

**FIFTH AMENDMENT TO VILLAGE MANAGER
EMPLOYMENT AGREEMENT**

THIS FIFTH AMENDMENT TO VILLAGE MANAGER EMPLOYMENT AGREEMENT (“*Fourth Amendment*”) is made and entered into as of the 19th day of December, 2024 (“*Effective Date*”) by and between the **VILLAGE OF GLENCOE**, an Illinois special charter municipal corporation (the “*Village*”), and **PHILIP A. KIRALY** (“*Kiraly*”).

WHEREAS, Kiraly has served as Village Manager for the Village since December 1, 2013, and

WHEREAS, on July 16, 2020, the Village and Kiraly entered into that certain Village Manager Employment Agreement (“*Employment Agreement*”) whereby the Village engaged Kiraly to continue to serve as the Village Manager of the Village pursuant to the terms and conditions set forth in the Employment Agreement; and

WHEREAS, the Village Board of Trustees authorized the First Amendment by resolution duly adopted at its regular meeting on August 19, 2021; and

WHEREAS, the Village Board of Trustees authorized the Second Amendment by resolution duly adopted at its regular meeting on March 17, 2022; and

WHEREAS, the Village Board of Trustees authorized the Third Amendment by resolution duly adopted at its regular meeting on December 15, 2022; and

WHEREAS, the Village Board of Trustees authorized the Fourth Amendment by resolution duly adopted at its regular meeting on December 21, 2023; and

WHEREAS, the Village and Kiraly desire to amend the Employment Agreement as more fully set forth in this Fifth Amendment.

NOW, THEREFORE, in consideration of the premises and the mutual covenants set forth in the Employment Agreement and herein, and in accordance with Section 5.C of the Employment Agreement, the parties mutually agree as follows:

Section 1. Amendments to Subsection B of Section 2: Term and Termination; Severance Provisions.

Subsection 2.B of the Employment Agreement is hereby amended, pursuant to the Village’s home rule authority, to provide as follows: [deleted text ~~struck through~~; added text **bold and double underlined**]

“B. Severance Provisions. If the Village terminates this Agreement during a time Kiraly is willing and able to perform the duties of Village Manager, and provided that Kiraly has satisfactorily performed his

duties as Village Manager and has not breached this Agreement or violated Village policy or the Village Code, and provided further that Kiraly has not been convicted of any felony or any crime involving moral turpitude, then the Village must exercise one of the following two severance options, which option will be the full extent of the liability of the Village to Kiraly resulting from this Agreement or his employment as Village Manager:

- (i) The Village may deliver to Kiraly a written notice of termination that will allow Kiraly to remain in the employment of the Village as a consultant for a period of ~~six~~ **nine** months, with all the salary; health, dental, and life insurance coverage; and pension benefits provided for in this Agreement. In addition, within 15 days after delivery of the notice of termination, Kiraly will be entitled to receive a lump sum payment for 100% of his accrued and unused vacation and holiday time and 50% of his accrued and unused sick days as of the date of delivery of such notice of termination. For purposes of this Agreement, vacation, holiday, and sick days will be calculated and paid in accordance with the Village of Glencoe Personnel Policy in effect as of December 1, ~~2013~~ **2023**, (the “Manual”) through Kiraly’s date of separation. In his role of consultant as herein described, Kiraly will perform only those duties as directed by the Village Board or its designee, notwithstanding any provision to the contrary in the Glencoe Village Code or Illinois statutes. During this ~~six~~ **nine** -month severance period, Kiraly agrees to make no public statements that could be reasonably interpreted as disparaging the Village, its elected officials, or any Village employees. Kiraly’s failure to abide by this provision will result in immediate forfeiture of benefits under this provision, with no further legal recourse by Kiraly; or

- (ii) The Village may deliver to Kiraly a written notice of termination that will entitle Kiraly to a lump sum cash payment in an amount equal to ~~20 weeks~~ **nine months** of salary only (as determined at his then current rate of pay) plus payment for 100% of his accrued and unused vacation and holiday days and 50% of his accrued and unused sick days as of the date of his notice of termination.”

Section 2. Effect of Fifth Amendment

- A. Except as specifically amended in this Fifth Amendment, all provisions of the Employment Agreement shall remain in full force and effect. The Employment Agreement and this Fifth Amendment shall collectively be referred to as the “Agreement.”

- B. This instrument represents the full and complete understanding of the Village and Kiraly regarding this Fifth Amendment to the Employment Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this FIFTH AMENDMENT TO VILLAGE MANAGER EMPLOYMENT AGREEMENT on the date stated in the first paragraph of this Third Amendment.

VILLAGE OF GLENCOE

By: _____
Village President Philip A. Kiraly

Attest: _____ Attest: _____

By: _____
Deputy Village Clerk

**VILLAGE OF GLENCOE
RESOLUTION NO. R-XX-2024**

**A RESOLUTION APPROVING A FIFTH AMENDMENT TO THE VILLAGE MANAGER
EMPLOYMENT AGREEMENT WITH PHILIP A. KIRALY AND APPROVING A BONUS
PAYMENT FOR PHILIP A. KIRALY**

WHEREAS, on November 25, 2013, the Village and Philip A. Kiraly entered into that certain Village Manager Employment Agreement ("*Original Agreement*"), which Original Agreement was amended on five occasions thereafter; and

WHEREAS, on July 16, 2020, the Village and Kiraly entered into a new Agreement ("*New Agreement*" or "*Employment Agreement*") that consolidated and restated the Original Agreement and all amendments; and

WHEREAS, on August 19, 2021, the Village and Kiraly entered into that certain First Amendment to Village Manager's New Agreement ("*First Amendment to New Agreement*"); and

WHEREAS, on March 17, 2022, the Village and Kiraly entered into that certain Second Amendment to Village Manager's New Agreement ("*Second Amendment to New Agreement*"); and

WHEREAS, on December 15, 2022, the Village and Kiraly entered into that certain Third Amendment to Village Manager's New Agreement ("*Third Amendment to New Agreement*"); and

WHEREAS, on December 21, 2023, the Village and Kiraly entered into that certain Fourth Amendment to Village Manager's New Agreement ("*Fourth Amendment to New Agreement*") which provided that amendments to Kiraly's base salary and any authorization to pay bonus compensation based on Kiraly's performance could be made by the Village Board pursuant to Resolution duly adopted; and

WHEREAS, Mr. Kiraly is a valued and trusted employee whose management skills are integral to the efficient and effective operation of the Village. The President and Board of Trustees of the Village desire that Mr. Kiraly continue in his position as Village Manager. Mr. Kiraly and the Village have agreed that it is appropriate to amend the New Agreement as more fully set forth in a Fifth Amendment to the New Agreement to extend the severance period from six months to nine months; and

WHEREAS, the President and Board of Trustees have determined that it is in the best interest of the Village to approve the Fifth Amendment to the New Agreement and to authorize increases in Mr. Kiraly's compensation as set forth herein.

NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF GLENCOE, COUNTY OF COOK, STATE OF ILLINOIS,
as follows:

SECTION ONE: **RECITALS.** The President and the Board of Trustees hereby acknowledge and accept each of the foregoing recitals which are incorporated into and made a part of this Resolution.

SECTION TWO: **HOME RULE AUTHORITY.** The adoption of this Resolution and the approval of the Fifth Amendment to the Employment Agreement is pursuant to, and an exercise of, the home rule authority of the Village.

SECTION THREE: APPROVAL OF FIFTH AMENDMENT TO THE EMPLOYMENT AGREEMENT. The Fifth Amendment to the Employment Agreement by and between the Village of Glencoe and Philip A. Kiraly shall be, and is hereby, approved in substantially the form attached to this Resolution as *Exhibit A*.

SECTION FOUR : **AUTHORIZATION.** The Village President is hereby authorized to execute the Fifth Amendment to the Employment Agreement on behalf of the Village.

SECTION FIVE: COMPENSATION ADJUSTMENTS. In accordance with the Village Manager Employment Agreement, as amended, the President and Board of Trustees do hereby authorize:

- A. An increase in Mr. Kiraly's base salary of 3.5% to \$284,625; and
- B. The payment of a bonus to Village Manager Philip A. Kiraly in the amount of \$20,000.00, to be paid on January 1, 2025.

SECTION SIX. EFFECTIVE DATE. This Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

PASSED THIS 19th DAY OF DECEMBER, 2024.

AYES:

NAYS:

ABSENT:

ABSTAIN:

APPROVED THIS 19th DAY OF DECEMBER, 2024.

Howard J. Roin, Village President

ATTEST:

Philip A. Kiraly, Village Clerk