

**2016-2019 CONTRACT  
BETWEEN  
INDEPENDENT SCHOOL DISTRICT 659, NORTHFIELD, MINNESOTA  
AND  
SUPERINTENDENT OF SCHOOLS**

The School Board of Northfield School District 659, Northfield Minnesota (School District) enters into this contract with Matthew J. Hillmann (Superintendent), a legally qualified and licensed superintendent, who agrees to perform the duties of Superintendent of Schools of the School District.

The School District and the Superintendent agree as follows:

**I. Applicable Statute:**

This contract is entered into between the School District and the Superintendent in conformance with Minnesota Statutes 123b.143, Subd.1.

**II. Licensure:**

The Superintendent shall furnish throughout the life of this contract a valid and appropriate license to act as Superintendent in the State of Minnesota as provided by applicable state laws, rules and regulations.

**III. Duration, Expiration, Termination and Mutual Consent:**

**A. Duration.**

This contract is for a term of three years commencing July 1, 2016, and ending June 30, 2019. It shall remain in full force and effect unless modified by mutual consent of the School Board and the Superintendent, or unless terminated as provided herein.

**B. Subsequent Contract:**

- 1. Notice by Superintendent.** The notice provisions of this contract shall obligate the School Board only if no later than September 1 immediately prior to the expiration of this contract the Superintendent provides written notice to each member of the School Board calling to the attention of members of the School Board the notice requirements as contained in this section of the Superintendent's contract; provided that if the Superintendent provides this notice after September 1, the November 1 and December 31 deadlines in subparagraphs 2 and 5 shall be extended by the same number of days that the Superintendent's notice is delayed beyond September 1.
- 2. Preliminary Notice – School Board.** In the event the School Board is contemplating not offering the Superintendent a subsequent contract, the School Board shall give preliminary written notice of such intent not to offer a subsequent contract no later than September 1 immediately preceding the date of expiration of this contract.

3. **Request for Meeting.** Within ten calendar (10) days after receipt of an intent not to renew as provided in Paragraph 2 hereof, the Superintendent may request, in writing, a meeting with the School Board to discuss its intentions, the reasons therefore, and ways in which any concerns of the School Board might be addressed by the parties.
  4. **Meeting Between the Parties.** Upon receipt of such request, the School Board shall within fifteen (15) calendar days hold a meeting with the Superintendent.
  5. **Final Action – School Board.** The School Board shall delay taking final action on a subsequent contract for at least seven (7) calendar days after the meeting between the parties. However, the School Board shall take final action on a subsequent contract no later than October 31 and shall notify the Superintendent of such action in writing.
  6. **Effect.** The timeline provided herein is intended to provide both the School Board and the Superintendent with an appropriate process to address the subsequent contract issue and is intended to bind both parties unless the parties mutually agree to extend the timeline in writing. The timeline provided herein may be extended by written agreement between the School Board Chair and the Superintendent. In such event, the School Board Chair shall confer with and notify School Board members, in writing, of such extension.
- C. **Expiration.** This contract shall expire at the end of the term specified in Paragraph A hereof. At the conclusion of its term, neither party shall have any further claim against the other, and the School District's employment of the Superintendent shall cease, unless a subsequent contract is entered into in accordance with Minnesota Statutes 123B.143, Subd. 1.
- D. **Termination During the Term.** The Superintendent's employment may be terminated during the term of this contract only for cause as defined in Minnesota Statutes 122A.40 Subds. 9 or 13. Except for purposes of describing grounds for discharge, the provisions of Minnesota Statutes 122A.40 shall not be applicable. If the School Board proposes to terminate the Superintendent during the contract term for cause as described in Minnesota Statutes 122A.40 Subds 9 or 13, it shall notify the Superintendent in writing of the proposed grounds for termination. The Superintendent shall be entitled to a hearing before an arbitrator provided the Superintendent makes such a request in writing within fifteen (15) calendar days after receipt of the written notice of proposed termination. In such event, the parties shall jointly petition the Bureau of Mediation Services (BMS) for a list of five (5) arbitrators. The arbitrator shall be selected by the parties through the normal striking process as provided by BMS Rules. The arbitrator shall conduct a hearing under normal arbitration procedure rules and issue a written decision. The decision of the arbitrator shall be final and binding upon the parties, subject to normal judicial review of arbitration decisions as provided by law. The Superintendent may be suspended with pay pending final determination by the arbitrator. If the Superintendent fails to request a hearing as provided herein within a fifteen (15) calendar day period, it shall be deemed acquiescence by the Superintendent to the School Board's proposed action, and the proposed action shall become final on such date as determined by the School Board, and the Superintendent shall have no further claim or recourse.
- E. **Mutual Consent.** This contract may be terminated at any time by the parties by mutual consent.

IV. **Duties.** The Superintendent shall have charge of the administration of the schools under the direction of the School Board. The Superintendent shall be the chief executive officer of the School Board; shall direct and assign teachers and other employees of the schools under the Superintendent's supervision; shall organize, reorganize and arrange the administrative and supervisory staff, including instruction and business affairs, as best serves the School District subject to the approval of the School Board; shall select all personnel subject to the approval of the School Board; shall from time to time suggest policies, regulations, rules and duties incident to the office of the Superintendent and such other duties as may be prescribed by the School Board from time to time. The Superintendent shall abide by the policies, regulations, rules and procedures established by the School Board and the State Board of Education. The Superintendent shall have the right to attend all School Board meetings and all School Board and citizen committee meetings, serve as an ex-officio member of the School Board and all School Board committees and provide administrative recommendations on each item of business considered by each of these groups.

V. **Duty Year and Leaves.**

- A. **Basic Work Year.** The Superintendent's duty year shall be for the entire 12-month contract year as provided herein and the Superintendent shall perform services on those legal holidays on which the School District is authorized to conduct school if the School Board so determines. The Superintendent shall be on duty during any emergency, natural or unnatural, unless otherwise excused in accordance with School Board administrative policy. For purposes of computing a per diem salary, the Superintendent's annual salary shall be divided by 260.
- B. **Vacation.** The Superintendent shall be entitled to twenty-five (25) days of paid vacation for each year. The Board encourages the Superintendent to use his vacation time. Each year's vacation shall be taken during the contract year or within twelve months following the end of the contract year. If the Superintendent is unable to use his accrued vacation days within the twelve months following the end of the contract year, up to two days of unused vacation that would otherwise be lost will be reimbursed to the Superintendent at the current per diem rate. If, during his last year of employment with the School District, the School Board wishes to have the Superintendent work to the end of the contract year, the School Board shall pay the Superintendent at the end of that year an amount equal to the salary for the number of accumulated vacation days. There will be no reimbursement for unused vacation days if the Superintendent is released from this contract.
- C. **Holidays.** The Superintendent is entitled to the following ten (10) paid holidays: Independence Day, Labor Day, Thanksgiving Day, Friday after Thanksgiving Day, Christmas Day, New Year's Day, Presidents' Day (if designated as a school holiday), Memorial Day, Christmas Eve Day, and Good Friday (if designated as a school holiday). If the approved school calendar precludes the use of any of these days as holiday, an alternate day(s) shall be determined by the Superintendent subject to approval by the School Board.
- D. **Sick Leave.** Any sick leave balance currently accumulated in the individuals Director of Administrative Services contract will be carried over to the new contract outlined herein. At the beginning of each subsequent year of employment, the Superintendent will be credited with thirteen (13) days of sick leave, accumulative to a maximum of 247 days. Sick leave for the Superintendent will be administered in accordance with the policy for such leaves affecting the administrative staff.

- E. Emergency Leave.** The Superintendent may be granted paid emergency leave at the discretion of the School Board. Unless the School Board directs otherwise, the Board Chairperson may grant the leave on behalf of the Board.
- F. Professional Leave.** The Board recognizes the importance of encouraging the Superintendent to attend or participate in educational conferences or meetings as a necessary part of professional growth. The Superintendent is encouraged, with the consent of the School Board, to attend appropriate professional meetings at the local, state and national level, the expenses of such attendance to be paid by the district. The Board expects the Superintendent to continue his professional development on an annual basis and expects him to participate in relevant learning experiences consistent with the budget adopted by the Board. The Superintendent shall file an itemized expense statement with the Business Office of the District, to be processed as provided by law. The Superintendent shall from time to time advise and report to the Board on the meetings and conferences he will be attending or has attended.
- G. Disability.** If the Superintendent is unable to perform regular duties because of personal illness or disability and has exhausted all accumulated sick leave, the School District shall provide additional paid sick leave until the expiration of the waiting period for long-term disability insurance.
- H. Medical Leave.**
1. The Superintendent and School District agree to incorporate by reference and be bound by the provisions of Minnesota Statutes 122A.40, Subd. 12 relating to suspension and leave of absence for health reasons.
  2. If the Superintendent is unable to perform regular duties because of personal illness or disability and has exhausted all sick leave credit available or has become eligible for long-term disability compensation and has not been suspended or placed on leave of absence pursuant to Minnesota Statute 122A.40 Subd. 12, the Superintendent shall, upon request, be granted a medical leave of absence, without pay, up to one year in duration. The School Board may, in its discretion, extend such a leave upon written request. A request for medical leave of absence or extension thereof pursuant to this section shall be accompanied by a written statement from a physician outlining the condition of health and estimated time at which the Superintendent is expected to be able to resume normal responsibilities. The Superintendent when on medical leave of absence is eligible to continue to participate in group insurance programs as permitted under the insurance policy provisions, but the Superintendent shall pay the entire premium for such programs as the Superintendent wishes to retain commencing with the beginning of the leave. If the medical leave of at least one full year is granted pursuant to this section, the Superintendent voluntarily waives any right to a leave of absence to which the Superintendent might otherwise be entitled pursuant to Minnesota Statute 122A.40, Subd. 12.
- I. Judicial Leave.** If the Superintendent is called to serve on jury duty, or subpoenaed to appear as a witness (not a defendant) in a criminal court case, Northfield Public Schools will make up the difference between the Superintendent's basic salary and the fees (but not reimbursed expenses) received by the employee. The Superintendent shall submit to the Finance Office an itemized certification of fees and expenses for judicial duty.

## **VI. Insurance.**

- A. Health and Hospitalization Insurance.** The School Board shall provide the Superintendent and his dependents with coverage through the District health and hospitalization insurance plan. For the 2016-17 contract year, the School Board will contribute the amount received by teachers in the District's Master Agreement with the Northfield Education Association for single or family health and hospitalization insurance.
- B. Retirement Insurance Provision.** If the Superintendent retires upon attaining age fifty-five (55) or thereafter, he may elect to be covered under the group health and hospitalization and dental plans provided by the School District as provided by law. The Superintendent may continue participation in the district's group term life insurance plan according to provisions of section D at the Superintendent's own expense until the Superintendent is eligible for Medicare. The District shall contribute toward the premium for health and hospitalization and dental coverage under the same conditions as if employed but not more than 80% of the health and hospitalization insurance premium, for nine (9) years from the date of retirement. Coverage will be available to a retired Superintendent who has group medical insurance available to him/her from another employer; however, such other employer's coverage shall be considered primary.

Once a retired employee becomes eligible for Medicare the retired employee's coverage will convert to a Medicare supplement policy. Such policy (when combined with Medicare) will at a minimum be equivalent coverage to the group health and hospitalization plan offered to active employees and retired employees who are not eligible for Medicare.

In the event a retired employee and his or her dependent(s) become eligible for Medicare at different times, the individual insured will be converted to the Medicare supplement policy upon becoming eligible. At such time as there is only one other insured remaining on the family group health plan, he/she will be converted to a single policy under the group health plan until they become eligible for Medicare. If dependent children are covered under the group health plan they will be eligible to continue coverage until such time that the last parent covered on the group health plan becomes eligible for Medicare.

Once the retired employee or their dependent(s) obtain Medicare eligibility, the District shall contribute up to \$400.00 toward the monthly premium of the Medicare supplement plan for the remainder of the contribution period as defined above.

When the retiree becomes eligible for Medicare, the retiree must be in compliance with M.S. 471.611

- C. Dental Insurance.** The employer shall provide the superintendent and his dependents with coverage through the District dental insurance plan. For the 2016-17 contract year, the School Board will contribute the amount received by teachers in the District's Master Agreement with the Northfield Education Association for single or family dental insurance.
- D. Life Insurance.** The School Board shall provide and pay the cost of a group term life insurance plan providing \$225,000.00 as the amount of coverage for the Superintendent, payable to the Superintendent's designated beneficiary. The Superintendent may purchase additional group term life insurance in increments of \$25,000 up to a maximum of \$100,000 at the group rate upon evidence of insurability and acceptance by the carrier.

The cost of such additional coverage shall be paid fully by the Superintendent through payroll deduction.

- E. Long-Term Disability Insurance.** The Board shall pay the full premium for long-term disability insurance for the Superintendent. Benefits shall be payable after 60 consecutive days of total disability at 66 2/3% of the basic monthly earnings. Benefit payments shall continue in accordance with federal regulations.

Up to thirty (30) accumulated sick leave days may be used on a pro-rata basis while receiving disability income; however, the total income generated from using sick leave with disability benefits may not exceed the Superintendent's basic annual earnings.

The School District shall continue its contribution for health and hospitalization insurance for up to six months (180 consecutive days) after the last day worked for absence due to total disability. Thereafter, the Superintendent may continue in the district's group insurance plans at his expense while receiving long-term disability insurance benefits.

- F. Claims Against the School District.** The parties agree that the eligibility of any person for insurance benefits shall be governed by the terms of the insurance policies purchased by the School Board pursuant to this section. It is further understood that the School Board's obligation is to purchase the insurance policies and pay such amounts as agreed to herein and no claims shall be made against the School Board as a result of a denial of insurance benefits under said policies by an insurance carrier.

## **VII. Other Benefits.**

- A. Tax Sheltered Contributions.** The Superintendent shall be eligible to participate in a tax sheltered annuity plan through payroll deduction established pursuant to Section 403(b) of the Internal Revenue Code of 1986, Minnesota Statutes, Section 123B.02, Subd. 15, and School District policy, and as otherwise provided by law. The School District shall contribute \$9,000.00 annually to the Superintendent's tax sheltered annuity, as allowed under Minnesota Statute and matched by the Superintendent.
- B. Automobile.** The School District shall provide the Superintendent with a monthly allowance of \$500 for business use of the Superintendent's private automobile, pursuant to Minnesota Statutes 471.665, Subd. 3.
- C. Conferences and Meetings.** The School District shall pay all legally valid expenses and fees for the Superintendent's attendance at professional conferences and meetings with other educational agencies when attendance thereof is required, directed, or permitted by the School Board Chair. The Superintendent shall periodically report to the School Board relative to meetings and conferences attended. The Superintendent shall file itemized expense statements to be processed and approved as provided by law.

## **VIII. Salary.**

- A. Salary.** The Superintendent shall be paid an annual salary of \$165,500.00 for the 2016-17 contract year (July 1, 2016 - June 30, 2017). The annual salary in subsequent years will be set by the School Board based upon its evaluation of the Superintendent's performance. The Superintendent shall devote, with due diligence, full time efforts to the affairs and activities of the School District. The annual salary may be modified, but shall not be reduced, during the term of this contract.

- B. Other Compensation.** The School District shall continue to pay \$2,889.00 to the Superintendent as a payment in lieu of insurance contributions which was the result of a reduction in benefits through previous contract negotiations. This amount is ineligible for TRA contributions.

**IX. Other Provisions.**

- A. Outside Activities.** While the Superintendent shall devote full time and due diligence to the affairs and activities of the School District, the Superintendent may serve as a consultant to other school districts or educational agencies, lecture, engage in writing and speaking activities, and engage in other activities if such activities do not impede the Superintendent's ability to perform the duties of the Superintendent. The superintendent shall not engage in other employment, consultant service or other activity for which a salary, fee, or honorarium is paid without the prior approval of the School Board.
- B. Indemnification and Provision of Counsel.** In the event that an action is brought or a claim is made against the Superintendent arising out of or in connection with the Superintendent's employment, and the Superintendent is acting within the scope of employment or official duties, the School District shall defend and indemnify to the extent permitted by law. Indemnification, as provided in this section, shall not apply in the case of malfeasance in office or willful or wanton neglect of duty, and the obligation of the School District herein shall be subject to the limitations as provided in Minnesota Statutes, Chapter 466.
- C. Dues.** The Superintendent is encouraged to belong to and participate in appropriate professional educational and civic organizations where such membership will serve the best interests of the School District. Accordingly, the School District will pay such membership dues for organizations as are required, directed or permitted, by the School Board Chair. The Superintendent shall present appropriate statements for approval as provided by law.
- D. Physical Examination.** The Superintendent shall have a comprehensive medical examination from time to time, but not less frequently than bi-annually, conducted by the physician of his choice. The Superintendent shall file with the Clerk a report from the doctor of clinic conducting such examination which will describe the physical condition of the Superintendent and state whether, in the opinion of the examiner, the Superintendent continues to be physically and mentally capable of fully performing the duties of his office. The Board shall pay an amount not to exceed \$250.00 of the cost of the examination, plus the cost of the written report. The Board is not precluded from requiring other medical examinations in accordance with Minnesota law. The report filed with the Clerk shall be confidential to the extent provided by law unless its use is essential in any termination proceedings.
- E. Severance Plan.** When the Superintendent has completed six (6) years of full time continuous service under this employment agreement, or combined with other administrative positions within the district as identified in the Principals Association Master Agreement and/or Non-Union Administrators-Director or Non-Union Administrator -Cabinet employment agreements, the Superintendent shall be eligible for payment upon separation of employment based on the following.
- a. Payment shall be equivalent to his basic daily rate of pay times a number of days determined by multiplying eight (8) days times the number of years' employment with the Northfield School District at the time of separation of employment.

- b. The maximum number of paid days shall be 130 days, and shall not exceed the number of sick leave days accumulated by the Superintendent at the time of separation of employment.
- c. If the Superintendent dies after separation from the School District, but before disbursement of the severance pay has been made, the payment will be made to the Superintendent's named beneficiary.
- d. Severance pay shall not be granted in the event of discharge by the School District pursuant to Section III, paragraph D herein.

**F. Severability.** If any provision of this contract is held to be invalid by operation of law the remainder of the contract shall not be affected thereby and shall remain in full force and effect.

**G. Vandalism Reimbursement.** The School District shall reimburse the Superintendent for vehicular vandalism, which occurs on school property or in the course of the Superintendent performing his required duties, in an amount up to \$500.00 in a given year toward the unreimbursed insurance deductible amount on the vehicle.

This contract shall be effective only upon signatures of the Superintendent and of the officers of the School Board after authorization for such signatures by the officers is given by the School Board in appropriate action in its minutes.

IN WITNESS WHEREOF, I have subscribed  
my signature this 25th day of April, 2016.

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Matthew J. Hillmann, Superintendent

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Julie Pritchard, Chair

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Noel Stratmoen, Clerk