

**EMPLOYMENT AGREEMENT
BETWEEN THE CITY OF DOVER, NH
AND
KAREN S. LAVERTU**

This Agreement made and entered into this 26th day of September, 2007 by and between the CITY OF DOVER, a municipal corporation within the County of Strafford and the State of New Hampshire (hereinafter called the "CITY"), as party of the first part and KAREN S. LAVERTU, of the Town of Barrington, County of Strafford, and State of New Hampshire (hereinafter called "EMPLOYEE"), as party of the second part;

WITNESETH:

WHEREAS, the City desires to employ the services of the Employee as City Clerk/Tax Collector of the City of Dover.

WHEREAS, it is the desire of the City Manager, in accordance with the Dover City Charter and the Laws of the State of New Hampshire, to establish compensation, benefits, and other working conditions for the employment of the Employee; and

WHEREAS, it is the desire of the City Manager to ensure the commitment and full productivity of the Employee in providing service to the City as City Clerk/Tax Collector; and

WHEREAS, it is the desire of the City Manager to provide inducement for the Employee to remain in service to the City while also ensuring a just means for the termination of employment at such time as may be required; and

WHEREAS, Employee agrees to accept employment as City Clerk/Tax Collector of said City.

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

SECTION 1 – DUTIES AND AUTHORITY

City hereby agrees to employ KAREN S. LAVERTU as City Clerk/Tax Collector of said City. Employee accepts such employment and agrees to perform the functions and duties specified in the City Ordinances, and the Laws of the State of New Hampshire, and to perform such other legally permissible and proper duties, and reasonable functions as the City Manager shall from time-to-time assign.

SECTION 2 – TERM

This Agreement shall remain in full force and effect from September 26, 2007 until employment is terminated by the City or Employee as provided in Section 3 of this Agreement. Solely for the purposes of merit review and benefit eligibility, Employee's anniversary date of employment with the City shall begin October 4, 2007.

SECTION 3 – TERMINATION OF EMPLOYMENT AND SEVERANCE

- A. The City Manager, at any time, may terminate the employment of the Employee for cause after thirty (30) days written notice of the basis for the termination.
- B. In the event the Employee is terminated by the City Manager with cause, the City agrees that it shall pay to the Employee all unused, accrued vacation leave said amount to be paid to the Employee on or before the effective date of termination of her employment.

- C. In the event the City in any fiscal year intentionally reduces the base salary, compensation or any other financial benefit of the Employee in a percentage greater than is applied in an across the board reduction in the same fiscal year applicable to all other employees of the City, or in the event that the City refuses, following a thirty (30) day period after receipt of written notice delivered to the City Manager, to comply with any of the financial provisions benefiting the Employee set forth herein, or if the City abolishes the position of City Clerk/Tax Collector without establishment of the position under a different title with substantially similar duties and responsibilities or similar action, the Employee may, at her option, deem herself to have been terminated without cause as of the date of such reduction or refusal to comply with the provision herein claimed to have been violated.
- D. In the event the Employee is terminated without cause, the City agrees that it shall pay to the Employee all unused, accrued vacation leave, together with a lump sum severance payment equal to one (1) month aggregate salary for each year of completed service as City Clerk/Tax Collector, not to exceed six (6) months total, said amount to be paid to the Employee on or before the effective date of termination of her employment.
- E. In the event the Employee voluntarily resigns her position with the City, the Employee shall give the City thirty (30) days written notice in advance, unless the parties agree otherwise. Such notice of resignation shall be directed to the City Manager. If the Employee voluntarily resigns, she shall not be entitled to salary after the date of resignation or to the severance benefits specified in this Section except she shall be paid for all unused, accrued vacation leave not to exceed thirty (30) days.

SECTION 4 – SALARY

- A. The City agrees to pay the Employee for services rendered under this Agreement, an annual base salary of \$52,000, subject to applicable withholdings and deductions, payable in installments at the same time as other employees in the City are paid.
- B. Effective the first full pay period following Employee's first year anniversary date and each year thereafter, the City agrees the Employee shall be awarded a merit increase following completion of an evaluation of her performance as specified by Section 5 of this Agreement. Such increase is only to be applied to the Employee's base salary up to the maximum amount specified in the Class and Pay Plans attached to the City's Merit Plan. The amount of the merit increase shall be determined by the City Manager at his sole discretion, but shall not be more than 5% per annum subject to a satisfactory performance review.

SECTION 5 – PERFORMANCE EVALUATION

- A. The City Manager shall review and evaluate the Employee's performance as City Clerk/Tax Collector at least once every year, provided, at a minimum, one performance evaluation occurs within forty-five (45) days of the Employee's anniversary date each year. Said review and evaluation shall be based on the goals and objectives developed by the City Manager and the Employee in accordance with paragraph B of this Section. Upon completing the evaluation, the City Manager shall provide the Employee with a written copy of the evaluation. There shall be an adequate opportunity for the Employee to discuss the evaluation with the City Manager.
- B. Annually during the month of September, or such other month as may be mutually agreed upon, the City Manager and the Employee shall define goals and objectives which they determine necessary for the proper operation of the City and the attainment of the City's policy objectives, said goals and objectives to be reduced to writing. They shall generally be attainable within the time limits specified and within the annual operating and capital budgets and appropriations provided by the City and the events that have occurred during the year.

SECTION 6 – HOURS OF WORK

- A. The Employee will devote full time and attention to the business of the City and will not engage in any other business during office hours, except with the approval of the City Manager.
- B. It is recognized that the Employee must devote a great deal of time outside the normal office hours to the business of the City, and to that end the Employee will be allowed to have flexibility in scheduling her time.

SECTION 7 – PAID LEAVE AND HOLIDAYS

- A. The Employee shall accrue twenty (20) days paid vacation leave per year which shall be awarded annually on the Employee's anniversary date. To limit excessive accruals, up to twenty (20) days of accrued unused vacation leave may be carried over from year to year.
- B. The Employee will be eligible for ten (10) sick days per fiscal year prorated in the first year from the Employee's anniversary date to the end of the fiscal year. Sick days are only available to be utilized in the fiscal year awarded and shall not accrue or otherwise accumulate from year to year.
- C. The Employee shall be responsible for accurately recording leave usage which shall be verified and approved by the City Manager.
- D. The Employee is entitled to time off for the holidays currently recognized by the City on the day they are observed.

SECTION 8 – INSURANCE BENEFITS

Insurance benefits, including health, dental, life and disability insurances provided to City employees as part of its Flexible Benefits Program will be made available to the Employee and paid by the City excepting the Employee shall pay twenty percent (20%) and the City will pay eighty percent (80%) of the applicable premiums for the Employee's chosen health insurance plan and, further, the City shall pay an amount up to and not exceeding the cost for two (2) person base dental coverage with Employee paying the difference for any higher cost plan and/or coverage levels. The Employee health contribution may be subject to change as applicable to other City Employees. The employee shall receive a buy back for health and/or dental insurance coverage's not selected equal to forty percent (40%) of the City's avoided costs provided Employee presents evidence of satisfactory coverage from another source.

SECTION 9 – RETIREMENT BENEFITS

- A. The Employee shall be allowed to continue participation in the NH Retirement System per the requirements established by State of New Hampshire Retirement System.
- B. The Employee may enroll in the City's 457 Deferred Compensation Plan.

SECTION 10 – CITY BUSINESS RELATED EXPENSES

- A. The Employee shall be reimbursed for all reasonable business-related expenses incurred in the performance of her duties.

SECTION 11 – PROFESSIONAL DEVELOPMENT

- A. The City shall pay for the Employee's individual membership dues and assessments by the New Hampshire Tax Collector's Association and the New Hampshire City and Town Clerk's Association.

SECTION 12 – INDEMNIFICATION/THIRD PARTY CLAIMS

- A. The City agrees to indemnify and hold harmless the Employee from any and all losses, including Employee's reasonable attorney's fees and other expenses of defense, in connection with any claim, demand, action, or suit, or judgment arising out of any act or omission of the Employee if at the time of the act or omission, the Employee was acting within the scope of her employment and without malice or bad faith.
- B. The City agrees to provide liability coverage for the Employee against third party claims through the City's public employee insurance coverage.

SECTION 13 – BONDING

The City shall bear the full cost of any fidelity or other bonds required of the Employee under any law or ordinance.

SECTION 14 – OTHER TERMS AND CONDITIONS

The City Manager may fix such other reasonable terms and conditions of employment, as he/she may determine from time to time, relating to the performance of the Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement, the City Merit Plan, the City Charter, or any other Federal or State law.

SECTION 15 – SEVERABILITY

If any provisions, or provision thereof, contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement or portion thereof, shall be deemed severable and shall not be affected and shall remain in full force and effect.

SECTION 16 – MERGER

The text of this written Agreement and any amendments approved and executed by the City Manager and the Employee constitute the entire understanding between the parties with respect to the employment of KAREN S. LAVERTU as the City Clerk/Tax Collector of the City of Dover.

SECTION 17 – NOTICES

Notices pursuant to this Agreement shall be given by depositing in the custody of the United States Postal Service, postage prepaid, addressed as follows:

City: City Manager
 City of Dover, NH
 288 Central Avenue
 Dover, NH 03820

Employee: Karen S. Lavertu, City Clerk/Tax Collector
 City of Dover, NH
 288 Central Avenue
 Dover, NH 03820

Alternatively, notices required pursuant to this Agreement may be personally served in the same manner as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the course of transmission in the United States Postal Service.

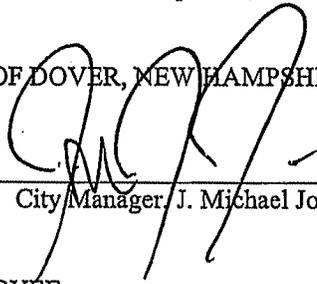
SECTION 18 – GENERAL PROVISIONS

- A. This Agreement shall be binding upon the City and Employee, as well as their heirs, assigns, executors, personal representatives and successors in interest.
- B. This Agreement shall become effective upon execution.

IN WITNESS WHEREOF, the City of Dover has caused this Agreement to be signed and executed in its behalf by the City Manager, and the Employee has signed and executed this Agreement, all in duplicate, as of the day and year first above written.

Dated: 9/26/07

CITY OF DOVER, NEW HAMPSHIRE

By: 
City Manager J. Michael Joyal, Jr.

EMPLOYEE

By: Karen Lavertu
Karen S. Lavertu