



City of Broken Arrow

Request for Action

File #: 19-1120, **Version:** 1

Broken Arrow City Council
Meeting of: 09-03-2019

Title:

Approval of and authorization to execute a Fifth Amendment to Employment Agreement, by and between the City of Broken Arrow, Oklahoma and Michael L. Spurgeon

Background:

On July 21, 2015, the City Council appointed Michael L. Spurgeon to serve as the City Manager for the City of Broken Arrow. This relationship was formally memorialized by an Employment Agreement dated August 4, 2015. Mr. Spurgeon officially began his duties as City Manager on September 21, 2015. The Employment Agreement has been amended on four (4) prior occasions.

The 2015 Agreement, as amended, provides for an annual evaluation of Mr. Spurgeon's performance. Pursuant to the provisions of the Agreement, this evaluation was conducted on August 21, 2019. The Employment Agreement also provides for merit consideration for salary increases at least once each year of employment. Such increases can be given based upon satisfactory or better performance during each year of employment. Increases may be in the form of salary increases or bonuses.

A Fifth Amendment to Employment Agreement is attached for the Council's consideration. Revisions to the amended 2015 Employment Agreement contained within this document include extension of the term of the Agreement from three (3) to eight (8) years, and adjustment of other dates to coincide with the term. It provides for an annual salary of \$196,143.96. The Amendment also provides for the payment of a one-time performance based stipend in the amount of \$12,000.00. Finally, the proposed Fifth Amendment extends a current defined contribution special incentive plan. Funding will be placed into a deferred compensation account with OMRF. If Mr. Spurgeon completes the remaining term of his Agreement, he would be entitled to the total sum, plus interest. If he voluntarily leaves during that period of time, all sums would revert back to the City of Broken Arrow.

Mr. Spurgeon has indicated that the terms reflected within the Agreement are satisfactory.

Cost: \$196,143.96 salary, plus benefits, a one-time \$12,000.00 stipend. Costs beyond this Fiscal Year are dependent upon annual appropriation and as set forth in the Agreement, as Amended

Funding Source: General Fund

Requested By: Michael L. Spurgeon, City Manager

Approved By: City Manager's Office

Attachments: Fifth Amended Employment Agreement

Recommendation:

Approve the Fifth Amendment to Employment Agreement and authorize its execution.