



## AGENDA REPORT

**Meeting Date:** January 12, 2010  
**Item Number:** F-9  
**To:** Honorable Mayor & City Council  
**From:** Laurence S. Wiener, City Attorney  
**Subject:** **AMENDMENT NO. 1 TO THE EMPLOYMENT AGREEMENT  
BETWEEN THE CITY OF BEVERLY HILLS AND JEFF KOLIN**  
**Attachment:** Agreement Amendment

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### INTRODUCTION

This amendment will amend the employment agreement with Jeff Kolin in two ways. First, it advances his start date by five days. Second, it modifies his health benefits to reflect the cafeteria plan that was adopted by the City Council after the approval of Mr. Kolin's employment agreement.

### DISCUSSION

As a result of a national search that attracted over seventy candidates, the City Council has selected Jeff Kolin to serve as the new City Manager of Beverly Hills.

On November 17, 2009, the City Council approved an employment agreement with Mr. Kolin which included a start date of January 25, 2010. Mr. Kolin would like to advance the start date by five days to January 20, 2010 in order to attend the executive staff goal setting sessions scheduled to begin on that date.

Additionally, in December, after the approval of Mr. Kolin's employment agreement, the City Council approved a health benefits cafeteria plan for all city employees. This amendment will revise Mr. Kolin's health benefits so that he participates in the cafeteria plan on the same terms that are proposed for the executive employee group. The proposal for the executive employee group is contained in the amendments to the executive employee compensation plan that are also on the City Council's January 12 agenda.

Meeting Date: January 12, 2010

**FISCAL IMPACT**

This amendment will have a small fiscal impact as Mr. Kolin will begin to receive salary and benefits five days earlier than was contemplated by his original employment agreement.



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Approved By  
Laurence S. Wiener

**AMENDMENT NO. 1 TO THE EMPLOYMENT AGREEMENT  
BETWEEN JEFF KOLIN AND THE CITY OF BEVERLY HILLS**

This Amendment No. 1 (the "Amendment") to the Employment Agreement identified by the City as Agreement No. 440-09, (the "Agreement") is made as of January 12, 2010 and is entered into by and between the City of Beverly Hills, a California municipal corporation, ("Employer" or "City") and Jeff Kolin, ("Employee") an individual.

Section 1. Employer and Employee entered into the Agreement on November 17, 2009.

Section 2. Employer and Employee now desire to amend the Agreement to advance the start date of the agreement by five days and to provide that Employee may participate in the medical benefits cafeteria plan approved by the City Council after the approval of the Agreement.

Section 3. Section 1 of the Agreement is hereby amended to advance the start date of the Agreement from January 25, 2010 to January 20, 2010 and to read as follows:

**"Section 1: Term**

Unless sooner terminated, as provided in this Agreement, this Agreement shall remain in full force and effect from January 20, 2010, to and including January 31, 2015. Provided, however, this Agreement will not be effective unless and until Employee actually reports for duty on January 20, 2010, or such other date as Employer may approve. The expiration date of this Agreement will not be adjusted in the event Employee first reports for work on a day other than January 20, 2010.

At the time of the third annual performance review pursuant to Section 12, the parties will discuss whether to extend the term of this Agreement."

Section 4. Section 4 of the Agreement is hereby amended to update the health, benefits provided to Employee to provide that Employee shall participate in the cafeteria plan recently adopted by the City Council and to read as follows:

**Section 4: Health, Disability and Life Insurance Benefits**

A. Employer shall provide a medical health insurance program to Employee and his dependents. Insurance coverage is effective following a waiting period, as provided in the applicable plan document. Employer shall reimburse Employee for any COBRA payments made by Employee for the purpose of maintaining medical insurance coverage during the waiting period.

The payment of benefits toward this health insurance program will be through the administration of a flexible benefit (cafeteria plan) package. Employer shall pay the minimum required under Government Code Section 22892 (b)(2) or its successor on behalf of Employee. In addition to the minimum payment required under Government Code Section 22892 (b)(2) or its successor, flexible benefits shall be provided as follows:

1. Employer shall provide a monthly benefit contribution to Employee (in addition to the PERS statutory minimum contribution to medical insurance for all participants) to be used by Employee to pay for selected I.R.S. qualified benefits as detailed in this Section. The amount of the monthly benefit will be equal to the combined cost of the PERS Care family medical (minus the statutory minimum contribution being made by the City), the enhanced family dental and the enhanced family vision plans offered to executive employees of the City as of January 1, 2010 and on each January 1 thereafter. (Where more than one plan is offered in a particular category of coverage, "enhanced" designates the plan with the greatest premium.) If after selection of the various I.R.S. qualified benefits as detailed in this section, Employee has benefit contribution left over, Employee shall receive, in a taxable cash payment added to his bi-weekly payroll, that amount as determined by the difference between Employee's selected benefits and the monthly benefit amount, subject to a maximum limit of \$600. If Employee "spends" more than what is allocated by the City in the Flexible Benefits (Cafeteria) Plan monthly allotment, the difference shall be deducted from Employee's pay on a bi-monthly basis. Terms will be as specified in the applicable plan document(s) and any conflict will be resolved in favor of the plan document.

The various I.R.S. qualified benefits offered by the City are as follows:

a. Medical Insurance

The City shall provide a medical insurance program. The cost of the coverage may vary, contingent upon the number of dependents claimed.

In the event Employee is on leave without pay as a result of an illness or injury and has exhausted 50% of vacation leave and all sick leave credit, the City shall pay the employee's applicable cafeteria plan contribution amount for one month for each full year of said employee's City service.

Employer shall pay the premium for Employee and dependents, if any, for hospital and medical benefits during the continuous periods of Employee's absence if caused by an injury or job related illness while on duty. The schedule of payment shall be at the rate of one month's premium contribution for each year of service.

b. Dental Insurance

Employer shall provide one or more dental insurance plan(s) to Employee. The cost of the coverage may vary, contingent upon the number of dependents and/or spouse or domestic partner enrolled and the level of benefits selected. Upon retirement, Employee may continue in the City's dental plan, at his own expense, to the extent and subject to the terms and conditions of the then-applicable plan document. The City reserves the right to modify or discontinue retiree dental insurance based on availability, market conditions and other factors.

c. Optical Insurance

Employer shall provide one or more optical insurance plan(s) to Employee. The cost of the coverage may vary, contingent upon the number of dependents and/or spouse or domestic partner enrolled and the level of benefits selected. Upon retirement, Employee may continue in the City's optical plan, at his own expense, to the extent and subject to the terms and conditions of the then-applicable plan document. The City reserves the right to modify or discontinue retiree optical insurance based on availability, market conditions and other factors.

2. Employer shall provide a retiree health insurance benefit as follows:

a. Employee must complete a minimum of 5 years of full time employment with the City of Beverly Hills; and

b. Receive a service retirement from the City of Beverly Hills; and

c. Remain continuously retired from the City of Beverly Hills without reinstatement to active status with PERS. To remain eligible for this benefit, Employee cannot work for another PERS contracting agency and make contributions to PERS to enhance his retirement and cannot be eligible for further PERS benefits.

If Employee meets these conditions, the City shall continue to pay the difference between the minimum required under Government Code Section 22892 (b)(2) or its successor and the actual cost of medical insurance up to the two-party rate of the PERSCare plan under PERS for Employee and for the spouse or surviving spouse subject to the conditions below:

i) A spouse includes any marriage, domestic partnership or civil union partner eligible for coverage under the applicable plan documents, such as a spouse, husband, wife or registered domestic partner.

ii) Employee must elect City premium contributions above the statutory minimum for a surviving spouse upon the spouse first being eligible for coverage under the City's plan, at a cost of \$10.00 per month while Employee is employed and paid by payroll deduction based on a reduction in the City's contribution toward coverage above the statutory minimum. If Employee does not timely elect and pay the \$10 monthly charge, then Employee may not later elect surviving spouse premium contributions. Employee payments are not refundable, even if Employee leaves City service without retiree medical coverage, gets divorced, terminates a domestic partnership or is otherwise unable to take advantage of surviving spouse premium contributions.

B. Employee shall be entitled to a three hundred thousand dollar (\$300,000) term life insurance policy under the City's life insurance program. The full premium for such policy shall be paid for by the City under the life insurance program of its choosing. Employee shall have the option to purchase additional life insurance at the City's unit cost, if available. Employee shall name the beneficiary of the life insurance policy.

C. Employer shall provide to Employee extended disability base pay and benefits (less legally required deductions) continuance in the event that Employee sustains an injury or illness causing long term disability. This continuance shall be up to 90 days, as approved by City Council, at its sole discretion. After this period, the City's Extended Disability Base Pay and Benefits Continuance shall stop. To qualify for this pay and benefits continuance, Employee must notify Human Resources in writing immediately upon becoming aware that an injury or illness may result in a long term disability. Human Resources, in consultation with the Risk Management Division, will contact the Employee's physicians and medical treatment centers as may be appropriate to determine the severity and scope of injury/illness and probable length of absence of Employee. Employee must also make himself available for examination by a City appointed physician (at City expense). Employee must file for disability insurance within the prescribed insurance required time-lines and provide the City with a written statement from a physician, satisfactory to the Assistant Director of Administrative Services-Human Resources after consultation with the Risk Management Division, detailing Employee's injury or illness and recommending disability leave.

No Extended Disability Base Pay and Benefits Continuance shall be granted for Employee if he does not follow the procedures as set forth in this paragraph C, or does not qualify for disability insurance.

Employee shall not receive a monetary amount greater than he would normally receive if he had been working under normal conditions. Any disability indemnity received by Employee from the State of California for the purpose of insuring a weekly or monthly income as the result of the same work incurred injury for which

Employee is receiving extended disability base pay and benefits continuance from the City shall be paid to the City."

Section 5. Except as otherwise specifically provided in this Amendmnet, the provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF the parties have executed this Agreement as of the date and year first written above.

EMPLOYEE



JEFF KOLIN

CITY

\_\_\_\_\_  
NANCY KRASNE  
Mayor of the City of  
Beverly Hills, California

ATTEST:

\_\_\_\_\_(Seal)  
BYRON POPE  
City Clerk

APPROVED AS TO FORM:



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LAURENCE S. WIENER  
City Attorney