

LIFE TIME FITNESS INC

Form 8-K

May 05, 2006

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K  
CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934  
Date of Report (Date of earliest event reported) May 1, 2006  
Life Time Fitness, Inc.**

(Exact name of Registrant as specified in its charter)

**Minnesota**

**001-32230**

**41-1689746**

(State or other jurisdiction  
of incorporation)

(Commission File Number)

(IRS Employer  
Identification No.)

**6442 City West Parkway  
Eden Prairie, Minnesota**

**55344**

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code **(952) 947-0000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 1.01. Entry into a Material Definitive Agreement.*****2006 Key Executive Incentive Compensation Plan***

On May 1, 2006, the Compensation Committee of the Board of Directors of Life Time Fitness, Inc. (the Company) approved the 2006 Key Executive Incentive Compensation Plan (the Incentive Plan) for the Company's executive officers. The form of Incentive Plan award is attached hereto as Exhibit 10.1 and incorporated herein by reference. The Incentive Plan provides for monthly payouts based on the Company's earnings before taxes (EBT) for the year-to-date period (YTD) as compared against the Company's 2006 financial plan. In addition, the Incentive Plan provides for an additional year-end payment based on the Company's capital expenditures (CapEx) as compared to the Company's 2006 financial plan. The payout formulas are described in more detail in the form of Incentive Plan award filed as an exhibit. The Incentive Plan award for each executive officer specifies the Guaranteed Pay (salary) and Target Pay (salary plus incentive amount) for that executive officer, which are listed below:

<b>Executive Officer</b>	<b>Guaranteed Pay</b>	<b>Target Pay</b>
Bahram Akradi Chairman of the Board of Directors, President and Chief Executive Officer	\$ 870,000	\$ 1,275,000
Michael J. Gerend Executive Vice President and Chief Operating Officer	\$ 300,000	\$ 450,000
Michael R. Robinson Executive Vice President and Chief Financial Officer	\$ 280,000	\$ 420,000
Mark L. Zaebst Executive Vice President, Real Estate and Development	\$ 240,000	\$ 360,000
Eric J. Buss Executive Vice President, General Counsel and Secretary	\$ 200,000	\$ 300,000

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**Item 9.01. Financial Statements and Exhibits.**

The following Exhibit is being filed herewith:

10.1 Form of 2006 Key Executive Incentive Compensation Plan.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

LIFE TIME FITNESS, INC.

Date: May 5, 2006

By: /s/ Eric J. Buss  
Eric J. Buss  
Executive Vice President, General  
Counsel and Secretary