

VILLAGE OF LAKE ORION
CLERK/TREASURER EMPLOYMENT AGREEMENT

THIS AGREEMENT is made as of the date it is fully signed and is between the Village of Lake Orion, Oakland County, Michigan, a Michigan municipal corporation ("Village"), and Sonja Stout ("Clerk/Treasurer").

RECITALS:

As provided in Section 3.10 of the Village Charter, the Village Council desires to employ Sonja Stout to hold the office of and serve at the pleasure of Council as Clerk/Treasurer of the Village of Lake Orion; and

Sonja Stout desires to accept employment as Clerk/Treasurer of the Village of Lake Orion under the terms and conditions hereof; and

This Agreement contains the terms, conditions, benefits and other provisions that the Village Council and Clerk/Treasurer have agreed to with respect to Clerk's employment by the Village as Clerk/Treasurer.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

SECTION 1. DUTIES

The Village agrees to employ Sonja Stout and Clerk/Treasurer agrees to serve as the Clerk/Treasurer of the Village of Lake Orion to perform the functions and duties of the position as specified by state law, Village charter, ordinances, policies, or by administrative directive of the Village Manager, and such other duties and functions as the Village Council shall from time to time assign.

The Clerk/Treasurer shall be an "at-will", non-union, salaried, and FLSA-exempt employee. As an FLSA-exempt employee, the Clerk/Treasurer shall not receive additional compensation beyond Clerk/Treasurer salary for hours worked over forty (40) hours per week. No representative of the Village other than the Village Council or Village Manager possesses any authority to enter into any agreement for any specific period of time or to make any agreement contrary to the foregoing. Any agreement altering the terminable "at-will" nature of the employment relationship shall be in writing and signed by the Village Council President after approval by the Village Council as the employer and Clerk/Treasurer as the employee.

The Clerk/Treasurer shall attend all meetings of the Village Council, Planning Commission, and Board of Zoning Appeals and other specific Village meetings as directed by the Village

Manager. Regular office hours are 7:00 AM to 5:00 PM unless otherwise changed by the Village. It may also be necessary as Clerk/Treasurer to work beyond and outside regular office hours to complete the normal duties of this position.

Effective upon commencement of the Term of employment under this Agreement, Clerk/Treasurer shall not maintain or be engaged in any other full or part time employment or business, unless approved by the Village Council.

SECTION 2. TERM

- A. This Agreement is for an indefinite term of at will employment that commences on January 8, 2024, subject to the provisions in Sections 4 and 5.
- B. Nothing in this Agreement shall prevent limit, or otherwise interfere with the rights of the Village Manager or Village Council to terminate the services of the Clerk/Treasurer at any time, subject only to the provisions in Sections 4 and 5.
- C. Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of the Clerk/Treasurer to resign at any time, subject only to the provisions set forth in Section 4.

SECTION 3. SUSPENSION

The Village may suspend the Clerk/Treasurer with full pay and benefits at any time during the term of this Agreement by a majority vote of the Village Council.

SECTION 4. TERMINATION

- A. **Without Cause.** The Clerk/Treasurer may be terminated without cause by the Village Manager with a majority vote of the Village Council. Such a termination shall be effective no earlier than 30 days after the Clerk/Treasurer receives personal or written notice of the termination and the severance pay specified in Section 5.
- B. **With Cause.** The Clerk/Treasurer may be terminated for cause by the Village Manager or a majority vote of the Village Council after the Clerk/Treasurer has been given written notice stating the cause for termination at least ten calendar (10) days prior to a hearing by the Village Council at which Clerk/Treasurer shall have the opportunity to be heard. Cause for termination under this Section is defined as conviction of or plea of nolo contendere to any crime whether or not a felony; failure or refusal to perform duties or other breach of this Agreement; or a violation of a federal, state, county or other governmental law or regulation while acting as Clerk/Treasurer
- C. **Resignation.** The Clerk/Treasurer may resign with or without cause effective no earlier than 30 calendar days, or such other period of time as the

Clerk/Treasurer and the Village Council agree, after written notice of the resignation is given to the Village Council by delivery to the Village Manager. The Clerk/Treasurer will not be entitled to use any form of paid time off during the 30-day notice period. Failure of the Clerk/Treasurer to give the required prior notice of resignation will result in forfeiture of the right to payment for any accrued vacation, sick, compensatory or personal leave time that is otherwise payable to resigning Village department heads.

SECTION 5. DISABILITY

Subject to and consistent with, the requirements of Federal and State Law and the severance pay requirements of Section 5A, if the Clerk/Treasurer is permanently disabled or is otherwise unable to perform the duties required because of sickness, accident, injury, mental incapacity, or health for a period of four (4) successive weeks beyond the amount of any accrued sick, vacation, personal and compensatory leave time, the Village Council may terminate this Agreement. In the event of termination due to disability, the Village will provide reasonable support to ensure that Clerk/Treasurer receives any short-term disability and long-term disability payments the Clerk/Treasurer would otherwise be eligible for and the Clerk/Treasurer shall be compensated for any accrued sick, vacation, personal and compensatory leave time and other accrued benefits in the same manner as department heads who resign.

SECTION 6. SALARY

The Village agrees to pay the Clerk/Treasurer an annual salary for services rendered pursuant to this Agreement, to be distributed through the Village's normal payroll system, in an amount to be determined annually by the Village Council. As of January 8, 2024, the annual salary rate is \$74,500.00 (\$35.8173 hourly for payroll calculation purposes). The annual determinations of the base salary for the fiscal year that begins July 1 shall be made by the Village Council no later than the last regular Council meeting in March of that year, taking into account the performance evaluations described in Section 7. Any increases in the base salary and/or other benefits of the Clerk/Treasurer shall be in such amounts and to such extent as the Village Council may determine desirable or appropriate in its sole discretion, with the Clerk/Treasurer entitled to any across-the-board percentage salary increase to the extent the Village Council so approves for all Village employees and the only permissible reduction in base salary being by the same or smaller percentage of any across-the-board salary reduction approved by the Village Council for all Village employees.

SECTION 7. PERFORMANCE EVALUATIONS

The Village Council and Village Manager shall jointly review and evaluate the performance of the Clerk/Treasurer as provided in this Section. The evaluations shall be done on an annual basis in February of each year. Performance evaluations are intended to be provided as a means for communication between the Village Council, Village Manager, and Clerk/Treasurer, shall be conducted in a manner determined by the Village Manager, and shall include a review of performance since the last evaluation and an identification by the

Council and Manager of goals, objectives and expectations for and of the Clerk/Treasurer that will be included as criteria in the next performance evaluation.

SECTION 8. HOURS OF WORK

The duties of the Clerk/Treasurer require a great deal of time outside the normal work hours and include attendance at meetings of and providing necessary administrative support to the Village Council, Planning Commission, Board of Zoning Appeals, Downtown Development Authority, Parks & Recreation Advisory Committee and other existing or future Village boards and commissions. With prior notice to the Village Manager, the Clerk/Treasurer may designate another qualified employee or consultant to attend a meeting when the Clerk/Treasurer is unable due to a conflict with other Village business, scheduled vacation or illness.

SECTION 9. RESIDENCE

In accordance with provisions of Section 3.7 of the Village Charter allowing the Village Council to excuse the Clerk/Treasurer from being a resident of the Village, and Public Act No. 212 of 1999, as amended, the Clerk/Treasurer shall have no residency requirement.

SECTION 10. AUTOMOBILE ALLOWANCE

The Clerk/Treasurer shall be reimbursed for work-related mileage as provided in the Village of Lake Orion Travel, Education and Entertainment Policy.

SECTION 11. PAID LEAVE

- **LEAVE TIME.** Four (4) personal paid leave days shall be credited on July 1 of each year to be used prior to June 30 of the succeeding year. There is no carry-over to subsequent years or payout at separation of unused personal leave days. Holiday leave with pay shall be as provided to other non-union Village employees generally. Paid sick time shall be credited at the rate of 4 hours per payroll period to a maximum of 96 hours per fiscal year with accumulation limited to 400 hours. Upon Retirement unused sick leave will be paid at 50% of the accumulated hours with a maximum of one hundred (100) hours. Annual vacation is earned according to the length of service as a Village employee as follows:
 - 1 year through 4 years: 10 days
 - 5 years through 9 years: 15 days
 - 10 years through 19 years: 20 days
 - 20 years and above: 25 days

Vacation leave shall be credited on each anniversary date of employment, except that in the first year of employment, five (5) days of vacation shall be credited after the first six (6) months of employment and an additional five (5) days shall be credited after the second six (6) months of employment. Vacation leave shall be used within one (1) year of being credited or shall be forfeited. There shall be no carryover of vacation leave time from one year to the next unless preapproved by the Village Manager with a limit of eighty (80) hours which is to be used within six

months of the year. A payout of up to eighty (80) hours of unused vacation in excess of the annual earned amount shall be paid by the end of each year.

The Clerk/Treasurer shall be entitled to paid holiday, vacation, sick, compensatory and personal leave days/time to be taken or accrue in the same manner and subject to the same limitations as provided for the Village's department heads and in accordance with the Village's policy in effect from time to time.

BEREAVEMENT - Funeral and Serious Illness Leave

- a) In the case of serious illness or death in the immediate family, a regular employee may be granted a Leave of Absence with pay for a period not to exceed five (5) days upon the approval of the Village Manager.
 - b) Immediate family is defined as wife, husband, child, stepchild, brother, sister, parent, stepparent, parent-in-law, grandparents, and grandparents-in-law and grandchildren.
 - c) In the case of death of other than in the immediate family, regular employee may be granted a Leave of Absence with pay for a period not to exceed three (3) days upon the approval of the Village Manager.
- **COMPENSATORY TIME.** In lieu of overtime compensation, the Clerk/Treasurer shall be entitled to bank up to eighty (80) hours of paid leave annually as compensatory time for hours actually worked in excess of forty (40) hours each workweek. Compensatory time shall be accrued when overtime is worked. Compensatory time may be taken as vacation days. The employee may carry over up to forty (40) compensatory time annually.

SECTION 12. DISABILITY, HEALTH AND LIFE INSURANCE

The Clerk/Treasurer shall be entitled to health care, disability and life insurance benefits commensurate with those provided to the Village's salaried employees.

- **INSURANCES.** Life, disability, and dental insurance shall be provided at the same terms and levels as are provided to non-union employees which benefits are subject to the same terms and conditions as those of the other salaried employees of the Village. Health Insurance or HMO shall be provided at Clerk/Treasurer selection subject to any waiting periods, deductibles, copays, and employee contributions as are required of non-union employees generally. Future increases in rates may require Clerk/Treasurer as an employee to contribute toward funding any increase in costs. Clerk/Treasurer may apply for optional AFLAC insurance coverages at Clerk/Treasurer sole cost, premiums for which shall be deducted from Clerk/Treasurer pay. The terms and conditions of these insurance programs are subject to the applicable plan documents. The Village reserves the right to change insurance carriers or levels or types of coverage, level of employee cost contributions, or any other terms and conditions of the provision of insurance benefits.

- Hospitalization Insurance
- Dental Insurance
- Optical Insurance
- Life Insurance \$70,000, reduces to 50% (\$35,000) at age 65 per insurance coverage contract.
- Short-term and long-term disability insurance
- Injury on the Job

HEALTH INSURANCE OPT-OUT PAYMENT

In lieu of health insurance, the employee may choose to opt out of the Village provided coverage. The annual maximum amount shall be \$6,000 with quarterly payments prorated of \$1,500 payable in January, April, July and October.

SECTION 13. RETIREMENT

- The Village shall provide a MERS defined contribution retirement program. The Village shall contribute an amount equal to ten percent (10%) of Clerk/Treasurer base salary into the program. As an employee, Clerk/Treasurer are required to contribute five percent (5%) of Clerk/Treasurer base salary into the program, and such contributions shall be deducted from Clerk/Treasurer pay. Contributions to the Clerk/Treasurer retirement shall be payable in equal increments each payroll period. The Village agrees to consider periodic increases in the amount of contribution, based upon performance and taking into consideration any current statutory limitations.

SECTION 14. DUES AND SUBSCRIPTIONS

On an annual basis, the Village agrees to consider budgeting and paying for the following professional dues and subscriptions of the Clerk/Treasurer and any other organizations which will contribute to the continued professional participation, growth and advancement of the Clerk/Treasurer and for the good of the Village: (1) Michigan Association of Municipal Clerks; (2) International Institute of Municipal Clerks; and (3) Michigan Municipal Treasurers Association.

SECTION 15. PROFESSIONAL DEVELOPMENT

TUITION REIMBURSEMENT. The Village will reimburse for tuition and books upon completion of each course with a grade of B or better for courses that are job related and approved by the Village Manager prior to Clerk/Treasurer enrollment. This tuition

reimbursement benefit shall be limited to a maximum of \$700.00 per fiscal year and shall be contingent upon available budgetary appropriations.

On an annual basis, the Village agrees to consider budgeting and paying for the travel and subsistence expenses of the Clerk/Treasurer for professional and office travel, meetings, and occasions which the Village deems adequate to continue the professional development of the Clerk/Treasurer, and to pursue those official and other functions specifically designated by the Village which are deemed by the Village Council to be necessary. The adequacy of the budget and the extent of the expenses will be determined solely by the Village Council.

SECTION 16. BONDING

The Village shall bear the full cost of any fidelity or any other bonds required of the Clerk/Treasurer under any law or ordinance.

SECTION 17. OTHER TERMS AND CONDITIONS OF EMPLOYMENT

- A. The Village Council, in consultation with the Clerk/Treasurer, shall fix any such other terms and conditions of employment, as it may determine from time to time, relating to the performance of the Clerk/Treasurer, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement, the Village Charter, or any other law.
- B. All provisions of the Village Charter and Code, and regulations and rules of the Village relating to other fringe benefits and working conditions, as they now exist or hereafter may be amended, also shall apply to the Clerk/Treasurer as they would to other full-time employees of the Village, except as herein provided or as specifically noted otherwise. In the event any such charter, code, regulation or rule prohibits a term or condition of this agreement, that charter, code, regulation or rule shall control.
- C. Clerk/Treasurer agrees not to commence any action or suit relating to Clerk/Treasurer employment with the Village more than one hundred eighty (180) days after the date of occurrence of the facts giving rise to the claim, or more than one hundred eighty (180) days after the date of Clerk/Treasurer termination of such employment, whichever is earlier, and to waive any longer statute of limitations to the contrary. In the event that the statute of limitations applicable to such a claim is less than one hundred eighty (180) days, Clerk/Treasurer agrees that the shorter statute of limitations shall apply.

SECTION 18. NOTICES

Notices pursuant to this Agreement shall be given in writing either personally or by certified mail with the United States Postal Service, postage pre-paid to:

- (1) VILLAGE: Village Manager, 21 East Church Street, Lake Orion, MI 48362.

(2) Sonja Stout, [REDACTED], Attica, MI 48412

Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the United States Postal Service.

SECTION 19. GENERAL PROVISIONS

- A. The text herein shall constitute the entire Agreement between the parties with respect to the subject matter hereof, and supersedes all prior agreements or understandings between the parties.
- B. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of the Clerk/Treasurer.
- C. If any provisions, or any portion thereof contained in the Agreement is 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.

IN WITNESS WHEREOF, the Village of Lake Orion has caused this Agreement to be signed on its behalf by its Village Manager and Village Clerk, and the Clerk/Treasurer has signed this Agreement on the dates indicated.

ACCEPTED BY EMPLOYEE:

Sonja Stout
Sonja Stout

12-7-23
Date

Authorized by the Lake Orion Village Council on December 11, 2023

Darwin D. P. McClay
Darwin D. P. McClay, Village Manager

December 12, 2023
Date

Susan Galeczka
Susan Galeczka, Village Clerk

12/12/2023
Date