

EMPLOYMENT AGREEMENT

This Agreement is entered into as of the _____ day of _____, 2019, by and between Jackson County, Missouri, herein after referred to as "the County," and Troy M. Schulte, hereinafter referred to as "Schulte."

WITNESSETH:

WHEREAS, the County, through the County Executive, is desirous of engaging the services of Troy M. Schulte to serve as the County's County Administrator; and,

WHEREAS, Schulte is well-qualified for this position and is desirous of undertaking the professional duties of said position;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, it is agreed by and between the parties as follows:

I. Term.

Conditioned on the County Executive appointing Schulte County Administrator no later than December 31, 2019, and filing the notice of appointment with the Clerk of the County Legislature within 5 calendar days following the appointment, and further conditioned on the County Legislature not exercising its power of disapproval within fifteen days after the notice of appointment is filed with the Clerk of the County Legislature, the County hereby engages the services of Schulte to serve as its County Administrator, for a term ending on December 31, 2021, unless otherwise terminated earlier in accordance with paragraph V of this Agreement.

After the initial term, Schulte's employment may be renewed by mutual agreement of the parties, upon such terms as the parties may agree. The County's

renewal may be exercised by the County Executive, subject to the approval of the County Legislature if said renewal involves any increase in the compensation to be paid to Schulte.

II. Employment.

For all purposes, County shall treat Schulte as an employee of the County, eligible for all employee fringe benefits, including health and dental insurance, pension, deferred compensation and any other fringe benefit, offered by the County to comparable employees, as those benefits offerings may be changed from time to time, with the County paying the employer's share of social security contributions and making appropriate deductions from the biweekly payments required under paragraph III(A) below for federal, state, and local taxes, and any other applicable taxes, fees, and assessments, as well as for any County-provided benefits in which Schulte elects to participate. Any expense reimbursement Schulte receives under this Agreement or under the County's Personnel Rules, or otherwise, shall be grossed up for taxes. Schulte's employment with the County shall be governed by applicable provisions of the United States Constitution, federal law, the Missouri Constitution, Missouri statutory and common law, and the Jackson County Charter, Code, and Personnel Rules, unless otherwise specifically provided herein.

III. Compensation.

A. Subject to upward adjustment as provided in this paragraph III(A), Schulte shall be paid for his services a minimum annualized base salary in the total gross sum of \$220,001.60, payable bi-weekly. In the event that the County creates a "merit pool" for employee merit salary increases, Schulte shall be entitled to receive a merit increase no

greater than the average increase for employees within the pool, to be effective at the same time such merit increases become effective for those other employees, provided that any such merit increase must be justified by Schulte's employee evaluation, applying the same methodology used to gauge the employee evaluations of others in the pool who also receive merit increases. Even if no merit pool is created for merit increases, the County Executive shall have discretion to increase Schulte's salary in any manner consistent with the County's personnel rules and procedures, subject to the availability of appropriated funds.

B. If the County does not assign a vehicle to Schulte for his use, and in lieu of submitting invoices for business use of his personal vehicle, Schulte shall receive an automobile allowance of \$800.00 per month.

C. Schulte shall be credited with paid vacation leave, at an amount agreed to by Schulte and the County Executive in writing, prior to the execution of this contract. In no case shall Schulte's paid vacation leave exceed the maximum leave available to a county employee, pursuant to the County's Personnel Rules. Schulte's use and payout of vacation leave shall otherwise be governed by said Personnel Rules.

D. Schulte shall be entitled to an allowance in the amount of \$55.00 monthly for his business use of his personal cellular telephone. The parties acknowledge and agree that Schulte's use of his personal cellular telephone (or any other digital device) for business purposes does not waive any of his personal privacy rights in non-business-related content that apply to any other County employees.

IV. Duties.

Schulte shall perform all duties and exercise all responsibilities set out, now and/or in the future, by the Jackson County Charter, Code, Personnel Rules, and Executive Orders for the office of the County Administrator. The parties agree to mutually develop a job description for this position which will be in place no later than December 31, 2019. In the event that the responsibilities of the position of County Administrator change due to County departmental reorganization, which reorganization is not disapproved by the County Legislature and which becomes effective 30 days after notice of such reorganization is filed with the Clerk of the County Legislature, then the parties shall meet to discuss and negotiate what effect, if any, such reorganization will have on Schulte's compensation.

V. Termination.

This Agreement may be terminated by either Schulte or County as follows:

A. Upon Schulte's termination of the Agreement through a written resignation, upon death of Schulte, or upon finding of a permanent disability of Schulte, which cannot reasonably be accommodated without posing an undue hardship to the County. No severance pay as outlined in V(C) below shall be paid to Schulte.

B. The County Executive may terminate this Agreement at any time, with or without "Cause." The County Legislature may terminate the Agreement at any time, with or without "Cause," by an affirmative vote of six of its members. If Schulte's employment is involuntarily terminated at any time without "Cause" as defined in subparagraph V(C) below, then the County shall pay Schulte severance pay equal to

twelve months' base salary in effect under paragraph I of this Employment Agreement in one lump sum payment, less regular withholding for taxes, payable within 15 calendar days of the date of such termination without "Cause."

C. For purposes of determining Schulte's eligibility for severance pay in the case of an involuntary termination without "Cause" as provided under this Agreement, "Cause" to terminate Schulte's employment and this Agreement means Schulte has committed one or more of the following:

- (i.) An intentional act of fraud, embezzlement, theft or any other material violation of law that occurs during or in the course of Schulte's employment with the County;
- (ii.) Intentional material damage to County's assets;
- (iii.) Intentional disclosure of County's confidential information contrary to the County's policies;
- (iv.) Intentional engagement in any competitive activity which would constitute a breach of Schulte's duty of loyalty or of Schulte's obligations under this Agreement;
- (v.) Intentional material breach of any of County's conduct policies;
- (vi.) The willful and continued failure to perform Schulte's material duties for County (other than as a result of incapacity due to physical or mental illness, which the County has attempted to reasonably accommodate) after notice of the performance deficiencies and a reasonable opportunity to cure them;
or
- (vii.) Willful conduct by Schulte that is demonstrably and materially injurious to the County, monetarily or otherwise.

"Cause" includes any of the above grounds for dismissal regardless of whether the County learns of it before or after terminating Schulte's employment. For purposes of this paragraph, an act, or a failure to act, shall not be deemed willful or intentional, so as to

constitute "Cause" to terminate Schulte's employment and this Agreement without paying Schulte the Severance Payment provided under subparagraph V(B) above, unless Schulte acts, or fails to act, in bad faith or without a reasonable belief that Schulte's action or omission was in the best interest of County. Failure to meet performance standards or objectives, by itself, does not constitute "Cause" under this paragraph. If Schulte is terminated with "Cause" as defined in this paragraph, Schulte shall not receive the severance pay provided in subparagraph V(B) above.

D. In the event of termination of the Agreement under any subparagraph of this paragraph V, Schulte shall be paid all compensation for time worked through the termination date, and all benefits which would be due a County employee terminated under similar circumstances, pursuant to the Jackson County Personnel Rules.

VI. Indemnification.

The County shall defend, hold harmless and indemnify Schulte 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 in the performance of Schulte's duties as County Administrator, to the extent allowed by law, and in accordance with the provisions of chapter 16 of the Jackson County Code. The County shall provide counsel and pay for all costs arising out of such actions, including any settlement or judgment in such action, to the extent allowed by law and the County Code.

VII. Construction.

This Agreement shall be construed under the laws of the State of Missouri.

VIII. Severability, Waiver, and Modification.

The invalidity or inability to enforce any provision hereof shall in no way affect the validity or enforceability of any other provision. Failure to insist upon strict compliance with any terms, covenants or conditions of this Agreement shall not be deemed a waiver of such, nor shall any waiver or relinquishment of such right or power at any time be taken to be a waiver of any other breach of this Agreement. Further, any waiver, alteration, or modification of any of the provisions of this Agreement, or cancellation or replacement of this Agreement, shall not be valid unless in writing and signed by the parties.

IX. Survival.

The parties specifically agree that Paragraph V of this Agreement, and those provisions defining "Cause" for termination and Schulte's entitlement to severance pay in the event of an involuntary termination without "Cause" in particular, shall survive the termination of this Agreement for any reason.

X. Annual Appropriation.

Funds necessary to meet any and all financial obligations incurred by the County herein in years after 2019 are subject to appropriation in the County's 2020 annual budget and successive budgets for all years during the term of this Agreement.

XI. Incorporation.

This Agreement incorporates the entire understanding of the parties.

JACKSON COUNTY, MO

TROY M. SCHULTE

By _____
Frank White, Jr.
County Executive

APPROVED AS TO FORM:

ATTEST:

By _____
Bryan O. Covinsky
County Counselor

Mary Jo Spino
Clerk of the Legislature

REVENUE CERTIFICATE

Funds sufficient for this expenditure in calendar year 2019 are included in the County's annual budget. Funds for calendar year 2020 and future years are subject to appropriation in the County's then current annual budget.

Date

Director of Finance and Purchasing