



# Agenda Report

May 1, 2006

TO: City Council

FROM: Mayor

SUBJECT: APPROVAL OF AN AMENDMENT TO THE EMPLOYMENT AGREEMENT WITH CITY MANAGER CYNTHIA J. KURTZ

## RECOMMENDATION

It is recommended that the City Council approve the attached Amendment to Contract No. 18,196, the Employment Agreement between the City of Pasadena and City Manager Cynthia J. Kurtz, effective September 5, 2005; and approve a journal voucher appropriating the necessary funds from the FY 2006 Personnel Reserve to the FY 2006 Operating Budget.

## BACKGROUND

The City entered into an Employment Agreement with the City Manager in February 2003 that provides for an annual salary review. The attached Amendment to the Agreement will establish a base salary of \$220,493 effective September 5, 2005; an increased base salary of \$235,928 effective March 6, 2006; a vehicle allowance of \$550 per month effective September 2005; a City-paid life insurance benefit of \$200,000 effective May 1, 2006; a City-paid long term disability benefit of 66.6% of salary, up to a maximum of \$8,000 per month, effective May 1, 2006; and will implement the same cost sharing arrangement for the retirement benefits enhancements that have been negotiated with the miscellaneous non-safety bargaining units.

## FISCAL IMPACT

The fiscal impact of this amendment is estimated to be approximately \$31,600 annually.

Respectfully Submitted,

BILL BOGAARD  
Mayor

**CONTRACT NO.**

**AMENDMENT TO EMPLOYMENT AGREEMENT - CITY MANAGER**

**CYNTHIA J. KURTZ**

THIS AMENDEMENT TO AGREEMENT is entered into on \_\_\_\_\_, 2006, by and between the CITY OF PASADENA, a municipal corporation of the State of California, herein referred to as "CITY," and Cynthia J. Kurtz, herein referred to as 'EMPLOYEE.'

**RECITALS:**

WHEREAS, CITY and EMPLOYEE entered into Contract No. 18,196 on February 25, 2003 ("the Employment Agreement"), setting forth the terms of EMPLOYEE'S service as City Manager of CITY; and,

WHEREAS, it remains the desire of CITY to continue to retain the services of EMPLOYEE as City Manager and the desire of EMPLOYEE to serve in that capacity; and,

WHEREAS both parties desire to modify certain terms of the Employment Agreement;

NOW, THEREFORE, the parties hereto agree to amend the Employment Agreement as follows:

1. Section 3A is amended to provide that EMPLOYEE'S annual base salary shall be increased to \$220,493 effective September 5, 2005; and increased to \$235,928 effective March 6, 2006; and,

2. Section 3.B. is amended to add a new paragraph which shall read in its entirety:

"Effective May 1, 2006, the City shall provide for a life insurance/ADD benefit of \$200,000, and a long term disability insurance which pays a benefit of 66 $\frac{2}{3}$ % of Employee's monthly salary, up to a maximum benefit of \$8,000 per month, while EMPLOYEE is employed by the City."

3. Section 3.C. is amended to delete the first sentence and replace it with the following:

"Effective September 1, 2005, the CITY will pay a monthly automobile allowance of \$550 as reimbursement for the use of EMPLOYEE'S personal automobile on CITY business."

4. A new Section 3.G. is added which shall read in its entirety:

"Effective July 1, 2006, EMPLOYEE shall share the cost of the enhanced CalPERS retirement benefits granted to miscellaneous non-safety employees, in the amount of 2.2% of salary. Effective July 1, 2007, EMPLOYEE shall pay an additional 1.4%, for a total of 3.6% of salary. Cost sharing shall be accomplished

by reducing the City's payment of the employee retirement contribution.”

5. All other terms and conditions of Contract No. 18,196 not modified herein shall remain in full force and effect.

EXECUTED the date and year first written above.

CITY OF PASADENA,  
A municipal corporation

\_\_\_\_\_  
CYNTHIA J. KURTZ, EMPLOYEE

\_\_\_\_\_  
BILL BOGAARD, MAYOR

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
MICHELE BEAL BAGNERIS  
City Attorney

\_\_\_\_\_  
JANE RODRIGUEZ, CMC  
City Clerk