

# CORPORATE POLICY AND PROCEDURE



POLICY	<b>CAO Employment Agreement Template</b>
CATEGORY	Departmental
AUTHORITY	Human Resources
RELATED POLICIES	CAO Employment Policy CAO Procedure for Hiring & CAO Position Profile Procedure for CAO Performance Appraisal CAO Appointment Bylaw #19310

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## ***EMPLOYMENT AGREEMENT***

***BETWEEN:***

***NAME:***

**(Hereinafter called the “Employee”)**

**And**

***THE CORPORATION OF THE CITY OF GUELPH***

**(Hereinafter called “the Employer”)**

**WHEREAS** the *Municipal Act*, S.O. 2001, as amended, authorizes a municipal council to appoint a Chief Administrative Officer (“CAO”);

**AND WHEREAS** the Employer wishes to employ the Employee and the Employee wishes to accept this employment with the Employer as its Chief Administrative Officer (CAO);

**NOW THEREFORE**, in consideration of mutual covenants set out in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the Parties, the Parties covenant and agree as follows:

### **1. Effective Date and Term of Agreement**

1.01 Subject to the provisions for earlier termination as hereinafter provided, the term of this Agreement shall begin on ***[Insert Date]*** and shall terminate at midnight on ***[Insert Date]*** (to represent length of contract such in years).

1.02 The Employer and the Employee shall give consideration to the renewal of this Agreement during its final year. Each party shall advise the other not later than the last day of ***[Insert Date]*** (date which is 60 days in advance of the last day of contract) whether or not they wish to extend or renew this Agreement and the Parties shall thereafter meet to determine the terms, if any, under which they might be willing to extend or renew this Agreement but neither party shall be

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obligated to agree to any such renewal or extension and may terminate any renewal discussions at any time in their absolute discretion.

1.03 The term of this Agreement cannot be extended or renewed without a further Agreement in writing under which this Agreement is extended or renewed.

1.04 In the event that the Employer does not wish to exercise its option to renew this Agreement or the Parties cannot agree upon the terms and conditions for the renewal, the Agreement shall terminate at the expiration of the existing term and the Employee will be entitled to receive notice in accordance with Clause 7.02.

## **2. Duties**

2.01 The duties of the Employee shall be those duties set forth in the *Municipal Act* and any amendments thereto, and those duties set forth in City of Guelph By-law Number xxxx, and such other duties as Council may, from time to time, assign. The Employee shall report to the Mayor and City Council.

2.02 The Employee undertakes to fully and faithfully discharge the duties and responsibilities of the Chief Administrative Officer to a high standard of professional competence.

2.03 The Employee will devote the whole of his/her time; effort and attention to the business and well-being of the Corporation of the City of Guelph. Without limiting the generality of the foregoing, the Employee:

- i. will not engage in or accept any office or position or business that might interfere with the business and well-being of the Employer, except with the prior written consent of Council; and
- ii. will not engage in or accept any office or position or business for gain, except with the prior written consent of Council.

2.04 At the initiative of the Mayor of the City of Guelph, the performance of the Chief Administrative Officer shall be reviewed annually, at a minimum, by a designated committee of Councillors, inclusive of the Mayor as Chair of said committee. The performance evaluation shall be conducted in a manner generally consistent with the performance evaluation process employed for all senior management of the Employer. The completed written performance evaluation shall be confidential and it shall include goals and expectations for the following year.

## **3. City Policies**

3.01 Except as specifically provided for in this Agreement, the terms and conditions of the Chief Administrative Officer's employment shall be governed by the Employer's human resource policies and practices.

## **4. Remuneration**

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### ***Salary***

4.01 Effective (insert date) the Employer will pay the Employee an annual salary of (insert amount) (subject to any deductions required under the Employer's policies and by law). The Employee's salary will be reviewed annually to ensure that the range remains competitive at the Council approved competitive position (i.e. currently at the 55th percentile of the Council approved municipal comparator group). Future increases where required to maintain the Council approved competitive position will be reviewed and approved by Council. The Parties further agree that if the City implements a Pay for Performance Program, then the Employee would be eligible to participate in this program. The Employee will move through the salary range annually on the anniversary date of the appointment to the CAO position, subject to satisfactory performance.

### ***Benefits***

4.02 The Employee will be entitled to participate in all health, disability, insurance, and any other employee benefit plans and programs of the Employer in effect for senior staff in accordance with the terms of those plans and policies and which may be subject to change by the Employer from time to time.

### ***Automotive Allowance***

4.03 The Employee will receive an automotive allowance of ***[Insert Data]*** per month as compensation for the use of his/her personal vehicle for business purposes. This allowance will be reviewed and updated on a yearly basis in accordance with the Employer's Automotive Expense Reimbursement Policy.

### ***Parking***

4.04 The Employee will be provided with a reserved parking space for one vehicle.

### ***Moving Allowance***

4.05 The Employee shall be provided with a one-time moving allowance to recompense the Employee for costs related to his/her relocation to the City of Guelph. These costs may include but are not limited to the sale and purchase of homes, temporary relocation and moving costs. The payment of this one-time moving allowance will be made in accordance with the following schedule:

- A maximum ***[Insert Data]*** if the Employee's residency in Guelph commences within the first ***[Insert Data]*** months of this Agreement, OR
- A maximum of ***[Insert Data]*** if residency in Guelph commences after the first ***[Insert Data]*** months and before the first ***[Insert Data]*** months of this Agreement.

The Employee shall provide receipts proving any such expenses to the satisfaction of the City Treasurer. In the event that the employment of the Employee is terminated for cause or as a

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result of his/her resignation, during the first two (2) years following the payment of such allowance, the said moving allowance shall be fully refunded by the Employee.

### ***Professional Memberships***

4.06 The Employer agrees to maintain at no cost to the Employee, his/her membership in the following professional organizations:

*[Insert Data]*

## **5. Confidentiality and Contract Details**

5.01 - It is understood that the salary range of this position and policies governing benefits for management employees of the Employer are a matter of public record. The Employee acknowledges that this contract may be subject to an access request under the Municipal Freedom of Information and Protection of Privacy Act, and that those provisions of the agreement that are not deemed to be personal information will be released by the Employer. Prior to releasing any details of this contract that are not deemed to be personal information, the Employer shall first inform the Employee of its intention to do so.

## **6. Vacation/Overtime**

6.01 The Employee will be entitled to *[Insert Data]* weeks paid vacation per year of employment.

6.02 The Employee will not be compensated for any overtime save and except the Employee will be entitled to one (1) week in lieu of all overtime worked in a year, in accordance with the City of Guelph's compensation policy for Senior Management to be attached in Appendix C (upon hire of CAO).

## **7. Termination**

### ***(A) With Cause***

7.01 The Employer may terminate the Employee's position, without notice, at any time, for "just cause". The Employee's employment and rights under this Agreement shall terminate on the day that notice of termination is delivered. Upon termination for just cause, the Employee shall be paid all unpaid salary owing to the date of termination. No further payments will be made by the Employer and all of the Employer's obligations under this Agreement shall cease.

### ***(B) Without Cause***

7.02 At any time during the term of this Agreement, the Employer may, at its sole discretion, terminate the Employee for any reason, without cause. If the Employee's employment is terminated in accordance with this provision, the Parties agree as follows:

- i. the Employer will continue to pay the Employee's base salary for a period of *[Insert Data]* months, plus one (1) month for each year completed during the term of this

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- Agreement up to a maximum of *[Insert Data]* months. This payment will be made from the date of termination, payable in bi-weekly instalments on the normal payroll day;
- ii. with the exception of short-term and long-term disability benefits, and the automotive allowance, the Employer will continue the Employee's employment benefits, including pension contributions, throughout the notice period in which the Employer continues to pay the Employee's salary. The Employer will continue the Employee's short term and long term disability benefits as per the minimum requirements set out in the *Employment Standards Act, 2000*. The automotive allowance will cease on the effective date of termination.
  - iii. all payments provided under this paragraph will be subject to all deductions required under Employer's policies and by law.
  - iv. Any future entitlement to salary continuation terminates immediately upon the death of the Employee.

### ***(C) Voluntary Resignation***

7.03 The Employee may voluntarily resign from his/her position as Chief Administrative Officer by providing the Employer with at least eight (8) weeks' written notice. Upon being provided with said notice of resignation, the Employer may, by Resolution, waive or reduce this period and may require the Employee to cease work at any point within the eight (8) week period. Upon receiving the Employee's notice of resignation, the Employer will pay the Employee all unpaid salary to the proposed date of resignation.

## **8. Return of Property**

8.01 All equipment, material, written correspondence, memoranda, communication, reports, or other documents pertaining to the business of the Employer used or produced by the Employee in connection with his/her employment, or in the Employee's possession or control, shall at all times remain the property of the Employer. The Employee shall return all property of the Employer in his/her possession or control in good condition within one (1) week of a request by the Employer, or within one (1) week of the termination or resignation of the Employee.

## **9. Entire Agreement**

9.01 This Agreement constitutes the entire Agreement between the Employee and the Employer. This Agreement may not be modified or amended except in writing by Resolution of the Employer with the agreement of the Employee.

## **10. Severability**

10.01 If any provision of this Agreement is held to be illegal, invalid or unenforceable by any competent authority, such illegality, invalidity or unenforceability shall not in any manner affect or render illegal, invalid or unenforceable any other provision of this Agreement.

## **11. Release and Acknowledgement**

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11.01 The Employee acknowledges and agrees that the consideration contained in this Agreement is inclusive of any and all compensation, payments, notice, pay in lieu of notice or severance payments to which he/she may be entitled under the *Employment Standards Act, 2000* and any other applicable legislation, common law, or otherwise. The Employee further acknowledges and agrees that the consideration herein is fair and reasonable. The Employee agrees that upon any termination of his/her employment by the Employer, the Employee shall have no cause of action, claim or demand against the Employer, including its successors, predecessors, and all affiliated entities, and the Mayor, Councillors, Officers, Directors, Employees and agents thereof, as the case may be, for any matter related to the Employee's employment or the termination of or resignation from said employment, and the Employee hereby releases and discharges the Employer, including its successors, predecessors, and all affiliated entities, and the Mayor, Councillors, Officers, Executive Directors, Employees and agents thereof, as the case may be, from any and all liability related to his/her employment on the termination of or resignation from said employment other than for his/her entitlements as set out herein, including wrongful dismissal.

## **12. Assignment of Rights**

12.01 The rights and obligations of the Employer under this Agreement shall pass and be binding upon its successors. The Employee's rights under this Agreement are not assignable or transferable in any manner without the consent of the Employer.

## **13. Notices**

13.01 Any notice required or permitted to be given to the Employee shall be sufficiently given if delivered to the Employee personally, delivered by facsimile transmission (with confirmation of receipt) or if mailed by ordinary or registered mail to the Employee's address last known to the Employer. Service shall be effective on the fifth day after mailing.

13.02 Any notice required or permitted to be given to the Employer shall be sufficiently given if delivered or mailed to the Mayor or Clerk by ordinary or registered mail to the City of Guelph and shall be effective on the fifth day after mailing.

## **14. Applicable Law**

14.01 This Agreement shall be governed by and construed in accordance with the laws applicable in the Province of Ontario by a court of competent jurisdiction.

## **15. Independent Legal Advice**

15.01 the Employee acknowledges that he/she has had the opportunity to obtain independent legal advice before executing this Agreement and acknowledges that he/she fully understands the nature of the Agreement, which the Employee voluntarily enters into. The Employer agrees to compensate the Employee, up to a maximum of five hundred (\$500.00) dollars, for the cost of legal advice obtained by him/her in this regard.

**DATED** at Guelph this *[Insert Data]* day of *[Insert Data]*, *[Insert Data]*.

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**SIGNED, SEALED AND DELIVERED**

\_\_\_\_\_  
**Witness**

\_\_\_\_\_  
**The Employee**

\_\_\_\_\_  
**Mayor**

\_\_\_\_\_  
**City Clerk**