

Employment Agreement

This Agreement is made this 10TH day of August, 2012 between the Borough of Highlands ("Borough") and Tim Hill ("Hill" or "Administrator")(Borough and Borough Administrator are collectively referred to as the "Parties").

Whereas, the Parties wish for Hill to serve as Administrator for the Borough; and

Whereas, Hill has agreed to serve as Administrator to the best of his ability.

Now therefore, for good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

1. In accordance with N.J.S.A 40A:60-7(a), N.J.S.A. 40A:9-136 et seq., and § 2-6 et seq., of the General Ordinances of the Borough of Highlands, Hill shall become the full-time Administrator for the Borough of Highlands for the period commencing December 07, 2011 and ending December 06, 2013 (the "Term"). Notwithstanding the foregoing, Hill acknowledges that the Borough may terminate this Agreement at any time, in accordance with N.J.S.A. 40A:9-138. During the term of this Agreement, the salary for the Administrator shall be \$90,000.00 annually, prorated, inclusive of any longevity entitlement. Hill shall receive notice of any meetings being held concerning his performance and continued employment with the Borough of Highlands and will be given the opportunity to be heard prior to the adoption of any resolution affecting his employment with the Borough of Highlands, said opportunity at Hill's discretion may be held in public session.

2. Hill shall devote his full time and energy to fulfilling the duties and responsibilities of the position, and perform same to the best of his abilities, which duties shall include but are not limited to:

- a. Act as agent of the governing body in the administration of Borough affairs, integrating and coordinating activities of the purchasing, personnel and budget.
- b. Supervise and assist in the preparation of the budget and administer budgetary control, including the governing body of the financial status of the Borough.
- c. Advise the local governing body on policy matters and assists the governing body in formulation of policy, rules and regulations.
- d. Supervise administrative matters in the various departments of the municipality.
- e. Review the agenda for Borough Council meetings and other meetings
- f. Attend and participate in Borough meetings.

- g. Advise the governing body on personnel and administrative issues.
- h. Act as personnel director of all Borough employees, which includes, but shall not be limited to administering the personnel policies of the Borough.
- i. Prepare grant applications and administer programs funded by various grants.
- j. Participate in emergency management activities.
- k. Ensure that the Borough complies with the laws, rules and regulations of the State and Federal governments.
- l. Oversee and administer of all contracted projects within the Borough.
- m. Perform any other function or duty as assigned by the Mayor and Council or required by the job description, Borough policy or law, rule, regulation or ordinance.

3. During the term of this Agreement, Hill shall take a leave of absence from the position of Director of Recreation. During this time, Hill's salary and benefits shall be controlled by this Agreement. Following the conclusion of his service as Administrator, and pursuant to Civil Service Rules and Regulations, Hill shall be entitled to return to the position of Director of Recreation.

4. Due to the potential for a conflict of interest, while serving as Administrator, Hill shall not be involved in collective negotiations with the bargaining unit which represents the Director of Recreation position.

5. Hill shall report directly to the Mayor and Council and be responsible for the day-to-day operation and general ordinances of the Borough. The personnel committee shall conduct performance reviews of Administrator every six (6) months.

6. Hill shall be entitled to the following benefits during his employment:

a. Health Insurance. Medical coverage, prescription, dental and vision benefits in the same manner as provided to all other administrative employees of the Borough of Highlands, including family prescription, family vision and family dental health insurance through the Borough of Highlands which coverage shall continue. Hill shall contribute to health insurance coverage through payroll deductions as required by State law.

b. Vacation. Fifteen (15) annual vacation days prorated. Hill shall not be absent from the Borough of Highlands for more than two consecutive weeks at any time without prior approval of the Mayor. Up to ten (10) vacation days may be carried over into the next year

only and only in the event that such days are not use because of the business demands of his position.

c. Other Benefits and Procedures. Other benefits and procedures shall be governed by the Borough of Highlands Personnel Policy for Administrative Employees.

d. Sick Time already accrued through Hill's service within the Borough will remain in his possession. While serving as Administrator, Hill shall be entitled to (5) five sick days per year. Sick days earned as Administrator shall not be cumulative, have no cash value and shall be forfeited if not used each year.

e. Hill shall be entitled to three (3) personal days per year. Personal days earned as Administrator shall not be cumulative, have no cash value and shall be forfeited if not used each year.

7. Hill shall be permitted time-off and reimbursement of expenses for professional development and/or attendance at conferences and training seminars with prior approval of the Mayor and Council. Expenses incurred without prior approval shall not be reimbursed.

8. Hill's regular schedule shall be 8:30 am to 4:30 p.m., Monday through Friday for an eight (8) hour workday, as well as attendance at official events of the Borough of Highlands where his presence is appropriate because of his duties and responsibilities. Hill shall also attend various evening committee meetings, meetings of the Mayor and Council and occasional weekend meetings without receiving any additional time off or additional compensation. Hill agrees and acknowledges that he is exempt from overtime pursuant to the Fair Labor Standards Act.

9. The Borough of Highlands shall bear the cost of any fidelity or position bonds required by the municipality for this position.

10. The Borough of Highlands shall reimburse Hill for all reasonable expenses incurred on behalf of the municipality with prior approval of the Mayor and Council.

11. Hill will be provided with a cell phone by the Borough of Highlands to be used for his duties as Borough Administrator

12. The Borough of Highlands shall defend, hold harmless and indemnify Hill against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of Hill's duties, including any action which might commence or continue after Hill's retirement, resignation or termination.

13. The Parties acknowledge that they are entering into this agreement freely and voluntarily for the purposes set forth herein. The terms of this Agreement are the result of mutual negotiation and any ambiguity shall not be construed against either party. Hill acknowledges that he has had an opportunity to review this agreement with an attorney of his

choosing. All parties acknowledge that the terms and conditions are fair and equitable and in the best long-term interest of Hill and the Borough of Highlands. Hill and officials of the Borough of Highlands agree to execute any and all documents that may be necessary to carry out the terms of the Offer of Employment.

14. Hill shall provide a minimum of 30-calander days' notice of his intention to resign from the Borough of Highlands and shall assist the Borough in any transition work required to assist the replacement Administrator selected by the Borough. The Borough may terminate this Agreement at any time in accordance with N.J.S.A. 40A:9-138. In the event the Borough terminates this Agreement prior to its expiration, Hill shall not be entitled to any additional compensation except as required by N.J.S.A. 40A:9-138.

15. This Agreement shall be governed by the laws of the State of New Jersey. In the event that one or more of the provisions of this Agreement are found to be invalid or unenforceable by a court of law, Hill and the officials of the Borough shall within 30 days of the date of such determination agree to restructure the terms of the agreement so as to carry out the intent of the agreement, it being understood that each element of the agreement is material to Hill and the Borough.

16. **Sick Leave Accumulated as Recreation Director.** It is agreed that, upon vacating the position of Recreation Director, Hill has accumulated 2,710.5 hours of unused sick time (hereinafter referred to as the "Sick Leave Bank") in that position.

a. The Borough shall maintain this Sick Leave Bank, which may be utilized by Mr. Hill during his service as Administrator only if he exhausts the sick leave provided by Paragraph 6(d) of this Agreement. Notwithstanding, Hill may sell annually sell back leave from his Sick Leave Bank in accordance with the terms of the collective negotiations agreement between the Borough and the United Food and Commercial Workers Union, Local No. 152.

b. If Hill retires from the position of Administrator and does not return to other employment with the Borough, he shall be compensated for any remaining time in the Sick Leave Bank in accordance with State Law and the provisions of the collective negotiations agreement between the Borough and the United Food and Commercial Workers Union, Local No. 152 in effect at the time of Hill's retirement. Compensation shall be based on the salary of the Recreation Director in effect at the time of Hill's retirement.

c. If Hill vacates the position of Administrator and returns to employment with the Borough, his Sick Leave Bank shall be governed by State law and any collective negotiations agreement applicable to his then-current position and that Sick Leave Bank shall be the greater of the provisions set forth in this agreement or any collective negotiations agreement applicable to his then-current position.

17. **Vacation Leave Accumulated as Recreation Director.** It is agreed that, upon vacating the position of Recreation Director, Hill has accumulated 271 hours of unused vacation time (hereinafter referred to as the "Vacation Leave Bank") in that position. At his option, Hill may sell back 135 hours vacation time and thereby reduce his Vacation Leave Bank accordingly.

If Hill intends to exercise this option, he must notify the Borough within thirty (30) days of executing this Agreement. Payment for any vacation time sold back shall be made on before the end of the 2012 calendar year.

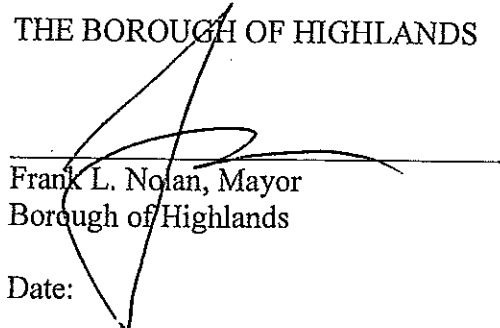
a. The Borough shall maintain this Vacation Leave Bank, which may be utilized by Mr. Hill during his service as Administrator only if he exhausts the vacation leave provided by Paragraph 6(b) of this Agreement and only to the extent the demands of his position so permit.

b. If Hill retires from the position of Administrator and does not return to other employment with the Borough, he shall be compensated for any remaining time in the Vacation Leave Bank in accordance with State Law and the provisions of the collective negotiations agreement between the Borough and the United Food and Commercial Workers Union, Local No. 152 in effect at the time of Hill's retirement. Compensation shall be based on the salary of the Recreation Director in effect at the time of Hill's retirement.

c. If Hill vacates the position of Administrator and returns to employment with the Borough, his Vacation Leave Bank shall be governed by State law and any collective negotiations agreement applicable to his then-current position and that Vacation Leave Bank shall be the greater of the provisions set forth in this agreement or any collective negotiations agreement applicable to his then-current position.


18. If Hill vacates the position of Administrator and returns to the position of Recreation Director, his salary shall be set according to the collective negotiations agreement in effect at the time he returns to that position, but, in no event shall his salary be less than he was earning as Recreation Director immediately prior to his appointment as Administrator.

THE BOROUGH OF HIGHLANDS



Frank L. Nolan, Mayor
Borough of Highlands

Date:



Tim Hill

Date:

8/10/12