

**EMPLOYMENT AGREEMENT  
BETWEEN  
TOWN OF READING  
AND  
MATTHEW KRAUNELIS  
FOR SERVICES AS  
TOWN MANAGER**

THIS AGREEMENT, entered into by and between the Town of Reading, a municipal corporation having a principal place of business at Town Hall, 16 Lowell Street, Reading, Massachusetts, 01867, hereinafter called the "Town," acting by and through its Select Board, hereinafter called "Board", and Matthew Kraunelis, hereinafter called "Town Manager", sets forth as follows:

**WITNESSETH**

WHEREAS, the Town and Matthew Kraunelis executed an Agreement for Temporary Employment as Acting Town Manager by and between the Town of Reading and Matthew Kraunelis on December 12, 2023 (the "Acting Town Manager Contract");

WHEREAS, the Town now desires to retain the services of said Matthew Kraunelis, as Town Manager of the Town of Reading,

WHEREAS, the Board, under Chapter 41, Section 108N of the General Laws, may contract with the Town Manager for such services;

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

**Section I, Functions and Duties of the Town Manager.**

Matthew Kraunelis shall assume and perform the duties of the Town Manager as defined in Town of Reading Home Rule Charter Article 5.

**Section II, Prior Agreements and Term of Contract.**

The Town and the Town Manager agree that as of 11:59 P.M. on March 12, 2024, the Acting Town Manager Contract is rescinded. This Agreement shall become effective March 13, 2024 at 12:00 A.M ("Effective Date") and shall be in full force and effect until June 11, 2025.

### **Section III, Termination and Severance Pay.**

- A. If the Select Board wishes to terminate the services of the Town Manager prior to the expiration of this Agreement, the provisions of the Town of Reading Home Rule Charter, Section 5.5, shall be used.

In the event the Town Manager is terminated by the Town without cause prior to the expiration of the term of this Agreement, the Town agrees that it shall pay to the Town Manager a lump sum cash payment equal to three (3) months' salary, which amount shall be paid to the Town Manager at the next regular pay period after the effective date of termination of his employment. This benefit shall not be available if the Town Manager is terminated for negligence, malfeasance, or gross misconduct in office or for a reason that significantly interferes with the effective administration of his duties as Town Manager.

- B. In the event the Town Manager voluntarily terminates his position with the Town before the expiration of the term of this Agreement, the Town Manager shall give the Town three (3) months' written notice in advance. A copy of the resignation shall be filed with the Town Clerk.
- C. All benefits expire as of the last day of employment with the Town. The Town Manager will be eligible for a continuation of health benefits (COBRA) as required by law.

### **Section IV, Salary.**

- A. The Town Manager is a salaried officer of the Town. From the Effective Date and continuing until June 11, 2025, the Town shall pay the Town Manager for services rendered under this Agreement, \$210,000.00. For purposes of calculation, paid time off and other benefits are based on a forty (40) hour week.

The payment shall be subject to applicable withholdings and deductions, payable in installments on the same schedule as other non-union employees of the Town are paid.

- B. The salary set forth is conditioned upon and subject to adequate appropriation by Town Meeting.

### **Section V, Town Manager Evaluation.**

- A. Within one month of the close of the 2024 Annual Town Meeting, the Select Board and the Town Manager will establish entry plan goals and objectives, in addition to those specified in Section V.E, to support onboarding of the Town Manager, operations of the Town, and policy needs.

- B. Within 90 days of the close of Town Meeting, the Town Manager and the Select Board agree to meet to review the onboarding process and experience and to discuss priorities and any resources needed to facilitate full immersion into the position of Town Manager.
- C. The Board shall review and evaluate the Town Manager no later than January 8, 2025. This review and evaluation shall include a "360 degree assessment" with solicited subjective feedback from the Superintendent of Schools, the Library Director, and at least five direct reports to be designated by the Select Board, at least three of whom are Department Heads. The Select Board members shall also submit evaluations, which evaluations may include comments from members of the public as outlined in Section V.D. Completed evaluation forms shall be submitted to a staff member, designated by the Select Board, or, if approved by the Select Board, to the Chair, and compiled into a composite evaluation. The composite evaluation shall be subject to the provisions of the Public Records Act. The Town Manager shall have an opportunity to discuss the composite evaluation and the results of the assessment with the Select Board. The Town Manager shall provide a written self-assessment as part of this process.
- D. Select Board members may individually elect to solicit feedback from members of the Killam School Building Committee and any committee tasked with bringing the Senior Center Project forward. Select Board members may use the feedback collected to inform their evaluations of the Town Manager.
- E. In addition to any goals and objectives established pursuant to Section V.A, the Town Manager shall function as either the lead or a lead, or otherwise actively assist, in the following projects during the term of this Contract:
1. Town side of the Killam School Project and the lead to MSBA;
  2. Senior Center/Community Center—Town Lead (parallel role to that of the School Superintendent in leading the new school effort, in partnership with Select Board and community leaders);
  3. Upon Select Board creation of a Community Preservation Act study committee, Community Preservation Act education process and presentation to community in time for Special Town Meeting and November ballot;
  4. Green Communities development of reapplication and subsequent grant application activities upon State approval;
  5. Support for MBTA Communities program, approval, and eventually implementation on approval;
  6. Management of new and existing projects; and
  7. Selection of strong employees for Town Manager appointed positions, including a search that involves both external and internal candidates.

The Select Board acknowledges that, to the degree that the foregoing goals and objectives require Town Meeting or ballot approval, the Town Manager shall not be accountable for voter non-approval.

**Section VI, Hours of Work.**

- A. The Town Manager will devote full-time and attention to the business of the Town and will not engage in any other business or occupation, except with the written approval of the Board. It is understood that the Town Manager shall regularly participate in all Select Board meetings and other meetings where his attendance would be beneficial to the orderly conduct of the Town's business and operations. The Town Manager shall attend all Town Meetings.
- B. Except as expressly authorized in the Charter, the Town Manager shall not hold any other public elective or appointive office in the Town; provided, however, that, with the approval of the Board, the Town Manager may serve as the Town's representative to regional boards, commissions, or similar entities, but shall not receive any additional salary from the Town for such services.
- C. It is recognized that the Town Manager must devote a great deal of time outside of normal office hours to the business of the Town, and that, as a result, the Town Manager may adjust his normal office hours accordingly as he deems appropriate.

**Section VII, Health Insurance, Vacation, Holidays, Sick Leave, Funeral Leave, Jury Duty and Disability Insurance.**

- A. The Town shall provide the Town Manager a health insurance policy identical to other Town employees. The Town's contribution toward such health insurance policy shall be the same as that made to other non-union Town employees in a similar plan.
- B. The Town will provide to the Town Manager the same disability and life insurance policies as it does to other non-union Town employees.
- C. As a prior employee of the Town, the Town Manager shall be permitted to carry over accrued and unused vacation time from calendar year 2023. The Town Manager shall be permitted to use this accrued and unused vacation time in accordance with the Town's personnel policies. The Town Manager shall be permitted to carry over any accrued but unused sick leave from his prior service to the Town. Use of sick leave shall follow the Town's personnel policy. The Town shall not pay the Town Manager for any accrued but unused sick leave at the end of his employment, in accordance with the personnel policy.
- D. The Town shall provide the Town Manager with sixteen (16) days of vacation time per calendar year. For calendar year 2025, he shall be permitted to carry

over accrued and unused vacation time in accordance with the personnel policies. The Town Manager shall also be provided with sick leave, holiday leave, floating holiday leave, bereavement leave and jury duty in accordance with the Town's personnel policies and procedures which apply to other non-union employees. The Town Manager should notify the Select Board as soon as possible if he plans to take more than one consecutive day of vacation, sick leave, holiday leave, floating holiday leave, or bereavement leave and prior to any scheduled jury duty.

- E. If the Town Manager chooses to attend the International City/County Management Association's (I.C.M.A.) Annual Conference or other professional conferences, or enrolls in the Massachusetts Municipal Association-Suffolk Municipal Finance Management Seminar or equivalent course, as outlined in Section VIII.D, time spent at such conferences or program shall not be deducted from his vacation leave and shall be considered as compensated leave for professional development. The Town Manager shall notify the Chair of the Select Board of his planned absence immediately upon registering for the conference or enrolling in said course.

#### **Section VIII, Professional Development**

- A. The Town Manager shall at all times be a member in good standing of the I.C.M.A. The Town agrees to budget and pay all professional dues and subscriptions for the Town Manager necessary for membership in the I.C.M.A. and the Massachusetts Municipal Management Association, and, with the approval of the Select Board, any other professional organizations deemed necessary and desirable for his continued professional participation, growth, and advancement for the good of the Town.
- B. The Town agrees to pay for the registration and reasonable travel and subsistence expenses of the Town Manager for short courses, institutes and seminars that are necessary for his professional development, subject to availability of funds within the budget, provided, however, that Select Board approval shall be required for attendance at any course, institutes or seminars that cost \$1,500 or greater.
- C. The Town shall pay the Town Manager's registration fees(s) and reasonable travel and subsistence expenses to and from the I.C.M.A. Annual Conference, Massachusetts Municipal Association Annual Conference, and the Massachusetts Municipal Management Association's Annual Spring Conference.
- D. The Town Manager shall enroll in the Massachusetts Municipal Association-Suffolk Municipal Finance Management Seminar (October 18-November 15, 2024) or equivalent municipal finance program approved by the Select Board. The Town agrees to pay up to \$875 towards the Town Manager's enrollment in



said Seminar or course. The Town Manager is also encouraged to actively participate in the Massachusetts Municipal Management Association and utilize outside resources, as necessary, to support his professional growth and development.

#### **Section IX, Indemnification.**

Subject to the provisions of M.G.L. c.258, §13 and all other applicable law, the Town shall defend, save harmless, and indemnify the Town Manager 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 his duties as Town Manager, even if said claim has been made following his termination from employment, provided that the Town Manager acted within the scope of his duties. Subject to the provisions of said statute, the Town shall pay the amount of any settlement or judgment rendered thereon. The Town may compromise and settle any such claim or suit and will pay the amount of any settlement or judgment rendered thereon without recourse to the Town Manager.

The Town shall reimburse the Town Manager for any reasonable attorneys' fees and costs incurred by the Town Manager in connection with such claims or suits involving the Town Manager in his professional capacity, provided that the Select Board agrees to the chosen attorney and representation for the Town Manager is not available from the Town's insurer.

This section shall survive the termination of this Agreement.

#### **Section X, Renewal of Town Manager**

The Board shall inform the Town Manager by January 15, 2025 whether it intends to renew the contract with the Town Manager. If the Board decides to renew, the Board and the Town Manager shall negotiate in good faith in sufficient time so as to be in a position to agree upon and execute a new contract at least two (2) month in advance of the expiration of this Agreement. The terms of this Agreement cannot be extended beyond the termination date set forth in Section III unless there is a writing signed by both parties to do so. Nothing in this Section shall preclude the Board and the Town Manager from mutually agreeing to enter into negotiations for a successor agreement earlier than outlined in this Section.

#### **Section XI, Other Terms and Conditions of Employment.**

- A. All provisions of law of the Commonwealth of Massachusetts relating to retirement, health insurance and other fringe benefits shall apply to the Town Manager as they generally apply to other employees of the Town, in addition to said benefits enumerated herein specifically for the benefit of the Town Manager, except as otherwise provided in this Agreement.

B. All other general provisions of the Town's Bylaws or Personnel Rules and Regulations relating to fringe benefits shall also apply to the Town Manager as they apply to other employees of the Town, in addition to the benefits enumerated specifically for the benefit of the Town Manager, except as otherwise provided in this Agreement.

C. This Agreement shall prevail over any conflicting personnel provisions of the Town Bylaws or Rules and Regulations.

**Section XII, No Reduction in Benefits.**

The Town shall not at any time during the term of the Agreement reduce the salary, compensation or other benefits of the Town Manager, except to the degree such a reduction is across the board for all other non-union employees of the Town.

**Section XIII, Notices.**

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

1. TOWN: Select Board  
16 Lowell Street  
Reading, MA 01867
2. TOWN MANAGER: Matthew Kraunelis

Alternatively, notices required pursuant to this Agreement may be personally served. Notice shall be deemed as 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 XIV, General Provisions.**

- A. The text herein shall constitute the entire Agreement between the parties.
- B. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of the Town Manager.
- C. If any provision, or any portion thereof, contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed severable, shall not be affected, and shall remain in full force and effect.


- D. For the purposes of federal Fair Labor Standards Act and the Massachusetts Wage and Hour Law, the Town Manager is designated as an "exempt employee."
- E. This Agreement may be amended at any time by written amendment executed by both parties.
- F. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts.

IN WITNESS WHEREOF, the Town of Reading, Massachusetts, has caused this Agreement to be signed and executed in its behalf by its Select Board and duly attested by its Town Clerk, and the Town Manager has signed and executed this Agreement, both in duplicate.

TOWN OF READING  
Acting by and through  
Its Select Board



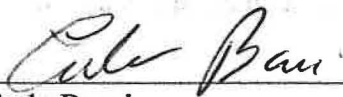
Mark L. Dockser



Karen Herrick



Christopher Haley



Carlo Bacci

TOWN MANAGER



Matthew Kraunelis

DATE: March 12, 2024