

City of Forest Park

CITY OF FOREST PARK SIGN-ON BONUS AGREEMENT

This Agreement is made between CITY OF FOREST PARK ("City") and NAME OF EMPLOYEE ("Employee").

WHEREAS the Employee begins employment for the City in the Fire Department ("Department") for the first time as a _____ who meets the City requirements as a _____;

WHEREAS the Department wishes to bestow upon the employee a sign-on bonus ("Sign-on Bonus") as an incentive for the Employee to accept employment at the City of Forest Park and remain satisfactorily employed in the Department for least three full years;

WHEREFORE, City and the Employee agree to the following terms.

I. City of Forest Park, acting through the Forest Park Fire & Emergency Services, agrees to bestow upon the Employee the amount of \$_____ as a Sign-on Bonus in return for the Employee accepting the City's offer of employment. This amount shall be paid directly to the Employee on the Employee's paycheck as follows:

- 50% paid upon successful completion of three months;
- 50% paid upon successful completion of probationary period;

li. City will apply all required federal and state tax deductions and will report all payments made under this Agreement as required by federal and state law. Taxes shall be withheld as bonus earnings from the Sign-on Bonus and reported to the Internal Revenue Service as income on the employee's Form W-2. The Sign-on Bonus is not considered "salary" and shall not be included for purposes of retirement benefit calculations or salary increases.

lii. Department will adhere to all relevant City and Department policies during the hiring process and in making bonus payments to employees.

liii. In return for accepting the Sign-on Bonus as provided in paragraphs 1 and 2, above, the Employee agrees to work for the Department, on a regular and a full-time basis for at least three years beginning on _____ and ending on _____. Should the Employee resign, quit, or be terminated for cause before the above stated ending date, the Employee shall repay the **total** amount of the Sign-on Bonus as provided for in the following paragraphs. The repayment amount will not be prorated.

liv. The Employee's failure to remain employed by the Department for three years will trigger the Employee's responsibility to repay the amount paid by the City of Forest Park pursuant to paragraph 1, above. To facilitate this repayment, the Employee, by signing below, expressly gives City a lien on all his/her salary, wages, and other sums payable to him/her by City. In addition, the Employee hereby authorizes City to withhold all amounts so due from any sum payable to the Employee by the Department and City. The Employee also agrees that any tax

consequences borne as a result of the repayment of the Sign-on Bonus or any portion thereof will be the sole and exclusive responsibility of the Employee.

6. If the Employee fails to remain employed by the Department for three years for reasons beyond his/her control (e.g. injury, illness or death), other than just cause termination, the Department may in its sole discretion waive all or part of the liability owed by the Employee. Any such waiver must be approved in writing by the Employee's Department Head, Director of Human Resources and the City Manager.

7. In the event the Employee is unable or unwilling to work, is taken off work, or is placed on a leave of absence at any time during the period that this Agreement is effective, any payments owed or due to Employee shall be delayed the same amount of time as the Employee remains off work. For purposes of this section, any period of time in excess of 10 consecutive days that the Employee does not work during the time period of this Agreement shall delay the bonus payment periods owed to Employee by this Agreement. (Example: if an employee is injured during his/her 10th month of employment and is placed off work for three months, the bonus installment payable after the 18th month of service will be delayed another three months).

8. If any part of this Agreement is found to be invalid or unenforceable, the other parts shall remain valid and enforceable and Employee agrees, represents, and warrants that he/she will be held to any applicable repayment of Sign-on Bonus.

BY SIGNING BELOW, the Employee certifies that he/she has read this Agreement and has not accepted a financial incentive for accepting employment at City, other than as described in this Agreement.

IN WITNESS THEREOF:

Employee Signature

Date_____

Department Head Signature

Date_____

Director of Human Resources Signature

Date_____

City Manager Signature

Date_____