

North Carolina
Onslow County

EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") is made this 16th day of March, 2020, by and between ONSLOW COUNTY, a political subdivision of the State of North Carolina (hereinafter the "County"), as employer and SHARON S. RUSSELL, (hereinafter "Employee").

WITNESSETH

THAT WHEREAS, County has adopted the county manager plan of government, pursuant to North Carolina General Statutes § 153A-81(1); and

WHEREAS, the County of Onslow by and through its Board of Commissioners (hereinafter the "County"), together with Employee, enter into this Agreement, under the terms of which Employee agrees to serve as County Manager for the County at the pleasure of the Board and with the County having made this decision based solely on the executive and administrative qualifications of Employee, as required by North Carolina General Statute § 153-81(1); and

WHEREAS, it is the desire of the Board to: (1) secure and retain the services of Employee and to provide inducement from her to continue to remain in such employment; (2) to make possible full work productivity by assuring Employee's morale and peace of mind with respect to future security; (3) to act as a deterrent against malfeasance or dishonesty for personal gain on the part of the Employee; and (4) to provide a just means for terminating Employee's services when the Board may otherwise desire to terminate her employ as provided in this Agreement; and

WHEREAS, Employee desires to be employed as the County Manager of Onslow County;

NOW THEREFORE BE IT RESOLVED, in consideration of the mutual covenants, promises and agreements contained herein, together with other good and valuable consideration; receipt of which is hereby acknowledged, County and Employee do now agree as follows:

Section 1. Duties and Authority

County agrees and hereby employs Employee as county manager of Onslow County government, to perform the functions and duties of county manager as prescribed by the Board, the North Carolina General Statutes, and applicable state and federal law, rules and regulations. Employee hereby agrees to serve as county manager as a full-time employee of the County and to exercise those powers and perform those duties set forth in North Carolina General Statutes § 153A-82.

Section 2. Term

- A. Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of the County, at its will and without cause, to terminate the services of Employee at any time, subject only to those provisions contained in Section 9 herein.
- B. Nothing in this Agreement shall prevent, limit, or otherwise interfere with Employee's right to resign at any time from her position as county manager, subject only to the provisions hereinafter set out in Section 9.
- C. This Agreement shall commence on or about the 16th day of March 2020, be continuing in nature and shall remain in full force and effect until terminated as hereinafter provided.

Section 3. Compensation

The County agrees to pay Employee for her services rendered pursuant hereto an annual base salary of \$195,000.00 as stated herein payable in installments at the same time as other county employees. Except as otherwise provided herein, Employee shall receive all other fringe benefits to the same extent as other county employees.

Annual Salary

- (1) Employee shall continue at the annual salary stated in paragraph A above, with no COLA or merit increase during July 1, 2020 through June 30, 2021. It is acknowledged by the parties to this Agreement that this Agreement is executed in lieu of any pay increase that the Employee would otherwise receive during this time period. From July 1st, 2021, and thereafter; Employee shall automatically receive the same annual cost of living allowance (COLA) approved by the Board of County Commissioners for all other county employees; such COLA to be paid automatically on July 1st of each year without further action of the Board. On or before the 30th of June of each year, the Board shall decide the amount of the Employee's merit/performance increase, if any, as part of its annual review of the Employee's performance evaluation.

Section 4. Hours of Work

- A. As an exempt employee under the Fair Labor Standards Act, Employee shall not receive overtime or compensatory pay for hours worked during the term of this Agreement. It is recognized however that Employee must devote a great deal of time outside normal business hours to business of the County, and to that end, Employee

shall be allowed to take compensatory time off as she shall deem appropriate during said normal office hours; provided that such compensatory time does not interfere with her duties as county manager. Compensatory time off in excess of three hours in a single day shall be coordinated with the Chairman of the Board of Commissioners.

- B. The Employee agrees that she will devote all of her full working time to the performance of her duties required hereunder, and Employee therefore agrees not to engage in any other employment. This provision shall not include occasional teaching, writing or consulting on Employee's time off to the extent that such does not conflict or interfere with Employee's duties hereunder.

Section 5. Automobile Allowance

The Board recognizes that Employee's duties require that she shall have and operate a vehicle performing the duties required pursuant to this Agreement. The County agrees to pay Employee a vehicle allowance of \$500.00 per month for use of her personal vehicle on county business within the County. Business conducted by Employee on behalf of the County outside of Onslow County shall be reimbursed in accordance with county travel policies.

Section 6. Professional and Civic Development

- A. The County agrees to budget and pay for the professional dues and subscriptions of Employee necessary for her continuation and full participation in appropriate national, regional, state and local associations and organizations that the County deems are necessary and desirable for Employee's continued professional participation, growth and advancement and for the good of the County.
- B. The County agrees to budget and pay for reasonable travel and subsistence expenses of Employee for courses, institutes and seminars that the County deems are necessary for Employee's professional development and for the good of the County. Employee shall maintain and submit appropriate documentation for all such expenses in accordance with the provisions of the Onslow County Personnel Policy.

Section 7. Vacation, Leave and Supplemental Retirement

- A. From the date identified in Section 2.C. above, and continuing, Employee shall, like other county employees, have credited to her personal account, vacation, compensatory and sick leave. For purposes of vacation and sick leave accrual, Employee shall be considered a regular full-time employee with eight years of service as of the date identified in Section 2.C. above. From that point, vacation accrual rate shall be in accordance with the Onslow County Personnel Policy. All accrued vacation leave in excess of two hundred and forty hours on July 1st of each year shall be credited to sick leave on an hour for hour basis. Compensatory time accrual rate shall accrue up to a maximum of eighty hours. Any accumulated compensatory time balances will be

reduced to "zero" at the end of each calendar year without payment. Sick leave benefits are granted to the Employee in accordance with the duly adopted sick leave policy within the Onslow County Personnel Policy.

- B. The parties acknowledge that Employee is or may become vested in the North Carolina State Retirement System. If applicable, Employee may transfer vacation, sick leave or other retirement credits to the county or the county's local government retirement system or, at her sole discretion, retain such credits in the state system. Upon separation from employment for any reason, the County will maintain Employee's accumulated sick leave balance for a period of five years from date of separation for purposes of transfer to another unit of government and shall honor such transfer of the full balance of sick leave from Onslow County to the Employee's new employer or to the Employee's retirement system if applicable.

Section 8. Insurance

- A. County agrees to enroll and maintain Employee and Employee's family in the County's health/hospitalization insurance program and to pay Employee's and Employee's family premiums for such program.
- B. In addition to that required under State and local law, County shall provide for the defense of Employee against tort, professional liability claim or demand of other legal action, whether groundless or otherwise, arising out of an illegal act or omission occurring in the performance of Employee's duties as county manager. The County shall compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered thereon. The County shall insure Employee under its General and Professional Liability policies.
- C. The County shall bear the full cost of any fidelity or other bonds required by Employee under any law or ordinance.

Section 9. Termination of Employment

- A. In the event Employee is not terminated for cause as defined herein, Employee shall, if terminated by the County without cause, receive payment of six month's salary ("severance pay") and all accumulated vacation leave. No other benefits shall be paid. Such payment for severance pay and accumulated vacation leave shall be made in equal consecutive monthly installments commencing thirty days after employment termination. County shall also pay Employee and her dependent's medical premiums under the County's health care or other policy at benefit levels substantially equal to health coverage at time of separation, for a period of seven months from the date of termination. No other benefits shall be paid. During such time as payments are being made in accordance with this Section 9.A Employee shall, at the request of the County, make herself available telephonically from time to time (not to exceed 40 hours per

week), and at no additional cost to the County, to assist County with matters related to the business of the County.

- B. In the event Employee is terminated for cause, then, in that event, County shall have no obligation to pay Employee severance pay or provide other benefits as identified in Section 9.A. Termination for cause shall include: (1) conviction of any illegal act involving personal integrity or gain to her or involving moral turpitude; (2) illegal use of a controlled substance as set forth in the General Statutes of North Carolina; (3) finding by a state or federal governmental entity that she engaged in unlawful discrimination or harassment. Termination for cause shall also include physical or mental incapacity of Employee that causes Employee to be unable to perform her duties as county manager for a period of four weeks beyond any accrued vacation and sick leave, in which case Employee shall receive three month's severance pay. No other benefits shall be paid.
- C. If Employee resigns following a motion approved by a majority vote of the Board that Employee consider resigning her position as county manager in lieu of termination, then and in that event Employee may at her option determine her employment to be terminated without cause and Employee shall, on the date of such action, be entitled to severance pay and benefits as set forth in Section 9.A.
- D. In the event Employee shall voluntarily resign her position with the County (which shall not include Section 9.C.), with the effective resignation date falling on a date within the months of February, March, April, or May then Employee shall give the County a minimum 90 days prior notice thereof. In the event Employee shall voluntarily resign her position with the County (which shall not include Section 9.C.) with the effective resignation date falling on a date within the months of June through January then Employee shall give the County a minimum of 60 days prior notice thereof. Such notice shall be in writing and shall be delivered by hand to the Board Chairman or County Attorney. If Employee gives County such advance notice, Employee shall be entitled to all accumulated vacation leave, but shall not be entitled to severance pay or any other benefits as set forth in Section 9.A. County may reduce the amount of time Employee remains employed with the County following such notice without such reduction being considered a termination without cause. In the event Employee does not give the County the aforementioned advance written notice of resignation, then Employee shall not be entitled to accumulated vacation leave nor any other benefits as set forth in Section 9.A.

Section 10. Performance Evaluation

The Board shall review and evaluate the performance of Employee in June of each year. The evaluation shall be conducted in a manner that enhances the working relationship of the parties and improves the delivery of services of county government. The evaluation shall define goals and objectives for Employee and the County for the following calendar year.

Section 11. Residency

Employee shall be a resident of Onslow County.

Section 12. Miscellaneous Provisions

- A. No amendment or modification of this Agreement shall be deemed effective unless and until the same shall be evidenced by a written instrument executed by the parties hereto with the same formality attending execution of this Agreement.
- B. No term or condition of this Agreement shall be deemed to have been waived nor shall there be any estoppel to enforce any provisions of this Agreement except by written instrument of the party charged with such waiver or estoppel executed with the same formality attending execution of this Agreement.
- C. This Agreement shall be interpreted in accordance with North Carolina law. Venue shall be in Onslow County, North Carolina.
- D. This Agreement shall be binding upon and inure to the benefit of the heirs, beneficiaries, devisees and or estate and executors of Employee.
- E. The text herein shall constitute the entire agreement between the parties. The parties agree that the terms and conditions of any prior agreement, whether written or oral, have either been incorporated into this Agreement or, if not so incorporated, are void.
- F. If any provision of this Agreement is found unconstitutional, invalid, unlawful or unenforceable, it shall not be held to invalidate or impair the validity, force or effect of any other provisions or parts of the Agreement.


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IN WITNESS WHEREOF, the County of Onslow has caused this Agreement to be signed and executed in its behalf by its Chairman of the Board of Commissioners and duly attested by its Clerk, and Employee has signed and executed this Agreement, both in duplicate, the day and year first written above.

COUNTY OF ONSLOW

By: Jack Bright
Jack Bright, Chairman
Board of Commissioners

ATTEST:
Julie S. Wand
Julie S. Wand
Clerk to the Board

The seal is circular with a double-lined border. The outer ring contains the text "COUNTY COMMISSIONERS" at the top and "ON SLOW COUNTY NC" at the bottom. The center of the seal contains the word "SEAL".

EMPLOYEE:

Sharon S. Russell
Sharon S. Russell

Certificate of Finance Officer

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

David McCole
David McCole
Finance Officer