



AGENDA

Rules Committee

Monday, October 19, 2020

Lorraine H. Morton Civic Center, James C. Lytle City Council Chambers, Virtual
5:00 PM

Due to public health concerns, residents will not be able to provide public comment in-person at the meeting. Those wishing to make public comments at the Rules Committee meeting may submit written comments in advance or sign up to provide public comment by phone or video during the meeting by completing the City Clerk's Office's online form at www.cityofevanston.org/government/city-clerk/public-comment-sign-up or by calling/texting 847-448-4311.

Community members may watch the Rules Committee meeting online at www.cityofevanston.org/channel16 or on Cable Channel 16

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(I) CALL TO ORDER/DECLARATION OF A QUORUM: ALDERMAN RUE SIMMONS

1. Suspension of the Rules to Participate Remotely

Due to an executive order issued by Governor J.B. Pritzker, staff recommends a suspension of the rules regarding in-person attendance requirements for public meetings, allowing for Rules Committee members and City staff to participate in this meeting remotely.

For Action

(II) PUBLIC COMMENT

(III) ITEMS FOR DISCUSSION

R1. **Elected Officials Compensation**

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At the request of the Rules Committee, staff prepared a memorandum addressing the compensation being proposed for the elected officials of the City of Evanston.

For Discussion

[Elected Officials Compensation - Attachment - Pdf](#)

(IV) ADJOURNMENT



Memorandum

To: Members of the Rules Committee
From: Jennifer Lin, Human Resources Division Manager
Subject: Elected Officials Compensation
Date: October 19, 2020

Recommended Action:

At the request of the Rules Committee, this memo will address the compensation being proposed for the elected officials of the City of Evanston.

Council Action:

For Discussion

Summary:

It has been recommended that aldermanic compensation be increased to \$37,000/year. Currently, aldermanic salary is \$15,990/year, but the City also contributes 85-90% of the cost of medical insurance for aldermen with the costliest City contribution being \$20,829/year for PPO family coverage. Based on this current pay model and the respective medical plan and coverage elected by individual aldermen, it has been suggested that this results in pay inequity. In other words, aldermen who have elected family coverage in a PPO plan effectively earn more than aldermen who have elected single coverage in an HMO plan or no coverage at all. This proposal compensates all aldermen the same and allows each aldermen the freedom to make their own choices about health insurance. Should an alderman choose to select coverage under the City's plan, s/he would be responsible for 100% of those costs and these costs would be directly deducted from the alderman's paycheck. Any amounts for health insurance being deducted from the alderman's paycheck would serve to reduce the alderman's taxable income.

Staff is recommending that the compensation models remain the same for the mayor and the city clerk with an annual salary of \$25,317 and \$64,120, respectively. The City will continue paying for medical insurance for the mayor and the city clerk consistent with other non-union employees.

To address Alderman Rainey's comment about equal pay for equal work, the City is very mindful to pay employees the same pay for equal work. The presence of union contracts for 85% of its employees makes this much easier. However, there is an important distinction between salary and total compensation. Because medical insurance, and its corresponding

plans and respective rates, is a choice made singly by the employee, the cost for medical insurance is not considered “pay” even though the City budgets for the cost of medical insurance paid on behalf of its employees. The City does not factor in all of the things that count toward total compensation in an equal pay analysis. Doing so would result in the following flawed conclusions:

- An employee who is single and opts into an HMO plan would be paid less than an employee who has a family and opts into a PPO plan, even though they have the same salary.
- Because the City is self-funded and pays medical claims for all of its PPO employees, a PPO employee with a spouse would be paid less than a PPO employee with a family.
- Likewise, a healthier PPO employee would be paid less than a more sickly PPO employee; a female PPO employee who delivered naturally would be paid less than a female PPO employee who delivered prematurely or via cesarean section.
- Worker’s compensation is another form of compensation. An employee who never gets injured on the job would be paid less than an employee who gets hurt all the time.
- Compensation includes pension benefits as well. Because the City funds the pension plans directly, male employees would be paid less than female employees who statistically live longer.

As illustrated, looking at total compensation in an equal pay analysis is very tricky and slippery. Equal pay typically focuses on salary and hourly rate coupled with the same benefits offered to employees.

For a history of medical insurance costs, here is a chart for PPO family coverage:

<u>Year</u>	<u>Total Cost</u>	<u>City Cost</u>	<u>Employee Cost</u>
2021	\$25,607	\$21,766 (85%)	\$3,841 (15%)
2020	\$24,504	\$20,829 (85%)	\$3,675 (15%)
2019	\$24,214	\$20,582 (85%)	\$3,632 (15%)
2018	\$23,809	\$21,393 (90%)	\$2,416 (10%)
2017	\$24,619	\$22,158 (90%)	\$2,461 (10%)
2016	\$22,687	\$20,419 (90%)	\$2,268 (10%)