

STATE OF NORTH CAROLINA)
) EMPLOYMENT AGREEMENT
COUNTY OF HYDE)

THIS EMPLOYMENT AGREEMENT (hereinafter referred to as "Agreement") is made and entered into this the 3rd day of February 2014, by and between the **COUNTY OF HYDE** (hereinafter referred to as "Employer" or "County"), a body politic and corporate under the laws of the State of North Carolina, as party of the first part and **WILLIAM D. RICH** (hereinafter referred to as "Employee") as party of the second part, both of whom understand as follows.

WITNESSETH:

WHEREAS, Employer and Employee wish to enter into this Agreement to ensure the continuity of the professional administration of County affairs.

WHEREAS, Employee is presently employed by Employer and Employer desires to extend the employment services of said WILLIAM D. RICH as Manager of the County pursuant to the terms, conditions, and provisions of this Agreement.

WHEREAS, it is the desire of the Hyde County Board of Commissioners (hereinafter referred to as "Board"), to provide certain benefits, and establish certain continuing conditions of employment and to set certain working conditions of said Employee.

WHEREAS, it is the desire of the Board to secure and retain the services of Employee, provide inducement for him to remain in such employment, make possible full work productivity by assuring Employee's morale and peace of mind with respect to future security, act as a deterrent against malfeasance or dishonesty for personal gain on the part of the Employee, and provide a just means for terminating Employee's services at such time as he may be unable to fully discharge his duties due to age or disability or when Employer may otherwise desire to terminate his employment.

WHEREAS, Employee desires to become employed as Manager of the County pursuant to the terms, conditions and provisions of this Agreement.

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

SECTION 1 - DUTIES

Employer hereby agrees to employ said WILLIAM D. RICH as Manager of the County to perform functions and duties specified by applicable law and authority, including but not limited to North Carolina State law, the County Charter, the County Code, and ordinances of the County, and to perform other legally permissible and proper duties and functions as the Board shall from time to time assign.

SECTION 2 - TERM

A. Employee agrees to remain in the exclusive employ of Employer until June 30, 2018, and neither accept other employment nor become employed by any other employer until said termination date, unless this Agreement is earlier terminated as hereinafter provided.

B. In the event written notice is not given by either party to this Agreement to the other thirty (30) days prior to the termination date as hereinabove provided, this Agreement shall be extended automatically on the same terms and conditions as herein provided, all for an additional period of one year. This Agreement shall continue thereafter for one year periods unless either party hereto gives to the other thirty (30) days written notice of termination prior to the then applicable one year anniversary date hereof that the party giving notice does not wish to extend this Agreement.

C. Notwithstanding anything herein to the contrary, nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Board to terminate the services of Employee at any time, subject only to the provisions set forth in Section 4, paragraphs A and B of this Agreement.

D. Notwithstanding anything herein to the contrary, nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Employee to resign at any time from his position with Employer, subject only to the provisions set forth in Section 5 of this Agreement.

SECTION 3 - SUSPENSION

Employer may suspend Employee, with or without pay in the discretion of Employer, during the investigation, hearing or trial of Employee on any criminal charge or during the course of any civil action involving Employee. The duration of such suspension will be in the discretion of Employer. If the suspension is without pay, full recovery of pay and benefits for the period of suspension may be authorized by the Board if the suspension is terminated with full reinstatement of Employee. Notwithstanding anything herein to the contrary, any suspension without pay hereunder shall be in accordance with the Fair Labor Standards Act regulations regarding exempt employee pay.

SECTION 4 - TERMINATION

Employee may be terminated for either of the following without notice.

A. Any misconduct of Employee involving an act of moral turpitude, criminal illegality (excepting minor traffic violations), or habitual violations of traffic laws, whether or not related to Employee's official duties hereunder.

B. Any willful, knowing, grossly negligent, or negligent misapplication or misuse, direct or indirect, by Employee of public or other funds or other property, real, personal or mixed, owned by or entrusted to the County, any agency or corporation thereof, or the Employee in his official capacity.

SECTION 5 - RESIGNATION

In the event Employee voluntarily resigns his position with Employer before the expiration of the aforesaid term of his employment, then Employee shall give Employer thirty (30) days notice in advance, unless the parties otherwise agree.

SECTION 6 - DISABILITY

If Employee is permanently disabled or is otherwise unable to perform his duties because of sickness, accident, injury, mental incapacity or health for a period of sixteen (16) successive weeks beyond any accrued sick leave, Employer shall have the option of terminating this Agreement. However, Employee shall be compensated for any vacation, holidays, and other applicable accrued benefits. None of the above shall supersede or affect Employee's rights under the American Disabilities Act.

SECTION 7- SALARY

Employer agrees to pay Employee for his services rendered pursuant hereto at an annual base salary of \$85,000.00 from July 1, 2014 until June 30, 2015. From July 1, 2015 until June 30, 2018 the annual base salary shall be \$95,000.00. This salary is payable in installments at the same time as other employees of Employer are paid. In addition, Employer agrees to review and consider an increase to said base salary and/or other benefits to Employee in such amounts and to such extent as the Board may determine is desirable to do so on the basis of a performance evaluation and annual salary review of Employee prior to the adoption of the annual budget.

SECTION 8- PERFORMANCE EVALUATION

A. At least sixty (60) days prior to the Employee's anniversary date, the Board and Employee will define such goals and performance objectives as they determine are necessary for the proper operation of the County and the attainment of the Board's policy objectives. The parties shall further establish a relative priority among those various goals and objectives, with the Board having the final say as to the specific goals and objectives as well as to the relative priority thereof. Said goals and objectives shall be reduced to writing and generally shall be attainable within the time limitations specified, the annual operating as well as capital budgets, and the appropriations that can be provided.

B. The Board shall review and evaluate the performance of the Employee at least once annually, 60 (sixty) days in advance of the anniversary date of employment. Said review and evaluation shall be in accordance with specific criteria developed jointly by Employer and Employee. Said criteria may be added to or deleted from as the Board may, from time to time, determine in consultation with the Employee. Further, the Chairman of the Board shall provide the Employee with a summary written statement of the findings of the annual review and provide an adequate opportunity for the Employee to discuss his evaluation with the full Board.

C. In effecting the provisions of this Section, Employer and Employee mutually agree to abide by the provisions of any and all applicable laws.

SECTION 9 - HOURS OF WORK

It is recognized that Employee must devote a great deal of time outside normal office hours to the business of Employer and, to that end, Employee will be allowed to take time off on a flexible basis dependent on work demands. However, Employee is expected to devote a minimum of forty (40) hours per week to the business of the Employer, excluding any vacation, sick or holiday time used. Management of the County staff is to be considered a top priority for Employee.

SECTION 10 - AUTOMOBILE

The Employer recognizes that Employee will travel often on behalf of the County and at odd hours in exercising his responsibilities. As a result, Employer will provide Employee with an automobile to use for the purpose of conducting County business and will reimburse Employee for receipted expenses incurred with said vehicle. Employer also agrees to reimburse Employee at the current IRS rate for any mileage Employee incurs when using his personal vehicle while conducting County-related business.

SECTION 11 - CELLULAR PHONE

Employer recognizes the importance of 24-hour communication with Employee in times of emergencies. Employer agrees to pay \$100.00/month to offset Employee's personally owned cellular phone and data capabilities bill.

SECTION 12- VACATION AND SICK LEAVE

As an inducement to Employee, at signature hereof, Employee shall be credited with twelve (12) days of vacation leave and twelve (12) days of sick leave that are useable beginning March 1, 2013. Thereafter, Employee shall accrue, and have credited to his personal account, vacation and sick leave at the said rate on March 1. On March 1 after employment of two (2) years, Employee shall receive an increase of vacation leave to fifteen (15) days and an increase of sick leave to fifteen (15) days annually.

Vacation leave may be accumulated without any applicable maximum until December 31 of each year. Effective the last payroll in the calendar year, Employee with more than 30 days of accumulated leave shall have the excess accumulation removed so that only 30 days are carried forward to January 1 of the next calendar year. Employee will have the entire excess amount of vacation leave converted to sick leave.

SECTION 13 - INSURANCE

Employer agrees to put into force and to make required premium payments for health insurance or he may be reimbursed at the County Health Insurance Rate as long as proof of credible health insurance is provided.

SECTION 14 - RETIREMENT

Employer agrees to put into force and to make required payments for Employee into the North Carolina Local Government Employee's Retirement System.

SECTION 15 - DUES, SUBSCRIPTIONS AND MEETINGS

Employer agrees to budget and to pay for the professional dues, subscriptions, and meetings of Employee necessary for his continuation and full participation in national, regional, state and local associations and organizations necessary and desirable for his continued professional participation, growth and advancement, and for the good of the Employer. Employer must approve, in advance, all such expenses associated with out-of- state travel.

Employer recognizes the desirability of representation in and before local, civic organizations and Employee is authorized to become a member of such clubs and organizations for which the Employer shall pay all expenses. The Employee shall seek approval to join a club or organization from the Board before seeking reimbursement of membership expenses.

SECTION 16 - INDEMNIFICATION

The Employer shall defend, save harmless, and indemnify the Employee 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 Employee's duties as County Manager, unless the conduct which results in such claim, demand, or legal action arises outside the course and scope of the Employee's employment, out of Employee's intentional misconduct, or out of Employee's gross negligence. If deemed appropriate by Employer, Employer will compromise and settle any such claim or suit and pay the amount of any such settlement or judgment rendered thereon. Should Employee withhold his consent from such compromise or settlement, then and in that event, it shall be the sole responsibility of Employee to engage separate counsel for his defense and to pay his own legal expenses as well as any judgment rendered thereon against Employee.

SECTION 17 - BONDING

Employer shall bear the full cost of any fidelity or other bonds required of the Employee under any law or ordinance.

SECTION 18 - OTHER TERMS AND CONDITIONS OF EMPLOYMENT

A. The Board, in consultation with Employee, shall fix any such other terms and conditions of employment as it may determine from time to time relating to the performance of

Employee, provided such terms and conditions are incorporated herein as written amendments to this Agreement and are not inconsistent with or in conflict with County ordinances or any other applicable law.

B. In addition to the benefits enumerated specifically herein for the benefit of Employee and except as may be provided herein, all provisions of the County ordinances and policies of the Employer relating to vacation and sick leave, retirement, holidays, and other fringe benefits and working conditions as they now exist or hereafter may be amended also shall apply to Employee as they would generally to other employees of Employer.

C. **Bereavement Leave.** In the event of the death of Employee's spouse, mother, father, child, sister, or brother, the Employee will be granted four (4) days bereavement leave. In the event of the death of Employee's mother-in-law, father-in-law, grandmother, grandfather, sister-in-law, brother-in-law, and grandchildren, the Employee will be granted three (3) days bereavement leave.

D. **Expenses.** Employer recognizes certain expenses of a non-personal and job associated nature incurred by Employee and hereby agrees to reimburse Employee upon submission of an expenses voucher, receipt, or statement submitted to and approved by the Finance Department.

SECTION 19 - 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 Employee.

C. This Agreement shall become effective commencing March 1, 2013.

D. If any provision, or any portion thereof, contained in this Agreement is held to be 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.

E. By virtue of his signature below, Employee consents to Employer releasing copies of this Agreement upon request.

F. The provisions of this Agreement as set out on these seven (7) pages along with any attachments and the County Personnel Policy, as may be amended, represent the entirety of the understandings and commitments between the parties hereto.

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

PRE-AUDIT CERTIFICATE

This Agreement has been pre-audited pursuant to North Carolina General Statute § 159-28 in the manner required by the Local Government Budget and Fiscal Control Act.

EMPLOYER:

BY: Barry Swindel
Barry Swindel, Chairman
Hyde County Board of County Commissioners



EMPLOYEE:

William D. Rich
William D. Rich

Witnessed or Attested By:

Leis Stotesberry
Clerk to the Board of Commissioners

02-03-2014
Date

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

Connie Gubbs
Finance Officer, County of Hyde

02-3-2014
Date