

## **FIRST AMENDMENT TO EMPLOYMENT AGREEMENT [CITY MANAGER]**

This First Amendment to Employment Agreement (“First Amendment”), dated as of November 8, 2022 (the “Effective Date”), is entered into by and between the City of Lake Elsinore, a California municipal corporation (“Employer”) and Jason Simpson (“Employee”).

### **RECITALS**

A. By Employment Agreement dated February 9, 2021 (the “Agreement”), Employer engaged Employee to serve as City Manager of the City of Lake Elsinore.

B. Pursuant to Section 7 of the Agreement, the City Council conducted performance evaluations on November 9, 2021 and May 10, 2022 and found Employee’s performance met or exceeded expectations.

C. On September 13, 2022, the City Council approved a Side Letter to the 2021-2026 Memorandum of Understanding with LIUNA Local 777 Amending the Salary Ranges and Changes of Benefits for Union-Represented and Non-Represented Employees to respond to inflationary pressures and to improve recruitment and retention of City employees.

D. On October 25, 2022, the City Council met in Closed Session and directed the City Attorney to prepare this First Amendment to adjust Employee’s compensation in response to inflationary pressures and in recognition of the adjustments awarded all City employees.

### **AGREEMENT**

1. Section 3. “Salary” is hereby amended and restated in its entirety as follows:

“a. Commencing the first pay period following the Effective Date, Employer agrees to pay Employee for his services in the capacity of City Manager an annual salary of \$297,463.26, which shall be paid in the same manner and at the same time in accordance with the City’s established payroll program or the payment of City employee salaries. Employee’s salary shall be subject to customary withholding for taxes, social security and other required deductions.

b. Except as provided hereinbelow in paragraph 3.c. below, upon the condition that Employee meets performance expectations as determined by the City Council during Employee’s February 2022 performance review and in each successive annual performance review conducted by the City Council during the Term as provided in Section 7, Employee shall receive a cost of living salary increase equal to the percentage increase in the cost of living for the most recently published prior twelve month period as shown by the U.S. Department of Labor in its All Urban Consumer Index for the Riverside Area, plus 1%. Notwithstanding the foregoing, no annual salary increase pursuant to this Section 3.b. shall exceed 6%.

c. Employee waives the salary adjustment provisions of paragraph 3.b. above, in connection with the 2023 annual performance evaluation to be

conducted by the City Council in accordance with Section 7 of the Agreement. Any change in salary prior to February 2024 and any salary increase thereafter during the Term in excess of the amount provided in section 3.b. shall be effective only by written amendment to the Agreement entered into between Employer and Employee.”

5. Except as provided herein, the terms and conditions set forth in the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF the parties have caused this First Amendment executed on November \_\_, 2022.

CITY OF LAKE ELSINORE:

\_\_\_\_\_  
Timothy J. Sheridan, Mayor

ATTEST:

\_\_\_\_\_  
Candice Alvarez, MMC, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Barbara Z. Leibold, City Attorney

EMPLOYEE:

\_\_\_\_\_  
Jason Simpson, City Manager