City of Lathrup Village Employment Agreement Michael Greene, City Administrator

#### Introduction

This Agreement, made and entered into on December <u>18</u>, 2023, by and between the City of Lathrup Village, Michigan, a municipal corporation, (hereinafter called "Employer") and Michael Greene, (hereinafter called "Employee") an individual who has the education, training, and experience in local government management and who, as a member of International City/County Management Association and the Michigan Local Government Management Association, is subject to the ICMA Code of Ethics, both of whom agree as follows:

#### Section 1: Term

A. This agreement shall remain in full force in effect from January 2, 2024, until terminated by the Employer or Employee as provided in Sections 9, 10, or 11 of this agreement.

### **Section 2: Duties and Authority**

Employer agrees to employ Michael Greene as City Administrator to perform the functions and duties specified in Section 3.8 of the Lathrup Village City Charter and to perform other legally permissible and proper duties and functions.

# **Section 3: Compensation**

- A. Base Salary: Employer agrees to pay Employee an annual base salary of One Hundred Twelve Thousand Dollars (\$112,000.00) payable in installments at the same time that the other management employees of the Employer are paid.
- B. This agreement shall be automatically amended to reflect any salary adjustments that are provided by the Employer's compensation policies.
- C. Consideration shall be given on an annual basis to increase compensation dependent upon the results of performance evaluations conducted under the provisions of Section 12 of this Agreement. Increased compensation can be in the form of a salary increase and/or a bonus. (See Exhibit A) There shall be interim performance evaluations conducted on or before 90, 180, and 270 days from the effective date of this agreement. All annual performance evaluations shall be conducted on or before July 1<sup>st</sup> of each year.

#### Section 4: Health, Disability, and Life Insurance Benefits

- A. The Employer agrees to provide and to pay the premiums for health, hospitalization, surgical, vision, dental, and comprehensive medical insurance for the Employee and his/her dependents equal to that which is provided to all other employees of the City of Lathrup Village or, in the event no such plan exists, to provide coverage for the Employee and dependents.
- B. The Employer agrees to put into force and to make required premium payments for long-term disability coverage for the Employee.

- C. The Employee may elect to submit once per calendar year to a complete physical examination, including a cardio-vascular examination, by a qualified physician selected by the Employee, the cost of which shall be paid by the Employer.
- D. The Employer shall pay the amount of premium due for term life insurance in the amount of the Employee's annual base salary, including all increases in the base salary during the life of this agreement. The Employee shall name the beneficiary of the life insurance policy.

#### Section 5: Vacation and Sick Leave

- A. The employee shall be granted the hourly equivalent of twenty (20) days of vacation leave on an annual basis and accrue vacation, sick, and personal leave per the Lathrup Village Personnel Policy Manual.
- B. The Employee shall have access to a bank for up to 180 sick days to be used in the case of serious medical conditions. This leave can only be used to provide coverage during the waiting period between the onset of illness or disability and the point at which short- or long-term disability coverage takes effect and may be renewed after each occurrence.
- C. The Employee is entitled to be compensated for up to (10) unused days a year, the remaining balance shall roll over to the next year, and in the event the Employee's employment is terminated, either voluntarily or involuntarily, the Employee shall be compensated for all accrued vacation time, all paid holidays, executive leave, and other benefits to date according to the Lathrup Village Personnel Policy Manual.

#### Section 6: Automobile

- A. The Employer agrees to provide Employee a sum of two hundred fifty (\$250) dollars per month as an automobile allowance and Employee shall be responsible for the purchase or lease of an automobile of their choice, and to cover the annual cost of the automobile insurance, licenses, fuel, and any related maintenance and/or repairs.
- B. The Employer shall reimburse the Employee at the IRS standard mileage rate for any business use of the vehicle beyond a 50-mile area from City Hall.

#### **Section 7: Retirement**

- A. The Employer agrees to continue the Employee's participation in (MERS) retirement system and to make appropriate contributions on the Employee's behalf, for both the Employer and Employee share required.
- B. In addition to the Employer's payment to the state or local retirement system referenced above, the Employer agrees to execute all necessary agreements provided by ICMA Retirement Corporation [ICMA-RC], MissionSquare, or other Section 457 deferred compensation plan for Employee's continued participation in said supplementary retirement plan and, in addition to the base salary paid by the Employer to Employee, Employer agrees to pay an amount equal to 4% of Employee's base salary under Federal and state law into the designated plan on the Employee's behalf, in equal proportionate amount each pay period. The parties shall fully disclose to each other the financial impact of any amendment to the terms of the Employee's retirement benefit.
- C. The Employee will be 100% vested immediately upon employment.

#### **Section 8: General Business Expenses**

- A. Employer agrees to budget for and to pay for professional dues and subscriptions of the Employee necessary for continuation and full participation in national, regional, state, and local associations, and organizations necessary and desirable for the Employee's continued professional participation, growth, and advancement, and for the good of the Employer, subject to City Council approval.
- B. Employer agrees to budget for and to pay for travel and subsistence expenses of Employee for professional and official travel, meetings, and occasions to adequately continue the professional development of Employee and to pursue necessary official functions for Employer, including but not limited to the ICMA Annual Conference, the state league of municipalities, and such other national, regional, state, and local governmental groups and committees in which Employee serves as a member, subject to City Council Approval.
- C. Employer also agrees to budget for and to pay for travel and subsistence expenses of Employee for short courses, institutes, and seminars that are necessary for the Employee's professional development and for the good of the Employer, subject to City Council approval.
- D. The employer recognizes that certain expenses of a non-personal but job-related nature are incurred by the Employee and agrees to reimburse or pay said general expenses. The finance director is authorized to disburse such monies upon receipt of duly executed expenses or petty cash vouchers, receipts, statements, or personal affidavits.
- E. The Employer acknowledges the value of having the Employee participate and be directly involved in local civic clubs or organizations. Accordingly, the Employer shall pay for the reasonable membership fees and/or dues to enable the Employee to become an active member of local civic clubs or organizations, subject to City Council approval.
- F. The Employer shall provide the Employee with a computer, software, fax/modem, and cell phone required for the Employee to perform the job and to maintain communication.

# **Section 9: Termination**

## For the purpose of this agreement, termination shall occur when:

- A. The majority (three of five councilpersons) of the governing body votes to terminate the Employee at a duly authorized public meeting.
- B. If the Employer, citizens, or legislature acts to amend any provisions of the Lathrup Village Charter pertaining to the role, powers, duties, authority, and responsibilities of the Employee's position that substantially changes the form of government, the Employee shall have the right to declare that such amendments constitute termination.
- C. If the Employer unilaterally reduces the base salary, compensation, or any other financial benefit of the Employee, unless it is applied in no greater percentage than the average reduction of all department heads, such action shall constitute a breach of this agreement and will be regarded as a termination.
- D. If the Employee resigns following an offer to accept the resignation, whether formal or informal, by the Employer as representative of the majority of the governing body that the Employee resigns, then the Employee may declare a termination as of the date of the suggestion.

- E. Breach of contract declared by either party with a 30-day cure period for either Employee or Employer. Written notice of a breach of contract shall be provided in accordance with the provisions of Section 20.
- F. Conviction of criminal act relating to employment with the City of Lathrup Village.
- G. Conviction of a felony

#### Section 10: Severance

- A. Severance shall be paid to the Employee when employment is terminated as defined in Section 9.
- B. If the Employee is terminated within the first year, the Employer shall provide a severance payment equal to three (3) months' salary at the current rate of pay from the notice of termination. This severance shall be paid in installments at the same time the other management employees of the Employer are paid, commencing on the last day of employment, unless otherwise agreed to by the Employer and the Employee. The Employee shall also receive three (3) months' insurance coverage as outlined in Section 4. Insurance coverage would be voided if the Employee obtains new employment within the three (3) month severance period.
- C. If terminated after the first year, the Employer shall provide a severance payment equal to six (6) months' salary at the current rate of pay from the notice of termination. This severance shall be paid in installments at the same time the other management employees of the Employer are paid, commencing on the last day of employment, unless otherwise agreed to by the Employer and the Employee. The Employee shall also receive six (6) months' insurance coverage as outlined in Section 4. Insurance coverage would be voided if the Employee obtains new employment within the six (6) month severance period.
- D. The Employee shall also be compensated for all accrued sick leave, vacation time, all paid holidays, and executive leave. The Employer agrees to contribute to the Employee's deferred compensation account on the value of this compensation calculated using the rate ordinarily contributed on regular compensation.
- E. If the Employee is terminated because of a conviction of a felony or a criminal act relating to employment within the City of Lathrup Village, then the Employer is not obligated to pay severance under this section.

#### **Section 11: Resignation**

If the Employee voluntarily resigns their position with the Employer, the Employee shall provide a minimum of thirty (30) days' notice unless the parties agree otherwise. Following the notice of resignation, the Employee will continue to render their services and shall be paid their regular compensation unless the parties mutually agree otherwise.

# **Section 12: Performance Evaluation**

- A. The performance evaluations shall occur as required in Section 3C. The Employer shall review the performance of the Employee subject to a process form criteria and format for the evaluation which shall be mutually agreed upon by the Employer and Employee.
- B. The process, at a minimum, shall include the opportunity for both parties to:
  - a. Prepare a written evaluation;

- b. Meet and discuss the evaluation;
- c. Present a written summary of the evaluation results. The final written evaluation should be completed and delivered to the Employee within 30 days of the evaluation meeting.

#### Section 13: Hours of Work

It is recognized that the Employee must devote a great deal of time outside the normal office hours on business for the Employer, and to that end Employee shall be allowed to establish an appropriate work schedule so long as a minimum of forty (40) hours per week is worked.

# **Section 14: Outside Activities**

The employment provided for by this Agreement shall be the Employee's sole employment. Recognizing that certain outside consulting or teaching opportunities provide indirect benefits to the Employer and the community, the Employee may elect to accept limited teaching, consulting, or other business opportunities with the understanding that such arrangements shall not constitute interference with nor a conflict of interest with their responsibilities under this Agreement, subject to City Council Approval.

#### Section 15: Residency

- A. The Employer and Employee agree that the Employee does not have to establish residency in the City of Lathrup Village at any point during employment.
- B. In the event the Employee establishes primary residency within the City of Lathrup Village corporate limits within six (6) months of the agreement's effective date, the Employee shall be reimbursed up to \$1,000 based upon actual moving costs incurred as verified by the finance department.

# **Section 16: Indemnification**

The Employer shall defend, save harmless, and indemnify Employee against any claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the scope of Employment as City Administrator. Employer reserves the right to withhold said indemnification in the event said alleged act or omission is an illegal act or an illegal omission. The Employer reserves the right to forward any such claim to its insurance company.

#### **Section 17: Bonding**

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

# Section 18: Other Terms and Conditions of Employment

The Employer, only upon agreement with Employee, shall fix any such other terms and conditions of employment, as it may determine from time to time, relating to the performance of the Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement, the Lathrup Village Charter, or any other law.

#### Section 19: Notices

Notice under this Agreement shall be given by depositing in the custody of the United States Postal Service, postage prepaid, addressed as follows:

A. EMPLOYER: Mayor and City Clerk

27400 Southfield Road Lathrup Village, MI 48076

B. EMPLOYEE: Michael (Mike) Greene - michaelgreene09@gmail.com

C. Alternatively, the notice required pursuant to this Agreement may be personally served in the same manner as applies to civil judicial practice. Notice shall be deemed given as of the date of personal service or as the date of deposit of such written notice in the course of transmission in the United States Postal Service.

#### **Section 20: General Provisions**

- A. Integration. This Agreement sets forth and establishes the entire understanding between the Employer and the Employee relating to the employment of the Employee by the Employer. Any prior discussions or representations by or between the parties are merged into and rendered null and void by this Agreement. The parties by mutual written agreement may amend any provision of this agreement during the life of the agreement. Such amendments shall be incorporated and made a part of this agreement.
- B. Binding Effect. This Agreement shall be binding on the Employer and the Employee as well as their heirs, assigns, executors, personal representatives, and successors in interest.
- C. Effective Date. This Agreement shall become effective on January 2, 2024.
- D. Severability. The invalidity or partial invalidity of any portion of this Agreement will not affect the validity of any other provision. If any provision of this Agreement is held to be invalid, the remaining provisions shall be deemed to be in full force and effect as if they have been executed by both parties after the expungement or judicial modification of the invalid provision.

Date	Kelda London City Clerk	Date	
December 8, 2023			
	December 8, 2023	City Clerk	

# EXHIBIT A Bonuses

Employer and Employee have agreed to set specific performance goals within 45 days of the effective date of this agreement. Performance goals shall be established, at minimum, within each of the following areas:

- Budget/Finance up to Two Thousand Dollars (\$2,000.00) Annually
- City Staff up to One Thousand Dollars (\$1,000.00) Annually
- Residents/Community up to Five Hundred Dollars (\$500.00) Annually

The employer reserves the right to add additional performance goals and bonuses at its sole discretion.