

**CONTRACT TERMS FOR EXECUTIVE EMPLOYEES -  
EFFECTIVE (Date)**

These Contract Terms shall become effective on (Date) and shall constitute the terms and conditions of employment for all Executive Employees of the City of Rockville, and shall remain in effect until modified as provided herein. The City Manager may modify these Contract Terms upon 30 days written notice to Executive Employees, except that any modification of any express provision of these Contract Terms that reduce benefits to Executive Employees shall become effective on the July 1 following the written notification of said modification.

Additional terms of employment pertaining to specific Executive Employees may be set forth in separate written documents. Modifications to these Contract Terms or any additional terms of employment may be made in writing at any time upon the mutual agreement of the City Manager and the affected employee.

**Executive Employees Defined**

Executive Employees hold positions within the City's Civil Service that are designated as "non-merit", and are employees "at-will" who serve at the pleasure of the City Manager.

Employees filling the following contract positions are deemed to be "Executive Employees" and are subject to these Contract Terms: Assistant City Manager, Director of Community Planning and Development Services, Chief Financial Officer, Chief Information Officer, Chief Human Resources Officer, Chief of Police, Director of Public Works, Director of Recreation and Parks, Organizational Development Manager and Communication Manager.

**Benefits General**

Except as otherwise provided in these Contract Terms, Executive Employees shall be entitled to receive the same benefits available to merit civil service employees of the City relating to holidays, insurance, leave, and other fringe benefits and working conditions as they may exist or hereafter be amended. Such benefits shall be available under the same terms and conditions as they are available to merit civil service employees of the City.

**Salary**

Executive positions will be classified within the City's Senior Administrative Pay Scale, and Executive Employees will be eligible to receive any adjustments which may be approved by the Mayor and Council and apply to administrative employees generally. In the sole discretion of the City Manager, Executive Employees may receive merit salary increases, said increases to be generally effective on the employee's anniversary date. At no time shall an Executive Employee's salary exceed the maximum salary identified on the Senior Administrative Pay Scale.

In addition to salary, the City Manager may, at his or her sole discretion and within the availability of funds, provide annual lump-sum bonuses to Executive Employees for exemplary performance.

The term “salary” as used in these Contract Terms shall refer only to the pay received pursuant to the Senior Administrative Pay Scales and shall not include the value of any other benefit, including but not limited to bonuses, leave, car allowance, relocation costs, and retirement benefits, whether or not such other benefit is deemed to constitute income to the employee.

#### Take Home Vehicle/Car Allowance

The following Executive Employees shall be provided City Vehicles for discharging City-related responsibilities and for personal use in the Greater Baltimore-Washington Metropolitan Area: Chief of Police and Director of Public Works. All other Executive Employees shall receive a car allowance.

#### Retirement

Executive Employees may participate in the City’s pension plan and retirement plans sponsored by ICMA Retirement Corporation and Nationwide Retirement Solutions, subject to the terms of those plans and requirements of federal law. Executive Employees will receive annually an additional amount equal to 10% of their salary for retirement investment purposes or other purposes. At the direction of the employee, the City will contribute said additional amount to the pension plan and to one of the retirement plans, subject to all requirements and conditions established by the plan and applicable law, rule, or regulation.

#### Termination and Severance Pay

An Executive Employee’s employment with the City may be terminated either by the City Manager or the employee with 30 days written notice by either party.

The City Manager may terminate an Executive Employee at any time for any reason that would warrant the dismissal of a merit system employee or for any other reason, including but not limited to a conflict in management style or philosophy. Written notification of termination by the City Manager and the effective date of termination shall be delivered to the employee’s office in the City or sent by regular mail to the employee’s address listed in City records, or delivered by any other method designed to provide the employee with notice. As a non-merit, Contract employee, Executive Employees are not entitled to utilize the City’s grievance procedure in connection with the termination of their employment or any other matter related to their employment with the City.

An Executive Employee who resigns from City employment shall provide the City Manager with written notification thereof at least 30 days prior to the effective date of resignation.

Upon termination of City employment an Executive Employee is eligible for severance pay if, and only if, the following conditions are satisfied:

- (1) The employee is terminated by the City Manager or resigns under circumstances where, in the City Manager's sole discretion, providing severance pay is deemed to be in the best interest of the City; and
- (2) The employee is not expressly terminated for insubordination or for any other reason for which a merit civil service employee could be dismissed from employment; and
- (3) The employee executes a written settlement and full release of any and all claims the employee may have against the City of Rockville in a form acceptable to the City Manager.

An employee who is eligible to receive retirement benefits within six months of termination of employment is not eligible for severance pay.

Severance pay is available to Executive Employees in an amount equal to two months' salary after one year of service in an Executive position, plus one month's salary for each additional year of service in an Executive position, up to a maximum of six months' pay after five or more of service in an Executive position.

Severance pay shall be based on the salary received by the Executive Employee and not the value of additional benefits. At the employee's discretion, severance pay will be paid in a lump sum or in an agreed upon number of bi-weekly installments.

Except as otherwise provided herein, upon termination an Executive Employee is entitled to receive all benefits merit civil service employees are entitled to receive upon their termination of employment with the City, under the same terms and conditions applicable to merit civil service employees. Notwithstanding the foregoing, an Executive Employee who resigns shall be entitled to use, or receive payment for, accumulated annual leave only if (a) the employee provides the 30 days' resignation notice required herein, unless such requirement is waived by the City Manager in the best interests of the City, and (2) the employee is otherwise entitled to receive such benefit.

#### Social Security and Taxes

The City will withhold from the employee's paycheck and all payments to the employee deemed to be income social security (FICA) contributions as well as federal and state income taxes, and other withholdings as may be authorized by the employee.

#### New Hires

Newly hired Executive Employees will be granted ten days of accrued vacation time and ten days of accrued sick leave.

Approved:

City of Rockville:

\_\_\_\_\_  
Scott Ullery, City Manager

\_\_\_\_\_  
Date

Accepted:

\_\_\_\_\_  
Employee

\_\_\_\_\_  
Date