

VILLAGE MANAGER
EMPLOYMENT AGREEMENT

THIS AGREEMENT, made and entered into this 18th day of June, 2007, by and between the Village of Deerfield, an Illinois home rule municipal corporation (hereinafter referred to as the "Village"), and Kent S. Street, (hereinafter referred to as the "Employee").

RECITALS

A. Village desires to employ the services of Employee as Village Manager and Employee desires to accept employment as Village Manager pursuant to the terms and conditions stated herein.

B. The parties intend by this Agreement to set forth their entire understanding regarding the employment of Employee by Village as Village Manager of the Village of Deerfield.

NOW, THEREFORE, in consideration of the mutual promises, terms, conditions and agreements hereinafter set forth, the parties agree as follows:

1. **Employment and Duties.**

- 1.1 The Village hereby agrees to employ the Employee as Village Manager commencing on a date mutually selected by Employee and Village (the "Start Date"), but not later than September 17, 2007. Employee and Village agree that the terms and conditions of his employment as Village Manager are set forth in this Agreement.
- 1.2 To facilitate an orderly and effective transition of Village administrative responsibilities, Employee will endeavor, consistent with his current employment duties, to meet with Village officers and staff and to become familiar with Village policies and pending issues prior to the Start Date.
- 1.3 Employee shall perform all duties of the Village Manager as set forth in the ordinances of the Village of Deerfield and the statutes of the State of Illinois and such other duties and functions, not inconsistent therewith as may be assigned to him from time to time by the Village President and Board of Trustees.

1.4 Employee shall work exclusively for the Village and shall diligently utilize his best efforts in the performance of services and duties under this Agreement. Employee shall devote his entire business time, attention and energies to the performance of the services and duties hereunder and shall not, without the prior written consent of Village President and Board of Trustees engage actively (as opposed to passively) in any income or profit-generating activities.

2. **Term of Agreement.**

2.1 Employee shall serve at the pleasure of the Village. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Village to terminate the employment of Employee at any time subject only to the provisions set forth herein.

2.2 Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of Employee to resign at any time from his position as Village Manager, subject only to the provisions set forth herein.

3. **Termination, Resignation and Severance Pay.**

3.1 In the event Village, without cause, fails to reappoint or otherwise terminates the employment of Employee, Village agrees to pay Employee a severance payment equal to six (6) months base salary, provided that no such payment shall be due to Employee if termination of his employment is for cause. For purposes of this Agreement, "cause" means: (i) conviction or a plea of *nolo contendere* of an offense damaging the integrity or reputation of the Village; (ii) upon finding by a court of any malfeasance or misconduct under the statutes and laws of the State of Illinois regardless of whether such conduct requires removal from office; (iii) failure to perform Employee's duties under this Agreement, including, but not by way of limitation, his obligation to relocate his primary residence pursuant to Section 9.1 herein.

Village shall provide Employee written notice of its intent to terminate this Agreement pursuant to Section 3.1(iii) setting forth the conduct of Employee which gives rise to his termination. Such notice shall provide Employee with not less than ten (10) days to request a meeting with the Village (the Mayor, a committee of the Board of Trustees or other designated representative) to give Employee an opportunity to respond to the conduct cited by the Village as grounds for his termination and, in the sole discretion of Village, to discuss curing such conduct.

3.2 In the event Employee voluntarily resigns, he shall give the Village three (3) months advance written notice of his resignation and the termination of this Agreement.

3.3 If the Employee is permanently disabled or is otherwise unable to perform his

duties because of personal sickness, accident, injury, mental incapacity or health status for a period of three (3) successive weeks, or for fifteen (15) working days over a thirty (30) working day period, beyond any accrued sick leave, the Village shall have the option to terminate this Agreement subject to the severance pay requirements set forth in paragraph 3.1 hereof. Notwithstanding the foregoing, no severance pay benefit shall be due Employee if the medical condition which subjects Employee to the termination of this Agreement qualifies him for long term disability benefits pursuant to any plan sponsored or paid for by Village.

3.4 In the event this Agreement is terminated with or without cause as provided in this Section 3, Employee shall be compensated for any accrued and unused sick leave, vacation leave, holidays and other accrued benefits.

4. **Employee Salary.** Village shall pay Employee an annual base salary of One Hundred Seventy Thousand (\$170,000.00) Dollars, payable in installments at the same time as other employees of the Village are paid, and which shall be adjusted from time to time as the parties may agree. Consideration shall be given by Village on an annual basis, following a review of Employee's performance, to increases or changes in Employee's compensation.

5. **Employee Insurance and Leave Benefits.** Except as provided below, Employee shall receive all employee benefits and privileges (such as Health and Life Insurance, Illinois Municipal Retirement Plan, Vacations, Sick Leave, etc.) enjoyed by other regular supervisory employees of the Village from time to time.

5.1 Employee shall be entitled to one week of paid vacation leave during his first year of employment (which for purposes of this Agreement shall be the initial employment period ending December 31, 2007) and four (4) weeks of paid vacation leave per calendar year thereafter.

5.2 Employee shall have twelve (12) days of paid sick leave commencing on the Start Date. Additional sick leave shall accrue per Village policy applicable to other regular employees of the Village.

5.3 Employee's group health insurance coverage shall commence on the Start Date.

6. **Automobile.** Employee is required to be on call for twenty-four (24) service, seven (7) days per week, and therefore must have access to a vehicle for Village business as well

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as Employee's private use. Accordingly, Employee shall have the use of a Village vehicle during the term of this Agreement. Employee shall be responsible for the taxable value and benefit of any personal use attributed to a Village vehicle. Village shall be responsible for the costs of maintaining, repairing and operating such vehicle.

7. **Other Business Expenses.** Employee shall be entitled to reimbursement of all necessary and reasonable expenses incurred by him in the performance of his professional duties and responsibilities under this Agreement, subject to the presentation of appropriate expense vouchers and supporting materials in accordance with all applicable Village rules and policies and subject to review and approval by the Village. This shall included membership in the Deerfield Rotary Club. Village shall reimburse Employee for the reasonable cost and expense of travel outside the Chicago metropolitan area related to Village business in accordance with Village policy for management employees.

8. **Professional Development.** In order to maintain Employee's professional standing and continued education, Village agrees to pay the reasonable cost of Employee's dues in professional city management associations and other reasonable and mutually agreed expenses of professional development.

9. **Relocation and Village Residency.**

9.1 Within a reasonable period of time after the Start Date but in no event later than six (6) months from said date, Employee shall establish his place of residence in Deerfield, Illinois. Employee shall thereafter reside within the Village during his term of employment as Village Manager.

9.2 In consideration of Employee's efforts in relocating his residence to Deerfield, Illinois and in recognition of the cost of appropriate housing in the Deerfield market, Village agrees to loan Employee the sum of One Hundred Thousand (\$100,000.00) Dollars for a portion of the purchase price of a residence purchased by Employee in Deerfield (the "Deerfield Residence"). Except as provided herein, said loan shall be without interest. Village shall pay this sum as directed by Employee on the date of closing of the Deerfield Residence. This loan shall be

evidenced by a promissory note (the "Note"), which Note shall be in substantially the form of Exhibit A attached hereto, made by Employee and any co-owner of the Deerfield Residence (the "Makers"), and secured by a second mortgage on the Deerfield Residence (the "Second Mortgage"), which Second Mortgage shall be in substantially the form of Exhibit B attached hereto. Employee shall provide Village with evidence of the actual purchase price of the Deerfield Residence.

- 9.3 Employee shall not suffer or permit any first or prior mortgage on the Deerfield Residence to be in default.
- 9.4 The loan shall be due and payable upon the earlier of the date of closing on the sale or other transfer by Employee and/or co-owner of their interest in the Deerfield Residence, or within 90 days of the date of termination of Employee's employment as the Village Manager of the Village of Deerfield, whether voluntary or involuntary, with or without cause.
- 9.5 The loan shall not bear interest except in the event of a default by Employee and/or any co-owner under the Note or the Second Mortgage, in which event the principal amount of the loan shall bear interest at the rate of nine percent (9%) per annum from the date of the default. In the event of default, Employee agrees to pay Village's costs of collection, including reasonable attorneys' fees.
- 9.6 Should Employee remain employed by the Village after serving continuously as Village Manager for five (5) years, upon the fifth (5th) anniversary date of this Agreement, and each anniversary date thereafter (so long as Employee shall remain continuously employed by Village), ten percent (10%) of the original loan value shall be forgiven by the Village and the loan value reduced by that same amount.
- 9.7 The provisions of this Paragraph 9 shall survive the expiration or termination of this Agreement.

10. **Moving Expenses.**

- 10.1 In an effort to accommodate the Employee in the difficult task of relocating his residence, the Village does hereby agree to reimburse, or pay directly for, all reasonable and necessary expenses of packing, moving, and unpacking his household goods and furnishings from his place of residence to the Village, which expenses shall be subject to the prior review and approval of the Village.
- 10.2 Employee shall obtain three (3) written quotations from responsible moving companies doing business in the Chicago metropolitan area for the cost of packing and moving Employee's household goods and property to the Deerfield Residence. Employee shall submit such estimates to the Village for prior Village review and approval.

11. **ICMA Code of Ethics.** Inasmuch as Employee is an active member and participant in the ICMA, the "Code of Ethics" promulgated by ICMA is incorporated herein and made part hereof by this reference. It is agreed that said Code of Ethics shall furnish principles to govern Employee's conduct and actions as Village Manager. Employee further agrees that confidential information he acquires during the course of his employment as Village Manager shall remain and be kept confidential by employee following the termination of his employment.

12. **General Provisions.** This Agreement constitutes the entire Agreement between the parties and it shall be binding upon and inure to the benefit of the heirs, executors, successors and assigns of the parties. This Agreement may only be amended by written instrument executed by both parties and each provision hereof shall be deemed severable. This Agreement shall be construed under the laws of the State of Illinois.

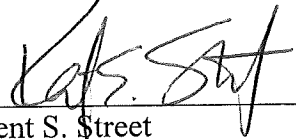
IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

Village of Deerfield:

By: 

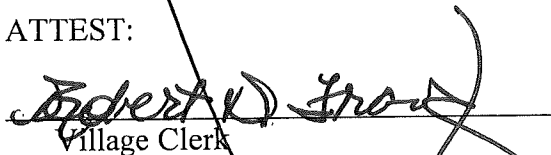
President, Village of Deerfield

Employee:



Kent S. Street

ATTEST:



Village Clerk