



EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT, made and entered into, this 21st day of March 2023, by and between the VILLAGE OF CARY, an Illinois Municipal Corporation (hereinafter "Village") and Erik D. Morimoto (hereinafter "Employee"), both of whom understand and agree to the following:

RECITALS

WHEREAS, both Village and Employee agree that it is appropriate to enter into this Agreement in order to provide certain benefits and establish certain conditions of employment;

WHEREAS, Employee desires to accept employment as Village Administrator of the Village of Cary effective March 21, 2023;

NOW THEREFORE, the Village of Cary does hereby employ the services of Erik D. Morimoto as its Village Administrator and Mr. Morimoto does hereby agree to be employed under, and in accord with, the following terms and conditions:

SECTION 1. TERM

- A. The term of this Agreement shall commence on the 21st day of March 2023 and shall terminate on the 30th day of April 2025, unless extended as provided by the terms of this Agreement.
- B. In the event written notice is not given by either party to this Agreement to the other party one hundred twenty (120) days prior to the termination date as hereinabove provided, a new Agreement shall form between the parties

upon the same terms as the previous agreement beginning May 1st of each year. Said Agreement shall continue thereafter annually unless either party hereto gives one hundred twenty (120) days written notice to the other party that the party does not wish to enter into a new Agreement. It is the intent of the parties to be in full compliance with Section 8-1-7(b) of the Illinois Municipal Code.

SECTION 2. EMPLOYMENT AS VILLAGE ADMINISTRATOR

- A. The Employee shall be the full time, exclusive Employee of the Village as the Village Administrator of the Village of Cary pursuant to the provisions of this agreement, the controlling statutes of the State of Illinois and the Code of Ordinances of the Village of Cary.
- B. Any "outside" employment and activities for remuneration shall be subject to the prior written approval of the Mayor and Village Board.

SECTION 3. DUTIES AND HOURS OF WORK.

- A. Village agrees to commence the employment of Employee as Village Administrator of the Village of Cary and Employee agrees to perform the functions and duties as required by the ordinances, rules and regulations of the Village and as may be assigned, and to perform other associated and legally required duties and functions as the Mayor and Village Board shall direct and from time-to-time assign to Employee. Employee agrees to perform all such functions and duties faithfully, competently, professionally and promptly.
- B. The defined workweek for the Employee shall generally be a minimum of forty (40) hours. Employee agrees to devote that amount of time and energy which is reasonably necessary for Employee to faithfully perform the duties of Village Administrator under the Agreement.

- C. As an exempt employee, overtime compensation for the Village Administrator shall not apply, however, it is recognized that Employee must devote a great deal of time outside the normal office hours to business of the Village and, to that end, Employee shall be allowed on an occasional basis to take earned compensatory time off, subject however to the approval of the Mayor and the Village Board.

SECTION 4. TERMINATION PROVISIONS AND SEVERANCE PAY

- A. In the event any of the following occur, Employee, at his option and upon written notice to the Mayor and Village Board, shall be deemed to have been terminated from his duties as the Village Administrator and shall be entitled to the severance benefit provided in Section 4.B below:
1. The salary or financial benefits of Employee are reduced in a greater percentage than an applicable across the board reduction for all Village Department Heads.
 2. The Village Board refuses, upon written demand, to provide the benefits as required in the Agreement.
 3. Employee resigns upon formal or informal request of the Mayor and Village Board.
 4. On direction of the Mayor and Village Board, terminates Village Administrator.
- B. The Mayor and Village Board may terminate the employment of the Employee by advising him, in writing of the termination. In the event said termination occurs while Employee is willing and able to perform the duties of Village Administrator, said termination shall be subject to the requirement that the Village shall compensate Employee in a sum equal to 20 weeks as severance pay. Said compensation shall be based upon Employee's salary at the time of termination. Additionally, as severance compensation, Employer shall maintain Employee on the Village health, dental and vision

plan for a period of three (3) months after termination at the same cost to Employee as he paid prior to termination. After the expiration of the three (3) month period, Employee may choose to continue insurance coverage through COBRA. All of the above provisions of this subsection B shall be construed consistently and implemented in compliance with the rights and limitations of the Government Severance Pay Act (5 ILCS 415/1).

- C. Employee shall receive no severance pay as provided in Subparagraph B of this Section 4 in the event of any of the following:
1. Employee refuses to perform the duties of Village Administrator.
 2. Employee is unable to perform the duties of Village Administrator due to incapacity for a period greater than 90 days, as determined through a certified medical examination by Employee's physician.
 3. Employee is terminated because of his conviction of a felony or misconduct.
 4. During the last month of his employment, Employee fails or refuses to facilitate the transition of his replacement.
 5. Employee willfully terminates employment.
- D. Regardless of the reason or basis for termination, Employee shall be compensated for all accrued sick leave and vacation time. Any accrued sick leave shall be paid to Employee 35 days after the termination of Employee's employment.

SECTION 5. SALARY

- A. Village agrees to pay Employee for employment services described in and rendered pursuant to this Agreement, an annual starting salary of \$175,000.00 for the position of Village Administrator. Employee agrees to accept such salary for his services and agrees it shall be payable at the same times as other employees of Employer are paid.

B. Thereafter, Village agrees that Employee's annual salary, and other monetary benefits (other than those provided within this Agreement) or both, shall be based on the same policies and/or practices as are provided other Department Head employees.

However, such salary and benefits shall be subject to satisfactory performance of the employee and as reviewed and approved by the Mayor and Village Board. Aside from the provisions outlined in Section 5, A. above, the next opportunity for a salary increase would be as a part of the Village's 2024 non-union performance merit adjustments.

SECTION 6. VACATION AND PERSONAL BENEFITS

At signature hereof, Employee shall be credited with 10 days (80 hours) of vacation leave. Thereafter, Employee shall accrue 160 hours of vacation time per twelve (12) month period. Any vacation time accrued but not used up to ten (10) weeks, may be carried over from year to year.

Employee shall also accrue and utilize sick leave, holidays, personal days and comp time at the same rate as other Department Head employees in accordance with the Village of Cary personnel manual.

SECTION 7. LIFE INSURANCE

Village shall provide Employee with term life insurance in an amount equal to Employee's annual base salary, including all increases in base salary during the life of this agreement. Employee shall name beneficiary of the life insurance policy.

SECTION 8. HEALTH, DENTAL and VISION INSURANCE

Employee shall be eligible for the Village's health, dental, and vision insurance policy as offered to other employees, including the Village's contribution to the

premiums. Employee may elect coverage for eligible family or any other offering available to other employees.

SECTION 9. RETIREMENT

- A. The Employer agrees to enroll the Employee into the applicable IMRF retirement system and to make all the 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 IMRF 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 participation in said supplementary retirement plan and, in addition to the base salary paid by Employer to Employee, Employer agrees to pay an amount equal to 1% of Employee's base salary in equal proportionate amounts 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. The Employee shall match the contribution made to ICMA-RC by the Employer.

SECTION 10. VEHICLE USE

Employer shall provide Employee with an auto allowance in the amount of \$500.00 per month.

SECTION 11. PROFESSIONAL ASSOCIATIONS

Village agrees to budget and to pay for the dues and subscription fees of the Employee necessary for his continuation and full participation in national, regional, state and local professional organizations. Dues and subscription fees covering any other professional memberships necessary and desirable for his

continued professional growth and advancement will be subject to the prior approval of the Mayor and Village Board.

SECTION 12. PROFESSIONAL ACTIVITIES AND DEVELOPMENT

- A. Employee shall be authorized reasonable time to participate in professional activities such as service on professional advisory boards where such activities provide a direct benefit to the Village of Cary but are subject to prior approval of the Mayor and Village Board.
- B. Village shall pay the conference fees for Employee's attendance at the ICMA annual convention/conference and either the IML or ILCMA Conference each year. Employee shall be reimbursed for all reasonable travel, lodging and meal expenses incurred while attending conventions and meetings in accordance with the village of Cary travel policy and subject to prior approval by the Mayor and Village Board.
- C. Village shall budget and pay the renewal fees and reasonable costs associated with the necessary continuing education related to maintaining the Employee's professional licenses and certifications, including the State of Illinois Professional Engineer (PE) license, Professional Traffic Operations Engineer (PTOE) certification, and Envision Sustainability Professional (ENV-SP) certification. The total costs are approximately \$800-\$1,000 annually. Any additional licenses and certifications included in this section would be subject to prior approval by the Mayor and Village Board.

SECTION 13. DEATH DURING TERM OF EMPLOYMENT

If Employee dies during the term of his employment, Village shall pay to the Employee's designated beneficiary(ies) all the compensation which would otherwise be payable to the Employee up to the date of the Employee's death and this Agreement shall terminate as of such date.

SECTION 14. PERFORMANCE EVALUATION

The Mayor and Village Board shall review and evaluate the performance of the Employee annually. Said review and evaluation shall be in accordance with a format developed by the Mayor and Village Board. The Mayor and Village Board shall meet with the Employee no later than March 31st of each year of his employment to provide an adequate opportunity for Employee to discuss his evaluation with the Mayor and Village Board.

Employee shall notify Mayor and Village Board of these timelines and Mayor and Village Board agree to make good faith efforts to comply.

SECTION 15. CELL PHONE & VILLAGE COMPUTER

The Village shall provide Employee with a computer, software, fax and cell phone to perform job functions and to maintain communication. Any property provided to Employee pursuant to this Section 15 shall be returned to Village by Employee upon Employee 's termination of employment.

SECTION 16. INDEMNIFICATION

Village shall defend, save harmless and indemnify Employee against 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 Administrator. Village may compromise and settle any such claim or suit and pay the amount of any settlement or judgement rendered thereon. Village specifically agrees to provide and pay for legal representation in the defense of any such action.

SECTION 17. BONDING

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

SECTION 18. NO REDUCTION OF BENEFITS

Village shall not at any time during the term of the Agreement reduce the salary, compensation or other financial benefits of Employee unless the Employee has agreed to any such reduction in writing.

SECTION 19. AMENDMENT

This Agreement may be amended by agreement of both parties. No amendment shall be valid unless reduced to writing and signed by both parties hereto.

SECTION 20. SAVINGS CLAUSE

If any provision of, or any portion thereof, contained in the Agreement is held unconstitutional, invalid or unenforceable, the remainder of the Agreement shall be deemed severable and shall remain in full force and effect.

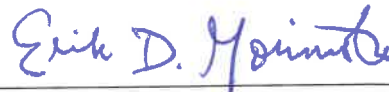
APPROVED BY THE MAYOR AND VILLAGE BOARD ON **MARCH 21, 2023.**



Mark Kownick
Mayor

3/22/23

Date



Erik D. Morimoto
Village Administrator

3/22/2023

Date



Susan Greene
Deputy Village Clerk

3/22/23

Date