

Sparks City Council Meeting
5/8/2023 2:00 PM

9.1. Consideration, discussion, and possible action regarding the annual performance review of City Manager Neil Krutz. (For Possible Action)

Item Title: Consideration, discussion, and possible action regarding the annual performance review of City Manager Neil Krutz. (For Possible Action)
Petitioner/Presenter: Jill Valdez, Human Resources Director/Jill Valdez, Human Resources Director
Recommendation: Staff recommends the City Council accept the findings of the annual City Manager performance evaluation.
Financial Impact: None Financial Explanation: No financial impact.
Business Impact: A Business Impact Statement is not required because this is not a rule.
Agenda Item Brief: The Employment Agreement for City Manager Neil Krutz requires the City Council to review Mr. Krutz's performance on or before the last City Council meeting in May of each year. In May of 2023, the Mayor and Council Members provided performance feedback on Mr. Krutz's performance and outlined specific criteria for prospective performance expectations. In conjunction with the performance evaluation, the City Council may offer up to a five (5%) percent merit increase for the City Manager, not to exceed the pay range for City Manager as determined by the City's adopted Classification and Compensation system. With respect to Mr. Krutz's current annual salary, Mr. Krutz is at the top of the pay range, so there is no additional room for a merit increase. Thus, there is no financial impact with this item.

Background:

Mr. Krutz's employment agreement was approved by City Council on February 25, 2019, and made effective March 15, 2019. Section 6 (Performance Evaluation and Salary Review) states:

The Mayor and City Council shall review and evaluate the MANAGER's performance on an annual basis, to be completed on or before the last council meeting in May of each calendar year, commencing in 2020. The City Council may make such adjustment to MANAGER' s salary, within the limits as determined by the CITY' s adopted Classification and Compensation system, as agreed with the MANAGER. At no time shall the Mayor and City Council provide more than a five (5) percent merit increase for the MANAGER.

During this annual review, Council may take action to establish specific performance criteria to assist with the next annual review of MANAGER. Any specific performance criteria established by

Council shall be applied prospectively only and shall not be applied retroactively to evaluate the performance of the MANAGER.

In accordance with NRS 241.033, prior written notice to Mr. Krutz that a meeting will take place is required if his character, misconduct, competence, or health will be discussed. Mr. Krutz must be allowed to attend the meeting. He may also bring a representative if he so chooses. Mr. Krutz has been properly notified of his rights.

Analysis:

During the meeting, the Mayor and City Council will review Mr. Krutz's performance as City Manager for the period between May 2022 to May 2023.

This year, the City Manager Annual Performance Evaluation reflects seven (7) core competencies. Last year there were eight (8) core competencies; however, council members noted that two categories overlapped. Therefore, they were combined for a total of seven (7) core competencies.

The Mayor and Council Members evaluated Mr. Krutz's performance in the areas of Management of the Organization, Execution of Policy, Financial Management, Relations with Council, Community Relations, Communications, Leadership, and Professionalism. The Mayor and Council Members individually rated Mr. Krutz's performance for each category using a rating scale of zero (0) to six (6). Zero being unsatisfactory performance and six (6) indicating outstanding performance. Performance ratings were averaged to assign an overall rating for each of the seven (7) core competencies and used to assign an overall performance rating for the period of evaluation. The Performance Evaluated also solicited feedback from the Mayor and Council Members to identify Mr. Krutz's top achievements and performance objectives to work on for the coming year.

A summary of Mr. Krutz's Annual Performance evaluation is below. The review in its entirety is attached to the agenda item.

	Rater 1	Rater 2	Rater 3	Rater 4	Rater 5	Rater 6	Average
Management of Organization	4	3	0	0	2	4	2.2
Execution of Policy	4	3	2	0	4	4	2.8
Financial Management	4	5	3	0	5	4	3.5
Relations with Council	5	3	1	0	2	3	2.3
Community Relations	4	4	2	0	1	3	2.3
Leadership	3	2	0	0	2	5	2.0
Professionalism	4	5	1	0	3	2	2.5

Overall Rating: 2.5

Alternatives:

The City Council may take one of the following actions:

1. Accept the results of the performance evaluation for City Manager Neil Krutz.
2. Provide other direction to the Human Resources Director.

Recommended Motion:

I move to accept the results of the annual performance evaluation for City Manager Neil Krutz for the period of May 2022 to May 2023.