either Mayor Bower or the Commissioners had an issue with her proposed deadline of October 10, 2012. Commissioner Exposito responded "no."

Commissioner Góngora stated that the City Commission should get the same information at the same time.

Commissioner Weithorn agreed with Commissioner Góngora and stated that is the reason the Commission hired the consultant, for her to review resumes. Further, she agreed with Commissioner Tobin that someone can look very good on paper, but they may tend to move around a lot. Such information will be known to the recruiter. Commissioner Weithorn added that if the City Commission believed that they need more than two weeks to review the resumes, she was agreeable to moving up the deadline.

Commissioner Góngora announced that he is going away on October 10 and requested to receive the recruiter's package on October 9. The City Commission agreed that October 9 would be an acceptable deadline to receive the resumes from the recruiter.

TO DO:

1. Status report on September 12, 2012 on the City Manager selection. The report to include how many people have applied. **Interim City Manager Brooks to provide the update.**
2. Recommendations from the recruiter to be provided to the City Commission on October 9, 2012. **Human Resources Director Inguanzo and Interim City Manager Brooks to notify Renee Narloch of deadline.**
3. Committee of the Whole Meeting in October 24, 2012 to discuss resumes received. **Rafael E. Granado, City Clerk, to place on the Commission Agenda**

End

Commissioner Libbin inquired as to the salary, and stated that the number that had been previously discussed of \$240,000 was to include a number of the benefits, not just salary. Commissioner Libbin stated that the recruiter must know that the \$240,000 does not represent merely salary. Commissioner Weithorn stated that she believed the recruiter was aware of this. Commissioner Libbin and Tobin asked that this be clarified with the recruiter.

Commissioner Weithorn stated that the \$240,000 was meant to be a compensation number. However, there are other types of compensation items that the Commission recognized might not be included in the \$240,000.

Commissioner Libbin stated that the Commission could not give the top executive fewer benefits than what is normally given to all other current City employees. By the time you put in health insurance and a car, it will be over \$240,000. Therefore, the Commission needs to be clear.

Commissioner Weithorn responded that is the reason why they recognized that the \$240,000 figure could not include everything.

Commissioner Libbin stated that one thing is for the Commission to recognize it, and another for the recruiter to recognize it.

The City Commission needs to understand what the range of salary is, excluding benefit. It is assumed that the top executive is going to receive, at least, everything all other employees in the City are getting, in addition to salary. These numbers fit into a formula; for instance, there is retirement, and when you start doing those calculations on \$220,000 then you must determine what the actual number is. What does that number (benefits) typically come out to? Ramiro Inguanzo, Human Resources Director responded that the number is typically 30%. Commissioner Libbin stated that if the number is typically 30%, then on \$220,000 you are already at \$285,000. He does not think that \$240,000 is even close.

Commissioner Tobin inquired if there was any appetite as to how they could implement some kind of performance-based bonuses in addition to the City Manager's base pay. Commissioner Weithorn responded that she is not ready to discuss this now, as she needs to research if this is being done in other jurisdictions, and how it is being done; however, she does not think it is a bad idea.

Commissioner Wolfson stated that the Commission can be put in an amount that is voted on a yearly basis; for instance the Commission can put an amount of 25, 50, etc.

Commissioner Tobin stated that he would want it based not so much on how the Commission feels, but based to specific objective criteria.

Commissioner Exposito explained that the way he has seen it done is as a compensation package based on very objective performances, which is not paid out at 100% after the completion of one year, but it is portioned over three or four years. For example, you are entitled to collect up to 100% of your salary; however, in addition to your salary in year one, if it appears that you have met your goals, the Manager will receive additional compensation. It is impossible to determine if a Manager has met their goals based on one year, as certain goals take more than one year to achieve. Therefore, the selected Manager may get a percentage over a four-year period. It gives the employer and the City the opportunity to evaluate the job properly.

Commissioner Tobin asked, by a show of hands, if the Commission was receptive to the idea of exploring a performance based compensation package. Commissioner Weithorn stated that she was receptive to the idea, but she would like Commissioner Exposito to provide the Commission with the examples he has seen. **Clerk's Note: No show of hands vote was taken. Commissioner Exposito to provide examples.**

Commissioner Tobin inquired if that was something that needed to be communicated to the recruiter, i.e., that the selected candidate could be asked to agree to very specific performance benchmarks. Commissioner Weithorn responded that the Commission should wait to see the quality of applicants the recruiter brings. Commissioner Libbin stated that what Commissioner Tobin was suggesting is something that is done in the interview phase or at final negotiations. Commissioner Weithorn agreed. Commissioner Libbin stated, for instance when the City is in final salary negotiations with the selected Manager, one can state to a candidate, "we are a bit apart, but we can meet your number assuming certain benchmarks are achieved."

Commissioner Weithorn stated that she does not want to overemphasize compensation when the Commission spent such long time looking at qualifications.

Commissioner Libbin stated that he feels the brochure should state that compensation is competitive based on experience. Commissioner Weithorn stated that she thought that is what the brochure stated. Interim City Manager Brooks read from the brochure, which reads: "Salary range is open and dependent upon qualifications." Commissioner Libbin requested for the word "open" to be changed to "competitive." **Kathie G. Brooks and Ramiro Inguanzo to handle.**

The Committee of the Whole adjourned at 5:30 p.m.

Handouts or Reference Materials:

1. Mayor & Commission FY 12/13 Budget Request.
2. Memorandum from Neville Johnson, Human Resources Specialist, dated August 28, 2012, entitled, "Response to request for reclassification of the Office Associate V (OAV) position in the Office of the Mayor and City Commission"