

EMPLOYMENT AGREEMENT

Introduction

This Agreement made and entered into this 12th day of August 2025 by and between the Town of Stanley, a municipal corporation ("Employer"), and Steven K. Denton ("Employee"), who is a citizen of Gaston County.

Section 1: TERM

This Agreement shall remain in full force and effect from **January 1, 2026, until January 1, 2031**, unless earlier terminated in accordance with this Agreement.

Section 2: DUTIES AND AUTHORITY

Employer agrees to employ Steven K. Denton as **Town Manager** to perform the functions and duties specified in the Town of Stanley Charter, adopted codes, the General Statutes of North Carolina, and to perform other legally permissible and proper duties. The Employer affirms that the Employee is qualified by education, training, and experience.

Section 3: COMPENSATION AND OTHER TERMS

- A. Base Salary: **\$170,000 annually**, payable in accordance with the Employer's payroll schedule.
- B. Annual Raise: The Employee's salary shall increase annually by no less than the average across-the-board increase granted to other Town employees.
- C. Residency: Residency in the Town is not required.

Section 4: HEALTH, DISABILITY AND LIFE INSURANCE BENEFITS

- A. Employer shall provide and pay premiums for short-term and long-term disability insurance.
- B. Employer shall provide term life insurance equal to that provided to department heads of the following departments in the Town of Stanly, North Carolina: Police Chief, Fire Chief, Finance Director, Public Works Director, and Parks & Recreation Director.

C. Employer shall provide full health, vision, dental, and medical insurance for Employee and spouse. Employer shall reimburse or otherwise credit Employee for any out of pocket health, vision, or dental expenses incurred.

Section 5: VACATION AND SICK LEAVE

A. Upon hiring, Employee shall receive the highest rate of annual vacation and sick leave accrual based upon the standard rates and plans existing in the Town of Stanley for the Town of Stanley employees.

B. All unused leave accrues without limit. Upon termination, all accrued leave, holidays, and benefits shall be paid to Employee.

Section 6: EMPLOYER-PROVIDED VEHICLE

The Employee shall be provided with a **Chevrolet Tahoe of his choice or similar SUV**, as selected by the Employee. If the Employee uses this Town-provided vehicle for personal use, the Employee must track the mileage and reimburse the Town at the rate of twenty cents (\$0.20) per mile by the end of the fiscal year. The Town shall be responsible for all costs related to the vehicle's operation, including fuel, maintenance, repairs, insurance (with the Employee's spouse listed as an authorized driver), and replacement. The Town shall ensure that the vehicle is **upgraded no less frequently than every three (3) years** to maintain reliability and performance standards expected of executive-level vehicles.

Section 7: RETIREMENT BENEFITS

1. Employer shall enroll Employee in the applicable state or local retirement system and make all required contributions.
2. Employer shall contribute to a qualified 401(k) plan in accordance with State law and adopted Town policy.

Section 8: GENERAL BUSINESS AND RELATED EXPENSES

1. Employer agrees to budget for and to pay for professional dues and subscriptions of the Employee necessary for continuation and full participation in national, regional, state, and local associations, and organizations necessary and desirable for the Employee's continued professional participation, growth, and advancement, and for the good of the Employer.

2. Employer agrees to budget for and to pay for travel and subsistence expenses of Employee for professional and official travel, meetings, and occasions to adequately continue the professional development of Employee and to pursue necessary official functions for Employer, including but not limited to the ICMA Annual Conference, the state league of municipalities, and such other national, regional, state, and local governmental groups and committees in which Employee serves as a member.
3. Employer also agrees to budget for and to pay for travel and subsistence expenses of the Employee for short courses, institutes, and seminars that are necessary for the Employee's professional development and for the good of the Employer.
4. Employer recognizes that certain expenses of a non-personal but job-related nature are incurred by Employee and agrees to reimburse or to pay said general expenses. The Finance Director is authorized to disburse such monies upon receipt of duly executed expense or petty cash vouchers, receipts, statements, or personal affidavits.
5. The Employer acknowledges the value of having Employee participate and be directly involved in local civic clubs or organizations. Accordingly, Employer shall pay for the reasonable membership fees and/or dues to enable the Employee to become an active member in local civic clubs or organizations.
6. The Employer shall provide Employee with a cell phone, computer, software, internet service required for the Employee to perform the job and to maintain communications.
7. The Employer shall reimburse Employee for business related meals/meetings relating to business involving the Town of Stanley, not to exceed \$5,000 per fiscal year.
8. The Employer shall provide the Employee with a clothing allowance and reimbursement for reasonable garment care expenses, including dry cleaning, necessary to maintain a professional appearance. The total combined benefit shall not exceed \$2,500 per fiscal year, with reimbursement subject to submission of itemized receipts in accordance with the Employer's expense policy.

Section 9: OUTSIDE ACTIVITIES

Employee shall be permitted to maintain employment with any financial firm related to managing/maintaining his wealth management practice while also employed with the Town of Stanley in the Town Manager position.

Section 10: TERMINATION

Termination shall occur under any of the following:

1. A vote by the majority of the governing board to terminate the Employee for Just Cause at a duly authorized public meeting;
2. If the Employer reduces the base salary, compensation, or any other financial benefit of the Employee, such action shall constitute a breach of this Agreement and will be regarded as a termination;

3. If the Employee resigns following an offer to accept resignation, whether formal or informal, by the Employer, or if the majority of the governing body votes to request the Employee resign, then the Employee may declare a termination as of the date of the suggestion;
4. Termination for "Just Cause," which shall include: (a) Felony conviction of any crime; and (b) Inability to fulfill the duties of this Agreement due to physical or mental incapacity, as determined by a licensed treating medical professional

Nothing in this Section shall prohibit the Employee from receiving any benefits of insurance, state retirement, or other entitlements as provided by the Stanley Personnel Code or North Carolina law.

Section 11: SEVERANCE

If the Employee is terminated (and not for Just Cause as defined herein), the Town shall provide a severance payment equal to **two (2) years of the Employee's base salary**, payable in **two (2) equal annual installments**. The first installment shall be paid within thirty (30) days of termination, with subsequent installments paid on the annual anniversary of the termination date. This is an at-will employment which the Town Council can terminate at any time; However, in doing so without "Just Cause" would require the severance payment to be paid to the employee.

Employee shall also be compensated for all accrued sick leave, vacation time, and all paid holidays.

Section 12: ANNUAL APPROPRIATION CLAUSE

All financial obligations beyond the current fiscal year are contingent upon appropriation. **However, failure to appropriate funds shall be deemed a termination without cause**, triggering all severance and benefits described in Section 11. This clause may not be used to circumvent this Agreement.

Section 13: PUBLIC STATEMENT UPON TERMINATION

If terminated without cause, the Town agrees to publicly state the Employee was not terminated for misconduct or poor performance or any similar reason.

Section 14: MISCELLANEOUS

1. **Binding Effect:** This Agreement is binding on the parties and their successors.
2. **Effective Date: January 1, 2026**
3. **Severability:** If any provision is invalid, the remainder of the Agreement remains effective.
4. **Governing Law:** North Carolina law governs this Agreement.
5. **Attorney's Fees:** If any action or proceeding relating to this Agreement or the enforcement of any provision of this Agreement is brought against any party hereto, the prevailing party shall be entitled to recover reasonable attorneys' fees, costs and disbursements (in addition to any other relief to which the prevailing party may be entitled).

Section 15: Work Location

The Employee's right to perform duties remotely, as granted in this Agreement, is a material term of employment and shall remain in full force and effect for the entire duration of this Agreement and any extensions or renewals. This right shall not be rescinded, modified, or restricted in any manner without the prior written consent of the Employee. Any attempt by the Employer, including any future governing body, to unilaterally alter this right shall be deemed a breach of contract and treated as a termination without cause, entitling the Employee to all severance and benefits provided under Sections 11 and 12.

The Employee retains sole discretion to determine whether to perform duties remotely or onsite at the Town Hall and may freely change the primary work location within Town Hall facilities, provided such choice does not interfere with the responsibilities outlined in this Agreement. The Employer shall ensure that all necessary resources, technology, and secure remote access are provided at all times to facilitate remote work and maintain effective communication with staff, Town officials, and the public.

SIGNATURE PAGE

This Agreement signed this 12th day of August 2025.

Employer: Town of Stanley

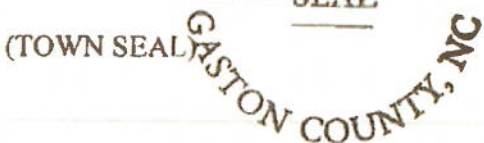
By: Cathy A. Kirkland
Mayor

Employee:

By: Steven K. Denton
Steven K. Denton

ATTEST:

By: O. McGinnis
Olga McGinnis, Town Clerk



Pre-Audit Certification:

This instrument has been pre-audited to the extent, and in the manner, required by the Local Government Budget and Fiscal Control Act and/or N.C. Gen. Stat. §159-28(a).

By: Belinda B. Robinson
Town of Stanley Finance Director

Approved as to Form:

By: John H. Kussel, Jr.
Town Attorney, John H. Kussel, Jr.

Heath R. Jenkins
Town Manager, Heath R. Jenkins

O. McGinnis
Town Clerk, Olga McGinnis