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## Manager contracts vary by city

### Desert Sun analysis: Severance deal in Desert Hot Springs is unique

Brian Joseph  
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Desert Hot Springs City Manager Jerry Hanson raised eyebrows this week when it was revealed he was paid \$106,000 in severance pay even though he still works for the city.

And earlier this month, the annual salary of incoming Indio City Manager Glenn Southard was set at \$240,000.

The recent developments have Palm Springs city manager saying, only half-jokingly, "I think all the city managers in California are following the city manager contracts in the Coachella Valley right now."

Excluding Southard's salary, which is the second-highest among city managers in California, Coachella Valley city managers make an average base salary of about \$140,000 a year.

That number, however, doesn't include escalators for cost-of-living increases, which are present in some of the contracts but not others.

"City manager contracts, they're like prenuptial agreements," said Ready, who makes a base salary of \$135,000 a year. "They're all different."

A Desert Sun review of contracts for the valley's other eight city managers, excluding Desert Hot Springs, revealed no other city had worked out a deal like Hanson's, under which he was paid part of his severance package without being fired or leaving the city.

Hanson and other Desert Hot Springs city officials say under his new contract, which was signed in February, he does not have a severance package.

Instead, they say, he is being paid the value of an old severance package - \$220,000 - in two lump sum payments.

They say that old severance package comes from Hanson's previous contract with the city and that Hanson was eligible to receive severance pay regardless of whether he quits or is fired.

None of the eight other city manager contracts have provisions for paying a severance if the manager quits.

Most contracts also include provisions that say if the manager is fired for criminal misconduct he is not eligible for severance pay.

"In mine and most in California (only) if they terminate you, (then) do you get the severance," said Ready, who declined to comment on Hanson's particular contract because he said he didn't know the details of the negotiations.

Cathedral City City Manager Don Bradley was likewise hesitant Thursday to comment on the

provisions in Hanson's contract, saying "Each city deals with this in its own way."

The Desert Sun review also revealed several benefits for city managers:

Annual or bi-annual "executive" physicals.

Monthly automobile allowances, ranging from \$300 (for Coachella City Manager Jerry Santillan) to \$600 (for Southard).

Life insurance policies ranging from \$100,000 (for Ready) to \$500,000 (for Southard).

Paid dues to local civic groups and professional organizations such as the International City Management Association and the League of California Cities.

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