

Mulder's separation agreement comes to light

Slug: 20220227-nws-agreement

Print depth: 16.31 (2772 characters)

Start date/time: Feb 28, 2022 03:26 PM

Section tags: news
news/local_news
news/ottumwa

Authors: sports2@ottumwacourier.com

Byline: By CHAD DRURY
Courier staff writer

Content

OTTUMWA — Details of the separation agreement between former finance director Kala Mulder and the City of Ottumwa have been made known, and Mulder was neither terminated, nor did she resign in lieu of termination.

In releasing the records, city staff said Mulder's termination was never considered by the city council; instead, the separation agreement served as Mulder's "resignation," according to records released Monday in response to a Freedom of Information Act request by The Courier.

Mulder, who had been in her job for just over two years and helped balance the city's budget after inheriting a \$1.3 million shortfall, will receive nine months of severance pay and all health coverage and additional benefits she is entitled to over the duration.

According to records from City Hall, Mulder's gross salary for 2021 was \$101,346.32; the city will pay her roughly \$76,000 in severance.

Mulder declined to comment on the agreement.

"Personnel matters are typically handled on a case by case basis depending on any variety of circumstances. There is simply no hard and fast rule to addressing these," city administrator Philip Rath said in an email late Monday. "I can state that it is not uncommon for consideration of employees in high level and/or sensitive positions to receive consideration of an agreement upon separation."

Rath declined to discuss the agreement further, only saying it "was approved by both the City and Mulder as referenced in the copy of the 'Resignation of Employment and Release Agreement.'"

The agreement was not available to the public at the time of the Feb. 15 council meeting, but it passed unanimously during an uncomfortable part of the meeting, when council member Doug McAntire said he did not agree with the agreement "even though it says I do." Mayor Rick Johnson signed the agreement on behalf of the city, rather than each council member.

Had Mulder resigned in lieu of termination, the city, according to Iowa Code, "must say which law, or policy, if any, they believe the employee violated and provide at least once sentence about the behavior or incident that triggered the action." Similarly, had Mulder been terminated, the city would've been required to give the reasoning for her dismissal, according to Iowa Code.

Also as part of the agreement, the city agreed to not challenge any unemployment benefits after the severance period is complete, and will provide Mulder's dates of employment and that she resigned Feb. 15, her salary history and the jobs she held as a city employee if contacted for a reference.

As part of the agreement, Mulder agreed not to sue the city, or seek re-employment with the city for at least five years, or make "any representations false or untruthful for materially misleading to any third party."

Tagline

— Chad Drury can be reached at cdrury@ottumwacourier.com, and on Twitter @ChadDrury