

## THE CITY OF THE VILLAGE OF DOUGLAS

### CITY MANAGER EMPLOYMENT AGREEMENT

**THIS AGREEMENT**, made and entered into this 22<sup>nd</sup> day of August, 2023, by and between the City of the Village of Douglas, State of Michigan, a municipal corporation, hereinafter called "Employer," as party of the first part, and Lisa Nocerini, hereinafter called "Employee," as of the second part, both of whom understand as follows:

#### RECITALS

**WHEREAS**, Employer desires to employ Employee to serve as City Manager of the City of the Village of Douglas and the Employee desires to accept that employment, and

**WHEREAS**, the parties intend by this Agreement to set forth their entire understanding regarding the employment of the Employee as City Manager.

**NOW, THEREFORE**, in consideration of the promises and agreements hereinafter set forth, the parties agree as follows:

#### **SECTION 1: Employment and Duties**

The Employee shall faithfully and timely perform all duties of the City Manager as set forth in the City's Charter, its Ordinances, and Statutes of the State of Michigan and such other duties and functions as may be assigned to her by the Mayor and City Council from time to time.

The Employee shall work exclusively for the Employer and shall diligently utilize her best efforts in the performance of the services hereunder. He shall devote her entire business time, attention, and energies to the performance of the services hereunder and shall not, without the prior written consent of the Employer, actively engage in any income or profit generating activities.

#### **SECTION 2: Term**

The Employee serves at the pleasure of the Mayor and City Council. Nothing in this Agreement shall prevent, limit or otherwise interfere with the rights of the Mayor and City Council to terminate the employment of the Employee at any time subject only to the provisions set forth herein. Employee at all times is an at-will employee whose employment may be terminated by either Employee or the Mayor and City Council with or without cause and with or without notice subject only to the provisions of Section 19 of this Agreement.

Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Employee to resign at any time from her position as City Manager, subject only to the provisions set forth herein.

### **SECTION 3: Salary**

The Employer agrees to pay Employee for her services rendered pursuant hereto an annual base salary of One-Hundred Thousand Dollars (\$100,000.00) in the same manner as other full time, exempt management employees are paid. All employment related fringe benefits may be modified, altered or discontinued in the discretion of the City Council consistent with the benefits available to all exempt management employees of the City.

### **SECTION 4: Mileage Reimbursement**

The Employer agrees to pay the Employee the standard mileage reimbursement rate per the Internal Revenue Service mileage reimbursement guidelines. The Employee shall be reimbursed for the round-trip distance between the Employee's work site, City Hall, to the location of the business function being attended. Mileage from the Employee's home to City Hall shall not be reimbursable.

### **SECTION 5: Vacation**

The Employee shall be entitled to four (4) weeks annual vacation leave under this Agreement. The Employee shall be entitled to carryover from one year to the next a maximum of two (2) weeks of vacation leave.

### **SECTION 6: Holidays and Sick Time**

The Employer agrees to provide holiday and sick time benefit programs equal to that which is provided all full time, exempt management employees of the Employer.

### **SECTION 7: Medical, Dental and Optical Benefits**

The Employer agrees to provide for Employee and her legal dependents insurance policies for comprehensive medical insurance, dental insurance, and an optical benefit. Employee shall receive the standard comprehensive medical, dental and optical benefits received by other full time, exempt management employees of the Employer. The coverage, insurance providers, premiums and employee contribution rates may change from time to time as determined by the City Council.

### **SECTION 8: Life and Accidental Death and Dismemberment Insurance**

The Employer agrees to provide Employee with term life insurance and accidental death and dismemberment policies in amounts received by other full time, exempt management employees of the Employer, with the beneficiary named by Employee.

### **SECTION 9: Disability Insurance**

The Employer agrees to provide Employee with disability insurance. Employee shall receive the standard disability benefits received by other full time, exempt management employees of the Employer.

#### **SECTION 10: Deferred Compensation**

The Employer agrees to establish for the Employee's participation in a 457 Deferred Compensation Plan, and in addition to the base salary paid by the Employer to the Employee, the Employer agrees to pay an amount equal to the Employee's personal contribution to said Plan, but not to exceed an amount equal to twenty percent (20%) of the Employee's base salary, in equal proportionate amounts each pay period, and to transfer ownership to succeeding Employers upon resignation or termination.

#### **SECTION 11: Retirement Benefits**

The Employer agrees to execute all necessary Agreements to provide for participation by the Employee in the Defined Contribution Option (Section 19A, Benefit Program DC) of the Municipal Employees' Retirement System (MERS) of Michigan. Employee shall be immediately vested 100% in Employer contributions. The Employer shall contribute on behalf of Employee 12% of Employee earnings. Employee shall be required to contribute zero percent (0%) of earnings. Any such benefits shall be subject to the terms and conditions of the applicable plan and policies. The Employer and Employee shall participate in the Federal Social Security program.

#### **SECTION 12: Professional Development**

The Employer agrees to pay for the reasonable professional dues and subscription costs of the Employee for her participation in national, state and regional associations and organizations necessary for her continued professional development and the benefit of the Employer.

The Employer further agrees to pay the travel, registration and subsistence expenses of the Employee for her attendance at meetings, seminars or conferences approved in advance by the City Council which are deemed to be necessary to continue Employee's professional development and for the benefit of the City, subject to Employer's reimbursement policy.

#### **SECTION 13: Business Expenses**

The Employer shall reimburse the Employee for normal and reasonable expenses incurred in connection with the fulfillment of her responsibilities to the Employer, including expenses related to networking with individuals and organizations within the City of the Village of Douglas area which relate to the goals and objectives of the Employer. In order to be eligible for reimbursement, the Employee must submit proper vouchers within thirty (30) days of incurring the expense, and reimbursement is subject to the policies and procedures established by the Employer in effect from time to time. The Employer shall reimburse the Employee for covered expenses within thirty (30) days after receiving Employee's supporting documentation.

#### **SECTION 14: Cell Phone and Other Benefits**

The Employer shall provide the Employee a City owned cell phone, at no cost to the employee, to be used for official City business.

#### **SECTION 15: Disability**

If the Employee is permanently disabled, or is otherwise unable to perform the essential functions of her job, with or without accommodation by reason of physical or mental illness or accident for a period of more than ninety (90) consecutive days during any twelve-month period beyond any accrued sick leave, the Employer shall have the option to terminate this Agreement, subject to the severance pay requirements in Section 21. However, the Employee shall be compensated for any accrued sick leave, vacation, holidays, personal days, and other accrued benefits.

#### **SECTION 16: Indemnification**

Employer shall defend, save harmless and indemnify Employee against any claim or action for any action or failure to act in her official capacity, demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring within the scope of, her employment as City Manager.

#### **SECTION 17: BONDING**

Employer shall bear the full cost of any fidelity or other bonds required of the Employee under any law or ordinance.

#### **SECTION 18: Performance Evaluation**

The City Council shall review and evaluate the performance of the Employee annually in conjunction with the preparation of the budget for the ensuing fiscal year. This review and evaluation shall be in accordance with specific criteria which shall be established by the City Council which may be added to or deleted from as the Council may from time to time determine, in consultation with the Employee. The Mayor shall provide the Employee with a written summary of the findings of the Council and provide an adequate opportunity for the Employee to discuss her evaluation with the Council. The Mayor, with input from City Council, will meet with the City Manager to assess and discuss The City Manager's progress on a quarterly basis.

Annually, the City Council and Employee shall define reasonable and lawful goals and performance objectives which they determine necessary or appropriate for the proper operation of the

City for the attainment of the City's policy objectives and shall further establish a relative priority among those various goals and objectives. The goals and objectives shall be reduced to writing. They shall generally be attainable within the time limitations as specified and shall be supported in the annual operating and capital budgets and appropriations.

The Employee shall be eligible for consideration of a merit increase, based on the outcome of the performance review, not to exceed \$5,000. Any merit increase approved by the City Council shall be implemented at the beginning of the new fiscal year and shall be paid in a lump sum and not as an addition to base salary. In effecting the provisions of this Section, the City Council and the Employee mutually agree to abide by the provisions of the applicable law.

## **SECTION 19: Termination and Severance Pay**

In the event Employee is terminated without cause, as "cause" is defined herein, by a five sevenths (5/7s) majority vote of the City Council during such time Employee is willing and able to perform her duties under this Agreement, Employer agrees to pay Employee wages and benefits until Employee is able to obtain full time employment, not to exceed twelve (12) months as long as Employee signs a separation agreement in a form that is acceptable to the Employer.

In the event Employee is terminated for "cause", Employer shall have no obligation to pay the severance pay described in this Section. For purposes of this Agreement "cause" shall be defined as: (a) the conviction of any illegal act involving personal gain to the Employee, (b) conviction of a felony (c) involvement by Employee in an act of dishonesty or fraud; (d) Employee's material and substantial breach of this Agreement; (e) Employee's gross negligence in the performance or nonperformance of any of Employee's duties and responsibilities; (f) Employee's violation of any City policy or procedure, which materially and adversely affects the operations or reputation of the City; and/or (g) Employee's other misconduct of similar severity.

In the event Employee voluntarily resigns her position with Employer before expiration of the term of her employment, Employee shall give thirty (30) calendar days' notice in advance, unless the parties otherwise agree. In the event Employee voluntarily resigns her position with the Employer, Employer shall have no obligation to pay the severance pay designated in this Section.

Upon her termination or resignation, Employee shall be paid for accrued and unused vacation and personal time.

## **SECTION 20: Other Terms and Conditions of Employment**

All provisions of the City Charter and policies and regulations and rules of the Employer relating to vacation and sick leave, retirement and pension system contributions, and other fringe benefits and working conditions as they now exist or hereafter may be amended, shall also apply to the Employee as they would to other employees of Employer, and shall be subject to change by the City Council in its discretion provided that said changes shall not reduce the benefits provided solely to the Employee herein.

## **SECTION 21: General Provisions**

This is the entire agreement between the parties. Any and all prior discussions, statements and representations which are not contained herein are void and of no force and effect. No waiver of any provision or modification of this Agreement shall be valid unless such modification is in writing and signed by the Mayor and Employee.

This agreement shall be binding upon and inure to the benefit of the heirs at law and executors of Employee.

If any provision, or any portion thereof, contained in this Agreement shall be held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed severable, shall not be affected and shall remain in full force and effect.


This Agreement shall be governed by, and construed in accordance with, the laws of the State of Michigan.

IN WITNESS WHEREOF, the Employer has caused this Agreement to be signed and executed in its behalf by its Mayor and duly attested by its City Clerk, and the Employee has signed and executed this Agreement, both in duplicate, the day and year first above written.

EMPLOYER

CITY OF THE VILLAGE OF DOUGLAS  
A Municipal Corporation

Date: 8/22/23

  
By: Jerry Donovan  
Its: Mayor

EMPLOYEE

Date: 8/22/23

  
Lisa Nocerini