

**FIRST AMENDMENT TO THE CITY OF ROLLING MEADOWS
CITY MANAGER EMPLOYMENT AGREEMENT**

This First Amendment made and entered this 27th day of February, 2024 (the “Amendment”) to the City of Rolling Meadows City Manager Employment Agreement, effective March 1, 2023 (“Employment Agreement”), by and between the City of Rolling Meadows, Illinois, a municipal corporation (“City”) and Rob Sabo (“City Manager” or “Manager Sabo”) (collectively from time to time referred to as the “Parties”), amends and modifies the terms and conditions of the Employment Agreement. The terms and conditions of this Amendment are hereby incorporated into the Employment Agreement. To the extent that the terms and conditions of this Amendment are inconsistent with the terms and conditions of the Employment Agreement, the terms and conditions of this Amendment shall supersede the inconsistent terms and conditions of the Employment Agreement.

WITNESSETH:

WHEREAS, the City employs the services of Manager Sabo as Manager of the City under the terms and conditions provided for in the Employment Agreement; and

WHEREAS, the Mayor and the City Council have reviewed Manager Sabo’s performance of his duties as Manager of the City and have determined that Manager Sabo excels in his job performance and provides the City with a valued service; and

WHEREAS, the Mayor and the City Council have also analyzed the compensation paid to municipal managers throughout the State of Illinois and have determined that it is appropriate to compensate Manager Sabo in line with the compensation afforded to municipal managers of comparable Illinois municipalities; and

WHEREAS, it is the desire of the Parties to amend the Employment Agreement in order to extend the term of the Employment Agreement and to change the compensation and certain benefits afforded to Manager Sabo under the Employment Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein set forth, the Parties agree as follows:

Section 1. Section 2A of the Employment Agreement is hereby amended by extending the term of the Employment Agreement from February 1, 2027 to February 1, 2029, with all other provisions of said Section remaining the same.

Section 2. Section 3A of the Employment Agreement is amended by replacing the schedule for Severance Pay with the following schedule, with all other provisions of said Section remaining the same.

<u>Length of Service</u>	<u>Severance Pay</u>
On or after Agreement Effective Date and on or before February 1, 2024	8 weeks
After February 1, 2024 and on or before February 1, 2025	12 weeks
After February 1, 2025 and on or before February 1 2026	16 weeks
After February 1, 2026	20 weeks

Section 3. Section 4 of the Employment Agreement is hereby stricken in its entirety and in lieu thereof inserted the following:

SECTION 4. SALARY

The City agrees to pay the City Manager for services rendered pursuant to this Agreement at an annual salary to be distributed through the normal payroll system. The City Manager’s initial annual salary under this Agreement shall be \$180,100.00. Commencing March 1, 2024, the City Manager’s annual salary shall be \$215,000.00. Through December 31, 2025, the City Manager’s annual salary shall increase in accordance with any increase approved by ordinance of the City Council related to salary increases for City employees who are not subject to collective bargaining. The Parties agree to reevaluate the City Manager’s annual salary and increases in January of 2026, and no sooner, and further agree to establish any amendments to the City Manager’s annual salary and increases by March 1, 2026.

Section 4. Section 5 of the Employment Agreement is hereby stricken in its entirety and in lieu thereof inserted the following:

SECTION 5. MANAGER GOALS AND BONUS

Each year, the Mayor and the City Council agree to participate with the City Manager in a strategic planning session by March 31 that will result in specific goals and objectives for the City Manager for that calendar year, necessary for the proper operation of the City and the attainment of the City Council’s policy objectives, and shall further establish a relative priority among those various goals and objectives, such goals and objectives to be reduced to writing. Such goals shall generally be attainable within the time limitations as specified, and within the annual operating and capital budgets and appropriations that are provided. The City Council shall review and evaluate the Manager’s overall performance and completion of the annual goals prior to January 31 of the following calendar year. Conditioned upon the successful completion of the goals established for each calendar year of the Agreement and budgetary allowance, the Manager will be subject to a

compensatory bonus of up to \$25,000.00 for the year 2023, and up to \$35,000.00 for the years 2024 and on, to be paid on or before March 31 of the following calendar year, (i.e., 2023 bonus to be paid on or before March 31, 2024; 2024 bonus to be paid on or before March 31, 2025; 2025 bonus to be paid on or before March 31, 2026; 2026 bonus to be paid on or before March 31, 2027; 2027 bonus to be paid on or before March 31, 2028; 2028 bonus to be paid on or before March 31, 2029).

Section 5. Section 8 of the Employment Agreement is hereby amended by increasing the City Manager’s car allowance from \$500.00 per month to \$600.00 per month, with all other provisions of said Section remaining the same.

Section 6. Section 9 of the Employment Agreement is hereby stricken in its entirety and in lieu thereof inserted the following:

SECTION 9. PAID TIME OFF

The City Manager has elected and will be entitled to Unlimited Paid Time Off in accordance with the City of Rolling Meadows Employee Manual.

IN WITNESS WHEREOF, the City of Rolling Meadows has caused this Amendment to the Employment Agreement to be signed and executed on its behalf by its City Mayor and duly attested by its Deputy City Clerk, and the City Manager has signed and executed this Amendment, both in duplicate, on the day and year written below.

CITY OF ROLLING MEADOWS, an Illinois
municipal corporation

Rob Sabo, City Manager

By: _____
Lara Sanoica, Mayor

Date: _____

Date: _____

Attest: _____
Judith Brose, Deputy City Clerk

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