

EMPLOYMENT AGREEMENT

THIS AGREEMENT made this 20th day of May, 2021, by and between the Village of Hampshire, an Illinois Municipal Corporation, 234 South State Street, Hampshire, IL (hereinafter referred to as the "Village") and Jay R. Hedges, 146169 Newport Circle, Huntley, Illinois (hereinafter referred to as the "Employee"). Each is sometimes hereinafter referred to as a "Party" and together the Village and Employee are referred to as the "Parties."

WHEREAS, the Village offered to Employee, and Employee desires to accept, an extension of employment in the office of Village Manager for the Village of Hampshire under Hampshire Municipal Code, Section 1-12-1 *et seq.*; and

WHEREAS, the parties have discussed the terms and conditions of such extension of employment, and desire to reduce to a written agreement between them the terms and conditions of said extension.

IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN, AND OTHER GOOD AND VALUABLE CONSIDERATION, RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

1. Employment. Employee has been appointed by the Village President and Board of Trustees to serve as Village Manager, and accepts such employment, and shall at all times use his best efforts to faithfully perform the duties of the office of Village Manager on a full-time basis.

2. Duties and Authority of Employee. Employee shall be responsible to the Village President and Board of Trustees for the proper administration of the affairs of the Village, and except to the extent otherwise provided by law shall perform the following specific duties:

a. Recommend to the Corporate Authorities the appointment and removal of any or all Village employees (but not those officers to be appointed by the Village President pursuant to Section 1-1-3(C) of the Village Code); and to direct, supervise, and coordinate the administration of all departments of the Village. All such recommendations, and any

direction, supervision, and coordination, shall be based solely on merit, or on qualifications or disqualifications, and the duties, of the individuals or departments involved, without regard to race, sex, religious conviction, or political belief or affiliation of any employee.

b. Attend all meetings of the Board of Trustees, and when so directed, or if otherwise advisable or necessary, to attend meetings of the Planning & Zoning Commission, and/or the various Committees of the Board of Trustees.

c. Prepare an annual Budget Ordinance and Tax Levy Ordinance, and submit same to the Corporate Authorities for review and approval within the time specified by law.

d. Prepare an annual Report of Revenues and Expenditures, and submit it to the Corporate Authorities within 30 days of the end of each fiscal year.

e. Advise the Corporate Authorities of the financial condition and future financial needs of the Village from time to time, together with such recommendations as may be deemed advisable.

f. Recommend to the Corporate Authorities adoption of such measures as shall be necessary and advisable for the health, safety or welfare of the community.

g. Supervise the purchase of all materials, supplies, and equipment for which funds are provided in the annual Budget Ordinance of the Village; advertise and receive bids for, and then recommend contracts for, such materials, supplies and equipment according to law; and let contracts for such expenditures as shall be less than \$20,000 in cost.

h. Investigate the affairs of the Village and/or any of its employees; investigate all complaints re the administration of the Village's government and business; and see that all franchises, permits and privileges granted by the Village are faithfully observed.

i. Perform such other duties as from time to time may be specified by law or Village ordinance or may be directed by the Corporate Authorities.

3. Term. Employee shall serve as Village Manager from and after May 20, 2021 ("Commencement Date") until the date of conclusion of the present term of office of the Village President on April 30, 2025, or until this Agreement shall otherwise be terminated in accordance with the provisions of Sections 7 or 8 below, whichever shall first occur.

4. Compensation. In consideration of Employee's performance of the duties described in this Agreement, the Village shall pay Employee the following compensation and benefits:

a. Salary: The Village agrees to pay Employee an annual salary of \$136,800.00 payable

in equal bi-weekly installments, inclusive of the vehicle allowance described in subparagraph (d) below, from and after the Commencement Date to the end of the current fiscal year (April 30, 2022). Employee's compensation shall be reviewed annually thereafter.

b. Health Insurance Benefits: Employee may participate in the Village's health insurance plans for medical, dental and vision (including also a life insurance benefit), according to Village policies for employee contributions and employer payments regarding payment of premiums.

c. Vacation, Sick Leave, and Other Accrued Leave Benefits: Employee will earn twenty (20) vacation days annually; and shall earn personal days/sick leave at the rate of five (5) days annually. Both vacation days and personal/sick days may be accumulated, accrued, and available for use as provided for other employees of the Village. In addition, Employee will be allowed eleven (11) Village-designated holidays each calendar year. Provided, vacation time and personal time shall be subject to the provisions of Paragraph 5 below.

d. Vehicle: Employee shall furnish his own vehicle to provide transportation in conducting Village business; provided, it is acknowledged and agreed that the salary described in subparagraph (a) above includes an amount equal to \$4,800.00 annually as and for an allowance for vehicle/travel expenses.

e. Retirement: Employee will be enrolled in the Illinois Municipal Retirement Fund ("IMRF"), and shall make required employee contributions to same. The Village will make the required Employer contributions in regard to Employee. In addition, Employee may participate in the Village's deferred compensation plan by making his own voluntary contributions thereto.

f. General Business Expenses: The Village will at its expense provide Employee with a cell

phone and a laptop computer for Employee's use. Also, the Village will pay professional dues and subscriptions fees for Employee's membership in ICMA and ILCMA; and within funding limits and to the extent that Employee may participate in civic clubs and organizations as well as in local community events, such as the Hampshire Chamber of Commerce, reasonable expense thereof will be reimbursed by the Village. And also, upon request, the Village will consider Employee's attendance at and reimbursement of reasonable expenses for meeting expenses, conference expenses, and travel expenses for professional development of Employee, economic development of the Village, and pursuit of other necessary or advisable functions for the Village.

5. Hours of Work. It is recognized that Employee must devote a great deal of time outside the normal office hours to attend to the business of the Village. With the approval of the Village President, Employee will be allowed to establish an appropriate weekly work schedule. Employee shall submit to the Village President in advance for approval of any vacation or other accrued time-off benefits.

6. Performance Evaluation. Evaluation of Employee's performance will be conducted annually during the month of December during Employee's term of employment as Village Manager. At a minimum, the performance evaluation process will include a written evaluation of the Employee's work performance during the previous rating period; a meeting and discussion with the Village President and Board of Trustees; a review of Employee's goals and objectives for the next year's rating period; and a written summary of the evaluation results.

7. Resignation. If Employee voluntarily resigns from his position as Village Manager with the Village, Employee shall provide a minimum of thirty (30) days' notice to the Village President, unless the Village and Employee agree otherwise. In the event of resignation,

Employee will be compensated with all his earned and accrued benefit time up to the date of resignation.

8. Termination and Severance. For purposes of this employment, Employee shall be an employee at will. Employee may be terminated with or without cause at any time. If Employee resigns, or is terminated for any misconduct, as that term is defined in PA 100-896, or for breach of the terms and provisions of this Agreement, then notwithstanding anything else to the contrary contained in this Agreement, the Village shall have no obligation to pay any severance allowance to Employee.

If Employee is terminated by the Village without cause, Employee will be entitled to severance allowance. Severance pay shall be an amount equal to twenty (20) weeks' salary. The severance allowance will be based on the salary of Employee at the time of termination. The severance term will commence from the date of notice of termination.

In the event of termination with or without cause, Employee will be entitled to all salary and accrued benefits as of the effective date of termination.

Immediately upon termination of this Agreement for any reason, Employee shall return to the Village any and all Village property, equipment, documents, and materials then in his possession, including passwords related thereto; and such duty to return such items shall survive the termination of this Agreement.

9. Other Terms and Conditions of Employment. The Village shall not at any time during the term of this Agreement reduce the compensation or other benefits of Employee, except to the extent that any such reductions similarly affect any other management employees in the Village.

10. Personnel Manual. The Village Personnel Manual, as amended from time to time during the term of this Agreement, shall govern all matters not specifically addressed in this Agreement.

11. Residency. The employee need not be a resident of the Village during the term of this

Agreement and shall be grandfathered from any future change to the Village's policy or regulation on this item.

12. Indemnification. The Village shall indemnify and defend Employee in the manner required by State law and shall pay the full cost of any fidelity or other bond required of Employee.

13. Venue; Governing Law. This Agreement is made under and shall be construed in accordance with the laws of the State of Illinois. Venue of any action arising out of or resulting from the terms and provisions of this Agreement shall lie in the Circuit Court of Kane County, Illinois.

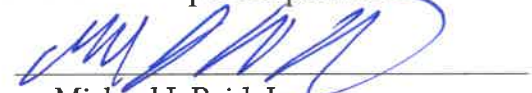
14. Entire Agreement. This Agreement sets forth the entire agreement between the parties with respect to the subject matter hereof, and all prior negotiations, understandings, or agreements of the parties with respect thereto are merged herein and superseded by this Agreement.

EXECUTED AND DELIVERED the day and year first above written at Hampshire, Kane County, Illinois.

EMPLOYEE / VILLAGE MANAGER,


Jay R. Hedges

VILLAGE OF HAMPSHIRE,
an Illinois Municipal Corporation

By: 
Michael J. Reid, Jr.
Village President