

TOWN OF HANOVER
EMPLOYMENT AGREEMENT
FINANCE DIRECTOR

AGREEMENT made the 20th day of December 2012, by and between the TOWN OF HANOVER, (herein referred to as the "Town"), a municipal corporation within the Commonwealth of Massachusetts, acting by and through its TOWN MANAGER, and Janine Smith, (herein referred to as "Ms. Smith").

In consideration of the mutual promises herein contained and for other good and valuable consideration, and pursuant to Chapter 41, section 108N of the Massachusetts General Laws, the parties herein agree as follows:

1. **EMPLOYMENT:** The Town hereby employs Ms. Smith and Ms. Smith hereby accepts employment as Finance Director.

2. **TERM:** The term of employment shall be continued from December 20, 2012 to December 20, 2015, unless sooner terminated in accordance with the Agreement. No later than June 30, 2015, the Town Manager will both decide and communicate to Ms. Smith whether or not he intends to extend the period of her employment for a further term. Ms. Smith will notify the Town Manager a reasonable period prior to June 30, 2015, of her desire to continue as Finance Director and of the Town's obligation relative to the June 30, 2015 notification date. If Ms. Smith provides the notice described in the paragraph and the Town Manager does not provide Ms. Smith with notice by June 30, 2015 the term will continue from month to month until a date which is 90 days after the Town Manager notifies Ms. Smith of its intent not to extend the term further. All "day" periods stated in the Agreement are calendar days.

The term of this agreement shall include a six-month probationary period, with reviews at ninety (90) and one-hundred eighty (180) days. The Town Manager may terminate employment at any time during this probationary period for any reason with or without just cause. During this probationary period, Ms. Smith will carry the title Senior Town Accountant.

At the conclusion of the probationary period, should the Town Manager elect to terminate, Janine Smith from her position, that termination shall be in accordance with the procedures set forth in Paragraph 4.

COMPENSATION: The Town agrees to pay Ms. Smith \$95,000 per year effective December 20, 2012. Salary in the ensuing years of this contract shall be subject solely to the results of an annual performance evaluation, as noted below in paragraph 3. Decisions on salary shall be at the sole discretion of the Town Manager and shall to the extent necessary be subject to funding, however, salary shall never be less than the prior year's salary.

3. **PERFORMANCE EVALUATION:** Each year Ms. Smith will meet with the Town Manager for the purpose of establishing goals and objectives for her employment during the term of this Agreement. The Town Manager may revise these goals and objectives as he may determine during the ensuing year. In September of each year of this Agreement, the Town Manager will formally evaluate the performance of Ms. Smith as the Finance Director.

4. **TERMINATION:** Ms. Smith may terminate this Agreement at any time by providing sixty (60) days advance written notice of termination to the Town Manager. In the event of termination upon proper notice, the Town will pay for any accrued, but unused, vacation time. In the event of sixty (60) days advance written notice is not given, no payments will be made for accrued, but unused, vacation time. The Town Manager may, at his discretion, terminate this Agreement. However, in order to terminate this Agreement, the Town Manager is required to provide notice to Ms. Smith of a hearing before the Selectmen as mandated in Section 4(A) (1) of the Town Manager Act. However, Ms. Smith may not be terminated unless the Town Manager provides Ms. Smith with due process and shows just cause with said termination at the hearing before the Selectmen.

5. **DUTIES:** Ms. Smith shall perform faithfully, to the best of her ability, the duties of Finance Director in conformance with the job specifications, as they may be amended from time to time, and with the responsibilities assigned her by the Town Manager. The Finance Director shall work during the same hours as the town offices are open to the public as well as attend all meetings of the Advisory Committee and other meetings/times as may be necessary, as determined by the Town Manager.

6. **PROFESSIONAL DEVELOPMENT/AFFILIATIONS:** The Town will budget the requisite sums for annual membership in the Government Finance Officers Association and the Massachusetts Municipal Auditors and Accountants Association (MMAAA) and for Ms. Smith to attend the annual Government Finance Officers Association conference and the annual MMAAA conference.

7. **ANNUAL VACATION:** Ms. Smith shall be granted fifteen (15) days of paid vacation annually. Up to 5 vacation days may be carried forward from one calendar year to the next. Any vacation days in excess of five (5) days may not be carried forward and shall be lost.

8. **DISABILITY INSURANCE:** The Town shall reimburse Ms. Smith up to \$1,500 per year for a long-term disability insurance policy.

9. **INSURANCE AND PENSION BENEFITS:** Ms. Smith may elect to participate in Town-sponsored life, health insurance and pension programs offered to eligible Town employees under the terms and conditions applicable to such employees.

10. FRINGE BENEFITS: Ms. Smith shall be eligible for fringe benefits that are available to other Town employees under the Hanover Personnel Regulations as newly promulgated by the Town Manager to the extent that they are not provided for in this Agreement.

11. INVALIDITY: Should any paragraph or part of this contract be invalid, the balance of the Agreement shall be binding and effective on all parties, but the parties will meet to discuss whether a substitute provision to give effect to their intent can be agreed upon.

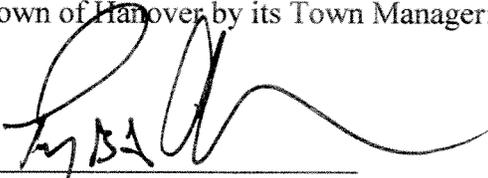
12. NOTICES: Any notices given under the terms of this Agreement shall be sent via first class mail, or hand-delivered to the parties at the following addresses:

Troy Clarkson
Town Manager
550 Hanover Street
Hanover, MA 02339

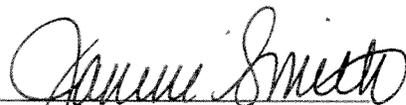
Janine Smith

Signed as a sealed instrument this 20th Day of December, 2012.

Town of Hanover by its Town Manager:



Troy Clarkson



Janine Smith