



1010 Clubhouse Drive  
Lake Isabella, MI, 48893  
989-644-8654

**SPECIAL MEETING**

**DECEMBER 20, 2018  
VILLAGE COUNCIL AGENDA  
3:00 PM**

**I. CALL TO ORDER**

**II. PLEDGE OF ALLEGIANCE & ROLL CALL:**

*Arnold Griffin*

*Charles Kiel*

*Paul Cueny*

*David Torgerson*

*Jeffrey Grey*

*Dave Shoemaker*

*John Eberhart*

**III. PUBLIC COMMENTS AND/OR QUESTIONS**

**IV. BUSINESS:**

1. Village Manager Contract Amendment

**X. PUBLIC COMMENTS AND/OR QUESTIONS**

**XI. ANNOUNCEMENTS**

**XII. ADJOURNMENT**

# EMPLOYMENT AGREEMENT LAKE ISABELLA, MICHIGAN

## VILLAGE MANAGER

This renewal Agreement, made and entered into this ~~13<sup>th</sup>~~ ~~16<sup>th</sup>~~ day of ~~July~~ ~~December~~, ~~2018~~~~2013~~, by and between the Village of Lake Isabella of the State of Michigan, a municipal corporation, (hereinafter called "Employer") and Timothy Russell Wolff, (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

The Village Manager is an "At Will" employee. This agreement shall remain in full force in effect from this ~~16<sup>th</sup> day of July, 2013~~ ~~20<sup>th</sup> day of December, 2018~~, until terminated by the Employer or Employee as provided in Section 8 or 10 of this agreement.

### SECTION 2. DUTIES

Employer agrees to employ Timothy R. Wolff as Village Manager to perform the functions and duties specified in the charter of the Village of Lake Isabella and those specified by the codified ordinances of the Village of Lake Isabella and to perform other legally permissible and proper duties and functions.

### SECTION 3. COMPENSATION

Beginning on the first date of this Agreement above, the Employee shall receive the following compensation:

1. The Employer agrees to pay the Employee an annual base salary beginning in the ~~2013-2014~~ ~~2018-2019~~ fiscal year in the amount of ~~\$62,000~~ ~~\$56,000.00~~, payable in equal bi-weekly installments. The Employee's salary shall be adjusted annually thereafter based on the Bureau of Labor Statistics consumer price index (CPI) seasonally adjusted annualized rate (SAAR) for the previous 12 months as of January each year, provided that a minimum annual increase shall be at least \$1,200 per fiscal year with a maximum raise of 5%. Employer and Employee mutually agree upon an annual cap of ~~\$72,500~~ ~~70,000~~, or the maximum amount listed in the adopted Village of Lake Isabella Compensation Schedule & Job Description document (whichever is greater) for the Employee's base salary and vehicle allowance.

Currently, the Employer's annual review of the Employee includes multiple areas of performance, rated from one to five (five being the best). Based upon the annual review conducted by the Village Council, if the Employee's cumulative score totaled and computed from all tallied reviews is sufficient the Employee may be eligible

for a performance payment of up to a set percentage of the Employee's Base Salary as shown on the accompanying table:

<b>Cumulative Score</b>	<b>Maximum Performance Payment</b>
<u>4.50 to 5.00</u>	<u>2.5% to 4%</u>
<u>4.00 to 4.49</u>	<u>1.5% to 2.5%</u>
<u>3.50 to 3.99</u>	<u>0.5% to 1.5%</u>

Nothing in this paragraph will be interpreted to prevent the Employer from changing the method of the Employee's annual review, in which event the Employer and the Employee shall negotiate the minimum score required for the Employee to be eligible for performance payment. ~~However, nothing contained herein shall prevent the Employer for offering other compensation or bonuses which when combined with the Employee's base salary and vehicle allowance would exceed \$70,000 annually.~~

~~Employer shall also award a one-time bonus of \$6,000 (minus applicable taxes) to the Employee upon being accredited as a Certified Public Manager (CPM) and as a Credentialed Manager by the ICMA.~~

2. The Employer shall provide the Employee with a monthly vehicle allowance of \$500 plus any mileage incurred for professional travel to events and activities outside of Isabella County based on the current IRS rate.
3. The Employer will pay for the reasonable travel expenses related to the professional development of the Employee and for official travel, meetings, seminars and other professional enrichment necessary to effectively perform the duties of the Employee.
4. The Employee shall be reimbursed for out-of-pocket purchases and expenses pertaining to Village business.
5. The Employee shall be entitled to health, dental, vision and life insurance, as follows: Full coverage for a "family plan" through the Michigan Municipal League Health Insurance benefits program, or other mutually agreed upon vendor, and a family dental and vision plan; and life insurance in the amount of \$100,000. Employee agrees to cost sharing with the Village of 20% of the premium costs for health, dental and vision insurance.
6. The Employee shall be entitled to twenty-five (25) personal/vacation days during the each year of employment, and other such time annually allotted at the beginning of each fiscal, any of which may be accrued in aggregate, but never to exceed fifty (50) days.
7. The Employee shall be entitled to all paid holidays, as agreed to in advance for all Village employees.
8. The Employer agrees to provide the Employee with a retirement plan as follows: the Employer shall contribute \$100 monthly to a retirement plan selected by the Employee. The Employee may also contribute funds into said plan as desired.

9. The Employee shall receive student loan repayment funding on a monthly basis not to exceed \$2,100 per year for the remainder of his employment with the Employer, or until all student loans are repaid. ~~In the event that the Employee desires to continue his education with a Master's Degree, the Employer shall provide the Employee with the cost of tuition, books, and fees and the payments in this section shall be suspended during such time as the Employee is enrolled in a Master's level program or the Employee's current student loans are deferred.~~
10. 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.
11. 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 when located in mid-west region, the Michigan Municipal League Annual Convention and Capitol Conference, the Michigan Local Government Manager's Association Winter Institute, and such other national, regional, state, and local governmental groups and committees in which Employee serves as a member.
12. 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.
13. 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.
14. The Employer shall provide Employee with cell phone for the Employee's personal cell phone contract, and the Employee shall be eligible for upgrade/replacement of said cell phone every 18 months.

#### SECTION 4. PERFORMANCE EVALUATION

The Village Council shall review and evaluate the Employee's performance at least annually. The Village Council, with the input of the Manager, shall define, in writing, the goals and performance objectives desired to be achieved by the Employee.

#### SECTION 5. BONDING

The Employer shall provide, at no expense to the Employee, a bond in the same manner and amount as the Clerk and the Treasurer.

#### SECTION 6. INDEMNITY

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 Village Manager 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 7. OTHER EMPLOYMENT

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 8. TERMINATION

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

1. The majority of 4 or more members 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 Village Charter 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 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 resigns, then the Employee may declare a termination as of the date of the suggestion.

#### SECTION 9. SEVERANCE

Severance shall be paid to the Employee when employment is terminated without cause as defined in Section 8.

If the Employee is terminated without cause, the Employer shall provide a minimum severance payment equal to one year's total compensation at that the then current rate of pay. Total compensation includes the following; salary, vacation, vehicle allowance, life insurance, medical insurance, student loan reimbursement, and all other forms of compensation in place at the time of termination. This severance shall be paid in a lump sum unless otherwise agreed to by the Employer and the Employee.

~~Beginning with the 2015-2016 fiscal year the~~ Employee shall also be compensated for all accrued sick leave, vacation time, all paid holidays, and executive leave at a rate of one-hundred dollars (\$100) per unused day.

In the event the Employee is terminated without cause 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 this section total compensation for the remaining portion of said six month period not worked.

#### SECTION 10. RESIGNATION

In the event that the Employee voluntarily resigns his position with the Employer, the Employee shall provide a minimum of 30 days notice unless the parties agree otherwise. ~~Beginning with the 2015-2016 fiscal year t~~The Employee shall also be compensated for all accrued sick leave, vacation time, all paid holidays, and executive leave at a rate of one-hundred dollars (\$100) per day.

#### SECTION 11. INTEGRATION

This Agreement shall be considered completely and fully integrated, constituting the complete and entire agreement between the parties. It may not be modified or amended, except in writing signed by the parties and approved by the Village Council.

#### SECTION 12. SEVERABILITY

If any term, clause, sentence or provision of this Agreement is deemed invalid, void, or unenforceable, it shall be deemed severable and shall not affect those remaining terms, clauses, sentences or provisions not deemed void, invalid or unenforceable which shall remain in full force and effect.

#### SECTION 13. MODIFICATION OR EXTENSION

The parties may, by agreement placed in writing and approved by the Village Council, modify or extend the terms of this Agreement upon such terms and conditions as may be agreeable to the parties.

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**VILLAGE OF LAKE ISABELLA VILLAGE MANAGER EMPLOYMENT AGREEMENT  
BEGINNING ~~DECEMBER 20, 2018~~ **JULY 19, 2013**:**

**SIGNED:**

X/ \_\_\_\_\_ DATE: \_\_\_\_\_  
**DAVID K. TORGERSON**  
**VILLAGE PRESIDENT**

X/ \_\_\_\_\_ DATE: \_\_\_\_\_  
**JEFFREY P. GREY**  
**VILLAGE CLERK**

X/ \_\_\_\_\_ DATE: \_\_\_\_\_  
**TIMOTHY R. WOLFF**