

**City of Culver City, California
Agenda Item Report**

Meeting Date: <u>12/13/10</u>		Item Number: <u>C-7</u>
CITY COUNCIL AGENDA ITEM: Approval of an Amendment to the Existing Executive Employment Agreement for City Manager John Nachbar Effective December 20, 2010.		
Contact Person/Dept.: Serena Wright		Phone Number: (310) 253-5640
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐
Public Hearing: ☐	Action Item: ☐	Attachments: ☒
Commission Action Required: Yes ☐ No ☒ Date: _____		
Public Notification: (E-Mail) Agenda and Meetings – City Council (12/09/10)		
Department Approval: Serena Wright (12/09/10)		City Attorney Approval: Heather Baker (12/09/10)
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (12/08/10)		City Manager Approval: John M. Nachbar (12/09/10)
 <u>RECOMMENDATION:</u> Staff recommends that the City Council approve an amendment to the existing executive employment agreement for City Manager John Nachbar effective December 20, 2010. <u>BACKGROUND:</u> On July 12, 2010 the City Council approved an executive employment agreement (Agreement) with Mr. John Nachbar appointing him as City Manager. The Agreement provides the standard health and retirement benefit package that is given to all city employees, including the provision that the City pay 6% of the 8% miscellaneous employee contribution rate for pension benefits that are provided through the California Public Employees' Retirement System (CalPERS). <u>DISCUSSION:</u> CalPERS defined benefit retirement plan provides benefits based on members' years of service, age, and final compensation. CalPERS uses contributions of the employer and the employee as well as income from investments to pay for employee retirement benefits. Employee and employer contributions are a percentage of applicable employee compensation. The employer contribution is set annually by		

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CalPERS based on annual actuarial valuations. The fixed employee rate for the benefit provided to the miscellaneous group of employees is 8%.

In light of the City's fiscal challenges, Mr. Nachbar has voluntarily agreed to begin paying the full 8% CalPERS employee contribution rate.

FISCAL ANALYSIS:

Approval of this item will result in an approximate additional annual City savings of \$13,900, with the total approximate amount of savings being \$18,500, inclusive of Mr. Nachbar's 2% current contribution.

ATTACHMENTS:

Executive Employment Agreement.

MOTION:

That the City Council:

1. Approve an amendment to the existing Executive Employment Agreement for City Manager John Nachbar effective December 20, 2010; and,
2. Authorize the City Attorney to review/prepare the necessary documents; and,
3. Authorize the Mayor to execute such documents on behalf of the City.