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ILCMA would like to thank the following Member in Transition Ad Hoc Committee Members:

Robert B. Morris, Range Rider Stephen Berley, Range Rider Bradford J. Townsend, Schaumburg Eric C. Tison, Assistant Manager in Transition Dawn S. Peters, Executive Director, ILCMA This guide is meant to serve as a resource for those Illinois managers/administrators and assistants who are "in transition." One must be a member in good standing of the Illinois City/County Management Association (ILCMA) to receive the benefits of this program as well as a member in good standing of the International City/County Management Association (ICMA) to receive the benefits of the ICMA program that is referenced within this document. It is organized into the following sections: Immediate Steps, Exit Strategies, ICMA & ILCMA Benefits for Managers in Transition, Job Search Guidance, and ILCMA Membership Responsibilities. Keep in mind; <u>your ILCMA & ICMA memberships follow you!</u> They do not stay with your municipality or county.

Remember, finding yourself in transition happens to the best. It is a difficult period for you and your family. Grant yourself the time and grace necessary to make the right decisions as you move forward to your next opportunity. Your fellow managers are a solid source of support, friendship and ideas. Use them. We're here for each other.

# WHAT THE MANAGER/ADMINISTRATOR SHOULD DO WHEN ASKED TO RESIGN:

- 1. Do not volunteer your resignation until you have worked out a satisfactory written separation/severance agreement approved by the council (*see the model separation agreement in this manual*);
- 2. Councils/boards usually want the manager to resign quietly (to avoid public controversy);
- 3. Managers/administrators at first often feel that they should accede to the resignation request but upon reflection decide that they should not resign unless they can do so "on terms that they can live with;"
- 4. Councils/boards usually are willing to provide severance benefits (*dollars*, *time*, *and employee fringes*) if the manager/administrator will voluntarily submit his/her resignation (with those benefits usually larger than those provided for in the manager's employment agreement);
- 5. Managers/administrators should consider hiring an attorney versed in employment law to negotiate a written separation agreement detailing the terms of separation. This is recommended so as to avoid any misunderstandings and to do a better job than the manager can do by himself/herself.

## IMMEDIATE STEPS CHECKLIST

- Call ICMA Member Services at (202) 962-3680 or e-mail them at <a href="membership@icma.org">membership@icma.org</a> to notify them of your change in status. ICMA can provide information about positions available throughout the country. You can also seek advice from their members in transition staff. ICMA information is also available at their website at <a href="www.icma.org">www.icma.org</a>.
- <sup>o</sup> Call ILCMA Secretariat at 815-753-0923 or e-mail <u>ILCMA@niu.edu</u> to notify them of your change in status. Give them your updated home address, phone number, and e-mail so you can continue to receive correspondence.
- <sup>o</sup> Call a Range Rider *immediately* for general support and severance information. They are:

David Anderson 407 Woodrig Road Bloomington, Il 61704 309-827-8010

Email: dave.anderson24@comcast.net

John Phillips 2910 – 22 ½ Avenue Rock Island, IL 61201 309-428-5495

Email: phillipsjohn99@gmail.com

Greg Bielawski 1047 Oak View Drive Wheaton, IL 60187 630-462-1876

Email: g\_bielawski@hotmail.com

Glenn Spachman 30 Brookside Drive Rosell, IL 60172 630-529-6228

Email: g.spachman@sbcglobal.net

Frank Ollendorff 8128 Cornell Court University City, MO 63130 314-725-7057 phone/fax 314-791-6466 mobile

Email: jane.franko@charter.net

- Check the status of your health insurance coverage and apply for COBRA benefits if necessary.
- Contact one of the attorneys on the legal services list on pages 7 & 8 if you have questions about the severance portion of your contract.
- Apply for unemployment insurance by contacting your local state employment office. Rules vary from time to time. The state can interpret current rules for you.
- ° Call neighboring managers.
- Contact any member of the ILCMA Board of Directors found in your Who's Who Directory or any ILCMA member with whom you are acquainted for general support and information.
- <sup>o</sup> Look for interim jobs in communities that have special projects or local colleges and register for the ILCMA Professional Resource Service program.
- Network with regional commissions and public, non-profit and university entities and private sector consulting firms to identify temporary assignments for managers in transition (MIT's).
- Output the state of the state o
- Consider counseling for yourself and your family.
- Check the ILCMA newsletter, ILCMA website, ICMA newsletter, ICMA website (www.icma.org) Member Benefits section and Members in Transition section, ASPA newsletter, college placement office, outplacement firms, and executive search firms for possible employment.
- Check into the variety of reading material available regarding life changes and transforming disappointment. For more information visit your local library, bookstore or <a href="https://www.powells.com">www.powells.com</a>.

## **EXIT STRATEGY**

It is important for the manager/administrator to have an exit strategy. The goal is to help control how one leaves the job. This strategy includes legal assistance and the need for a severance or separation agreement.

## **Legal Assistance**

The Membership Services Committee developed a list of Attorneys having specialized knowledge in the field of municipal government and labor relations in the State of Illinois. These are attorneys who can advise or represent managers and administrators in negotiations with city councils or county boards or in helping enforce termination agreements. Many attorneys with this specialized knowledge often represent cities and are reluctant to take cases in opposition to cities. However, the attorneys on this list have the specialized experience and are interested in taking such cases. Additionally, they have agreed to negotiate a modest fee, to be paid by the manager in transition, or no charge for the first consultation of one to two hours.

Rabin, Myers, Schuering & Hankin, PC **John M. Myers, Attorney** 1300 S. 8th Street Springfield IL 62703-2519

Phone: 217-544-5000

E-mail: jmyers@springfieldlaw.com

Katz, Huntoon, & Fieweger

John Doak - Will Provide a One Hour Free Initial Consultation

1000 36<sup>th</sup> Avenue Moline, IL 61265 Phone: 309-797-3000

E-mail: jpkonecky@aol.com

Spiroff & Gosselar, Ltd.

Barbara Gosselar, Attorney – Will Provide a One Hour Free Initial Consultation Harlan Spiroff, Attorney

610 Roosevelt Rd.

Suite A-2

Wheaton, IL 60187 Phone: 630-510-6000

E-mails: <u>spiroff@thesglawfirm.com</u> gosselar@thesglawfirm.com

Mickey, Wilson, Weiler, Renzi & Andersson, P.C.

Steven A. Andersson, Attorney- Will Provide a One Hour Free Initial Consultation

2111 Plum Street, Suite 201

Aurora, IL 60506

Phone: 630-801-9699

E-mail: saa@mickeywilson.com

Tressler, LLP. – All attorneys below will provide a one hour free initial consultation:

Daniel P. Blondin, Attorney William G. Raysa, Attorney Michael F. Zimmermann, Attorney John J. Zimmermann, Attorney 22 S. Washington Avenue

Park Ridge, IL 60068

Phone: 847-268-8600 ext. 224 E-mails: <u>dblondin@tresslerllp.com</u> wraysa@tresslerllp.com

> <u>mzimmermann@tresslerllp.com</u> jzimmermann@tresslerllp.com

Lueders Robertson and Konzen

Brian Konzen, Attorney– Will Provide a One Hour Free Initial Consultation

PO Box 375 Granite City, IL 62040-0735 618-876-8500 Email:

#### **Mental Health Assistance**

The ILCMA Membership Committee has put together a program for Managers in Transition (MIT) to obtain discounted access to mental health professionals. Under this program, managers in transition may be able to see a mental health professional at no charge\* for the first visit and then future charges would be between the MIT and the mental health professional. The following mental health professionals have offered to be part of this program. The committee is working on getting mental health professionals from other areas of the state to also offer this service.

#### **Dr. Daven Morrison**

Morrison and Associates 650 N 1st Bank Dr Palatine, IL 60067 847-991-2260

Joanne Parks\* (will waive co-pay/deductible for first visit) 545 Lincoln Avenue, Suite 1 Wilmette, IL 60093 Phone 847-446-9840

## SEVERANCE CHECKLIST

The following section was taken from the California City Management Foundation publication "Resource Guide for City Managers in Transition." We have not added all of their suggestions to our Severance Agreement; however, we suggest you may want to consider them when discussing this matter with your attorney.

These comments were offered by city managers based on their experiences in the separation process. Several managers noted that it is best for all severance provisions to be provided in advance in the employment agreement. However, since it is usually not possible to consider during negotiations everything that could be of concern later, the following suggestions may assist managers/administrators going through a separation process. Speaking with other managers who have gone through a similar experience and reviewing other separation agreements may also be helpful avenues during the process.

- Hire an attorney who is familiar with public sector chief executives and consult with him/her before making any formal or informal agreements with the city council. Don't try to work out an agreement by yourself, even if you think you can represent your own interest. You may regret it later.
- Stipulate in the separation agreement who can speak to the press and what they will say. Add accountability into the separation agreement (for example, if the manager violates the "speak no evil about the council" provision, severance provisions would cease; if the council violates it, severance would double). (see Press Release Section)
- Get a letter of reference signed at the time the separation agreement is executed.
- Stipulate that the city manager's personnel file is sealed, and only he or she can authorize its release.
- Obtain continued medical benefits for a period of time after separation.
- ° Secure payment of all sick leave, administrative leave and vacation leave.
- Weigh the advantages/disadvantages of a payoff of contract terms vs. staying on the payroll.
- Vest in deferred compensation accounts for the entire year.
- o If the council expects to receive advice or assistance from the city manager after the separation, make sure the length of the commitment and the compensation are clear.
- Negotiate for the use of city automobile, office space, clerical assistance and office equipment for a specified period of time.

- Obtain outplacement services paid by the city.
- Ownload your internet bookmarks; print out or copy your electronic address books; get a fax machine and business cards; decide which work-related periodicals you want to personally subscribe to; maintain contact with your area managers group and other professional associations.
- Write out a list of the organization's accomplishments during your tenure as city manager for future reference as you begin your job search.

## SAMPLE SEVERANCE AGREEMENT\*\*

The following is a sample severance agreement. Should you decide to use this agreement, be sure to review it with your personal legal counsel before executing the agreement.

## SAMPLE

References in this agreement to gender are for example purposes only and are not intended to specify a particular gender.

## Separation Agreement

This separation agreement is made and entered into this	The state of the s	
by and between the City/Village of	herein after referred to as (City/Villag	e)
andherein after referred to as (N	Ianager/Administrator.)	
	,	
The (City/Village) has asked the (Manager/Administrate	or) to resign effective Ir	1
consideration of the (Manager/Administrator) resigning	as the City/Village	
Manager/Administrator effective, th	e (City/Village) and the	
(Manager/Administrator) do hereby agree as follows:		

- 1. The City/Village shall provide the Manager/Administrator a minimum severance payment equal to one-year salary of the current rate of pay of said Manager/Administrator. This severance shall be paid in a lump sum unless otherwise agreed to by the City/Village and the Manager/Administrator.
- 2. The Manager/Administrator shall also be compensated for all accrued sick leave, vacation time, all paid holidays and executive leave. The City/Village agrees to make a contribution to the Manager/Administrator's deferred compensation account on the value of this compensation calculated using the rate ordinarily contributed on regular compensation.
- 3. For a minimum period of one year following the Manager/Administrator's termination, the Manager/Administrator shall be considered as a regular full time City/Village employee and shall receive, at the City/Village's normal expense percentage, all of the usual and customary benefits received by other full time employees of the City/Village including but not limited to:
  - (a) Health insurance for the Manager/Administrator and his/her dependents.
  - (b) Life insurance in the amount received when he/she was Manager/Administrator.
  - (c) Short term and long term disability.
  - (d) Car allowance or payment of lease, or provide option to buy City/Village vehicle at depreciated value.
  - (e) Outplacement services should the Manager/Administrator desire them in an amount not to exceed \$10,000.
  - (f) Secretarial and office services provided the Manager/Administrator at no cost; and,
  - (g) Any other available benefits.

- 4. The City/Village agrees that it shall give the Manager/Administrator a favorable reference upon request of any prospective future employer of the Manager/Administrator.
- 5. The City/Village agrees that it shall perpetually defend the Manager/Administrator and hold him/her harmless and shall indemnify him/her against any pending or future litigation, claims, demand, or other legal action, whether groundless or otherwise, arising out of the Manager/Administrator's performance of duties, responsibilities or obligations or inactions during the course of his/her performance of duties. Should the Manager/Administrator be named as an individual and the City/Village's insurance carrier or risk management agency issues a reservation of rights or other document advising the City/Village it will neither defend nor indemnify such claim, the City/Village shall provide for the defense and pay for all said expense and indemnify such claim.
- 6. If the Manager/Administrator is terminated because of a conviction of a felony, then the City/Village is not obligated to pay severance as defined in this Agreement.
- 7. This agreement sets forth and establishes the entire understanding between the City/Village and the Manager/Administrator relating to the severance of the Manager/Administrator by the City/Village. Any prior discussions or representations by or between the parties are merged into and rendered null and void by this Agreement.
- 8. This agreement shall be binding on the City/Village and the Manager/Administrator as well as their heirs, assigns, personal representatives, and successors in interest.
- 9. If the invalidity or partial invalidity of any portion of this agreement is held invalid, the remaining provisions shall be in full force and effect as if they have been executed by both parties subsequent to the expungement or judicial modification of the invalid provision.
- 10. The City/Village and the Manager/Administrator do both agree that they will exercise good faith in the performance of all provisions of this Separation Agreement.

For the City/Village of	<del>-</del>	
By Mayor/Village President	Dated	
By Manager/Administrator	Dated	
Attested:	Dated	
City/Village Clerk		

\*\*It is recommended that the Manager/Administrator use an attorney versed in employment law in his discussions with the City/Village and the preparation of the Separation Agreement.

## PRESS RELATIONS

- Agree with the city council that neither side will speak negatively about the other; cite "philosophical" differences and wish each other well.
- Oevelop a mutually agreeable press release.
- Oraft a letter of resignation in such a way that it says what the manager wants the press to know. Let the letter speak for itself, rather than commenting further to the press.
- Stay away from the press for a couple of days to let things die down. When you do talk, don't talk about the council (it won't help). Talk about the things you are proud of in your tenure. Make no public pronouncements defending yourself; take the high road.
- Remember that your greatest asset is your professional reputation. The way you exit creates a lasting image and reflects on how you value your work and your colleagues.

# WHAT THE MANAGER/ADMINISTRATOR SHOULD DO AFTER RESIGNING: "THE MILLER RULES"

The "Miller Rules for Survival" were written by Mike Miller. He is a long time ICMA member, manager, and occasional manager in transition. Miller provides realistic advice on how to handle the transition period. Brad Townsend, ILCMA/ICMA member, and Steve Berley, ICMA Range Rider, contributed additional advice. They are also former managers in transition.

- 1. Expect an extended period of "in transition" time and hope for the best. Time moves slowly for active people faced with inactivity. Councils normally require three to nine months for the city manager selection process. Transitional periods of from nine months to two years are not uncommon. Generally speaking, the larger the target organizations, the longer it takes.
- 2. If you do not already have one, buy a computer and get an email address. The computer can produce professional appearing resumes which can be adjusted to differing conditions. The computer should also be equipped with a fax, internet service, and a CD burner. This will help in the search for a job and in staying in touch with friends and peers.
- 3. Send out lots of resumes. The more resumes, the more interviews. The more interviews, the more chances of being offered a job. You do not have to accept or be serous about a position in order to apply for it. You can always turn down an undesirable job if offered (or you may find a jewel by chance).
- 4. Accept interviews when offered (see #3). Your interviewing skills will improve with practice.
- 5. Do not feel guilty about being fired or "resigning." Losing a job in our profession is like a divorce. It can happen to anyone. If it does, deal with it and go forward. City managers are trained to accept responsibility for entire organizations. As a consequence, when in transition we tend to blame ourselves (consciously or unconsciously) for our plight. In such cases, acceptance of responsibility (guilt) serves only to cause depression and hinder the job seeking process. Maintain a positive attitude. Remember that you have value as a professional manager/administrator. Take it one day at a time, and NEVER, NEVER give up!
- 6. Avoid over-explaining your departure from your former position in your resume and in interviews (see #5). When asked, simplify your response to such causes as "politics" or "incompatibility with the council" while remaining truthful. You should also develop an answer to the following question: "Why might you be interested in a job that pays less than your former job?" Your answer should relate to the quality of the opportunity being presented, how it fits where you are at in your career, and how your skills are a unique match.

- 7. Immediately have printed good quality business cards utilizing a title such as "Public Management Consultant." The cards serve two purposes. You will be surprised how many times you will be asked "what do you do?" The cards serve to provide an alternative to "I am an unemployed city manager" or "I was a city manager." Offering your services as a consultant will also provide a filler for your resume (councils do notice gaps) as well as relief from boredom. Be willing to reach out through direct contacts and email to offer your services. Taking on short-term consulting assignments can generate income and help keep your skills sharp too.
- 8. Recognize that spouses feel real anger at those who put you in transition and uncertainty about the future. They need and deserve your understanding and support. The same holds true for children and other family members.
- 9. Remember that it is ICMA's policy to waive dues payments for members in six-month increments, for <u>up to three years</u>, for all members in transition. If you are a member, contact the ICMA. You are also eligible for free registration to the ICMA annual conference. It is also ILCMA's policy to waive dues payments and conference registration fees for members in transition.
- 10. Apply for unemployment insurance benefits. You have paid into this program for years and are entitled to the payments when you are fired or forced to resign.
- 11. Develop or maintain active participation in ICMA or ILCMA committees. This will help you stay in the loop with colleagues and make sure they do not forget you.
- 12. Never despair. The time away from intense daily work can be a refreshing and spiritual experience. Try to have fun: read, go out, play golf, play tennis, jog....keep your spirits up! Do something enjoyable that you would not have time to do while fully employed.
- 13. While away from your professional work routine, get up at your normal time. Each day reserve time to make telephone calls, send out letters and resumes for job openings and research city openings. Prepare a job list to do at home (i.e. paint the bedroom, fix the kitchen sink, etc.) and prepare a list for what you will do during the day.
- 14. NETWORK, NETWORK!

## **ICMA & ILCMA SERVICES**

#### **ICMA Services**

Remember, ICMA membership belongs to the individual, not the local government. Staff at ICMA changes from time to time; therefore, the following number is the general number for Member Services: 202-962-3680. E-mail: <a href="membership@icma.org">membership@icma.org</a>. ICMA provides the following:

- Your membership dues may be waived for up to three years (in six month increments) while you are in transition and actively seeking local government employment.
- You will continue to receive the "ICMA Newsletter" and "Public Management" (PM) magazine.
- You will retain all membership privileges of your current membership category.
- You may receive complimentary registration to the next annual conference. Special instructions are on the conference registration form.
- You have access to personal support from the ICMA leadership, senior management staff, range riders and members to deal with issues of severance, relocation and job hunting. ICMA Member Services can direct you to the right place depending on your question.
- You will receive a copy of "Notes from Beachcombers" and the January 1992 issue of "PM" magazine dealing with being in transition.
- At your request, you can be listed, in the "ICMA Newsletter" as being in transition to let your colleagues know where you are and to receive support from them.

## **ILCMA Services**

ILCMA membership stays with the individual, not with the employing agency. ILCMA offers the following services for Managers in Transition:

- You may register with the ILCMA Professional Resource Service (PRS). PRS is a program that connects Managers in Transition and retired or semi-retired managers with communities that need extra help. Managers contract with the community directly. ILCMA acts as the conduit. Examples of assignments are serving as an interim department head, interim city or county manager/administrator, write grant applications, update personnel codes, etc. Contact ILCMA Secretariat at 815-753-0923 to find out more or visit the ILCMA website at <a href="https://www.ilcma.org">www.ilcma.org</a>.
- Your membership dues will be waived while you are in transition and actively seeking

- local government employment.
- C You will continue to receive the ILCMA Newsletter.
- You will retain all membership privileges of your current membership category.
- You may receive complimentary registration to the winter and summer conferences. Special instructions are on the conference registration form. Lodging expenses are not covered; however, employed members are encouraged to invite managers in transition to share a room to help defer expenses.
- 1 You are encouraged to maintain contact ILCMA Range Riders (see prior section)
- At your request, you can be listed, in the "ILCMA Newsletter" as being in transition to let your colleagues know where you are and to receive support from your colleagues. Contact ILCMA Secretariat at ilcma@niu.edu or 815-753-0923.
- You may participate in Manager in Transition meetings that are held periodically. These meetings will be held by ILCMA Range Riders.
- You will be contacted by a manager in transition Regional Coordinator or Support Liaison. ILCMA, through the affiliate organizations has designated one or two people from each affiliate who will be responsible for developing manager in transition contacts (e.g. reading area newspapers via Internet or otherwise or reporting city and county managers/administrators that are in trouble or about to be in trouble to the ILCMA secretariat or Range Riders). These people will be encouraged to stay in contact via phone calls and letters during the manager in transition period.

Many of ILCMA's affiliate organizations have policies in place to waive luncheon and meeting fees for managers in transition. Please check with your affiliate organization(s) for details.

## **JOB SEARCH AND GUIDANCE**

## **Municipal Search Firms**

There are professional organizations dedicated to the placement of executives in the private and public sector. There is a fee that may or may not be paid by a prospective employer. Look in the yellow pages under "executive search consultants" for a list of firms in your area. Also check the classified section of the ICMA's Public Management magazine for firms that specialize in public sector searches.

The following firms perform executive recruiting. As the list of firms is ever evolving, consult PM Magazine, ILCMA, or ICMA for additional information. The list is not inclusive.

Heidi Voorhees Associates LLC Heidi J. Voorhees 500 Lake Cook Road, Suite 350 Deerfield, IL 60015 847-256-7299

E-mail: <u>HVoorhees@VoorheeAssociates.com</u> Website: <u>www.VoorheesAssociates.com</u>

Ian Doughty The PAR Group 100 North Waukegan Road, #211 Lake Bluff, IL 60044 847-234-0005 847-234-8309 (fax)

E-mail: <u>idoughty@pargroupltd.com</u>
Website: <u>www.pargroupltd.com</u>

Jim Brimeyer Brimeyer Group, Inc. Fifty South Ninth Avenue, Suite 101

Hopkins, MN 55343 Phone: 952-945-0246 Fax: 952-945-0102

E-mail: <u>BrimGroup@aol.com</u>
Website: <u>www.brimgroup.com</u>

Bob Slavin Slavin Management Consultants 3040 Holcomb Bridge Road, Suite B1 Norcross, GA 30071-1357

Phone: 770-449-4656 Fax: 770-416-0848

E-mail: <u>rslavin101@aol.com</u>

Public Administration Associates, LLC

P. O. Box 282

Oshkosh, WI 54903 Phone: 920-235-0279

E-mail: <u>info@public-administration.com</u>
Website: <u>www.public-administration.com</u>

The Mercer Group 5579 B Chamblee Dunwoody, Suite 511

Atlanta, GA 30338 Phone: 770-551-0403 Fax: 770-399-9749

E-mail: <a href="mailto:mercer@mindspring.com">mercer@mindspring.com</a>
Website: <a href="mailto:www.mercergroupinc.com">www.mercergroupinc.com</a>

Waters-Oldani Executive Recruitment\*

10900 NE 4<sup>th</sup> Street, Buite 2030 Bellevue, Washington 98004

Phone: 425-451-3938 Toll Free: 800-899-1669 Fax: 425-453-6786

Website: www.watersconsulting.com/contact.asp

\*See the website for additional offices in Austin, TX, Dallas TX, and Cleveland, OH.

#### **ICMA Website**

#### ICMA JobCenter

Online job listings are available in the ICMA JobCenter at <a href="http://jobs.icma.org">http://jobs.icma.org</a>. The ICMA JobCenter offers a database of current job openings for local government professionals. Positions listed are with local governments, related local government and nonprofit organizations, and universities. The JobCenter also offers an online resume service and job agents for ICMA Members. Log in on the right side of the page to take advantage of these services.

#### ICMA Newsletter

The *ICMA Newsletter* is published every two weeks, and is posted at <u>www.icma.org</u> by the Thursday prior to the publication date. The ICMA newsletter has job openings posted in it.

#### ICMA Job Opportunities Bulletin

The *Job Opportunities Bulletin* (*J.O.B.*) is published every two weeks, on alternating weeks from the *ICMA Newsletter*. *J.O.B.* is posted at ww.icma.org by the Thursday prior to the publication date.

#### **ILCMA Website**

The ILCMA website contains a listing of job openings and is updated continuously. Visit <a href="https://www.ilcma.org">www.ilcma.org</a> to see a current listing of jobs that are available.

## MODEL EMPLOYMENT AGREEMENT

The following document serves as a model employment agreement template for administrators of municipal governments. Complete in its content, the agreement covers a wide array of topics including business expenditures, performance evaluation, relocation expenses, indemnification, and many more. It provides additional language on various topics, allowing local governments to choose the option which best fits their organization. This agreement can also be found online at www.icma.org and in the members only section of the ILCMA website at www.ilcma.org.

#### **ICMA Model Employment Agreement**

#### Introduction

This Agreement, made and entered into this [date], by and between the [local government] of [state], [town/city/county] a municipal corporation, (hereinafter called "Employer") and [name], (hereinafter called "Employee") an individual who has the education, training and experience in local government management and who, as a member of ICMA, is subject to the ICMA Code of Ethics, both of whom agree as follows:

## Section 1: Term Recommended

A. This agreement shall remain in full force in effect from [date] until terminated by the Employer or Employee as provided in Section 9, 10 or 11 of this agreement.

#### Option 2

The term of this agreement shall be for an initial period of [#] years from [date] to [date]. This Agreement shall automatically be renewed on its anniversary date for a [#] year term unless notice that the Agreement shall terminate is given at least [#] months (12 months recommended) before the expiration date. In the event the agreement is not renewed, all compensation, benefits and requirements of the agreement shall remain in effect until the expiration of the term of the Agreement unless Employee voluntarily resigns. In the event that the Employee is terminated, as defined in Section 9 of this agreement, the Employee shall be entitled to all compensation including salary, accrued vacation and sick leave, car allowance paid in lump sum plus continuation of all benefits for the remainder of the term of this agreement.

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

Employer agrees to employ [name] as [title] to perform the functions and duties specified in [legal reference] of the [local government] charter and by [legal reference] of the [local government] code and to perform other legally permissible and proper duties and functions.

## **Section 3: Compensation**

#### **Recommended:**

- A. Base Salary: Employer agrees to pay Employee an annual base salary of [\$ amount], 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 or required by the Employer's compensation policies.
- C. Consideration shall be given on an annual basis to increase compensation.

## Option 1

The Employer agrees to increase the compensation of the Employee dependent upon the results of the performance evaluation 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.

#### **Option 2**

The Employer agrees to increase the compensation by [%] each year.

#### Option 3

The Employer agrees to increase the compensation each year by the minimum of the average across the board increase granted to other employees of the Employer.

## **Option 4**

The Employer agrees to increase the compensation of the Employee dependent upon the results of the performance evaluation conducted under the provisions of Section 12 of this Agreement in addition to providing a fixed annual increase in the Employee's salary based on an agreed upon economic indicator, such as the Consumer Price Index.

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

- 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 [local government] 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 short term and 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 three (3) times 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.

## Option 1

- A. The Employer agrees to provide 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 [local government] or, in the event no such plan exists, to provide coverage for the Employee and dependents. Employer shall pay all premiums for the Employee and the Employee's dependents.
- B. The Employer agrees to put into force and to make required premium payments for short term and 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 three (3) times 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.

#### **Option 2**

1. The Employer shall provide travel insurance for the Employee while the Employee is traveling on the Employer's business, with the Employee to name beneficiary thereof. Should the Employee die while on travel for the Employer, the Employer shall cover the full cost of retrieving and transporting the Employee's remains back to the custody of the Employee's family.

## Section 5: Vacation, Sick, and Military Leave Recommended

- A. Upon commencing employment, the Employee shall be credited with sick and vacation leave equal to the highest annual accrual provided to all other employees. The Employee shall then accrue sick and vacation leave on an annual basis at the highest rate provided to any other employees.
- B. Upon commencing employment, the Employee shall have access to a bank of 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 accrue all unused leave, without limit, 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.
- D. The Employee shall be entitled to military reserve leave time pursuant to state law and [local government] policy.

## **Additional Option**

1. The Employee shall annually be credited with five (5) days of executive leave.

#### **Section 6: Automobile**

The Employee's duties require exclusive and unrestricted use of an automobile to be mutually agreed upon and provided to the Employee at the Employer's cost, subject to approval by Employer which shall not be withheld without good cause. It shall be mutually agreed upon whether the vehicle is purchased by the city, provided under lease to the city or to the Employee, or provided through a monthly allowance.

## **Option 1 - Monthly Vehicle Allowance**

The Employer agrees to pay to the Employee, during the term of this Agreement and in addition to other salary and benefits herein provided, the sum of [dollar amount] per year, payable monthly, as a vehicle allowance to be used to purchase, lease, or own, operate and maintain a vehicle. The monthly allowance shall be increased annually by [% or \$] amount. The Employee shall be responsible for paying for liability, property damage, and comprehensive insurance coverage upon such vehicle and shall further be responsible for all expenses attendant to the purchase, operation, maintenance, repair, and regular replacement of said vehicle. The Employer shall reimburse the Employee at the IRS standard mileage rate for any business use of the vehicle beyond the greater [local government] area. For purposes of this Section, use of the car within the greater [local government] area is defined as travel to locations within a \_\_\_\_\_ mile (recommended fifty (50) mile) radius of [local government office].

## **Option 2 – Employer Provided Vehicle**

The Employer shall be responsible for paying for liability, property damage, and comprehensive insurance, and for the purchase (or lease), operation, maintenance, repair, and regular replacement of a full-size automobile.

## **Section 7: Retirement**

#### Recommended

- 1. The Employer agrees to enroll the Employee into the applicable state or local retirement system and to make all the appropriate contributions on the Employee's behalf, for both the Employer and Employee share required.
- 2. In addition to the Employer's payment to the state or local retirement system (as applicable) referenced above, Employer agrees to execute all necessary agreements provided by ICMA Retirement Corporation [ICMA-RC] 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 [percentage of Employee's base salary, fixed dollar amount of [\$], or maximum dollar amount permissible 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 Employee's retirement benefit.

In lieu of making a contribution to a Section 457 deferred compensation plan, the dollar value of this contribution may be used, at the Employee's option, to purchase previous service from another qualified plan.

## **Option 1**

Recognizing that effective service with the community is based in part on the stability provided through a long-term relationship, the Employer shall provide a retirement annuity, as directed by the Employee, at a rate of [dollar amount], payable at the completion of each quarter of the fiscal year. This annuity serves as a retirement contribution and does not require further action of the Employer.

## Option 2

The Employer shall adopt a qualified 401(a) defined contribution plan offered through ICMA Retirement Corporation for the Employee in the form of a money purchase plan to which the Employer shall contribute [%] of salary or [%] of compensation annually.

2A. Option: The Employee shall be required to contribute [%] of base salary or [dollar amount] annually on a pre-tax basis as a condition of participation.

## Option 3

The Employer shall adopt a qualified 401(a) profit-sharing plan offered through ICMA Retirement Corporation for the Employee in the form of a money purchase plan to which the Employer shall contribute [%] of all performance bonuses annually.

3A. Option: The Employee shall be required to contribute [%] of base salary or [dollar amount] annually on a pre-tax basis as a condition of participation.

## Section 8: General Business Expenses

#### Recommended

- 1. 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.
- 2. 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.
- 3. 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.
- 4. Employer recognizes that certain expenses of a non-personal but job related nature are incurred by Employee, and agrees to reimburse or to pay said general expenses. The finance director is authorized to disburse such moneys upon receipt of duly executed expense or petty cash vouchers, receipts, statements or personal affidavits.

5. The Employer acknowledges the value of having Employee participate and be directly involved in local civic clubs or organizations. Accordingly, Employer shall pay for the reasonable membership fees and/or dues to enable the Employee to become an active member in local civic clubs or organizations.

## Option 1

**Technology:** The Employer shall provide Employee with a computer, software, fax/modem, cell phone and pager required for the Employee to perform the job and to maintain communication.

#### **Section 9: Termination**

#### Recommended

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

- 1. The majority of the governing body votes to terminate the Employee at a duly authorized public meeting.
- 2. If the Employer, citizens or legislature acts to amend any provisions of the [charter, code, enabling legislation] pertaining to the role, powers, duties, authority, 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.
- 3. If the Employer 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.
- 4. If the Employee resigns following an offer to accept resignation, whether formal or informal, by the Employer as representative of the majority of the governing body that the Employee resign, then the Employee may declare a termination as of the date of the suggestion.
- 5. 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.

#### Option 1

In the event the Employee is terminated by the Employer during the six (6) months immediately following the seating and swearing-in of one or more new governing body members, and during such time that Employee is willing and able to perform his duties under this Agreement, then, Employer agrees to pay Severance in accordance with Section 10 plus salary and benefits in accordance with Section 10 for any portion of the six months not worked.

#### **Section 10: Severance**

Severance shall be paid to the Employee when employment is terminated as defined in Section 9.

If the Employee is terminated, the Employer shall provide a minimum severance payment equal to one year salary at the current rate of pay. This severance shall be paid in a lump sum unless otherwise agreed to by the Employer and the Employee.

The Employee shall also be compensated for all accrued sick leave, vacation time, all paid holidays, and executive leave. The Employer agrees to make a contribution to the Employee's deferred compensation account on the value of this compensation calculated using the rate ordinarily contributed on regular compensation.

For a minimum period of one year following termination, the Employer shall pay the cost to continue the following benefits:

- 1. Health insurance for the employee and all dependents as provided in Section 4A
- 2. Life insurance as provided in Section 4D
- 3. Short-term and long-term disability as provided in Section 4B
- 4. Car allowance or payment of lease, or provide option to buy city vehicle at depreciated value
- 5. Out placement services should the employee desire them in an amount not to exceed [\$10,000 to \$15,000 recommended], and
- 6. Any other available benefits.

If the Employee is terminated because of a conviction of a felony, then the Employer is not obligated to pay severance under this section.

## **Section 11: Resignation**

In the event that the Employee voluntarily resigns his/her position with the Employer, the Employee shall provide a minimum of 30 days notice unless the parties agree otherwise.

#### **Section 12: Performance Evaluation**

Employer shall annually review the performance of the Employee in [month] subject to a process, form, criteria, and format for the evaluation which shall be mutually agreed upon by the Employer and Employee. The process at a minimum shall include the opportunity for both parties to: (1) prepare a written evaluation, (2) meet and discuss the evaluation, and (3) 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.

#### **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 his or her responsibilities under this Agreement.

## **Section 15: Moving and Relocation Expenses Recommended**

Employee agrees to establish residence within the corporate boundaries of the local government, if required, within [number] months of employment, and thereafter to maintain residence within the corporate boundaries of the local government.

A. Employer shall pay directly for the expenses of moving Employee and his/her family and personal property from [location name] to [location name]. Said moving expenses include packing, moving, storage costs, unpacking, and insurance charges.

- B. Employer shall reimburse Employee for actual lodging and meal expenses for his/her family in route from [location name] to [location name]. Mileage costs for moving two personal automobiles shall be reimbursed at the current IRS allowable rate of [cents amount] per mile. C. Employer shall pay Employee an interim housing supplement of [dollar amount] per month for a period commencing [date], and shall continue for a maximum of [#] months, or until a home is purchased and closed on, within the corporate limits of the [local government name], whichever event occurs first.
- D. Employer shall reimburse Employee for a total of [number] round trip air fares for Employee and his/her family [amount of total tickets] at any time during the first year of service to assist with house hunting and other facets of the transition and relocation process. The Employee and his/her family may utilize and distribute the total [enter number] individual round trip tickets in any combination of individual members making the trips. The Employee shall be reimbursed for actual lodging and meal expenses incurred by Employee or his/her family members on any trips conducted prior to relocation, as detailed herein.
- E. The Employee shall be reimbursed, or Employer may pay directly, for the expenses of packing and moving from temporary housing to permanent housing during the first year of this agreement. F. The Employer shall pay the Employee's tax liability on all Employer provided benefits for relocation and housing.

#### **Option 1**

The Employer shall pay a lump sum payment of [\$] to the Employee to cover relocation costs.

## Section 16: Home Sale and Purchase Expenses Recommended:

A. Employee shall be reimbursed for the direct costs associated with the sale of Employee's existing personal residence, said reimbursement being limited to real estate agents' fees, and other closing costs that are directly associated with the sale of the house. Said reimbursement should not exceed the sum of [\$].

B. Employee shall be reimbursed for the costs incidental to buying or building a primary residence within the [local government], including real estate fees, title insurance, and other costs directly associated with the purchase or construction of the house, said reimbursement not to exceed the sum of [\$].

## Option 1

Employer shall reimburse Employee for up to three discount points within thirty (30) days following purchase of a home within the corporate limits of [local government name], in an effort to minimize mortgage rate differentials.

## Option 2

Employer shall provide Employee with a \_\_\_\_\_\_ [fixed-interest, variable-interest, interest-only] loan to purchase a house. The amount of the loan shall not exceed \$\_\_\_\_\_\_. The loan shall be repaid in full to the Employer upon the occurrence of either of the following events: (i) the home, or the Employee's interest in the home, is sold, transferred, or conveyed, or (ii) the Employee's employment with the Employer, for any reason, is terminated. The Employer and Employee shall execute any and all documents necessary to document this transaction. In the case where the value of the home decreases, the Employee shall not be required to repay the loan.

## Option 3

Employer agrees to provide the Employee a loan for the purchase of a home in an amount not to exceed [dollar amount]. Employee shall pay Employer a monthly mortgage payment of [dollar amount] for interest, which is equal to the amount currently being paid in principle and interest for the current residence. Employee shall accrue equity at a rate of [%] per month.

Upon termination of employment with the Employer, Employee shall have a maximum of six months to sell the home while continuing to reside in it under the terms and conditions here. Should the home sell during the time period, Employer shall receive 100% of the proceeds minus the percentage of equity accrued by Employee as described above, and minus the amount of equity originally invested by Employee. Said accrued equity and original equity shall both be payable to Employee upon closing. Said original equity invested shall be calculated as an amount equal to the percentage of original purchase price, represented by the original equity investment by Employee, and adjusted to be the same percentage of equity in the current sale price of the home. All closing costs borne by the seller shall be split between Employer and Employee in a proportion equal to the equity share described above. Should the house fail to sell within the allotted six month time period, Employer has the option of following the previous arrangement to continue in place or to purchase equity, calculated as provided above, plus the original cost of all improvements made to the property.

#### **Section 17: Indemnification**

Beyond that required under Federal, State or Local Law, Employer shall defend, save harmless and indemnify Employee against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of Employee's duties as [job title] or resulting from the exercise of judgment or discretion in connection with the performance of program duties or responsibilities, unless the act

or omission involved willful or wanton conduct. The Employee may request and the Employer shall not unreasonably refuse to provide independent legal representation at Employer's expense and Employer may not unreasonably withhold approval. Legal representation, provided by Employer for Employee, shall extend until a final determination of the legal action including any appeals brought by either party. The Employer shall indemnify employee against any and all losses, damages, judgments, interest, settlements, fines, court costs and other reasonable costs and expenses of legal proceedings including attorneys fees, and any other liabilities incurred by, imposed upon, or suffered by such Employee in connection with or resulting from any claim, action, suit, or proceeding, actual or threatened, arising out of or in connection with the performance of his or her duties. Any settlement of any claim must be made with prior approval of the Employer in order for indemnification, as provided in this Section, to be available.

Employee recognizes that Employer shall have the right to compromise and unless the Employee is a party to the suit which Employee shall have a veto authority over the settlement, settle any claim or suit; unless, said compromise or settlement is of a personal nature to Employee. Further, Employer agrees to pay all reasonable litigation expenses of Employee throughout the pendency of any litigation to which the Employee is a party, witness or advisor to the Employer. Such expense payments shall continue beyond Employee's service to the Employer as long as litigation is pending. Further, Employer agrees to pay Employee reasonable consulting fees and travel expenses when Employee serves as a witness, advisor or consultant to Employer regarding pending litigation.

## **Section 18: Bonding**

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

## **Section 19: 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 [local government] Charter or any other law.

A. Except as otherwise provided in this Agreement, the Employee shall be entitled to the highest level of benefits that are enjoyed by other [appointed officials, appointed employees, department heads or general employees] of the Employer as provided in the Charter, Code, Personnel Rules and Regulations or by practice.

#### **Section 20: Notices**

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

- (1) EMPLOYER: [Title and address of relevant official (mayor, clerk, etc.)]
- (2) EMPLOYEE: [Name and address for tax purposes of Employee]

Alternatively, notice required pursuant to this Agreement may be personally served in the same manner as is applicable 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 21: 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 \_\_\_\_\_\_, \_\_\_\_\_.
- D. Severability. The invalidity or partial invalidity of any portion of this Agreement will not effect the validity of any other provision. In the event that 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 subsequent to the expungement or judicial modification of the invalid provision.

## **ILCMA Membership Responsibilities**

ILCMA members are encouraged to contact fellow managers and administrators that are in transition. ILCMA members can help managers in transition in the following ways:

- C Hire managers in transition for interim work and special projects
- C Provide office space and equipment for managers in transition
- When going to ICMA or ILCMA conferences, invite a manager in transition to share your room at no cost.
- Monitor the environment. As one hears about a manager that may be in trouble, members are encouraged to contact either the ILCMA Executive Director or one of the Range Riders.

## **Regional Coordinators**

ILCMA, through the affiliate organizations, will ask that one to two people from each affiliate be named as a Regional Coordinator. The Regional Coordinator will be responsible for identifying ILCMA members as soon as it appears that they are leaving a management position and do not have a new position identified. In addition to monitoring local papers, Regional Coordinators should also frequently advise their regional counterparts to notify them of members who may be in transition. Once a member in transition (MIT) is identified, the Regional Coordinator should advise the ILCMA Secretariat so that ILCMA support can be offered. The Regional Coordinators should also either personally contact the MIT or identify another primary liaison. A specific person from each region shall be assigned either to maintain regular (weekly or hi-weekly) contact with the MIT, should encourage others to contact the MIT, should keep the ILCMA Secretariat aware of the MIT's status, should coordinate closely with the Range Riders and should provide the MIT with the support services available through the ILCMA and the ICMA.

## **LIMITATIONS**

The above policy is designed to assist managers in transition within one's own comfort zone. Every effort must be made to respect the manager in transition's dignity, desire for privacy and comfort with each level of support available.