

EMPLOYMENT AGREEMENT

AGREEMENT made this ____ day of April, 2022, by and between the CITY OF ST. FRANCIS a Minnesota municipal corporation ("Employer"), and KATE THUNSTROM ("Employee").

The parties agree as follows:

1. **POSITION.** Employer agrees to employ Employee as its City Administrator. Employee agrees to serve as City Administrator in accordance with state statutes, City ordinances and the Code of Ethics of the International and Minnesota City/County Management Associations, and to perform such other legally permissible and proper duties and functions as the City Council shall from time to time assign.

2. **MOVING AND RELOCATION ALLOWANCE.** Employer shall reimburse Employee an amount not to exceed \$ ___ 0 ___ for moving her household goods and an amount not to exceed \$ ___ 0 ___ for house hunting expenses such as travel expenses, temporary lodging, and meals. Payment shall be made upon receipt by the City of documentation that the expenses have been incurred and deemed reasonable.

3. **PENSION PLAN.** Employer shall contribute to PERA as required by State law for Employee or an alternate pension plan, if selected by Employee, authorized by State law.

4. **SALARY.** Employer shall pay Employee a salary of Grade 23, Step 5 of the City's current Pay Plan starting April 19, 2022. An initial performance evaluation will be conducted after six months (probationary period) with a step increase (Step 6) after the anniversary of Employee's initial hire start date with the City (November 30th) following a successful review. Performance evaluations will happen annually thereafter upon the anniversary of Employee's initial hire start date with the City. The City Administrator is also eligible for any COLA adjustments provided to other city employees. A copy of the current City Pay Plan is attached to this agreement as Exhibit A.

5. **SENIORITY.** For purposes of employment benefits such as sick leave, vacation leave, and the like, Employee will be credited with having completed her current number of years of employment with the City upon her first day of employment as City Administrator.

6. **SICK LEAVE.** Effective upon Employee's first day of employment, Employee shall be credited with her currently accrued sick leave balance as of her first date of employment with the City. In addition, Employee shall accrue sick leave in accordance with the City's personnel policies.

7. **VACATIONS.** Employee shall be credited with her currently accrued vacation leave balance as of the first date of her employment with the City. In addition, Employee shall accrue vacation leave in accordance with the City's personnel policies.

8. **HOLIDAYS.** Employer shall provide Employee the same holidays as enjoyed by other non-union employees.

9. **GENERAL INSURANCE.** Employer shall provide Employee the same group, medical, dental, life and disability insurance benefits as provided to all other non-union employees.

10. **DUES AND SUBSCRIPTIONS.** Employer shall budget and pay the professional dues and subscriptions for Employee which are deemed reasonable and necessary for Employee's continued participation in national, regional, state and local associations necessary and desirable for Employee's continued professional participation, growth and advancement.

11. **PROFESSIONAL DEVELOPMENT.** Employer shall budget and pay necessary and reasonable registration, travel and subsistence expenses of Employee for professional and official travel, meetings and occasions adequate to continue the professional development of Employee and to adequately pursue necessary official and other committees thereof which Employee serves as a member, and which budgeted funds are available. Employee shall use good judgment in her outside activities so she will not neglect her primary duties to the Employer. Specifically:

- a. Employer agrees to pay for membership costs for the International City/County Management Association, and the Minnesota City/County Managers Association and other relevant professional associations as deemed appropriate, and for which budgeted funds are available.
- b. Attendance at the annual International City/County Management Association conference and attendance at conferences held by MCMA will be allowed as the City's budget will accommodate.
- c. Other conferences, short courses, and seminars that are necessary for her professional development and for the good of the Employer may also be allowed as the City's budget will accommodate (such as the League Minnesota Cities, Economic Development Association of Minnesota, or other training).

12. **CIVIC CLUB MEMBERSHIP.** Employer recognizes the desirability of representation in and before local civic and other organizations. Employee is authorized to become a member of such civic clubs or organizations as deemed appropriate by Employee and Employer; and at Employer's expense.

13. **AUTOMOBILE.** Employee shall be reimbursed for job related travel consistent with the current Internal Revenue Service business mileage reimbursement rate.

14. **GENERAL EXPENSES AND OTHER BENEFITS.** Employer shall reimburse Employee reasonable miscellaneous job related expenses which it is anticipated Employee will incur from time to time when provided appropriate documentation. Employee shall also receive all benefits provided to department heads and/or other employees as outlined in the St. Francis personnel policies and/or provided to all other city employees. Employee shall receive a cellphone reimbursement payment in the same amount as the previous City Administrator with increases in accordance with City personnel policies.

15. **HOURS OF WORK.** It is understood that the position of City Administrator is a salaried, exempt position that requires attendance at evening meetings and occasionally at weekend meetings. It is understood by Employee that additional compensation and compensatory time shall not be allowed for such additional expenditures of time. It is further understood that Employee may absent herself from the office to a reasonable extent in consideration of extraordinary time expenditures for evening and weekend meetings at other than normal working hours.

16. **TERMINATION BENEFITS.** In the event that Employee is terminated by the Employer during such time that Employee is willing and able to perform the duties of City Administrator, then in that event, Employer agrees to pay Employee at the time of receipt of her last pay check a lump sum cash payment equal to six (6) months aggregate salary and to continue to provide and pay for the benefits set forth in paragraph 9 for a period of six (6) months following termination. However, in the event Employee is terminated because of her malfeasance in office, gross misconduct, conviction for a felony, or conviction for an illegal act involving personal gain to Employee, then Employer shall have no obligation to pay the termination benefits.

If Employer at any time during the employment term reduces the salary or other financial benefits of Employee in a greater percentage than across-the-board reduction for all non-union employees, or if Employer refuses, following written notice, to comply with any other provisions of this Agreement benefiting Employee or Employee resigns following a formal suggestion by Employer that he resign, then Employee may, at her option, be deemed to be "terminated" on the effective date of Employee's resignation and the Employee shall also be entitled to receive the termination benefits set forth above.

If Employee voluntarily resigns her position with Employer, Employee agrees to give the Employer thirty (30) days advance notice. If Employee voluntarily resigns her position with Employer, there shall be no termination pay due to Employee.

17. GENERAL CONDITIONS OF EMPLOYMENT. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of Employer to terminate the services of Employee at any time, for any reason, subject only to the provisions of this Agreement and statutory requirements. Furthermore, nothing in this Agreement shall prevent, limit or otherwise interfere with the right of Employee to resign at any time from her position with Employer, subject only to the provisions of this Agreement.

18. OUTSIDE EMPLOYMENT. The City Administrator agrees to devote her time, energy, and attention of the business of City. Employee shall hold no other employment, either directly or indirectly, or invest with any firm, corporation, or legal entity in violation of the ICMA Code of Ethics. Employee may accept limited teaching opportunities that will not conflict with her responsibilities to the City.

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

EMPLOYER:

EMPLOYEE:

CITY OF ST. FRANCIS

Mayor Steve Feldman

Kate Thunstrom

AND

Jenni Wida
City Clerk