



Request for Council Action

TO: Mayor and City Council
FROM: Tim Murray, City Administrator
MEETING DATE: April 9, 2019
SUBJECT: Approve Temporary Finance Employee Contracts

Background:

With the Finance Director position remaining unfilled, following two hiring application process, we are requesting to bring in temporary employees (contractors) on a limited basis to work on specific topics. The first area regards investments and cash flow analysis, and the second area is the transfer of our special assessments to our new system. This will help with workload demands on our current employee filling in as Interim Finance Director, while also still completing her work as Accounting Supervisor.

The two temporary employment contracts are attached, and provide compensation in the amount of \$90.00/hour. Both individuals that have agreed to perform these services are highly qualified in these areas, one being retired from Rice County and the other a former City of Faribault employee. As they are considered contract employees, there are no benefits provided. There is sufficient funding available to cover these costs due to the vacancy in the Finance Director position.

Recommendation:

Approve Contract Employment Agreements for Finance Department

Attachments:

- Contract Employment Agreement (2)

CONTRACT EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (hereinafter referred to as the "Agreement") is made and entered into by and between the City of Faribault, a Minnesota municipal corporation (hereinafter referred to as the "City") and Fran Windschitl (hereinafter referred to as the "Employee") as of the 9th day of April 2019.

RECITALS

WHEREAS, the City wishes to retain the services of the Employee as a contractor for an interim period of time for the purposes of performing duties in support of the Finance Department of the City; and

WHEREAS, the parties wish to set forth the terms and conditions of their relationship in this Agreement in order to assure the requisite flexibility to enable the Employee to function as a contractor with the City; and

NOW, THEREFORE, in consideration of the mutual covenants set forth in this agreement, City and Employee agree as follows:

Section 1. Contract. Employee shall be contracted by the City as Employee commencing on or about April __, 2019.

Section 2. Duties. The duties of the Employee's position shall be to review and make written recommendations regarding the City's investment portfolio in conjunction with creating an anticipated cash flow, any assistance needed in completion of the CAFR and other investment responsibilities as needed by the City.

Section 3. Discharge of Duties. The Employee shall be paid an hourly wage for all work performed as a contractor. The discharge of Employee's duties as a contractor allows them the ability to set their own schedule and work within the scope of responsibilities set forth in this agreement. The Interim Finance Director will direct and oversee all work of the Employee.

Section 4. Compensation. In exchange for the performance of the duties under this Agreement, Employee will be compensated at the rate of \$105.00 per hour for such services. Employee's compensation shall be subject to standard federal and state income tax withholding, FICA and Medicare deductions, but excluding PERA deductions if appropriate. Employee shall not be entitled to any group insurance benefits, paid holidays, vacation, sick leave, severance, or City retirement benefits. Employee will be reimbursed at the IRS established rate for mileage related to City business, excluding mileage for travel to and from home to work.

Section 5. Compliance with Laws and Regulations. In providing services hereunder, Employee shall abide by all statutes, ordinances, rules and regulations, including all non-discrimination laws, pertaining to the provisions of services to be provided. Any violation shall constitute a material breach of this Agreement and entitle the City to immediately terminate this Agreement notwithstanding other termination provisions contained herein.

Section 6. Term. This Agreement shall be for a term commencing April 22, 2019, and shall continue until completion of duties, unless terminated by one or both of the parties as set forth in this Agreement. Upon completion of duties, this agreement may be extended by written agreement of the parties.

Section 7. Indemnification. The City shall defend and indemnify the Employee pursuant to Minnesota Statutes 466.07 and 465.76. In addition, the City shall defend, hold harmless, and indemnify Employee from all alleged violations of torts, statutes, laws, rules, and ordinances, provided the Employee was acting in the performance of the duties of the position.

Section 8. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the employment relationship between the City and the Employee, replaces all prior agreements or understandings, and the parties agree that there were no inducements or representations leading to the execution of this Agreement except as herein contained.

Section 9. Severability. The parties covenant and agree that the provisions herein are reasonable and not known to be in any violation of any federal, state, or local law or regulation. In the event that a court of competent jurisdiction finds any provision contained herein to be illegal or unenforceable, such court may modify that provision to make it valid and enforceable. The declaration of a provision as unenforceable shall not invalidate any other provision of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year written below.

Date: April 9, 2019

THE CITY OF FARIBAULT,
MINNESOTA

CITY ADMINISTRATOR

By: _____
Kevin F. Voracek

By: _____
Timothy C. Murray

Its: Mayor

Its: Administrator

Date: _____

Date: _____

By _____
Fran Windschitl
Its: Contract Employee

Date: _____

CONTRACT EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (hereinafter referred to as the "Agreement") is made and entered into by and between the City of Faribault, a Minnesota municipal corporation (hereinafter referred to as the "City") and Terry Berg (hereinafter referred to as the "Employee") as of the 9th day of April 2019.

RECITALS

WHEREAS, the City wishes to retain the services of the Employee as a contractor for an interim period of time for the purposes of performing duties in support of the Finance Department of the City; and

WHEREAS, the parties wish to set forth the terms and conditions of their relationship in this Agreement in order to assure the requisite flexibility to enable the Employee to function as a contractor with the City; and

NOW, THEREFORE, in consideration of the mutual covenants set forth in this agreement, City and Employee agree as follows:

Section 1. Contract. Employee shall be contracted by the City as Employee commencing on or about May 1, 2019.

Section 2. Duties. The duties of the Employee's position shall be to complete the initial setup and transfer of special assessment data into the City's Springbrook special assessment module, assist in the creation of required assessment notices, and train Finance staff in the use of the software going forward.

Section 3. Discharge of Duties. The Employee shall be paid an hourly wage for all work performed as a contractor. The discharge of Employee's duties as a contractor allows them the ability to set their own schedule and work within the scope of responsibilities set forth in this agreement. The Interim Finance Director will direct and oversee all work of the Employee.

Section 4. Compensation. In exchange for the performance of the duties under this Agreement, Employee will be compensated at the rate of \$90.00 per hour for such services. Employee's compensation shall be subject to standard federal and state income tax withholding, FICA and Medicare deductions, but excluding PERA deductions if appropriate. Employee shall not be entitled to any group insurance benefits, paid holidays, vacation, sick leave, severance, or City retirement benefits. Employee will be reimbursed at the IRS established rate for mileage related to City business, excluding mileage for travel to and from home to work.

Section 5. Compliance with Laws and Regulations. In providing services hereunder, Employee shall abide by all statutes, ordinances, rules and regulations, including all non-discrimination laws, pertaining to the provisions of services to be provided. Any violation shall constitute a material breach of this Agreement and entitle the City to immediately terminate this Agreement notwithstanding other termination provisions contained herein.

Section 6. Term. This Agreement shall be for a term commencing May 1, 2019, and shall continue until completion of duties, unless terminated by one or both of the parties as set forth in this Agreement. Upon completion of duties, this agreement may be extended by written agreement of the parties.

Section 7. Indemnification. The City shall defend and indemnify the Employee pursuant to Minnesota Statutes 466.07 and 465.76. In addition, the City shall defend, hold harmless, and indemnify Employee from all alleged violations of torts, statutes, laws, rules, and ordinances, provided the Employee was acting in the performance of the duties of the position.

Section 8. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the employment relationship between the City and the Employee, replaces all prior agreements or understandings, and the parties agree that there were no inducements or representations leading to the execution of this Agreement except as herein contained.

Section 9. Severability. The parties covenant and agree that the provisions herein are reasonable and not known to be in any violation of any federal, state, or local law or regulation. In the event that a court of competent jurisdiction finds any provision contained herein to be illegal or unenforceable, such court may modify that provision to make it valid and enforceable. The declaration of a provision as unenforceable shall not invalidate any other provision of this Agreement.

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Date: April 9, 2019

THE CITY OF FARIBAULT,
MINNESOTA

CITY ADMINISTRATOR

By: _____
Kevin F. Voracek

By: _____
Timothy C. Murray

Its: Mayor

Its: Administrator

Date: _____

Date: _____

By _____
Terry Berg

Its: Contract Employee

Date: _____