

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 23 A-C

DATE: December 2, 2003

STAFF: John Fischbach,
Steve Roy, Kathleen Lane

SUBJECT

Items Relating to the Employment Contracts of the City Manager, City Attorney and Municipal Judge.

RECOMMENDATION

Staff recommends adoption of the Resolutions.

EXECUTIVE SUMMARY

The employment contracts of the City Manager, City Attorney and Municipal Judge presently provide for payment of annual physical exam. Adoption of these Resolutions would approve an addendum to each contract modifying and standardizing the provision and placing a maximum dollar amount that will be covered by the contracts.

BACKGROUND

- A. Resolution 2003-136 Authorizing the Mayor to Execute a Fourth Addendum to the City's Employment Agreement with John F. Fischbach as City Manager of the City of Fort Collins.
- B. Resolution 2003-137 Authorizing the Mayor to Execute a Fourth Addendum to the City's Employment Agreement with Stephen J. Roy as City Attorney of the City of Fort Collins.
- C. Resolution 2003-138 Authorizing the Mayor to Execute a Fifth Addendum to the City's Employment Agreement with Kathleen M. Lane as Municipal Judge of the City of Fort Collins.

The City Manager, City Attorney and Municipal Judge are hired directly by the City Council, and the terms and conditions of their employment are spelled out in employment agreements for each employee. The employment contract of each of these employees presently contains a provision under which the City pays for the cost of an annual physical exam. Questions have arisen regarding the kinds of tests that are within the scope of that provision. The purpose of the new provisions is to standardize the wording related to this benefit for each employee and to impose a maximum dollar amount to be expended by the City for such benefit, irrespective of the kinds of medical tests that may be recommended for each employee. The result will be to provide maximum flexibility with regard to the nature of the exam while still controlling the cost to the City.

The proposed language for each contract would read as follows:

“In addition to providing coverage to the Employee and his dependents under the City’s medical health plan, the City shall pay, up to a maximum of Eight Hundred Fifty Dollars (\$850) per calendar year, the cost of one or more medical examinations per year by a licensed physician or physicians of the Employee’s choice. These examination(s) may include any tests or consultations recommended by the examining physician(s). This provision shall be applied retroactively, commencing January 1, 2003. The foregoing maximum amount of Eight Hundred Fifty Dollars (\$850) shall be increased annually, commencing January 1, 2005, to reflect any inflation in medical costs, as indicated by the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Indexes for Medical Care. The City’s obligation to pay the cost of any test or consultation which exceeds the foregoing maximum amount, or the cost of treating any medical condition discovered during the course of such physical examination(s), shall be limited to the benefits available under the City’s then current medical health plan; provided, however, that any cost incurred by the Employee which is reimbursed by the City under this provision shall not be applied by the Employee toward the satisfaction or reduction of any deductible amount or copay requirements that the Employee may have under the City’s medical health plan.”

RESOLUTION 2003-136
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AUTHORIZING THE MAYOR TO EXECUTE A FOURTH ADDENDUM
TO THE CITY'S EMPLOYMENT AGREEMENT WITH JOHN F. FISCHBACH
AS CITY MANAGER OF THE CITY OF FORT COLLINS

WHEREAS, the City has previously entered into an employment agreement with John F. Fischbach as City Manager of the City (the "Employment Agreement"), which has previously been amended through the approval of three addenda; and

WHEREAS, the Employment Agreement includes a provision which states that the City will pay the cost of an annual physical examination of the employee; and

WHEREAS, this same benefit is made available to the City Council's other direct employees, the City Attorney and Municipal Judge, although the provision in each such employee's contract is somewhat differently worded; and

WHEREAS, the City Council wishes to standardize the wording of this provision in each employee's contract and to impose a maximum cost to be incurred by the City in connection with this benefit.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FORT COLLINS that the Mayor is hereby authorized to execute a Fourth Addendum to the Employment Agreement, as follows:

Section 1. That Section V.B of the Employment Agreement is hereby amended to read in its entirety as follows:

Section V. Disability, Health and Life Insurance.

B. In addition to providing coverage to Fischbach and his dependents under the City's medical health plan, the City shall pay, up to a maximum of Eight Hundred Fifty Dollars (\$850) per calendar year, the cost of one or more medical examinations per year by a licensed physician or physicians of Fischbach's choice. These examination(s) may include any tests or consultations recommended by the examining physician(s). This provision shall be applied retroactively, commencing January 1, 2003. The foregoing maximum amount of Eight Hundred Fifty Dollars (\$850) shall be increased annually, commencing January 1, 2005, to reflect any inflation in medical costs, as indicated by the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Indexes for Medical Care. The City's obligation to pay the cost of any test or consultation which exceeds the foregoing maximum amount, or the cost of treating any medical condition discovered during the course of such physical examination(s), shall be limited to the benefits available under the City's then current medical health plan; provided, however, that any cost incurred by Fischbach which is

reimbursed by the City under this provision shall not be applied by Fischbach toward the satisfaction or reduction of any deductible amount or copay requirements that Fischbach may have under the City's medical health plan.

Section 2. That except as hereinabove modified, the agreement will remain the same.

Passed and adopted at a regular meeting of the City Council held this 2nd day of December, A.D. 2003.

Mayor

ATTEST:

Chief Deputy City Clerk

RESOLUTION 2003-137
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AUTHORIZING THE MAYOR TO EXECUTE A FOURTH ADDENDUM TO
THE CITY'S EMPLOYMENT AGREEMENT WITH STEPHEN J. ROY
AS CITY ATTORNEY OF THE CITY OF FORT COLLINS

WHEREAS, the City has previously entered into an employment agreement with Stephen J. Roy as City Attorney of the City (the "Employment Agreement"), which has previously been amended through the approval of three addenda; and

WHEREAS, the Employment Agreement includes a provision which states that the City will pay the cost of an annual physical examination of the employee; and

WHEREAS, this same benefit is made available to the City Council's other direct employees, the City Manager and Municipal Judge, although the provision in each such employee's contract is somewhat differently worded; and

WHEREAS, the City Council wishes to standardize the wording of this provision in each employee's contract and to impose a maximum cost to be incurred by the City in connection with this benefit.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FORT COLLINS that the Mayor is hereby authorized to execute a Fourth Addendum to the Employment Agreement, as follows:

Section 1. That Section 9(B), Additional Benefits of the Employment Agreement is hereby amended to read in its entirety as follows:

Section 9. ADDITIONAL BENEFITS.

B. In addition to providing coverage to the Employee and his dependents under the City's medical health plan, the City shall pay, up to a maximum of Eight Hundred Fifty Dollars (\$850) per calendar year, the cost of one or more medical examinations per year by a licensed physician or physicians of the Employee's choice. These examination(s) may include any tests or consultations recommended by the examining physician(s). This provision shall be applied retroactively, commencing January 1, 2003. The foregoing maximum amount of Eight Hundred Fifty Dollars (\$850) shall be increased annually, commencing January 1, 2005, to reflect any inflation in medical costs, as indicated by the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Indexes for Medical Care. The City's obligation to pay the cost of any test or consultation which exceeds the foregoing maximum amount, or the cost of treating any medical condition discovered during the course of such physical examination(s), shall be limited to the benefits available under the City's then current medical health plan; provided, however, that any cost incurred by the Employee which is

reimbursed by the City under this provision shall not be applied by the Employee toward the satisfaction or reduction of any deductible amount or copay requirements that the Employee may have under the City's medical health plan.

Section 2. That except as hereinabove modified, the agreement will remain the same.

Passed and adopted at a regular meeting of the City Council held this 2nd day of December, A.D. 2003.

Mayor

ATTEST:

Chief Deputy City Clerk

RESOLUTION 2003-138
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AUTHORIZING THE MAYOR TO EXECUTE A FIFTH ADDENDUM TO
THE CITY'S EMPLOYMENT AGREEMENT WITH KATHLEEN M. LANE
AS MUNICIPAL JUDGE OF THE CITY OF FORT COLLINS

WHEREAS, the City has previously entered into an employment agreement with Kathleen M. Lane as Municipal Judge of the City (the "Employment Agreement"), which has previously been amended through the approval of three addenda; and

WHEREAS, the Employment Agreement includes a provision which states that the City will pay the cost of an annual physical examination of the employee; and

WHEREAS, this same benefit is made available to the City Council's other direct employees, the City Manager and City Attorney, although the provision in each such employee's contract is somewhat differently worded; and

WHEREAS, the City Council wishes to standardize the wording of this provision in each employee's contract and to impose a maximum cost to be incurred by the City in connection with this benefit.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FORT COLLINS that the Mayor is hereby authorized to execute a Fifth Addendum to the Employment Agreement, as follows:

Section 1. That Section 9.B. of the Employment Agreement is hereby amended to read in its entirety as follows:

Section 9. Disability, Health and Life Insurance.

B. In addition to providing coverage to the Employee and his dependents under the City's medical health plan, the City shall pay, up to a maximum of Eight Hundred Fifty Dollars (\$850) per calendar year, the cost of one or more medical examinations per year by a licensed physician or physicians of the Employee's choice. These examination(s) may include any tests or consultations recommended by the examining physician(s). This provision shall be applied retroactively, commencing January 1, 2003. The foregoing maximum amount of Eight Hundred Fifty Dollars (\$850) shall be increased annually, commencing January 1, 2005, to reflect any inflation in medical costs, as indicated by the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Indexes for Medical Care. The City's obligation to pay the cost of any test or consultation which exceeds the foregoing maximum amount, or the cost of treating any medical condition discovered during the course of such physical examination(s), shall be limited to the benefits available under the City's then current medical health plan; provided, however, that any cost incurred by the Employee which is

reimbursed by the City under this provision shall not be applied by the Employee toward the satisfaction or reduction of any deductible amount or copay requirements that the Employee may have under the City's medical health plan.

Section 2. That except as hereinabove modified, the agreement will remain the same.

Passed and adopted at a regular meeting of the City Council held this 2nd day of December, A.D. 2003.

Mayor

ATTEST:

Chief Deputy City Clerk