

AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT

This Amendment to City Manager Employment Agreement (“Amendment”) is entered into the 17th day of June, 2020, by and between the City of Laguna Woods (“City”), and Christopher Macon (“Manager), in consideration of all of the following:

RECITALS

WHEREAS, City and Manager entered into that certain “City Manager Employment Agreement” dated October 17, 2018 (“Original Agreement”) ; and

WHEREAS, such agreement provided for annual salary adjustments to Manager’s base salary each July 1 of the agreement term, with the adjustment to be based upon any increase in the Bureau of Labor Statistics’ Los Angeles-Long Beach-Anaheim Consumer Price Index for All Urban Consumers (CPI-U), between April of the then-current and previous years, not to exceed 2% in any single year; and

WHEREAS, Manager is scheduled for such an adjustment on July 1, 2020; and

WHEREAS, budget uncertainties currently present in the City in the face of COVID-19 have clouded the City’s budget picture for the upcoming fiscal year, raising the prospect of budget shortfalls of expected revenues, and calling for cost control on expenses as much as may be feasible, including to salary and compensation of Manager; and

WHEREAS, City and Manager have met and conferred, and have determined it is in their mutual best interest to eliminate payment of the CPI-U salary adjustment to Manager for the upcoming 2020-21 fiscal year; and

WHEREAS, the parties likewise do not wish this temporary, interim cost control measure to rebound to the future detriment of Manager in the calculation of future CPI-U salary adjustments over the remaining term of the Original Agreement.

AGREEMENT

NOW, THEREFORE, the parties agree as follows on amending the terms and conditions of the Original Agreement, as follows:

1. No Payment of CPI-U Adjustment for Fiscal Year 2020-21. Notwithstanding Paragraph 4(a) of the Original Agreement, Manager shall be paid no CPI-U adjustment for his salary for the 2020-21 fiscal year. For the 2020-2021 fiscal year, Manager’s salary shall remain at its current rate of one hundred eighty-seven thousand four hundred forty-five dollars and forty cents. (\$187,445.40.)
2. Future CPI-U Adjustment Calculations to Remain Unaffected. Notwithstanding paragraph 1 above, Manager’s prospective CPI-U salary adjustments, for fiscal year 2021-22 and beyond, shall all be calculated based upon a salary figure as though Manager had been paid the CPI-U adjustment for fiscal year 2020-21. The intent of the parties is that while Manager will not actually receive such CPI-U adjustment as salary in fiscal year 2020-21, his salary basis for calculating future CPI-U adjustments will not be reduced thereby, and will be calculated from the figure that begins with

the actual amount paid in fiscal year 2020-21, plus the amount of the CPI-U adjustment which would otherwise have been applicable to Manager's fiscal year 2020-21 salary, had this amendment not been entered into.

3. Remainder of Original Agreement Unaffected. Except as specifically provided in this Amendment, the remainder of the Original Agreement is unaffected, and remains in all other respects effective, and valid.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth hereinabove.

CITY:



Noel Hatch
Mayor

MANAGER:



Christopher Macon

Amendment approved by the City Council in open session at a meeting on June 17, 2020.

ATTEST:



Yolie Trippy, CMC
City Clerk

APPROVED AS TO FORM:



David B. Cosgrove
City Attorney