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MEMORANDUM

TO: Mayor and City Council
FROM: Buzz Hill and Kathie Henn
RE: Authority of City Manager
DATE: September 16, 2010

Introduction

This memorandum is written in response to your request for a memorandum regarding the City Manager’s authority with respect to certain personnel decisions discussed at the July 12, 2010 Committee of the Whole Meeting. It also addresses issues raised at the September 7 City Council meeting. The specific issues concerned the employment of Carrie Davis until July 30, 2010 and her severance package, the continued employment of Aggie Stempniak through July 30, 2010 and the contract with her to produce the Spokesman, the change in title for Juliana Maller from Deputy City Manager to Assistant City Manager, the continued employment of Diane Lembesis, the offer of insurance to former Chief Ed Dubowski and receipt of deferred compensation for Chief Kaminski. The budgetary impact of these decisions is not addressed in this memorandum.

Municipal Code Provisions

Section 3-6-6 of the Park Ridge Municipal Code sets forth the duties of the City Manager. It provides that the City Manager is the chief administrative officer of the City and has management and control of all departments. Paragraph A of Section 3-6-6 provides that the City Manager has “the power to appoint and discharge any Deputy City Manager, Assistant City Manager, Assistant to the City Manager or Administrative Assistant to the City Manager or any department head.” It also provides that the City Manager shall review any such proposed appointment or discharge with the City Council. Similarly, the City Manager has the authority to appoint and discharge all other employees, subject to civil service requirements and except for police and fire department employees governed by the Board of Fire and Police Commissioners. The City Manager also has the authority to “consolidate, combine or reorganize positions or units under the Manager’s jurisdiction.”

The City Manager also has authority with respect to the budget and purchasing by the City. He is "authorized to approve expenditures of \$20,000 or less for the procurement of goods and services for all departments of the City, provided that such expenditures are made within budget limitations and provided, further, that procurement requirements have not been artificially divided so as to avoid the requirements of paragraph B hereof." Section 2-9-9G of the Park Ridge Municipal Code.

City Manager's Authority for Specific Decisions

Based on the foregoing, the City Manager had the authority to discharge Ms. Davis from her employment and to determine the appropriate end date. With respect to Ms. Davis's severance payment of \$25,000.00, I have spoken to the City Manager and it was his belief that he had stayed within the overall budget for salaries for that department and that it was still less than the City would have been required to pay for two years of unemployment insurance. Nonetheless, even when previously budgeted, all expenditures in excess of \$20,000 do require City Council approval. The City Manager had the authority to discharge Ms. Stempniak and to determine the appropriate end date for her employment. The contract between the City and Ms. Stempniak to produce the Spokesman is under \$20,000.00. In addition, the severance paid to Ms. Stempniak was in the amount of \$2,520.00, pursuant to the Employee Manual.

The City Manager also had the authority to appoint Ed Dubowski to the position of Fire Administrator based on his ability to consolidate, combine or reorganize positions under the Manager's jurisdiction and his authority to appoint other employees as set forth above. As explained by the City Manager, Mr. Dubowski was appointed on a temporary basis due to the vacancy in the Chief's position and the captain's position and he was not provided any benefits, including insurance. Last, the City Manager had the authority to hire Diane Lembesis on a part-time basis. As explained in the City Manager's memo dated July 1, 2010, Juliana's title remains Deputy City Manager.

The payment of deferred compensation for Chief Kaminski was part of the employment offer made to him. The payment of the deferred compensation amount is included in the budget. Prior to the appointment of any department heads, such as Chief Kaminski, the City Manager reviews the appointment with the City Council. This process was also followed prior to Carrie Davis' appointment to the position of Director of Community Preservation and Development and Craig Gjelsten to the position of Fire Chief.

Salaries for Employees

Section 3-6-6E of the Code provides that, "The City Manager shall recommend to the Mayor and the City Council the salaries to be paid each hired and appointed

employee of the City.” We have been asked whether or not this requirement has been observed. The practice has been that salary recommendations are included in the proposed annual budget. It is our opinion that this complies with the requirement for those employees hired and appointed at the time of adoption of the budget. This practice arguably does not cover those who are hired or appointed subsequent to the adoption of the budget each year. However, it is not standard practice, and it may not be practical for the City Manager to bring the wages or salary of every new hire to the Council for approval. And as a practical matter, the City Council would be notified of such salary at the formation of the next proposed budget. To resolve this issue, the Council might wish to amend the Code to add the words, “As part of the budget process,” at the beginning of Section 3-6-6E. In addition, salaries and wages for union employees are governed by the applicable collective bargaining agreement.

Please let us know if you have any additional questions or wish to discuss any of these issues.