

INTERIM FINANCE DIRECTOR EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") is entered into effective November 16, 2011, by and between the City of Lake Forest Park, a Washington municipal corporation ("City") and [REDACTED]

WHEREAS, the City of Lake Forest Park desires to employ the services of [REDACTED] as Interim Finance Director and [REDACTED] desires to accept such employment until the appointment of the City's next regular Finance Director (expected by March, 2012); and

WHEREAS, the Employee is a qualified professional, willing to accept the Interim Finance Director position as an "at will" employee with no severance compensation;

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. **Term.** Employee's employment under this Agreement shall commence on November 16, 2011 (the "Effective Date") for a term ending March 31, 2012 (the "Term"), unless terminated earlier by either party as provided in Sections 6 and 7 below.

Duties. Employee is employed as the Interim Finance Director to perform the functions and duties as the City's Finance Director and to manage the Finance Department which is responsible for all of the financial and information service functions of the City, including budgeting, financial planning, debt management, accounts payable and receivable, cash management, payroll, utility billing, business licensing and taxation, and information services. Employee's responsibilities and duties are specified in **Exhibit A**, attached hereto and incorporated herein by this reference. Employee shall perform his duties subject to the City Administrator and Mayor's general supervision and direction. Employee agrees to comply with the City's policies, standards and regulations currently in effect or as they may be amended in the future. He further agrees to perform his duties faithfully, intelligently, to the best of his ability and in the City's best interest.

2. **Compensation.** As compensation for Employee's services under this Agreement, the City shall pay and Employee shall accept a monthly base salary, before all customary payroll deductions, of Nine Thousand two hundred fifty nine and dollars (\$9,259.00), payable in equal semi-monthly installments in accordance with the regular payment schedule for the City's salaried employees.

3.1 Employee is an exempt employee under Washington State and Federal law and shall receive no compensation for hours worked over forty (40) per week.

3. **Benefits.**

4.1 **Medical, dental, vision, and long-term disability.** During the Term of this Agreement, the City shall provide medical, dental, long-term disability and vision coverage for Employee and his dependents on the same basis as is provided for other

non-bargaining unit employees, as approved by the Council. It is understood that the benefits City employees receive may change from time to time at the City's discretion.

4.3 Annual Vacation and Sick Leave. Employee shall receive vacation and sick leave at the accrual rate of two days per month. Employee will have four days of vacation and four days of sick leave accrued at the start of employment.

4.4 Holidays. Employee shall be entitled to paid holidays (e.g., Christmas Day, New Years Day) on the same basis as other full-time salaried City employees.

4.5 Pension/Retirement. Employee may enroll in the State of Washington PERS retirement system and shall benefit from the City's ICMA 401(a) Social Security Replacement program. Provided the employee pays for the employee's portion of the Washington PERS retirement system from August 16, 2011 to November 16, 2011, the employer will enroll him in the Washington PERS retirement system as of his start date as Interim Finance Manager of August 16, 2011.

4. Business Expenses. The City recognizes that Employee will incur expenses from time to time for the City's benefit and in furtherance of City business. The City shall reimburse Employee for all reasonable and necessary business expenses, upon receipt of proper documentation, in accordance with State of Washington and Federal law. Employee agrees to submit to the City, in a timely fashion, documentation and expense reports as may be needed to substantiate the propriety of such expenses under State of Washington and Federal law.

6. Termination by the City. The City may terminate this Agreement with written mutual consent or with or without cause upon two (2) weeks' written notice to Employee.

7. Termination by Employee. Employee may terminate this Agreement with written mutual consent or with or without cause upon two (2) weeks' written notice to City.

8. Dispute Resolution. Any formal dispute that arises regarding this Agreement, Employee's employment with the City or the termination thereof shall be heard and decided in Seattle by one arbitrator from Judicial Mediation Services. The arbitrator's decision shall be final and binding, and judgment upon such decision may be entered in any court having jurisdiction thereof. Before arbitrating, the parties shall try in good faith to resolve their differences via mediation or otherwise. The City shall pay entire cost of the arbitration, except that if the City substantially prevails in the arbitration (as determined by the arbitrator), Employee shall pay all of Employee's own arbitration related costs, including but not limited to Employee's legal fees and costs of expert witnesses. Nothing in this paragraph shall preclude any party from seeking injunctive relief pending arbitration where needed to avoid irreparable and continuing injury for which there is not adequate remedy at law resulting from a breach or threatened breach of this Agreement.

9. **Notices.** All notices and other communications required or permitted under this Agreement shall be validly given, made or served if in writing and delivered personally or sent by registered mail, to:

The City:
Mayor, City of Lake Forest Park
17425 Ballinger Way NE
Lake Forest Park, Washington 98155

Employee:



or to such other address as either party may designate from time to time upon written notice to the other party.

10. **Other Provisions.** This Agreement constitutes the entire agreement and understanding between the parties as to its subject matter. All prior agreements or understandings, whether oral or written, are superseded by and merged into this Agreement and cannot be used as evidence of the parties' intent herein. As both parties have been fully involved in drafting this Agreement, neither side may argue that the Agreement should be construed against its drafter if a dispute arises. If any provision herein is deemed invalid, the other provisions (including the valid part of a partly invalid provision) shall continue in full force and effect. This Agreement may not be amended or modified except in writing by the parties and as expressly approved by the Council. Any waiver by the City of Employee's breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by Employee. No provision of this Agreement shall be deemed waived except as set forth in writing by the parties. Neither party may assign any right or delegate any duties hereunder without the prior written consent of the other party. This Agreement has been entered into and shall be construed under the laws of the State of Washington without regard to its conflict of laws principles.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of November 16, 2011.

CITY OF LAKE FOREST PARK,
a Washington municipal corporation

EMPLOYEE

By: David R. Hutchison
David R. Hutchison,
Its Mayor

[Redacted Signature]

Date: 11-14-11, 2011

Date: Nov 14, 2011