

## EMPLOYMENT AGREEMENT

THIS AGREEMENT is made and entered into this 13 day of January, 2015 by and between the CITY OF GLENDORA, a municipal corporation, hereinafter referred to as "CITY" and JUNE OVERHOLT an individual, hereafter referred to as "EMPLOYEE", both of whom understand and agree as follows:

### RECITALS

WHEREAS, CITY through the City Manager desires to secure and retain the services of EMPLOYEE as FINANCE DIRECTOR/CITY TREASURER of CITY in accordance with applicable provisions of the Glendora Municipal Code; and,

WHEREAS, EMPLOYEE desires to be employed on a full time basis as FINANCE DIRECTOR/CITY TREASURER of CITY; and,

WHEREAS, THE CITY MANAGER is authorized under 2.09.060 of the Glendora Municipal Code to enter into an employment contract relating to the terms and conditions with said EMPLOYEE; and

WHEREAS, both CITY and EMPLOYEE desire to address certain issues related to wages, hours and other terms and conditions of EMPLOYEE'S employment by CITY.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto do hereby agree as follows:

#### Section 1. Duties

Pursuant to Glendora Municipal Code Section 2.09.060, City Manager of CITY hereby agrees to appoint EMPLOYEE as FINANCE DIRECTOR/CITY TREASURER of CITY subject to ratification by the City Council of CITY, to perform the functions and duties specified in state law, in the Glendora Municipal Code and to perform such other legally permissible and proper duties and functions as the City Manager may, from time to time, assign.

#### Section 2. Term

(A) Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of City Manager of CITY to terminate the services of EMPLOYEE at any time, subject only to the provisions set forth in Section 3, paragraphs A and B, of this Agreement.

EMPLOYEE holds his/her employment with CITY at the pleasure of the City Manager. Thus, CITY may terminate EMPLOYEE at any time, with or without good cause, for any reason which does not violate a public policy of the State of California. Except as set forth herein, EMPLOYEE is excluded from CITY's Personnel System and holds no property right in his/her employment.

(B) Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of EMPLOYEE to resign at any time from his/her position with CITY, subject only to the provision set forth in Section 3, paragraph C, of this Agreement.

(C) EMPLOYEE agrees to remain in the exclusive employ of CITY commencing upon a date specific to be agreed upon between the parties hereto contingent upon and after EMPLOYEE has successfully completed a physical examination and thereafter agrees to remain in full-time employ of CITY until termination of this Agreement is effected as hereinafter provided. The term "employed" shall not be construed to preclude EMPLOYEE from engaging in occasional teaching, writing, or consulting performed during EMPLOYEE'S non-working hours, provided that such activities are undertaken with the knowledge and approval of the City Manager.

### Section 3. Termination and Severance Pay

(A) In the event EMPLOYEE is terminated by the City Manager of CITY during such time as EMPLOYEE is willing and able to perform the duties of FINANCE DIRECTOR/CITY TREASURER, then in that event, CITY agrees to pay a lump sum amount equal to the EMPLOYEE'S salary and benefits as a severance benefit for a period equal to six (6) months beyond the effective date of termination.

In the event EMPLOYEE is terminated for cause, CITY shall have no obligation to pay the severance benefits designated in this paragraph. Good cause as used herein includes: material breach of this Agreement; acts of dishonesty, fraud, or misrepresentation; violation of a criminal law other than traffic violations or other infractions; or acts of moral turpitude.

(B) EMPLOYEE shall have the right to voluntarily resign his/her position with CITY upon EMPLOYEE giving CITY 20 days notice in advance, in which event, the CITY shall have no obligation to pay severance benefits to EMPLOYEE as described under Subsection A of this Section.

### Section 4. Salary

CITY agrees to pay EMPLOYEE for services rendered pursuant to this Agreement a monthly salary of \$14,361.56 (step 9) payable in installments at the same time as other employees of the City are paid. CITY further agrees twelve (12) months following first employment to evaluate EMPLOYEE'S performance to date. If EMPLOYEE receives an "exceeds standard", CITY agrees to increase EMPLOYEE'S monthly compensation by the next available step within said position salary range should one exist. Annually on the anniversary date of employment, the EMPLOYEE shall receive a performance evaluation.

EMPLOYEE shall also receive any commensurate cost of living wage adjustment and/or market adjustment that other non-sworn Department Heads of the City may receive via an adopted City Council resolution. EMPLOYEE shall also be granted the same across-the-board benefit increases granted to other Department Heads of the City.

In addition, EMPLOYEE shall receive an auto allowance of \$300 per month but in no case less than that granted to other department heads of CITY during the term of this Agreement.

#### Section 5. Hours of Work

EMPLOYEE shall devote not less than forty (40) hours per week to assigned duties as FINANCE DIRECTOR/CITY TREASURER of CITY. However, it is recognized that EMPLOYEE may need to devote a great deal of his/her time outside normal office hours to the business of CITY.

#### Section 6. Dues and Subscriptions

(A) Within the limits of fiscal ability, the CITY agrees to budget a reasonable amount as determined by City Manager of CITY for the payment of professional dues and subscriptions necessary for EMPLOYEE'S participation in national, regional, state and local associations and organizations necessary for his/her continued professional growth and advancement and for the good of the CITY.

(B) Community participation is a vital and necessary part of EMPLOYEE'S duties and as such, CITY shall pay necessary dues, fees and expenses for EMPLOYEE to belong to one local civic service club to be selected by EMPLOYEE with the approval of City Manager of CITY.

#### Section 7. Professional Development

Within the limits of fiscal ability, the CITY hereby agrees to budget a reasonable amount as determined by City Manager of CITY and for the payment of travel and subsistence expenses of EMPLOYEE for educational courses, institutes and seminars that are necessary for EMPLOYEE'S professional development and for the good of CITY and for official travel, meetings, and occasions sufficient to continue the professional development of EMPLOYEE and to adequately pursue necessary official and other functions on behalf of CITY.

EMPLOYEE shall submit all such expenses to City Manager of CITY for approval in accordance with Administrative policies and procedures of CITY and subject to limitations as specified therein.

#### Section 8. Vacation and Sick Leave

(A) EMPLOYEE shall be initially credited with 80 hours (10 days) of vacation leave and thereafter shall accrue vacation leave at the rate of 6.46 hours per pay period subject to the following provision:

EMPLOYEE shall not accrue more than a total of 200 hours of vacation leave at any one time. EMPLOYEE can request during any beginning payroll period within the month of December an opportunity to cash out up to 80 hours vacation annually.

(B) EMPLOYEE shall accrue sick leave hours at the same rate and under the same terms and conditions as non-sworn department heads of CITY (3.69 hours per pay period) with no maximum accumulation. Such accumulation shall be applied to the extended service credit contracted with PERS should the EMPLOYEE retire while employed with CITY, presuming all other qualifications have been met. Should the employee separate from service for any other reason than service retirement, then there shall be no payoff of the accumulated sick leave hours. In addition, EMPLOYEE shall be initially credited with 48 hours (6 days) of sick leave in the EMPLOYEE'S leave bank.

### Section 9. Health, Life and Disability Insurance

CITY shall provide EMPLOYEE with medical, hospitalization, health, dental, vision, long-term disability and life insurance benefits in an amount equal to and on the same terms and conditions as such insurance is provided to other non-sworn department heads of CITY via an adopted resolution by the City Council of Glendora.

### Section 10. Retirement Benefits

CITY shall provide membership in the California Public Employees Retirement System to EMPLOYEE on the same terms and conditions as apply to non-sworn department heads of CITY. For employees hired after April 30, 2012, and who are not "new" members to CalPERS, the City contracts for a benefit commonly known as 2% at 60 formula. The EMPLOYEE shall reimburse the City for the employee contribution established by CalPERS, which is currently 7% for the 2% @ 60 benefit formula.

### Section 11. Bonding and Indemnification

CITY 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 during the performance of, and while EMPLOYEE is acting in the course and scope of, EMPLOYEE'S duties as FINANCE DIRECTOR/CITY TREASURER for the CITY.

CITY will compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered thereon, whether compensatory or punitive, to the extent permitted by law. In the event EMPLOYEE is to be represented by counsel other than counsel selected to represent CITY in the same matter, EMPLOYEE shall be represented by City Attorney of CITY or by counsel of CITY'S choice. All representation under this section shall be at CITY'S expense. The CITY's payment of any punitive damages judgment assessed against EMPLOYEE is subject to the provisions of Government Code Section 825(b), and the findings required therein.

### Section 12. Other Terms and Conditions of Employment

(A) City Manager of CITY shall fix any such other terms and conditions of employment, as he/she may determine from time to time, relating to the performance of EMPLOYEE, provided that such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement or duly enforceable City Council Resolution.

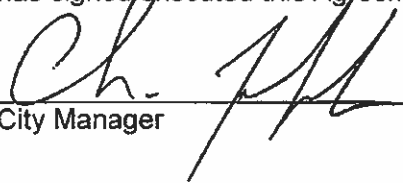
(B) All provisions of the Glendora Municipal Code, regulations and rules of CITY and any City Council resolution governing CITY and its Department Directors relating to vacation, sick leave, holidays, retirement system contributions and any other fringe benefits or working conditions as they now exist in Exhibit A attached and made a part hereto of this Agreement or as they may hereafter from time to time be amended by the City Council, shall apply to EMPLOYEE as they would to other non-sworn Department Directors of CITY.

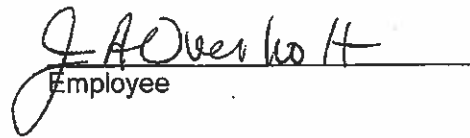
(C) Performance Evaluations. City Manager of CITY shall evaluate EMPLOYEE's performance periodically but not less than annually.

Section 13. General Provisions

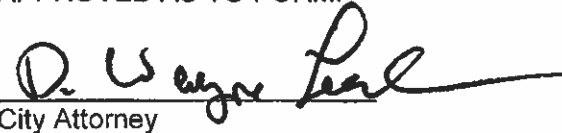
- (A) This Agreement shall be governed by and construed in accordance with the laws of the State of California.
- (B) The text contained herein shall constitute the entire Agreement between the parties.
- (C) This Agreement and each and every covenant, condition and term herein, shall be binding upon and inure to the benefit of the parties hereto and to their successors, assigns and heirs at law.
- (D) In the event litigation is commenced to enforce or interpret this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs incurred for prosecution of the action.
- (E) No breach of any provision of this Agreement can be waived unless in writing. Waiver of any one breach of any provision shall not be deemed to be a waiver of any other breach of the same or any other provision of this Agreement.
- (F) If any article, or any portion thereof, contained in the Agreement is held to be unconstitutional, invalid or unenforceable by any court of competent jurisdiction, the said ruling shall negate only the applicable article, or portion thereof, and the balance of this Agreement shall stand as written and shall remain in full force and effect for the duration of the Agreement.
- (G) This Agreement shall become effective at 12:01 a.m. on the 26th of January, 2015 and shall continue until terminated by the parties hereto in accordance with provisions of Section 3 of this Agreement.

IN WITNESS WHEREOF, the City of Glendora has caused this Agreement to be signed and executed on its behalf by its City Manager and duly attested by its City Clerk and EMPLOYEE has signed, executed this Agreement, both in duplicate.

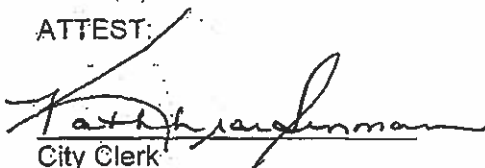
  
City Manager

  
Employee

APPROVED AS TO FORM:

  
City Attorney

ATTEST:

  
City Clerk

**City of Glendora  
Employee Benefit Information  
Department Directors/Executive Management**

1. **Social Security - No contributions are paid by the City or employee into Social Security**
2. **Medicare - 1.45% of salary paid by City and employee for a total of 2.9% (for employees hired after 4/1/86)**
3. **Employer Paid Member Contributions (PERS EPMC) - City's PERS Contribution will be reported to PERS as additional compensation per Government Code Section 20636(c)(4) and IRS code section 414(h)(2).**
4. **Employee CalPERS contribution rates which are statutorily set at eight (8) percent for Miscellaneous employees and nine (9) percent for Safety employees, shall be fully paid by the employee by reimbursing the City.**
5. **Flexible Benefit Plan - All Department Directors will receive \$820 + 1.5% of salary mo. (mandatory health, dental & LTD). Employee may receive non used/required benefit amount in cash, however, not more than \$800 + 1.5% salary per month.**
6. **Vision - City pays employee only coverage (dependent vision insurance can be purchased with flexible benefit plan)**
7. **Life Insurance - City pays for \$100,000 policy for Police Chief, Finance Director, City Clerk and Public Works Director and \$50,000 policy for Deputy City Manager, Planning and Redevelopment Director, Community Services Director and Library Director**
8. **LTD - City pays ½ the cost**
9. **Deferred Compensation - Available (no employer participation)**
10. **Holidays - The following ten (10) holiday are recognized.**

**New Year's Day  
Martin Luther King, Jr. Day  
Presidents' Day  
Memorial Day  
Independence Day**

**Labor Day  
Veterans Day  
Thanksgiving Day  
Friday following Thanksgiving Day  
Christmas Day**

**The last four hours of Christmas Eve and New Year's Eve will be designated as holidays except when Christmas and New Year's days fall on a Sunday or Monday. Employees scheduled to work on one or both of these holidays shall receive four hours of holiday pay for each period worked in addition to regular compensation.**

**Employees scheduled to work on one or both of these times but on an approved leave, shall receive holiday pay in lieu of leave pay.**

11. **Sick Days per Calendar Year - 3.69 hours per pay period (no maximum accumulation)**
12. **Administrative Leave - See Contract for Department Directors hired prior to January 1, 2011. After that date, new Directors shall not be entitled to this benefit.**
13. **Vacation Leave - See Contract**
14. **Auto Allowance – See Contract**
15. **Tuition Reimbursement - Job related and at State University rates.**
16. **Bereavement Leave - 24 hours (8 additional if internment service is over 500 miles away)**
17. **Personal Emergency Leave -- 24 hours/year (to be taken out of sick leave)**
18. **Family Illness Leave -- 48 hours/year (to be taken out of sick leave)**
19. **Community Service Expense - See contract**
20. **City shall pay for a full physical every 2 years should the employee wish to take advantage of. Employee shall make all arrangement through the Human Resources Department.**
21. **Employee Assistance Plan shall be extended to employee at no cost.**
22. **IRS 125 and 129 Flexible Spending Account available after one year of employment or sooner if permitted by the Plan Administrator.**
23. **Retiree Medical Plan contribution - Retire age 55+ with a minimum of 10 years service (Miscellaneous) or retire age 50+ with a minimum of 15 years service (Safety) with the City of Glendora is \$300/month until age 65. If retired after age 60, will receive the contribution for a maximum of 5 years after receiving Medicare benefits.**
24. **Unused Sick Leave Credit - Sick leave is converted to service credit upon retirement when retirement date within four (4) months of employment separation or based on the current regulations promulgated by CalPERS at the time.**

- 25. PERS contract amendments - include 1959 Survivors Benefit, level 2 (Section 21572) for Miscellaneous and level 4 (Section 21574) for Safety, and purchase Military Service Credit as Public Service (Section 21024)**

**\*Benefits listed in this Exhibit shall govern unless stated otherwise in the Department Director's employment contract. If the City Council adopts a Council resolution subsequent to the effectiveness date of individual's most current employment contract, then that resolution shall govern when it comes to elements relating to Employee Benefits.**