

GENERAL RELEASE AND SETTLEMENT AGREEMENT

This General Release and Settlement Agreement (hereinafter "Agreement") is made as of the 31st day of July, 2012, between the Town of Fairfield (hereinafter "Town") and Paul Hiller (hereinafter "Hiller"). Wherever used in this Agreement, the term "Town" shall include all officers, members, employees, agents, representatives, successors and assigns of the Town, in their individual and/or official capacities. The Town and Hiller are sometimes referred to herein collectively as the "Parties" or individually as a "Party."

WHEREAS, Hiller is employed by the Town as its Chief Fiscal Officer and Clerk of the Board of Finance; and

WHEREAS, the Town and Hiller mutually agree that it is in their mutual best interest that the employment relationship between the Town and Hiller should end subject to the terms and conditions set forth below; and

WHEREAS, Michael Tetreau as First Selectman has the authority to enter into this Agreement on behalf of the Town.

NOW, THEREFORE, for the purpose of fully and finally resolving all matters and disputes arising out of or in any way connected to Hiller's employment with the Town, and in consideration of the mutual promises and covenants contained herein, the Town and Hiller acting of their own free will, hereby agree as follows:

1. Hiller hereby irrevocably resigns from his employment with the Town effective June 30, 2013. Effective September 15, 2012, Hiller shall no longer serve as the Town's Chief Fiscal Officer or Clerk of the Board of Finance. For the duration of his employment Hiller's title shall be Manager of Financial Services and shall assist with the performance of his prior duties as directed by the First Selectman or his designee. Hiller shall work a minimum of two days per week, as agreed upon between him and the First Selectman. Additional days may be required from time to time based upon the needs of the Town and with advance notice to Hiller. Hiller shall not be eligible for paid sick or vacation leave, personal leave or paid holidays, therefore may not utilize such to satisfy the two day requirement.
2. From the date hereof until December 31, 2012: Hiller's salary shall remain at \$134,591 on an annual basis; in the event Hiller shall accept full time employment with another employer prior to January 1, 2013, which prevents him from continuing to work for the Town, the Town shall continue to pay him his salary of \$134,591 through December 31, 2012; and thereafter its obligation under this paragraph shall end.

From January 1, 2013, through June 30, 2013, Hiller's salary shall be reduced to \$110,000 on an annual basis. In the event Hiller commences employment with another public sector employer between January 1, 2013 and June 30, 2013, then the Town will continue to pay him the difference between his salary for such position and \$134,591 (if more) until June 30, 2013; otherwise his annualized salary shall be \$110,000 for the period January 1, 2013 to June 30, 2013.

3. Effective at the end of the business day on June 30, 2013, Hiller's employment shall terminate, and he shall be entitled to those post-employment benefits set forth in the "2011 Town of Fairfield Benefit Summary for Non-Union Department Heads and Public Officials" dated March 2011 ("Benefit Summary") a copy of which is attached as Appendix A; provided, however, that instead of his pension benefit being calculated based upon his salary for the preceding 12 months, solely for purposes of calculating his pension benefit his salary shall be deemed to be \$155,600 as of his last day of employment.

Pursuant to the Benefit Summary, on July 1, 2013, Hiller shall be paid: (i) an amount equal to 60 days of unused accumulated vacation; and (ii) 13 weeks of severance pay; both based upon an annualized salary of \$134,591. In the event of Hiller's death prior to July 1, 2013, these payments shall be made to Hiller's wife, or in the event of her death prior to July 1, 2013, to his estate. Furthermore, prior to June 30, 2013, the Town shall fund the employer match into Hiller's deferred compensation plan for 2012-13, as provided for in the Benefit Summary.

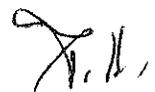
4. The Town shall provide Hiller with a letter summarizing his accomplishments while employed by the Town, a copy of which is attached hereto as Appendix B. The disclosure of this document shall not constitute a violation of Paragraph 8 below. In the event of an inquiry by a prospective employer, in addition to verifying his employment, salary and period of employment, the Town shall also reference those accomplishments. All such inquiries shall be directed to the Town's Human Resource Director.
5. Hiller agrees not to apply for and/or receive unemployment benefits, and should he file for and receive such he agrees to reimburse the Town an amount equal to all unemployment benefits received.
6. A. In exchange for the consideration described in Paragraphs 2 and 3 of this Agreement, Hiller for himself and for his heirs, executors, administrators, personal representatives and assigns, KNOWINGLY, IRREVOCABLY, AND UNCONDITIONALLY RELEASES AND FOREVER DISCHARGES the Town from any and all grievances, claims, demands, obligations, damages, liabilities and causes of action, including, but not limited to, claims and causes of action for wrongful discharge, tort, defamation, breach of contract, breach of the duty of fair representation, and causes of action and claims or causes of action under Title VII of the Civil Rights Act of 1964, 42 U.S.C. §§2000e et seq., the Civil Rights Act



of 1991, 42 U.S.C. §§1981, et seq., Section 1983 of the Civil Rights Act, 42 U.S.C. §1983, the Connecticut Fair Employment Practices Act, Conn. Gen. Stat. §§46a-58 et seq., the Americans with Disabilities Act, 42 U.S.C. §§12101 et seq., the Age Discrimination in Employment Act and Older Worker Benefit Protection Act, 29 U.S.C. §§621 et seq., the Connecticut Whistle Blowers' Act, Conn. Gen. Stat. §31-51m, the provisions of the Connecticut General Statutes concerning the payment of wages, Conn. Gen. Stat. §§31-58 et seq., and Conn. Gen. Stat. §§31-70 et seq., the Fair Labor Standards Act, 29 U.S.C. §§201 et seq., and all other federal, state and local laws, ordinances or regulations, in law or in equity, which Hiller now has or ever had against the Town, or which Hiller hereafter shall or may have, for any losses, injuries or damages (including back pay, front pay, liquidated, compensatory or punitive damages, attorneys' fees and litigation costs), resulting from and/or arising out of or in any way connected with Hiller's employment by the Town, or the separation thereof.

B. In exchange for the consideration provided to the Town herein, the Town KNOWINGLY, IRREVOCABLY AND UNCONDITIONALLY RELEASES AND FOREVER DISCHARGES Hiller from any and all claims, demands, obligations, damages, liabilities and causes of action including, but not limited to, those sounding in tort, breach of contract or any Federal, State or Local law or ordinance.

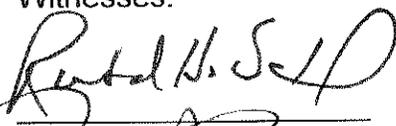
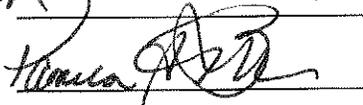
7. Notwithstanding the separation from his employment with the Town, the Town agrees it shall indemnify Hiller with respect to any claim brought against him for acts or omissions occurring in the course of his employment with the Town, to the extent required under Section 7-101a of the General Statutes of Connecticut. Hiller agrees to cooperate with the Town in connection with any lawsuits or administrative proceedings in which the Town or Hiller is a party. After June 30, 2013, the Town agrees to compensate Hiller at the rate of \$675 per day for all time required by the Town to be expended in connection with any such action.
8. Confidentiality: Hiller agrees to maintain this Agreement, and the terms hereof, in strict confidence and not to disclose the terms hereof to any third party. Notwithstanding, Hiller may disclose the terms hereof to his wife, attorney and tax advisor, provided that all such persons shall also be subject to this confidentiality provision. The violation of this provision shall be considered a material breach hereof.
9. Non-Disparagement: The Parties agree that they will not disparage or subvert the other (or in the case of the Town any of its employees, elected or appointed officials or agents), or make any statement reflecting negatively on the other (or in the case of the Town its employees, elected or appointed officials or agents).
10. Hiller affirmatively states that he understands he is entitled to have a period of twenty-one (21) days to consult with an attorney and consider this Agreement,



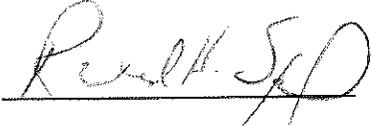
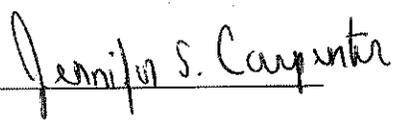
and has in fact consulted with an attorney, and that if he signs this Agreement prior to the expiration of such twenty-one (21) days, he does so voluntarily and of his own free will.

11. Hiller affirmatively states that he has a full understanding of the contents of this Agreement and the effects thereof; and that he has executed the same voluntarily and of his own free will, without any coercion.
12. The Parties acknowledge that for a period of seven (7) days following execution of this Agreement, Hiller shall have the right to revoke in writing his assent to this Agreement, in which case the provisions of this Agreement shall become null and void.
13. This Agreement constitutes the entire agreement of the parties regarding the contained subject herein and replaces any and all prior agreements, understandings, and representations, whether in writing or oral. No representations or statements by any of the parties, unless expressly written in this Agreement, shall be binding. No amendment or alteration of the terms of this Agreement shall be valid unless made in writing and signed by all of the parties hereto. This Agreement shall be governed by the laws of the State of Connecticut.

IN WITNESS WHEREOF, the aforementioned parties, intending to be legally bound hereby, have executed this Agreement.

By:  7/31/12 Witnesses: 
Paul Hiller Date 

TOWN OF FAIRFIELD

By:  7/31/12 
Michael Tetreau Date 
First Selectman

Appendix A

Add Benefits Summary



FOR INTERNAL USE ONLY

2011

Town of Fairfield

Benefit Summary for Non-Union Department Heads and Public Officials

The following summary outlines the conditions and eligibility for health and welfare benefits, leaves of absence and severance available to core Department Heads and Public Officials employed on a regular full-time basis by the Town of Fairfield. These annually reviewed benefits are established by the First Selectman and Director of Human Resources.

Compensation

Salary

- Annual salary increases are determined by the First Selectman
- Department Heads will be paid on a bi-weekly basis.

Longevity (except for Elected Officials)

- 3% increase for those with five (5) or more years of paid employment.
- 3% increase for those with ten (10) or more years of paid employment.
- 3% increase for those with fifteen (15) or more years of paid employment.

Deferred Compensation Plan

- The Town will match your contribution into a deferred compensation plan on a two dollar employee contribution for every one dollar Town contribution to a maximum of \$1,000 Town contribution.
- You may elect to defer an additional portion of your pre-tax dollars as allowable under federal law both in the 457 plan and in a 403 plan. Participation in either program is handled as a payroll deduction thru a town qualified plan.

Pension and Retirement

- Upon employment you are automatically enrolled in the Town Employees Retirement Plan. Your contribution to the plan is (2%) annually and is deducted from your gross salary on a pre-tax basis in accordance with the 414(h)(2) provisions of the Internal Revenue Code. Vesting occurs at the end of the 10th year of active employment.
- A Department Head eligible for Vested Retirement shall receive an annual benefit equal to 2.275% of their highest salary multiplied by years of creditable service. The definition of highest salary (including base pay and longevity pay) shall be defined as the highest salary earned over the period of twelve (12) consecutive months paid during their years of active employment.
- Should you leave with ten years or more of service before age 62, you may elect to receive a Vested Deferred Retirement payable at age 62 in lieu of receiving accumulated contributions plus interest.
- Should you separate from the Town prior to being fully vested (ten years paid employment) all your pension contributions plus interest will be returned to you.

Insurance

Health Insurance

- Eligibility to participate in the Town of Fairfield Active Employee Benefit Plan occurs on your date of hire.
- Effective 7/1/2011, if you elect to participate in the health insurance plan, your contribution will be a bi-weekly deduction of fifty \$60.00 dollars (\$30.00 weekly). Contributions amounts are adjusted annually and shall be kept at a level of approximately 80% of the amount set within P&T employee contracts.
- Post-employment health insurance (OPEB) shall be provided to all fully vested department heads and public officials who leave town service after 10 full years of service as senior department heads or public officials and who are over the age of 62. Such continuing health insurance shall solely cover the insured and existing dependents covered at the time of leaving employment. For all department heads hired since July 1, 2010, the insured shall pay the contribution toward such health insurance at the same rate being paid at the time of termination.
- Upon retirement, the health plan shall be reduced to a Medicare Carve-out for those covered upon reaching the age of Medicare eligibility. The cost of Medicare, if any, shall be borne by the retiree and eligible enrolled dependents.

Life Insurance

- You shall receive term life insurance coverage calculated at one and one half (1 ½) times your annual salary to a maximum of \$150,000. In accordance with federal tax rules, the first \$50,000 has no tax liability. Any amount in excess is subject to federal tax which will be deducted from your paycheck. If you do not want to pay the additional tax, you may elect to receive the base amount of \$50,000.
- You may also purchase additional term life insurance at the provider's standard rate up to a maximum combined total of \$250,000.
- Upon normal retirement you shall receive a term life insurance policy in the amount of \$30,000.

Vacation

- Accrual of vacation time begins on the first day of the month following your date of hire at a rate of one and two-thirds (1.66) days per month to a maximum of twenty (20) days per year. You may use this time as soon as you have earned it.
- After five (5) years of paid cumulative Town employment, your vacation time increases to twenty-three (23) days per year. You will be credited the additional three (3) days on the next following July 1st and each year thereafter until you have ten (10) years of service.
- After ten (10) years of paid cumulative Town employment, your vacation time increases to twenty-five (25) days per year. You will be credited with the additional five (5) days on the next following July 1st and each year thereafter.
- You may have a maximum of seventy (70) days vacation to your credit at any time. Should you exceed this limit, you will lose the time. Please note that your monthly crediting of vacation time occurs on the first day of the month.
- Upon separation from Town employment, you will be paid for all unused vacation days to a maximum of sixty (60) days.

Sick Leave

Accrual of sick leave begins on the first day of the month following your date of hire at a rate of one (1) sick day for each month of service up to a maximum of twelve (12) days per year. On the July 1st following your date of hire you will receive twelve (12) sick days per year and each year thereafter.

- After five (5) years of paid cumulative Town service, you automatically become eligible for twenty (20) sick days per year.
- After ten (10) years of paid cumulative Town service, your eligibility for paid sick time increases to thirty (30) days per year.
- You may carry over your full allotment of unused sick days into the next year, and bank this time to a maximum accumulation of one hundred and eighty (180) days.
- On July 1st and December 31st of each calendar year provided you have not taken any sick days during the previous six (6) month period, you will receive an attendance award equivalent to one (1) additional days pay. This award may be taken as an additional vacation day or you may be paid. Attendance awards are automatically paid out after four (4) weeks unless you notify Human Resources of your intent to convert the award into a vacation day.
- You will not be compensated for unused sick days upon separation from employment.

Personal Leave Days

- When you are initially hired, you will receive a pro-rated number of personal leave days based upon five (5) days per year. You will continue to receive a maximum of five (5) days of personal leave on January 1st of each year thereafter. Personal leave may be used for family emergencies, funerals, religious holidays or other personal needs.
- This time may not be carried over from year to year and has no monetary value upon separation from Town service.
- Additional days may be granted by the First Selectman at his/her discretion upon demonstrated hardship.
- Unpaid time off for non-medical reasons may be requested and solely granted by the First Selectman for a period of up to six months.

Funeral Days

- Four (4) funeral days are available for the death of an immediate family member or someone who is domiciled in your home.

Compensatory Time

- All department heads are expected to work a full work week. You are not entitled to any compensatory time and therefore cannot accrue or use it. This is not to suggest that you do not have some flexibility in your work schedule when you are required to attend a late meeting.

Holidays

- The Town of Fairfield recognizes a total of twelve (12) paid holidays per year as follows: New Year's Day, Martin Luther King Jr. Day, Presidents Day, Good Friday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, Friday after Thanksgiving and Christmas Day.
- Holidays that fall on a Sunday will be observed the following Monday. If a holiday falls on a Saturday the Town will observe the preceding Friday.

Workers Compensation

The Town will provide workers compensation benefits under the Connecticut State Workers' Compensation Act as follows:

- First year of employment – (2 ½) working days at full pay for each month of service
- Year one to year five – (30) working days at full pay
- Year five to year ten – (60) working days at full pay
- Over ten years: (90) working days at full pay

Note: An employee's anniversary date shall determine his/her length of service and eligibility for occupational disability benefits. When eligibility for occupational benefits at full pay is exhausted, payment will continue in accordance with the CT State Compensation Act Provisions. A new period of eligibility shall occur when an employee passes their anniversary date provided they are currently receiving full pay.

Family and Medical Leave (FMLA)

The Family and Medical Leave Act of 1993 (FMLA) provides entitlement of up to twelve (12) work weeks of unpaid leave with job protection for the following reasons: birth and care of your child, or placement for adoption or foster care of a child with you; care of your immediate family member who has a serious health condition; or care of your own serious health condition. Contact Human Resources for more information.

Separation Benefits

- In the event of a permanent involuntary termination from the payroll, you will be eligible to receive one (1) weeks pay for each full year of service, up to a maximum of thirteen (13) weeks pay. Partial years will be pro-rated accordingly. Calculation of severance will be at your regular base salary, excluding any additional compensation. Eligibility for severance compensation occurs in the case of dismissal for reasons other than cause, or for resignation by request when the circumstances are such that severance would have been due had you been dismissed instead.
- Under the Consolidated Omnibus Budget Reconciliation Act (COBRA) should you leave Town service, you may also be entitled to continued medical coverage at your expense should you not have OPEB benefits.



Kenneth Flatto
First Selectman



Date
revised 2005 policy

Appendix B

First Selectman's Letterhead

July 31, 2012

Mr. Paul Hiller
2745 Burr Street
Fairfield, CT 06824

Dear Paul:

On behalf of the Town of Fairfield I want to express my gratitude and appreciation for your work as Fairfield's Chief Fiscal Officer for the last 13 years. Throughout those years, including many long nights during budget season, you were always there for the Town, and we relied upon your efforts, experience and guidance.

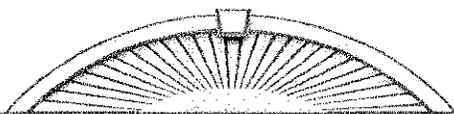
As Fairfield's Chief Fiscal Officer you have had two primary duties: to continue to maintain the Town's AAA Bond Rating from the three rating agencies and to deliver a clean audit of the Town's balance sheet at the end of every year. The Town has maintained a history of AAA bond rating during your tenure. I note that many times the rating agencies comment on Fairfield's experienced and knowledgeable financial management some of which is undoubtedly attributable to your abilities. As to the audit process efforts, Fairfield has, without fail, received clean financial audits during your tenure.

On behalf of the Town and personally on my behalf, I wish you the best of luck going forward.

Sincerely,

Michael C. Tetreau
First Selectman





BERCHEM, MOSES & DEVLIN, P.C.

ATTORNEYS & COUNSELORS AT LAW

RECEIVED
SEP 17 2012
FIRST SELECTMAN'S OFFICE

ROBERT L. BERCHEM
MARSHA BELMAN MOSES
MICHAEL P. DEVLIN†
STEPHEN W. STUDER*
RICHARD J. BUTURLA
FLOYD J. DUGAS
ROLAN JONI YOUNG SMITH
JACOB F. BRYNICZKA
IRA W. BLOOM
JONATHAN D. BERCHEM*
MICHELLE C. LAUBIN†
MARIO F. COPPOLA
WARREN L. HOLCOMB*
MARK J. KOVACK
BRYAN L. LeCLERC†
BRIAN A. LIEMA
DOUGLAS E. LOMONTE
BRIAN W. SMITH
SHELBY L. WILSON

75 BROAD STREET
MILFORD, CT 06460
TELEPHONE (203) 783-1200
FACSIMILE (203) 878-2235

27 IMPERIAL AVENUE
WESTPORT, CT 06880
TELEPHONE (203) 227-9545
FACSIMILE (203) 226-1641

PLEASE REPLY TO
MILFORD OFFICE
WWW.BMDLAW.COM

MICHAEL P. BURDO†
RICHARD C. BUTURLA
AMY CORBETT DION
JODIE L. DRISCOLL†
RYAN P. DRISCOLL†
CAROLYN MAZANEC DUGAS
ALICIAN A. FABISH-
GAIL L. KELLY†
MICHELLE DEVLIN LONG
JEFFREY P. MOGAN
MEGAN A. SMITH
JUSTIN STANKO

* ALSO ADMITTED IN CA
* ALSO ADMITTED IN MA
* ALSO ADMITTED IN NH/VT
* ALSO ADMITTED IN NJ
† ALSO ADMITTED IN NY
* ALSO ADMITTED IN PA

OF COUNSEL
JOHN W. HOGAN, JR.

PRIVILEGED AND CONFIDENTIAL

September 13, 2012

Michael C. Tetreau
First Selectman
Sullivan Independence Hall
725 Old Post Road, 2nd Floor
Fairfield, CT 06824

Re: Authority of First Selectman to Enter General Release and Settlement Agreement

Dear First Selectman Tetreau:

You have asked for a written opinion regarding your authority as First Selectman to enter into a General Release and Settlement Agreement (“Agreement”) whereby, among other terms, the Town’s Chief Fiscal Officer (“CFO”) agrees to resign from employment in exchange for certain consideration. As discussed in detail below, it is my opinion that the First Selectman possesses the authority to unilaterally enter into the Agreement. As such, the First Selectman does not need approval from the Board of Selectmen (“BOS”) or the Board of Finance (“BOF”).

The First Selectman Can Enter Into the Agreement

The Charter makes clear that CFO is an appointed position, authorized to be appointed in the sole discretion of the First Selectman. Charter, §§ 1.4 B(1); 6.2 B(1); 9.1; 9.2; 9.5 A. In fact, the First Selectman’s authority to appoint the CFO is stated in the Charter at least four times. *Id.*

Unlike many other appointed positions identified in the Charter, the CFO does not have a specified term of employment and is therefore deemed to be employed indefinitely, subject to resignation or removal for cause. § 1.4 B (1). Section 3.6 of the Charter specifies a removal process and makes clear that the First Selectman, as appointing authority, is also the removal authority relative to the CFO. In fact, any hearing concerning removal of the CFO must take place before the First Selectman. Where the Charter specifies that appointment and removal of the CFO within the discretion of the First Selectman, “strict compliance [with that procedure] is required.” *Bateson v. Weddle*, 306 Conn. 1, *15 (2012).

Further to the authority of the First Selectman concerning employment matters, Charter § 6.2, states, in part, that the First Selectman “shall . . . be the town agent and the chief executive officer of the town [and] direct the administration of all departments and officers.” Similarly, Connecticut General Statute § 7-12, which addresses the duties of selectmen, provides that the selectmen “shall superintend the concerns of the Town” Where a municipality operates via a board of selectmen, Connecticut General Statute § 7-12a specifies, in accordance with the Charter, that “the first selectman . . . shall be the chief executive officer of such town” It is axiomatic that the First Selectman is therefore empowered to set standards in the workplace, including the responsibilities of municipal employees. *See Morris v. Congdon*, 277 Conn. 565 (2005) (addressing authority of the First Selectman concomitant to charter power to manage the concerns of the town, including authority to create or eliminate municipal positions).

Accordingly, the Charter specifies that the First Selectman is both the appointing authority and the removal authority of the CFO. As such, the First Selectman is empowered to act on personnel matters within his discretion as the chief executive officer of the Town. Therefore, it is my opinion that the First Selectman possesses the authority to enter into the Agreement.

BOS Approval is Not Required

Charter § 6, Board of Selectmen and First Selectman, subpart 6.1 C, “General powers and duties,” states that the “executive authority of the Town shall be vested in the Board of Selectmen, except to the extent such authority is expressly granted to the First Selectman in this Charter.” In turn, § 6.1 C (1) states, in part, that:

All contracts to which the Town shall be a party shall be subject to approval of the Board of Selectmen The Selectmen shall have the power to delegate their authority to other Town officers, employees, and bodies where the contract would be for a duration of less than one month and would involve an expenditure by or income to the Town of less than \$10,000. ‘Contracts’ shall mean all contractual relations of the Town, including, without limitation, purchase contracts, lease contracts, and service contracts. The requirement of approval by the Board of Selectmen shall not be construed to eliminate review by other persons or bodies where required by this Charter, by ordinance, or by the General Statutes.

It is my opinion that § 6.1 C (1) is not applicable because the instant matter pertains to the employment terms and resignation of the CFO, a Town officer that is appointed and removed in the sole discretion of the First Selectman. As discussed above, the First Selectman is the “chief executive officer of the Town” and is responsible to “[d]irect the administration of all departments and officers.” The First Selectman is empowered to set workplace standards and govern the terms and conditions of employment, including the terms of the Settlement Agreement, without BOS approval.

Charter § 5.2 states, in part, that “[e]xcept as provided in this Charter or otherwise by law, the compensation of all Town officers shall be fixed by the Board of Selectmen subject to the adoption of the Town budget” Here, there is no change to the compensation for the position of CFO. In addition, any reduction in pay for the Financial Services Manager is not governed by § 5.2 as it is not a “Town officer,” as defined by § 1.3 (B) of the Charter. Further, § 5.2 defers to contrary provisions of the Charter and/or the law (i.e. “except as provided in this Charter or otherwise by law”). As discussed above, the First Selectman possesses considerable authority under both the Charter and the law to act as chief executive officer and to direct the administration of the Town, including as it relates to Town employees. Therefore, it is my opinion that the First Selectman’s overarching authority to direct and govern the workplace falls within the exception identified in § 5.2 and BOS approval is not required in order for the First Selectman to enter into the Agreement. Indeed, inasmuch as the Board of Selectmen does not have jurisdiction over the issue, it does not have the authority to act upon it.

BOF Approval is Not Required

The Charter prohibits expenditures in excess of the amount appropriated for a particular purpose absent prior approval by the Board of Finance (“BOF”). *See also* C.G.S. § 7-348. Specifically, § 12.7 states:

No Town officer, board, commission, authority, committee, or department shall expend any sum for any purpose in excess of the amount appropriated by the Town for such purpose unless such expenditure shall first be approved, and appropriate transfers in the budget made, by the Board of Finance.

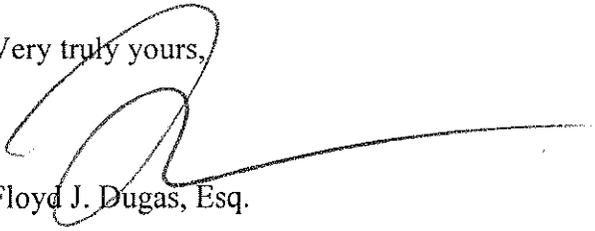
Here, the proposed changes do not result in any expenditure of compensation in excess of the appropriated amounts. Thus, it is my opinion that § 12.7 does not prohibit the First Selectman from entering the Agreement without BOF approval.

Notably, the obligation to pay certain separation benefits is based upon the “Benefit Summary for Non-Union Department Heads and Public Officials.” Our understanding is that this provision is not only in the 2011 version of that document but was in its predecessor as well. Accordingly, this is a pre-existing obligation of the Town which must be honored, and requires no additional approvals. Which account this obligation is paid from is a separate question. Our understanding is that the past practice is such expenditures have been paid out of the contingency account. Under the present circumstances, it is my opinion that the CFO is entitled to this benefit and that it may be paid in accordance with the Agreement without BOF approval.

Michael C. Tetreau, First Selectman
September 13, 2012
Page 4 of 4

Lastly, it is my opinion that BOF approval is not required merely because the Agreement specifies the current CFO's salary on his last day of employment for purpose of calculating his pension benefits. The BOF, under the Charter and the law, has no role in administration or oversight of the Town's pension plan. It is my understanding that this is consistent with the Town's practice, in that the First Selectman has, in previous administrations and as recently as 2009, agreed to individual employee pension increases which were known to the BOF but not approved by the BOF.

Very truly yours,



Floyd J. Dugas, Esq.

BERCHEM, MOSES & DEVLIN, P.C.

ATTORNEYS AND COUNSELORS AT LAW

75 BROAD STREET

MILFORD, CONNECTICUT 06460

TELEPHONE (203) 783-1200

FACSIMILE (203) 878-2235

Town of Fairfield
Attn: Michael Tetreau
Town Hall/Independence Hall
725 Old Post Road
2nd Floor
Fairfield CT 06824

September 18, 2012
Invoice 123582
Page 1

For Services Through August 31, 2012

Our Matter # 31284-0001
General Labor

08/03/12 Interoffice conference re: Charter provision and approvals required; telephone conference with M. Carroll-Mirylees;

08/03/12 Review Charter re: several personnel issues; interoffice conference re: same; analysis re: same;

08/07/12 Telephone conference with S. Lesser, Esq. re: Charter and possible approvals required for Hiller agreement;

08/07/12 Continue research re: personnel issues;

08/08/12 Telephone conference with S. Lesser, Esq.; legal research and analysis re: First Selectman's authority;

08/08/12 Review pension plan; finish research re: several employment issues; interoffice conference re: same;

08/09/12 Attendance at meeting with S. Lesser, Esq.;

08/10/12 Telephone conference re: press release;

08/10/12 Interoffice conference re: authority of First Selectman under the Charter; review of Charter requirement re: several issues concerning same;

08/13/12 Further analysis re: Charter requirements for certain personnel changes, including additional implicated issues;

08/14/12 Attendance at meeting with M. Tetreau, et al.;

08/15/12 Telephone conference re: executive session discussion;

08/17/12 Preparation of press release;

08/20/12 Telephone conference re: press release; review and revision of same;

08/21/12 Telephone conference with S. Lesser, Esq.; conference with M. Tetreau and prepare responses; review of revised press release;

08/22/12 Telephone conference with M. Tetreau; review of revised press release;

Town of Fairfield
Attn: Michael Tetreau
Town Hall/Independence Hall
725 Old Post Road
2nd Floor
Fairfield CT 06824

September 18, 2012
Invoice 123582
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08/28/12 Conference with M. Tetreau and S. Lesser, Esq.;

08/31/12 Discussion with M. Tetreau re: First Selectman's authority; review of statute;
preparation of reply;

08/31/12 Research re: case law interpreting authority of First Selectman;

Total Current Fees for Professional Services \$4,146.50

Totals for This Matter

Payments and Other Credits (0.00)

Current Fees for Professional Services 4,146.50

NET CURRENT BILLING FOR THIS MATTER \$4,146.50

BERCHEM, MOSES & DEVLIN, P.C.

ATTORNEYS AND COUNSELORS AT LAW

75 BROAD STREET

MILFORD, CONNECTICUT 06460

TELEPHONE (203) 783-1200

FACSIMILE (203) 878-2235

Town of Fairfield
Attn: Michael Tetreau
Town Hall/Independence Hall
725 Old Post Road
2nd Floor
Fairfield CT 06824

August 10, 2012
Invoice 123245
Page 1

For Services Through August 2, 2012

Our Matter # 31284-0001
General Labor

05/30/12 Interoffice conference re: strategy concerning employment issue;
06/05/12 Review documentation re: employment issues;
06/06/12 Telephone conference re: employment issues and evidence for hearing concerning same;
07/02/12 Telephone conference re: employment issues;
07/06/12 Conference with M. Tetreau, et al. re: employee matter;
07/06/12 Prepare for meeting re: employee issue; meet with M. Tetreau re: same;
07/10/12 Review additional documentation re: employment issues; interoffice conference re: same;
07/12/12 Telephone conference with M. Tetreau re: notification to employees and press inquiries re: leave of absence;
07/12/12 Various telephone conferences re: employee issue; interoffice conference re: same;
07/16/12 Review with M. Tetreau re: status of discussion with employee;
07/20/12 Telephone conference with M. Tetreau;
07/23/12 Research through Office of Policy and Management re: whether a Town has an obligation to notify the Office when placing a finance director on administrative leave;
07/23/12 Various telephone conferences with M. Tetreau re: next steps;
07/23/12 Interoffice conference re: status of employment issue;
07/24/12 Review of issues re: leave of absence;
07/25/12 Telephone conference with Office of Policy and Management to determine whether a Town has a duty to notify the Department when a Finance Director is placed on administrative leave;

Town of Fairfield
Attn: Michael Tetreau
Town Hall/Independence Hall
725 Old Post Road
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Fairfield CT 06824

August 10, 2012
Invoice 123245
Page 2

07/26/12 Fact gathering conference re: director;
07/26/12 Telephone conference with M. Tetreau re: possible settlement; telephone
conference re: same;
07/26/12 Various telephone conferences with M. Tetreau re: possible settlement;
07/27/12 Additional fact gathering;
07/27/12 Various telephone conferences with M. Tetreau;
07/27/12 Interoffice conference re: support documentation;
07/29/12 Telephone conference with M. Tetreau re: various issues; preparation for meeting
with P. Hiller; attendance at same; preparation of Settlement Agreement;
07/30/12 Preparation of separation agreement re: P. Hiller;
07/31/12 Review of comments to agreement; various correspondence re: same; review and
revision of same; various telephone conferences re: same; various telephone
conferences with M. Tetreau;
08/01/12 Review of FOIA request; discussion with M. Tetreau re: same; telephone
conference re: Agreement;
08/01/12 Telephone conferences re: settlement agreement and press release; interoffice
conference re: same;
08/02/12 Telephone conference with M. Tetreau re: meeting with Board of Selectman;
08/02/12 Telephone conference with S. Lesser, Esq.;
08/02/12 Review Charter re: issues related to employment termination and resignation;

Total Current Fees for Professional Services

\$5,841.50

Totals for This Matter

Payments and Other Credits

(0.00)

Current Fees for Professional Services

5,841.50

NET CURRENT BILLING FOR THIS MATTER

\$5,841.50

Economic Analysis –

The Settlement Agreement with Mr. Hiller was negotiated to allow for the needed changes while minimizing the impact on the current year budget. The salary costs contained in the Agreement are at or below the budgeted amount. We are committed to maintaining or improving the service levels in our Finance Department. All work assignments will be completed on a timely basis.

The Benefits to be paid out for vacation, severance and deferred compensation follow the current Benefit guidelines and are consistent with past practice for the amounts the Town is obligated to pay. The vacation payout will be \$31,046. The Severance payout will be \$33,632. The Deferred Compensation payout will be \$1,000.

Mr. Hiller is vested in both the Pension program and the OPEB (Retiree Medical) program. Both of these programs are existing benefits. Mr. Hiller's salary is to be adjusted on his last day of employment to get him to approx. the level that he would be at if he had stayed the 4 additional years planned. This has no impact on the current year budget and is consistent with past practice in Early Retirement/Separation Agreements. The Present Value calculation of this adjustment is \$52,090.

Tetreau, Mike

From: Carroll-Mirylees, Mary
Sent: Thursday, September 27, 2012 5:01 PM
To: Tetreau, Mike
Cc: Mayer, Robert
Subject: RE: Requests

Mike,

The numbers are:

Vacation: \$31,046.

13 Weeks' Severance: \$33,632.

Normally paid out in the last paycheck which is the week after your last day. I believe that Finance could/should book the expense in this fiscal year '12-'13 as his end date is 6/30/12 unless Paul chooses to leave before that date. We normally cut over to the new fiscal year the last week of June (it has something to do with bi-weekly pay periods) which could push payment into next fiscal year unless we stipulate which year to book the payments in.

I will have Chris verify the numbers from MUNIS in the morning but these numbers are pretty solid.

He receives \$1,000. of deferred comp sometime in December '12; this should be in the budget.

Mary Carroll-Mirylees
Director of Human Resources
Town of Fairfield
725 Old Post Road
Fairfield, CT 06824
(203) 256-3057
mmirylees@town.fairfield.ct.us

From: Tetreau, Mike
Sent: Thursday, September 27, 2012 2:13 PM
To: Carroll-Mirylees, Mary
Cc: Mayer, Robert
Subject: FW: Requests

Mary would you be able to give me the totals for vacation dollar payout, severance payout and confirm the vacation day count for Paul.

Also would you please give me the deferred compensation payout.

I assume all these are paid out on June 30?

Thanks, Mike

PS are there any other payouts?

Mayer, Robert

From: TRyor@hhconsultants.com
Sent: Monday, August 20, 2012 12:16 PM
To: Mayer, Robert
Subject: Pension Present Value Assuming Current Pay with Normative 2% Raises Vs. \$155,600

Bob -

Based on the facts you described (listed below) the present value as of August 2012 of the pension attributable to increase in average pay from current pay with normative 2% raises to the amount shown in the agreement (\$155,600) is **\$52,090**.

Facts:

Gender = Male

Date of Birth = January 1944

Pension Start Date = July 1, 2013

Years of service = 14.5

Benefit multiplier = 2.275%

Pension benefits are assumed to be paid under the terms of the Town of Fairfield Pension Plan

Present value is determined using 7.5% interest and the actuarial assumptions specified in the July 1, 2011 Actuarial Valuation report.

Please let me know if you have any questions or need additional information.

Timothy A. Ryor, FSPA, FCA, MAAA, Senior Vice President & Consulting Actuary
H & H Companies | 65 LaSalle Road | West Hartford, CT 06107
P 860.521.8400 | F 860.521.3742 | tryor@hhconsultants.com | hhconsultants.com

Actuaries and Benefit Consultants | Investment Advisors | Defined Contribution Plan Services

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Benefit Summary for Core Department Heads
Updated February 15, 2005

2/16/05

The following summary outlines the conditions and eligibility for health and welfare benefits, leaves of absence and severance available to Department Heads employed on a regular full-time basis by the Town of Fairfield. These benefits are as approved by the First Selectman.

INSURANCE

Health Insurance

- Eligibility to participate in the Town of Fairfield Active Employee Benefit Plan occurs on your date of hire.
- If you elect to participate in the health insurance plan, your contribution will be a weekly payroll deduction as annually determined. The current rate is ten (\$10.00) dollars.
- You may add your eligible dependents who are under 25 to your plan at no additional cost to you.

Life Insurance

- You are eligible to receive term life insurance coverage calculated at one and one half (1½) times your annual salary to a maximum of \$150,000. In accordance with federal tax rules, the first \$50,000 has no tax liability. Any amount in excess is subject to federal tax which will be deducted from your paycheck. If you do not want to pay the additional federal tax, you may elect to receive the base amount of \$50,000.
- You may also purchase additional term life insurance at the provider's standard rate up to a maximum combined total of \$250,000. Contact Human Resources for more information.
- Upon retirement, if vested, you will receive a continuation of term life insurance coverage in the amount of thirty thousand (\$30,000) dollars.

TIME AWAY FROM WORK

Vacation

- Accrual of vacation time begins on the first day of the month following your date of hire at a rate of one and two thirds (1 2/3) days per month to a maximum of twenty (20) days per year. You may use this time as soon as you have earned it.
- After five (5) years of paid cumulative Town employment, your maximum accrued vacation time increases to twenty three (23) days per year. You will be credited with the additional three days on the next following July 1 and each year thereafter until you have ten years of cumulative service.
- After ten (10) years of paid cumulative Town employment, your maximum accrued vacation time increases to twenty five (25) days per year. You will be credited with the additional five days on the next following July 1 and each year thereafter.
- You may have a maximum of fifty (~~50~~⁷⁰) days vacation to your credit at any time. Should you exceed this limit, you will loose the time. Please note that your monthly crediting of vacation time occurs on the first day of the month.
- Upon separation from Town employment, you will be paid for all unused vacation days to a maximum of fifty (~~50~~⁷⁰) days.

Sick Leave

- Accrual of sick leave begins on the first day of the month following your date of hire at a rate of one sick day for each month of service up to a maximum of twelve (12) days per year. You may use this time as soon as you have earned it.
- After five (5) years of paid cumulative Town service, you automatically become eligible for twenty (20) sick days per year credited monthly which may be used as they are earned. After ten (10) years of paid cumulative Town service, your eligibility for paid sick time increases to thirty (30) days per year credited monthly which may be used as they are earned.

- You may carry over your full allotment of unused sick days into the next year, and bank this time to a maximum accumulation of one hundred and eighty (180) days.
- On July 1st and December 31st of each calendar year provided you have not taken any sick days during the previous six (6) month period, you will receive an attendance award equivalent to one additional days pay. This award may be taken as an additional vacation day or you may be paid. Attendance awards are automatically paid out after four weeks unless you notify Human Resources of your intent to convert the award into a vacation day.
- You will not be compensated for unused sick days upon separation from employment.

Workers Compensation

The Town will provide workers compensation benefits under the Connecticut State Workers' Compensation Act and as further provided for as follows:

- First year of employment: 2 ½ working days at full pay for each month of service
- Year one to year five: 30 working days at full pay
- Year five to year ten: 60 working days at full pay
- Over ten years: 90 working days at full pay

Note: An employee's anniversary date shall determine his/her length of service and eligibility for occupational disability benefits. When eligibility for occupational benefits at full pay is exhausted, payment will continue in accordance with the Connecticut State Compensation Act provisions. A new period of eligibility shall occur when an employee passes their anniversary date provided they are currently receiving full pay.

Personal Leave Days

- When you are initially hired, you will receive a pro-rated number of personal leave days based upon five days per year. You will continue to receive a maximum of five days of personal leave on January 1st of each year thereafter. Personal leave may be used for family emergencies, funerals, religious holidays or other personal needs.
- This time may not be carried over from year to year and has no monetary value upon separation from Town service.
- Additional days may be granted by the First Selectman at his/her discretion upon demonstrated hardship.

Funeral Days

- Four funeral days are available for the death of an immediate family member or someone who is domiciled in your home.

Compensatory Time

- You are not entitled to compensatory time and therefore cannot accrue or use it. This is not to suggest that you do not have some flexibility in your work schedule when you are required to attend a late meeting.

Holidays

- The Town of Fairfield recognizes a total of twelve (12) paid holidays per year as follows: New Year's Day, Martin Luther King Jr. day, Presidents Day, Good Friday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, Friday after Thanksgiving, and Christmas Day.
- Holidays that fall on a Sunday will be observed the following Monday. If a holiday falls on a Saturday the Town will observe the preceding Friday.

Unpaid Time Off

Unpaid leaves of absence generally begin at the conclusion of paid time off. In all cases involving medical issues, an extended leave of absence requires a physician's certification as to the diagnosis, prognosis and expected duration.

Approval must be sought thru Human Resources for all extended medical leaves.

An unpaid leave of absence for non-medical reasons requires the approval of the First Selectman.

Maternity Leave

- A written request for maternity leave must be supported by your physician's certification of your inability to continue work presented to Human Resources.
- Under the provisions of the Family and Medical Leave Act of 1993 (see below) you are eligible for an extended unpaid leave of absence which may be granted due to personal disability or the need for continued child care. Conditions and duration of leave requires the approval of Human Resources.

- Your total time off granted includes a combination of all accumulated paid leave and should not exceed twelve (12) work weeks.
- Return to work requires a two (2) week notice and, when applicable, the written certification of your doctor stating that you are able to resume your normal duties.

Family and Medical Leave

The Family and Medical Leave Act of 1993 provides entitlement of up to twelve (12) work weeks of unpaid leave with job protection during a twelve month period for the following reasons: birth and care of your child, or placement for adoption or foster care of a child with you; care of your immediate family member who has a serious health condition; or care of your own serious health condition. Contact Human Resources for more information.

① **COMPENSATION**

Salary

- Annual salary increases are determined by the First Selectman.

Deferred Compensation Plan

- The Town will match your contribution into a deferred compensation plan on a two dollar employee contribution for every one dollar Town contribution to a maximum of a \$1,000 Town contribution.
- You may elect to defer an additional portion of your pre-tax dollars as allowable under federal law.
- Participation in either program is handled as a payroll deduction thru a town qualified plan.

Longevity

- ^{30%} 2% increase for those with five (5) or more years of paid employment effective 1/1/05.
 - ^{30%} 4% increase for those with ten (10) or more years of paid employment effective 9/1/06.
 - ^{30%} 6% increase for those with fifteen (15) or more years of paid employment effective 7/1/07.
- Salary

SEPARATION FROM TOWN EMPLOYMENT

Retirement

- Upon employment you are automatically enrolled in the Town Employees Retirement Plan.
- Your contribution to the plan is ^{20%} 2.5% annually and is deducted from your gross salary on a pre-tax basis in accordance with the 414(h)(2) provisions of the Internal Revenue Code.

Separation Benefits

- In the event of a permanent termination from the payroll, you will be eligible to receive one weeks pay for each full year of service, up to a maximum of thirteen (13) weeks pay. Partial years will be pro-rated accordingly. Calculation of severance will be at your regular base salary, excluding any additional compensation. Eligibility for severance compensation occurs in the case of dismissal for reasons other than cause, or for resignation by request when the circumstances are such that severance would have been due had you been dismissed instead.
- Should you separate from the Town prior to being fully vested (ten years paid employment), all your pension contributions will be returned to you.

Medical Insurance

- Should you receive a normal retirement from the Town, you and your spouse are covered for life regardless of whether you predecease your spouse. This reflects the existing policy governing all Town employees.
- Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), should you leave Town service, you may be entitled to continued medical coverage at your expense.

7/23/04
HOF

Benefit Summary for Department Heads June 2004

The following summary outlines the conditions and eligibility for health and welfare benefits, leaves of absence and severance available to Department Heads employed on a regular full-time basis by the Town of Fairfield. These benefits are as approved by the First Selectman.

INSURANCE

Health Insurance

- Eligibility to participate in the Town of Fairfield Active Employee Benefit Plan occurs on your date of hire.
- If you elect to participate in the health insurance plan, your contribution will be a weekly payroll deduction as annually determined. As of July 1, 2004 the rate will be ten (\$10.00) dollars.
- You may add your eligible dependents who are under 25 to your plan at no additional cost to you.

Life Insurance

- You are eligible to receive term life insurance coverage calculated at one and one half (1½) times your annual salary to a maximum of \$150,000. In accordance with federal tax rules, the first \$50,000 has no tax liability. Any amount in excess is subject to federal tax which will be deducted from your paycheck. If you do not want to pay the additional federal tax, you may elect to receive the base amount of \$50,000.
- You may also purchase additional term life insurance at the provider's standard rate up to a maximum combined total of \$250,000. Contact Human Resources for more information.
- Upon retirement, if vested, you will receive a continuation of term life insurance coverage in the amount of thirty thousand (\$30,000) dollars.

TIME AWAY FROM WORK

Vacation

- Accrual of vacation time begins on the first day of the month following your date of hire at a rate of one and two thirds (1 2/3) days per month to a maximum of twenty (20) days per year. You may use this time as soon as you have earned it.
- After five (5) years of paid cumulative Town employment, your maximum accrued vacation time increases to twenty three (23) days per year. You will be credited with the additional three days on the next following July 1 and each year thereafter until you have ten years of cumulative service.
- After ten (10) years of paid cumulative Town employment, your maximum accrued vacation time increases to twenty five (25) days per year. You will be credited with the additional five days on the next following July 1 and each year thereafter.
- You may have a maximum of fifty (50) days vacation to your credit at any time. Should you exceed this limit, you will lose the time. Please note that your monthly crediting of vacation time occurs on the first day of the month.
- Upon separation from Town employment, you will be paid for all unused vacation days to a maximum of fifty (50) days.

Sick Leave

- Accrual of sick leave begins on the first day of the month following your date of hire at a rate of one sick day for each month of service up to a maximum of twelve (12) days per year. You may use this time as soon as you have earned it.
- After five (5) years of paid cumulative Town service, you automatically become eligible for fifteen (15) sick days per year earned at 1¼ days per month. After ten (10) years of paid cumulative Town service, your eligibility for paid sick time increases to eighteen (18) days earned at 1½ days per month.
- You may carry over your full allotment of unused sick days into the next year, and bank this time to a maximum accumulation of one hundred and eighty (180) days.
- On July 1st and December 31st of each calendar year provided you have not taken any sick days during the previous six (6) month period, you will receive an attendance award equivalent to one additional days pay. This award may be taken as an additional vacation day or you may be paid. Attendance awards are automatically paid out after four weeks unless you notify Human Resources of your intent to convert the award into a vacation day.
- You will not be compensated for unused sick days upon separation from employment.

Personal Leave Days

- When you are initially hired, you will receive a pro-rated number of personal leave days based upon five days per year. You will continue to receive a maximum of five days of personal leave on January 1st. of each year thereafter. Personal leave may be used for family emergencies, funerals, religious holidays or other personal needs.
- On January 1st. of the year in which you will have five years of paid cumulative Town service, you will receive five (5) personal leave days.
- This time may not be carried over from year to year and has no monetary value upon separation from Town service.
- Additional days may be granted by the First Selectman at his/her discretion upon demonstrated hardship.

Funeral Days

- Three funeral days are available for the death of an immediate family member or someone who is domiciled in your home.

Compensatory Time

- You are not entitled to compensatory time and therefore cannot accrue or use it. This is not to suggest that you do not have some flexibility in your work schedule when you are required to attend a late meeting.

Holidays

- The Town of Fairfield recognizes a total of twelve (12) paid holidays per year as follows: New Year's Day, Martin Luther King Jr. day, Presidents Day, Good Friday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, Friday after Thanksgiving, and Christmas Day.
- Holidays that fall on a Sunday will be observed the following Monday. If a holiday falls on a Saturday the Town will observe the preceding Friday.

Unpaid Time Off

Unpaid leaves of absence generally begin at the conclusion of paid time off. In all cases involving medical issues, an extended leave of absence requires a physician's certification as to the diagnosis, prognosis and expected duration. Approval must be sought thru Human Resources for all extended medical leaves.

An unpaid leave of absence for non-medical reasons requires the approval of the First Selectman.

Maternity Leave

- A written request for maternity leave must be supported by your physician's certification of your inability to continue work presented to Human Resources.
- Under the provisions of the Family and Medical Leave Act of 1993 (see below) you are eligible for an extended unpaid leave of absence which may be granted due to personal disability or the need for continued child care. Conditions and duration of leave requires the approval of Human Resources.
- Your total time off granted includes a combination of all accumulated paid leave and should not exceed twelve (12) work weeks.
- Return to work requires a two (2) week notice and, when applicable, the written certification of your doctor stating that you are able to resume your normal duties.

Family and Medical Leave

The Family and Medical Leave Act of 1993 provides entitlement of up to twelve (12) work weeks of unpaid leave with job protection during a twelve month period for the following reasons: birth and care of your child, or placement for adoption or foster care of a child with you; care of your immediate family member who has a serious health condition; or care of your own serious health condition. Contact Human Resources for more information.

COMPENSATION

Salary

- Annual salary increases are determined by the First Selectman.

Deferred Compensation Plan

- The Town will match your contribution into a deferred compensation plan on a two dollar employee contribution for every one dollar Town contribution to a maximum of a \$1,000 Town contribution.
- You may elect to defer an additional portion of your pre-tax dollars as allowable under federal law.
- Participation in either program is handled as a payroll deduction thru a town qualified plan.

SEPARATION FROM TOWN EMPLOYMENT

Retirement

- Upon employment you are automatically enrolled in the Town Employees Retirement Plan.
- The rate of contribution to the plan is 3.3 percent of your basic annual salary including longevity pay. After ten years of paid cumulative Town service, your rate of contribution will be 2.8%. After twenty years of paid cumulative Town service, your rate of contribution will be 2.5%.

Severance Pay

- In the event of a permanent involuntary termination from the payroll, you will be eligible to receive one weeks pay for each full year of service, up to a maximum of thirteen (13) weeks pay. Partial years will be pro-rated accordingly. Calculation of severance will be at your regular base salary, excluding any additional compensation.
- Eligibility for severance compensation occurs in the case of dismissal for reasons other than cause, or for resignation by request when the circumstances are such that severance would have been due had you been dismissed instead.

Medical Insurance

- Should you receive a normal retirement from the Town, you and your spouse are covered for life regardless of whether you predecease your spouse. This reflects the existing policy governing all Town employees.
- Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), should you leave Town service, you may be entitled to continued medical coverage at your expense for eighteen months.



Town of Fairfield

Office of the First Selectman
Fairfield, Connecticut 06824

Kenneth A. Flatto
First Selectman

Sullivan Independence Hall
725 Old Post Road

To: Mary Carroll Mirylees
Human Resources Director

From: Kenneth A. Flatto
First Selectman 

Date: December 10, 2007.

I am pleased that a careful review of department managerial salaries for department heads and exempt officials shows that such salaries are now very fair and equitable when compared to every standard. The longevity step payments that department heads have received over the past two years have provided a justified, reasonable adjustment to pay. Department heads have received compensation adjustments well beyond the rate of increase for most employees to resolve past inequities.

After many discussions and serious reflection, I will implement the final adjustments as promised a year ago: a 1% increase for the five-year longevity step afforded to such department heads who have completed five years of service effective on their next anniversary date subsequent to January 1, 2008; and a 1% adjustment to such department heads who have completed ten years of service also effective on their next anniversary date subsequent to January 1, 2008. I have learned that the previously paid longevity was incorporated into base pay and thus earned a compounding effect. Therefore, I am making a timing adjustment to the third longevity step adjustment that I promised. I am adjusting the implementation date of the last 1% longevity step to those department heads who have completed 15 years of service. This increase will become effective on January 1, 2009.

I know that these supplemental benefits and other non-salary compensation since 2004 for department heads are appreciated. To keep all applicable exempt personnel and department heads commensurate with regional levels, I will also budget a 3.1% allocation for department heads and exempt employees for the 2008-09 fiscal year. I will determine each individual's actual specific 08/09 increase relative to this allocation later this spring after reviewing with each manager their annual goals and results. By June 1, 2008, all individual decisions relative to each manager's July 1, 2008 increase will be furnished by Human Resources.

Thank you.

cc: Paul Hiller, Fiscal Officer
Linda Gardiner, Budget Director

TO: All Department Heads

FROM: Donald W. Agard, Director of Human Resources 

SUBJECT: Town of Fairfield Vacation Policy for Non-Union Department Heads

DATE: February 7, 1995

As a direct result of the recent Compensation Task Force study the First Selectman has authorized a change in the vacation policy for Non-Union Department Heads effective in Fiscal Year 1994 - 95.

Policy

Department Head employees, not covered by a collective bargaining agreement, shall receive four (4) weeks of paid vacation after one (1) full year of service. The qualifying date for determining earned vacation for the first year shall be the anniversary date for the first year of employment. Thereafter, the eligibility date for future vacation eligibility shall be June thirtieth (30th) of the preceding year.

Department Heads shall be free to choose the time of their vacation subject to the approval of the First Selectman. Vacations should be taken during the fiscal year when the Department Head becomes entitled to the vacation. Any accumulated unused vacation must be approved in advance by the First Selectman for one year only and may be used the following fiscal year.

Department Heads who voluntarily terminate their services with the Town shall receive vacation accrual equal to 1/12th of their vacation for each full month of service since the previous July first in addition to any accumulated unused vacation earned in the previous fiscal year. Vacation accrual will also be paid to department heads who retire, die or are discharged.

If a holiday falls during a Department Head's vacation, the holiday will not be charged as a vacation day.

cc: Paul Audley

DWA:cm

Dept head and exempt personnel benefits situation

Health insurance: department heads and exempt employees are able to select among any plan offered to union employees

Life Insurance: the current policy was revised in 2003 as follows: the town provides a term life insurance policy for active department heads at a level of 1 and ½ times salary, capped at a maximum of \$150,000 in coverage, which is in the range with other communities and which reflects current standards. Other exempt personnel follow the mid-management contract terms for term life insurance. For department heads who vest and retire, upon retirement, such persons receive a continuation of term life insurance coverage at a \$30,000 level. Such individuals may have the option to purchase at the rate charged by such insurance company up to an additional \$120,000 of term coverage.

Vacation: Department heads and exempt personnel earn 20 days of vacation per year upon hire. After five years of cumulative service, such vacation days per year shall become 22.5 days per year. After 10 years of service, such vacation shall become 25 days per year. Vacation accrual carryovers to be banked may be accumulated up to 10 days after the first year of service, and an additional 5 days per year may be banked up to a maximum carryover of 30 vacation days after any year of service. Department heads and exempt personnel earn vacation based upon years of service and a new clearer policy shall be written by the Personnel Director to reflect this policy and reflect termination pay which may be up to 13 weeks of pay based upon years of service.

Sick Leave: Department heads and exempt personnel earn and receive one sick day per month of service and sick days may be banked up to the best terms contained in various collective bargaining contracts. Sick days may not be paid out upon termination, however each year, individuals who go without taking any sick days during any six month period are entitled to the option of receiving one day of additional pay per six month period or one additional vacation day per six month period upon notification to Personnel.

457 Plan: The town shall offer a 457 plan effective 2004 which shall allow such employees to contribute up to 5 % of salary. Any employee who contributes at least 2 % of salary shall have a \$1000 match from the town paid toward such a plan.

Salary: Determined annually by the First Selectman

Pension; The contribution remains at 3.3 % at the current time

Tetreau, Mike

From: Carroll-Mirylees, Mary
Sent: Thursday, September 27, 2012 2:26 PM
To: Tetreau, Mike
Subject: FW: Due Process for Employee Termination

There are a number of factors that enter into a decision to offer a separation package and it would largely depend upon the circumstances. They include the position involved, length of service, the circumstances which led to termination, legal risk, etc. I typically consult with legal counsel, the department head and the First Selectman as necessary. We do not make agreements that violate pension plans, union contracts or the Town Charter. The circumstances vary from case to case and there is no one defined methodology that is correct which is why it is difficult to answer your question more definitively.

Mary Carroll-Mirylees
Director of Human Resources
Town of Fairfield
725 Old Post Road
Fairfield, CT 06824
(203) 256-3057
mmirylees@town.fairfield.ct.us

From: Tetreau, Mike
Sent: Wednesday, September 26, 2012 3:38 PM
To: Carroll-Mirylees, Mary
Subject: Due Process for Employee Termination

Do we have a document or procedure for employee termination other than the Charter and Union Contracts?

Michael Tetreau
First Selectman
Town of Fairfield
725 Old Post Road
Fairfield, CT 06824

203-256-3030

Fairfield Restaurant Week is October 14-20: www.fairfieldct.org/restaurantweek