

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (hereinafter "AGREEMENT") is made as of the 2nd day of July, 2013, by and between the Borough of Naugatuck (hereinafter the "Borough"), a municipal corporation organized under the laws of the State of Connecticut and Robert W. Butler (hereinafter "Mr. Butler").

WHEREAS, the Borough desires to employ Mr. Butler as the Controller and Mr. Butler desires to accept such employment, upon the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties agree as follows:

1. EMPLOYMENT

The Borough hereby employs Mr. Butler as the Controller and Mr. Butler accepts such employment pursuant to the terms and conditions set forth in this Agreement.

2. TERM OF AGREEMENT/EMPLOYMENT

This Agreement shall commence on July 1, 2013 and expire on June 30, 2017. The parties agree that in the event that either the Borough or Mr. Butler do not agree to either extend this Agreement beyond June 30, 2017 or do not negotiate a successor agreement, Mr. Butler's employment with the Borough shall terminate effective on June 30, 2017.

3. DUTIES

Mr. Butler shall perform the customary duties associated with the position of Borough Controller as included, but not exclusive of, those duties set forth in the Charter, specifically, Special Act No. 159, along with the other duties as described in the most current job description, (attached hereto). Furthermore, Mr. Butler understands and agrees that although he is employed by the Borough, his duties and responsibilities shall

include acting as the Business Manager for the Naugatuck Board of Education (hereinafter the "Board") as well as Controller for the Borough. Accordingly, Mr. Butler shall be considered the Controller for the Borough and the Business Manager for the Board.

Mr. Butler shall also perform other related duties, at such times and places and in such manner as his supervisors, the Mayor of the Borough and Superintendent of Schools shall reasonably require and direct. Accordingly, the Borough and Mr. Butler agree that the job description is not an exhaustive enumeration of the duties and responsibilities of the Controller. In the performance of his duties, Mr. Butler shall report directly to the Mayor of the Borough and the Superintendent of Schools. Mr. Butler shall use his best efforts in the performance of his work under this agreement.

Mr. Butler shall work an eight (8) hour day Monday through Friday, subject to vacation time and other forms of leave set forth herein. Notwithstanding the above, it is specifically acknowledged that depending upon the demands of the job, Mr. Butler may be required to work more than eight (8) hours in a day and may be required to perform his duties after the normal business day and/or weekends and holidays without additional compensation. Additionally, it is understood that Mr. Butler may be expected to attend Borough Mayor and Burgesses and/or Board meetings as well as other meetings of subcommittees of the Burgesses and the Board and/or Borough Commissions, as required by the Borough and/or the Board.

4. COMPENSATION AND BENEFITS:

For services rendered under this Agreement, unless otherwise specified, the Borough shall provide the following for Mr. Butler:

- In year one of this Agreement (July 1, 2013 through June 30 2014), Mr. Butler will be paid a base salary of \$98,500.

Prior to July 1, 2014 the Borough shall determine Mr. Butler's base salary for year two of this Agreement (July 1, 2014 through June 30, 2015), however, in no event shall such base salary be less than \$98,500.

Prior to July 1, 2015 the Borough shall determine Mr. Butler's base salary for year three of this Agreement (July 1, 2015 through June 30, 2016), however, in no event shall such base salary be less than his base salary for year two of this Agreement.

Prior to July 1, 2016 the Borough shall determine Mr. Butler's base salary for year four of this Agreement (July 1, 2016 through June 30, 2017), however, in no event shall such base salary be less than his base salary for year three of this Agreement.

- In each year of this Agreement, Mr. Butler will be eligible for fifteen (15) days of paid vacation. Such vacation days shall not be cumulative. Mr. Butler may carry over five (5) days of vacation to be used in the following year, with the written approval of the Mayor.
- In each year of this Agreement, Mr. Butler will be eligible for fifteen (15) sick days annually (three (3) of which may be used as personal days), cumulative to a maximum of ninety (90) days.

- Term Life Insurance equal to three times (3x) Mr. Butler’s annual base salary, adjusted annually in accordance with Mr. Butler’s base salary.
- Option to participate in the Borough’s health and dental benefit plans with the following premium share contributions:

	<u>July 1, 2013</u>	<u>July 1, 2014</u>	<u>July 1, 2015</u>	<u>July 1, 2016</u>
Option 1 (PPO with drug & vision rider)	10%	11.5%	13%	15%

	<u>Jan. 1, 2013</u>	<u>Jan. 1, 2014</u>	<u>Jan. 1, 2015</u>	<u>July 1, 2016</u>
Option 2 (HDHP with vision rider)	4%	6%	7%	9%

In the event Mr. Butler elects to waive participation in the Borough’s health benefits program, he shall be eligible for an insurance waiver to be paid at the rate paid by the Borough for the year in question.

- Participation in the Borough’s defined contribution pension plan or some other pension plan that may be mutually agreed upon, in writing, by the Borough and Mr. Butler at a later date. Mr. Butler may contribute up to 3% of his base annual salary on an annual basis to the plan, with the Borough matching such contribution. Mr. Butler shall vest in the Borough’s portion of the contributions to such plan @ 20% per year (to a maximum of 100% in five (5) years).

- At retirement or death, Mr. Butler shall be paid for all unused sick days not to exceed forty-five (45) unused sick days. Mr. Butler shall not be eligible for reimbursement of any unused sick days upon any other separation except retirement or death.
- Such other benefits as may be provided under the Borough's Non-Union Personnel Policy Manual at the time of the execution of this Agreement. In the event that any provision of this Agreement conflicts with or contradicts said Personnel Guidelines, this Agreement shall govern.

5. EVALUATION:

On or before July 1st of each contract year, the Mayor (with input from the Superintendent) will evaluate Mr. Butler's performance. The evaluation will be based on the Core Competencies and Job Specific Competencies outlined within the Borough Performance Appraisal System for Non-Union and Non-elected Personnel.

6. TERMINATION:

(a) Termination for Cause. In the event Mr. Butler is discharged for "Cause" (defined below) by the Borough, such termination shall be effective immediately. Notice of such termination shall be provided to Mr. Butler in writing by the Borough.

"Cause" shall be defined as: (i) any act or omission that constitutes a breach by Mr. Butler of any of his duties and responsibilities as Controller for the Borough and/or Business Manager for the Board; (ii) a performance evaluation that is deemed unsatisfactory. Unsatisfactory is defined as a performance evaluation wherein Mr. Butler receives unsatisfactory or below in a majority of evaluated competency areas. The

Borough and Mr. Butler agree that in the event Mr. Butler either receives unsatisfactory or below in any single major essential job function or acts in a negligent manner, such action, standing alone, constitutes cause; (iii) the continued and repeated failure or refusal of Mr. Butler to perform the duties required of him as an employee of the Borough and/or Board; (iv) any violation by Mr. Butler of any law or regulation or Mr. Butler's conviction of a felony, or any perpetration by Mr. Butler of a common law fraud; or (v) any other misconduct by Mr. Butler which is injurious to the financial condition or reputation of, or is otherwise injurious to the Borough and/or Board. If Mr. Butler is terminated for cause by the Borough, Mr. Butler shall not receive any unused vacation time.

(b) Termination by Mutual Agreement of the Parties. Mr. Butler and the Borough agree that this Agreement can be terminated at anytime during the term of the Agreement by mutual written agreement between Mr. Butler and the Mayor of the Borough.

7. INVALID PROVISION:

The invalidity or unenforceability of any particular provision of this Agreement shall not effect the other provisions hereof, and the Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

8. SURVIVORSHIP:

Any obligation of this Agreement which, by its nature, must be performed following termination of this Agreement shall be deemed to survive such termination.

9. RESOLUTION OF DISPUTES:

Any differences, claims, or matters in dispute arising between the Borough and Mr. Butler out of, or connected with, this Agreement shall be submitted by Mr. Butler to arbitration with the American Arbitration Association.

10. ATTORNEY FEES:

In the event that any action is filed in relation to this Agreement, the parties agree that neither party shall be responsible for the payment of the other parties' attorney's fees.

11. CONSTRUCTION:

This Agreement shall be construed according to the laws of the State of Connecticut.

12. ENTIRE AGREEMENT:

This Agreement constitutes the entire Agreement between the Borough and Mr. Butler with respect to the subject matter specifically referenced herein. No modification or amendment of this Agreement shall be binding unless said modification or amendment specifically references this Agreement and is in writing and signed by the parties hereto.

13. PARAGRAPH HEADINGS:

The titles to the paragraphs in this Agreement are solely for the convenience of the parties and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on

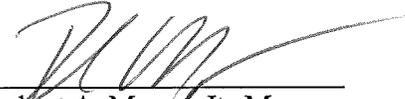
July 2, 2013.

WITNESS:



Mike Ciacciarella

BOROUGH OF NAUGATUCK

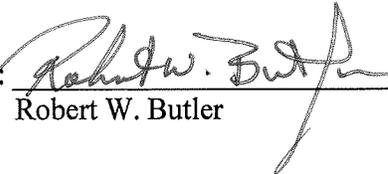
By: 

Robert A. Mezzo, Its Mayor

WITNESS:



Mike Ciacciarella

By: 

Robert W. Butler

Borough of Naugatuck & Naugatuck Board of Education

Title: Borough Controller (BoE Business Manager)

Reports to: Mayor/Superintendent of Schools

Location: Town Hall

JOB SUMMARY & FUNCTIONS: Responsible for maintaining a thorough and efficient operation of all financial related requirements for the Borough of Naugatuck and the Naugatuck Public School District including budgeting, financial reporting, treasury, purchasing, transportation, facilities, and accounts payable through effective delegation, supervision and review.

ESSENTIAL DUTIES and RESPONSIBILITIES:

In conjunction with the Mayor:

- Responsible for the formulation of the budget for Borough government.
- Advises and assists department heads, boards and commissions on budgetary and fiscal management activities.
- Advises the Mayor and other officials on long and short-term financial planning.
- Directs the proper keeping of accounting records reflecting financial transactions made in all departments and agencies of Borough government and is responsible for the preparation and submittal of financial statements, analysis and reports covering all phases of fiscal operations of the Borough.
- Plans and implements accounting fiscal control systems for the Borough.
- Directs the custody and disbursement of Borough funds and money; reviews and signs checks issued by the Borough.
- Responsible for maintaining inventory of Borough property and for planning business insurance needs of the Borough and for purchasing appropriate policies.
- Attends all regular meetings of the Borough's Finance Board and other Borough Boards as necessary to assist in fulfilling their fiduciary responsibilities.
- Working with the Borough's insurance brokers and human resource department, responsible for the planning and negotiation of all insurance programs to meet the needs of the Borough and to ensure competitiveness, effectiveness and economic

feasibility. Identify, recommend and implement cost containment initiatives where and when necessary.

- Prepare financial projections associated with and in support of all proposed changes to negotiated collective bargaining agreements.

In conjunction with the Superintendent:

- Attends all regular School Board meetings, as well as, finance and facility related meetings, to provide information as required to assist the Board in fulfilling its fiduciary responsibilities.
- Works with other senior administrative staff for the purpose of decision-making related to the operation of the school district as it pertains to students and staff.
- Stays abreast of all federal, state and local tax laws as they affect the School to ensure compliance with the law.
- Protects the school by maintaining adequate liability, professional and casualty insurance; conserving financial and other resources of the school; and seeking legal and other counsel as necessary and appropriate.
- Uses standard accounting and bookkeeping procedures, and keeps an accurate continuous record of the cash and financial position of the District.
- Oversees the District's banking and accounting procedures, general ledger maintenance, bank reconciliations and short-term investment of surplus funds.
- Following the guidelines and timeline set by the School Board, oversees the preparation of the Annual Budget in conjunction with the Assistant Business Manager and Superintendent.
- Assures the availability of financial and support data necessary for the annual audit of the District's financial records and financial position.
- Supervises the work of the Assistant Business Manager.
- Working with the District's insurance brokers and human resource department, responsible for the planning and negotiation of all insurance programs to meet the needs of the District and to ensure competitiveness, effectiveness and economic feasibility. Identify, recommend and implement cost containment initiatives where and when necessary.
- Prepare financial projections associated with and in support of all proposed changes to negotiated collective bargaining agreements.

NON-ESSENTIAL DUTIES and RESPONSIBILITIES:

- Perform all other Borough and School District duties at the direction of the Mayor or Superintendent.

QAULIFICATIONS:

- A minimum of a Bachelors Degree in Business Administration, Finance or Accounting. An MBA or MPA is preferred.
- A minimum of ten (10) years prior finance/accounting experience with at least five (5) years in a supervisory/management capacity. Prior experience in a school district and/or municipal setting is strongly desired.
- Computer proficiency in Excel, Word is required. Experience with using financial reporting systems is essential.
- Must possess an aptitude for numbers, accuracy, attention to detail, and good interpersonal skills.