

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Category:	Personnel	Policy # 2019-05
Title:	General Manager Performance Evaluation and Compensation Adjustment Policy	

PURPOSE

The purpose of the General Manager (GM) Evaluation Policy is to provide a documented process that the Board shall follow when assessing the GM's performance, providing him/her with feedback, and determining his/her compensation on an annual basis.

OBJECTIVES

Evaluating the performance of the GM is one of the most important duties of the RMCS D Board of Directors. Accordingly, the process should be designed to include the active participation of all Directors.

Establish an orderly, effective and efficient process occurring on a set annual schedule, that will facilitate Board and GM common understanding of performance over the prior year. The evaluation should be consistent with the GM job description, contract and Board-desired criteria.

Provide information to facilitate GM compensation level in time for the subsequent Fiscal Year.

Establish a one-time compensation adjustment process to align the GM contract dates and District Fiscal Year schedule.

Provide information to facilitate alignment of Board Goals and objectives for the subsequent year.

Staff members reporting to the GM should generally not play a role in the evaluation process unless requested by the Board, except to the extent that they have an official, requested role in assisting the Board.

Policy Guidelines

Annual Evaluation Form

The GM Performance Evaluation Form sets out the criteria to be used by the Directors in evaluating the GM's performance each year. As a guideline, a copy of the example GM Performance Evaluation Form is attached as Exhibit A. The Board may approve modifications of this form as deemed appropriate.

Evaluation Criteria

In determining the performance criteria to be incorporated in the GM Performance Evaluation Form, the following guidelines shall be observed:

- To the extent possible, the criteria should be objective in nature.
- The criteria should address the GM's performance in meeting annual business objectives/goals.
- The criteria should address the GM's leadership competencies, including the following: vision and strategy; maximizing talent; leading change; technical expertise; fiscal strategy and management; and judgment and decision making.
- The criteria should address the GM's performance in carrying out ongoing responsibilities. These responsibilities include overseeing day-to-day operations, implementing new strategies, resource development, fiscal management, and external/community relations.
- The criteria should include consideration of independent, positive initiatives identified and implemented.
- The criteria should also provide an overall evaluation rating as well as an opportunity for each Director to suggest specific ways in which the GM may improve performance in the future.

Evaluation Timetable

The General Manager annual evaluation process shall proceed in parallel with the annual budget process and be finalized prior to publication of the draft annual budget in April of each year.

In January of each year, the Board, in conjunction with the General Manager, will begin discussion of, and develop a draft of Goals in preparation for the upcoming Fiscal year.

In February of each year, the GM will provide a self-evaluation to the Board for its consideration in the annual evaluation process. Each year, the Board will appoint an ad hoc evaluation management committee consisting of two Board Directors. At the same meeting, all Board Directors will be given GM Performance Evaluation forms to be completed and returned to the Committee.

Once the Evaluation Committee receives the evaluation forms, the Committee shall review the forms and create a summary of the evaluations, giving full consideration of the General Manager's self-evaluation ("Summary") to be given to the Board for review.

A Board executive session shall be convened to discuss the Summary with the General Manager. Before or after the discussion with the GM, the GM may be excused from the meeting to allow the Board to discuss the evaluation.

The Board may address the process or compensation negotiation as discussed in further detail in Compensation Section below.

Compensation Package

Upon completion of the annual performance evaluation, the Board shall establish the compensation of the GM for the following year and, if changes are proposed, direct District legal counsel to amend the GM contract to incorporate the Board approved changes. In doing so, the Board should consider to the following guidelines or principles:

The President should be the Board's designated negotiator. The Compensation package should be arrived at initially through a negotiation process involving the President, or designee, and the GM.

The final decision, however, rests with the Board.

The President has discretion to create an ad hoc committee with one other director to gather and evaluate data to assist in the compensation process. The President would be the de facto Chair of any such committee.

The compensation package established each year should be progressive in that it is not necessarily constrained or dictated by the previous years' practices or general industry practices.

Should compensation include a bonus or incentive-based element, the Board will establish with the GM specific and objective criteria that will serve as the basis for awarding the bonus or incentive element.

Per the Ralph M. Brown Act, the Board may discuss in closed session whether to authorize the GM to receive an increase in compensation or benefits, but any discussion on the amount and scope of change to the compensation package will occur in open session, unless the Board consults with its designated negotiator in closed session consistent with Government Code section 54957.6.

Any action on the GM's compensation and/or benefits must occur in open session at a regular meeting of the Board.

In determining the structure of the compensation package, the Board may incorporate the following elements as it deems appropriate: Salary; Bonus; Performance incentives; Perquisites; Benefits.

The Board shall adjust the GM compensation and adjustment dates at the time of hire in order to synchronize them with the annual budget process.

Approved Rancho Murieta Community Services District Board of Directors	Adopted 11/20/2019
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