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DALLAS, TEXAS



CITY OF DALLAS

## Memorandum

DATE January 24, 2025  
Mayor Eric L. Johnson  
FROM Mayor Pro Tem Tennell Atkins  
Councilmember Kathy Stewart  
TO Honorable Members of the Dallas City Council  
SUBJECT **City Manager Agreement of Employment Analysis**

Dear Colleagues:

As you know, on Wednesday, January 22, 2025, the Dallas City Council officially appointed Kimberly Bizer Tolbert as the Dallas City Manager and approved an Agreement of Employment (Agreement) with a base salary of \$450,000.00. This decision represents an important step forward for our City, and we are excited to work with our new City Manager to make our city safer, stronger, and more vibrant in the years ahead.

To provide for greater clarity and transparency, we wanted to provide you with the below summary and analysis of the provisions of the Agreement, including a comparison of the Dallas City Manager's salary to other city manager contracts in major Texas and other U.S. cities and an explanation of the stark differences between Ms. Tolbert's termination provision and the one included in her predecessor's Agreement of Employment. For your reference, the full Agreement for the new City Manager is also attached.

### 1. **Term**

Kimberly Bizer Tolbert will serve as the City Manager for an indefinite term but may be removed at any time upon a **two-thirds vote** of the members of the City Council as permitted by Section 1, Chapter VI, of the City Charter. As a reminder, the City Charter does not allow the City Manager's appointment to be made for a fixed period of time.

### 2. **Compensation**

Kimberly Bizer Tolbert's annual base salary is \$450,000.00. The following is a comparison of other Texas and U.S. city manager salaries, as compiled by the City Attorney's Office. (As a reminder, Dallas is the third-largest city in the nation with a council-manager form of government and competes with other major cities for top talent).

<b>City</b>	<b>Base Salary</b>	<b>Other Comp</b>	<b>Severance</b>	<b>Population (2023) Rounded</b>
Phoenix, AZ	\$407,500	Unknown	Unknown	1,650,000
San Antonio	\$461,000	<ul style="list-style-type: none"> <li>• \$6,000 yr. car allowance</li> <li>• \$8,400 yr. executive allowance</li> <li>• \$31,000 deferred comp</li> </ul>	18 months' salary	1,500,000
Dallas	\$450,000	<ul style="list-style-type: none"> <li>• 75% of maximum allowed under Section 457 of the Internal Revenue Code (\$31,000)</li> </ul>	N/A	1,300,000
Austin	\$470,000	<ul style="list-style-type: none"> <li>• \$7,000 yr. car allowance</li> <li>• \$1,620 yr. cell phone</li> <li>• \$31,000 yr. deferred comp</li> </ul>	12 months' salary	980,000
Fort Worth	\$435,000	<ul style="list-style-type: none"> <li>• \$7,200 yr. car allowance</li> <li>• deferred comp unknown</li> </ul>	12 months' salary	980,000
Charlotte, NC	\$480,229	<p>Per local news article from November 2022:</p> <ul style="list-style-type: none"> <li>• \$32,200 yr. deferred comp</li> <li>• 3% 401K match</li> <li>• \$5,700 yr. car allowance</li> <li>• \$3,100 expense allowance</li> </ul>	Unknown	900,000

### 3. **Other expenses and equipment**

According to the Agreement, the City will reimburse the City Manager for expenses incurred in the conduct of City business, including dues for a dining facility and the hosting of business meetings. The Agreement also calls for providing the City Manager with City-owned equipment reasonably necessary to enable the City Manager to perform the duties of her office, including a laptop and a hand-held communication device.

These are standard practices and are in line with our previous Agreements of Employment. We know the City Manager is committed to the job and want to ensure she has the tools and maximum flexibility to conduct her work on behalf of the people of Dallas.

#### **4. Residence in Dallas, real property, and other business investments**

The City Manager shall be a resident of the City of Dallas during the term of appointment, as dictated by the City Charter. (At the time of the Agreement, Kimberly Bizer Tolbert was already an established resident of the City of Dallas).

The Agreement also includes provisions meant to avoid conflicts of interest. For example, the City Manager agrees not to have or acquire ownership interests in any real property in the City of Dallas, other than her residence, without first obtaining the approval of the City Council. Furthermore, the City Manager also agrees not to engage in any joint business activities with any other City employee during her term as the City Manager.

#### **5. Professional development**

To facilitate the City Manager's continued professional growth and commitment to innovation and best practices, the City will pay the following:

- Travel and subsistence expenses for professional and official travel, meetings, and other learning and development opportunities. This includes conferences, and other international, national, regional, state, and local governmental groups, boards, and committees that the City Manager serves as a member;
- Short courses, institutes, and seminars necessary for her professional development and for the good of the City; and
- Dues and subscriptions of the City Manager, including for the holding of office in international, national, regional, state, and local professional and civic associations that advance her development and the City's goals and standing.

As with other provisions, this is in line with previous City Manager Agreements and with good business practices for professional development.

#### **6. Termination**

The termination provision might be the most significant departure from past practice and will better protect taxpayers while still allowing the City Manager the assurances she needs to do her job.

Under the Agreement, the City Manager can only be removed by a two-thirds vote of the City Council at a properly posted and noticed meeting. As a reminder, this is in line with the City Charter, which states that the City Manager "shall be removable at the will and pleasure of the city council upon a two-thirds vote of the members of the council unless otherwise provided by contract."

If the City Manager is removed by a two-thirds vote, the City shall provide sufficient vacation leave, including Kimberly Bizer Tolbert's existing vacation leave balance to allow her to be eligible for retirement under Dallas City Code Chapter 40A. However, the Agreement includes an additional protection for the City, stating that this provision will not apply if Kimberly Bizer Tolbert is removed because she is convicted of an offense involving moral turpitude, any criminal act involving the performance of her duties, or any criminal act of any degree of felony.

Ultimately, this termination provision is a protection of Kimberly Bizer Tolbert's retirement eligibility under the City's civilian pension plan. When she reaches her date of eligibility for full retirement, which is in approximately two years, the provision will no longer apply. At that point, the City Manager may continue working at the will and pleasure of the City Council without any predetermined "severance package" provided in the Agreement.

The next page shows a comparison of the new Agreement with that of the former city manager compiled by our City Attorney's Office.

<b>Current City Manager</b>	<b>Former City Manager</b>
<p>If the City Manager is removed upon a <b>two-thirds</b> vote of the members of the City Council, the City will provide sufficient vacation leave that includes existing accrued vacation leave, for the City Manager to be eligible for retirement.</p> <p>Provided, however, that if the City Manager is removed because she is convicted of an offense involving moral turpitude, any criminal act involving the performance of her duties, or any criminal act of any degree of felony, this section shall not apply.</p>	<p>In the event of an <b>involuntary separation</b>, the City Manager is entitled to receive:</p> <ul style="list-style-type: none"> <li>• A lump sum payment equal to twelve months of current base salary.</li> <li>• Twelve months of the costs of continued health benefits for the City Manager and his dependents.</li> </ul> <p>Provided, however, that if the City Manager is terminated because he is convicted of an offense involving moral turpitude, any criminal act involving the performance of his duties, or any criminal act of any degree of felony, the City has no obligation to pay the severance.</p> <p><b>Involuntary separation</b> means:</p> <ul style="list-style-type: none"> <li>• Removal from office by a <b>majority vote</b> of the members of the City Council – <i>Only eight votes of the members of the City Council;</i></li> <li>• The City Manager's resignation following a reduction in salary or other financial benefits greater than an across-the-board reduction for all City employees;</li> <li>• Refusal of the City to comply with any other provision of the Agreement benefiting the City Manager; or</li> <li>• <b>Resignation following a suggestion, whether formal or informal, by a majority of the City Council that he resign – No formal action required and only eight members of the City Council suggesting resignation.</b></li> </ul> <p><b>If involuntary separation occurs, the City Manager, at the City Manager's option, may be deemed to be terminated at the date of the reduction, refusal, or suggestion.</b></p>

In summary, the current City Manager's Agreement of Employment termination provision does not include an involuntary separation clause and requires a **two-thirds vote** of the members of the City Council at a posted meeting as opposed to a simple **majority vote** of the members of the City Council or a *suggestion by eight members of the City Council* that the City Manager resign. In addition, the \$900,000 figure mentioned at the City Council meeting on January 22, represented a maximum that diminishes daily and did not take into consideration the City Manager's existing accrued leave. In other words, that figure (minus her existing accrued leave) only applied if the City Manager was appointed and then was immediately removed upon a two-thirds vote of the members of the City Council.

Also, the Agreement does not contemplate awarding any sufficient vacation leave for retirement eligibility under the termination provision if the City Manager resigns for any reason.

## 7. **Benefits and other terms and conditions of employment**

The Agreement also includes a few other important – but fairly standard – provisions:

- All other relevant City employment provisions apply to the City Manager, even if not provided for specifically in the Agreement. This includes those spelled out in the City Charter, City Code, and regulations and rules of the City relating to vacation, sick leave, retirement system contributions, holidays, compensatory time, and other fringe benefits and working conditions.
- The City also agrees to provide a City vehicle for the City Manager's transportation needs related to City business. This is a departure from the former city manager's Agreement of Employment, which provided for a monthly car allowance of \$700.00, payable in monthly installments with the first bi-weekly paycheck of each month.
- The City shall also procure a policy of indemnity against professional liability or, in the alternative, assume liability on behalf of Kimberly Bizzor Tolbert in accordance with Dallas City Code Chapter 31A, "Officer and Employee Liability Plan," against a loss arising out of any claim, suit, or judgment resulting from an act or omission of the City Manager during the discharge of her duties and within the scope of her office while employed as the City Manager for the City.
- Before resigning, the City Manager shall give the City Council at least sixty days' notice in writing of her intent to resign, stating the reasons for the resignation.
- The City will pay to the City Manager 75 percent of the maximum amount permitted pursuant to Section 457 of the Internal Revenue Code on January 23, 2025. Such a payment will be made annually thereafter for

contribution by the City Manager to a deferred compensation program of her choice.

**8. Vacation and sick leave**

Upon termination of employment from the City, the City agrees to pay Kimberly Bizzor Tolbert a lump sum amount equal to the value of any accrued vacation leave remaining to her credit; and a lump sum amount equal to the value of any accrued sick leave (not to exceed 720 hours) remaining to her credit.

This was an important Agreement and deal for our City, and we are pleased that our City Council overwhelmingly supported it. Should you have any further questions pertaining to this Agreement, please reach out to the City Attorney's Office.

Sincerely,



Eric L. Johnson  
Mayor



Tennell Atkins  
Mayor Pro Tem



Kathy Stewart  
Councilmember, District 10

Attachment: City Manager Agreement of Employment

c: Billerae Johnson, City Secretary  
Tammy L. Palomino, City Attorney  
Mark Swann, City Auditor

STATE OF TEXAS

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**CITY MANAGER AGREEMENT  
OF EMPLOYMENT**

COUNTY OF DALLAS

THIS AGREEMENT OF EMPLOYMENT ("Agreement") is made and entered into this 22<sup>nd</sup> day of January 2025 by and between the City of Dallas ("City") and Kimberly Bizer Tolbert ("City Manager"), and evidences the following:

**RECITALS**

The City desires to employ the services of Kimberly Bizer Tolbert, as City Manager of the City of Dallas, in accordance with applicable provisions of the Dallas City Charter and Dallas City Code, as amended. Kimberly Bizer Tolbert desires to accept employment as City Manager of the City of Dallas.

**AGREEMENT**

I. APPOINTMENT

City hereby appoints Kimberly Bizer Tolbert as City Manager of the City of Dallas beginning January 22, 2025, to perform the functions and duties specified in the City Charter and the City Code and to perform such other legally permissible and proper duties and functions as City Council may from time-to-time assign.

II. TERM

Kimberly Bizer Tolbert shall serve as City Manager for an indefinite term, commencing January 22, 2025, but may be removed at any time in accordance with the provisions of the Charter and **upon a two-thirds vote** of the members of City Council as permitted by Section 1, Chapter VI, of the City Charter.

III. COMPENSATION

(a) City agrees to pay the City Manager for her services the annual base salary of **FOUR HUNDRED AND FIFTY THOUSAND DOLLARS AND 00/100 (\$450,000.00)** payable in installments in the same manner and at the same time as other civilian employees of the City are paid, and subject to the same applicable deductions for employee benefit contributions and other legally required deductions.

(b) The City and City Manager agree that City Council may determine whether to increase the base salary and/or other benefits of the City Manager on the basis of a salary and



performance review made at least annually by City Council, meeting with the City Manager after a report and recommendation by a committee appointed by the Mayor. The salary and performance review process shall commence on January 23, 2026, and each January 23, annually thereafter and be completed not later than April 15, 2026, and each April 15, annually thereafter. If the City Manager's salary and performance review is not completed by April 15, 2026, and each April 15, annually thereafter, the City Manager's annual base salary shall automatically increase on April 16, 2026, and each April 16, annually thereafter, the same as the average percentage appropriated for civilian employee merit increases in that fiscal year until City Council completes its annual salary and performance review of the City Manager. In this Agreement, a salary and performance review is complete once City Council meets in open or closed session in accordance with the Texas Open Meetings Act to discuss/deliberate the salary and performance review of the City Manager and communicates to the City Manager that City Council has completed such salary and performance review.

#### IV. HOURS OF WORK

It is recognized that the City Manager must devote a great deal of her time outside normal office hours to business of the City, and in consideration of that responsibility, the City Manager will be allowed to take reasonable time off as she shall deem appropriate during normal office hours.

#### V. OTHER EXPENSES AND EQUIPMENT

(a) The City agrees to reimburse the City Manager for expenses incurred in the conduct of City business including dues for a dining facility and the hosting of business meetings.

(b) The City agrees to provide City-owned equipment reasonably necessary to enable the City Manager to perform the duties of her office, including a laptop for use in her home and a hand-held communication device. At termination of employment, all City owned equipment will be immediately returned to the City.

#### VI. RESIDENCE IN DALLAS, REAL PROPERTY, AND OTHER BUSINESS INVESTMENTS

(a) In accordance with Section 1, Chapter VI of the City Charter, the City Manager shall be a resident of the City of Dallas during the term of appointment.

(b) Kimberly Bizer Tolbert agrees that she shall not have or acquire ownership interests in any real property in the City of Dallas, other than her residence, during her term as City Manager, without first obtaining the approval of City Council.

(c) Kimberly Bizer Tolbert agrees that she shall not engage in any joint business activities with any other City employee during her term as City Manager.

## VII. PROFESSIONAL DEVELOPMENT AND CIVIC SERVICE

(a) The City agrees to pay the travel and subsistence expenses of the City Manager for professional and official travel, meetings, and occasions adequate to continue her professional development and to adequately pursue necessary official and other functions for the City, including the Annual Conference of the International City Management Association, the Texas Municipal League, and such other international, national, regional, state, and local governmental groups, boards, and committees of these organizations that the City Manager serves as a member.

(b) The City agrees to pay for the travel and subsistence expenses of the City Manager for short courses, institutes, and seminars that are necessary for her professional development and for the good of the City.

(c) The City agrees to pay for the dues and subscriptions of the City Manager necessary for her continuation and full participation, including the holding of office in international, national, regional, state, and local professional and civic associations and organizations necessary and desirable for her continued professional and civic participation, growth, and advancement, and for the good of the City.

## VIII. TERMINATION

If the City Manager is removed **upon a two-thirds vote** of the members of the City Council, as permitted by Section 1, Chapter VI of the City Charter, the City shall provide sufficient vacation leave, including Kimberly Bizer Tolbert's existing vacation leave balance, for Kimberly Bizer Tolbert to be eligible for retirement under Dallas City Code Chapter 40A. Provided, however, that if Kimberly Bizer Tolbert is removed because she is convicted of an offense involving moral turpitude, any criminal act involving the performance of her duties, or any criminal act of any degree of felony, then this section shall not apply.

## IX. BENEFITS AND OTHER TERMS AND CONDITIONS OF EMPLOYMENT

(a) In addition to the benefits provided in this Agreement, all provisions of the City Charter, City Code, and regulations and rules of the City relating to vacation, sick leave, retirement system contributions, holidays, compensatory time, and other fringe benefits and working conditions as they now exist or may be amended, also shall apply to Kimberly Bizer Tolbert as they would to other employees of City, insofar as those provisions, regulations, and rules are not inconsistent with this Agreement.

(b) The City agrees to provide a City vehicle for the City Manager's transportation needs related to City business, including City resources to assist with transportation needs related to City business, and including incidental personal use in compliance with city rules, regulations, and City code as well as state and federal law.

(c) The City shall also procure a policy of indemnity against professional liability or, in the alternative, assume liability on behalf of Kimberly Bizer Tolbert in accordance with Dallas City Code Chapter 31A, "Officer and Employee Liability Plan," against a loss arising out of any

claim, suit, or judgment resulting from an act or omission of the City Manager during the discharge of her duties and within the scope of her office while employed as the City Manager for the City.

(d) Before resigning her position, Kimberly Bizzor Tolbert agrees to give City Council at least sixty (60) days' notice in writing of her intent to resign, stating the reasons for the resignation.

(e) The City Agrees to pay to the City Manager 75 percent of the maximum amount permitted pursuant to Section 457 of the Internal Revenue Code on January 23, 2025, and annually thereafter on January 23, for contribution by City Manager to a deferred compensation program of her choice.

X. VACATION/SICK LEAVE

(a) As a condition of this Agreement, the City Manager shall, on an annual basis, use a minimum of two weeks accrued vacation time.

(b) Upon termination of employment from the City, the City agrees to pay Kimberly Bizzor Tolbert a lump sum amount equal to the value of any accrued vacation leave remaining to her credit.

(c) Upon termination of employment from the City, the City agrees to pay Kimberly Bizzor Tolbert a lump sum amount equal to the value of any accrued sick leave (not to exceed 720 hours) remaining to her credit.

**EXECUTED** this the 22<sup>nd</sup> day of January 2025.

APPROVED AS TO FORM  
TAMMY L. PALOMINO  
City Attorney

CITY MANAGER  
City Manager

BY   
Assistant City Attorney

BY   
Assistant City Manager

  
KIMBERLY BIZOR TOLBERT

01/22/25