

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (“Agreement”), made and entered into this ____ day of _____, 2021, by and between the **CITY OF HIGH POINT, NORTH CAROLINA** (“City” or “Employer”), and **TASHA LOGAN FORD**, of Winston-Salem, North Carolina (“Employee”), each referenced individually as “Party” and collectively as “Parties.”

WITNESSETH:

WHEREAS, in accordance with Section 160A-147 of the General Statutes of North Carolina, the City desires to appoint Employee as City Manager for the City of High Point, North Carolina; and

WHEREAS, on May 3, 2021, the City Council voted in favor of said appointment with a start date of July 19, 2021; and

WHEREAS, Employee desires to accept appointment and employment as the City Manager for the City of High Point, North Carolina with some assurance as to further security and working conditions; and

WHEREAS, the City and Employee desire to establish certain conditions of employment, including without limitation, the provision of certain benefits and conditions of the Employee’s appointment and employment; and

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants, promises and obligations contained herein, the parties have agreed as follows:

Section 1. Appointment/Salary. The City, through its City Council, hereby appoints and employs Employee as the City Manager and Employee hereby accepts employment as the City Manager for the City of High Point, North Carolina, effective July 19, 2021, at an annual salary of \$212,450.00 to be paid to Employee biweekly as part of the City's payroll. Employee’s annual salary and all other benefits of the Employee may be increased in such amounts and to such an extent as the City Council may determine that it is desirable to do so, either on the basis

of an annual performance review of said Employee, or at any other time deemed appropriate by the City Council. If the salary or benefits for all other City employees is increased, then Employee will be entitled to an increase in Employee's salary or benefits in at least the same percentage, and on the same effective date that is applicable to all other City employees. City makes no expectation or requests of Employee for work prior to her start date and any information provided to Employee by email or other format is not intended as an assignment of work Duties. Furthermore, Employee understands that she is not, in any manner, required to devote any time to and/or related to the business of the City prior to July 19, 2021.

Section 2. Duties. The Employee shall devote all of her professional time, attention and energies, faithfully and to the best of her abilities, to the business of the City as may be specified by the General Statutes of North Carolina, the Charter of the City of High Point, or other legally permissible and proper duties as the City Council may request and approve from time to time ("Duties"). The Mayor of High Point shall be Employee's direct report to the City Council. The Mayor and/or the Mayor's designee, shall be responsible for conveying to Employee the directions of City Council. The Employee shall be subject to the City's Personnel Resolution and other applicable policies and procedures, as they may be amended from time to time. Nothing herein is intended to limit the Employee's ability to participate in various professional, fraternal or civic organizations. Employee shall otherwise not engage in any other business or employment activity, including teaching or consulting, without the prior written consent of the City Council, which consent shall not be unreasonably withheld.

Section 3. Term. The Employee shall serve at the pleasure of the City Council under this Employment Agreement without a probationary period, and nothing in this Employment Agreement shall prevent, limit, or otherwise interfere with the right of the City Council to

terminate the services of the Employee at any time, with or without cause, but any termination by the City Council shall be subject to the provisions set forth in Section 4 of this Agreement.

Notwithstanding the foregoing, it is the express intent of both Parties that the appointment is intended to be a continuing appointment and that the Employee shall be appointed to an indefinite number of terms thereafter provided the Employee continues to fully and faithfully discharge the Employee's Duties as City Manager.

Subject to the notice requirements set forth in Section 5 of this Agreement, nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of the Employee to resign at any time from her position with the City without further obligation to the City.

Section 4. Termination and Severance Pay. Except as further set forth below, in the event the Employee is terminated or discharged by the City Council at such time as the Employee is willing and able to perform the Duties under this Agreement or the Employee terminates employment for "Good Reason" as defined below then, and in that event, the Employer shall pay Employee an amount equal to the Employee's then-existing monthly salary ("Severance Pay") for six (6) months, with the addition of one (1) month for the completion of a year's employment and each year thereafter up to a maximum of nine (9) months (the "Severance Period"). (For example, upon Employee's completion of three (3) years employment with the City, Employee will be entitled to the maximum nine (9) month's Severance Pay.) The Severance Pay will be paid to Employee in equal consecutive installments on the City's normal biweekly pay schedule, less all statutory and required withholdings, commencing on the payroll period immediately following Employee's date of separation.

In the event Employee is reemployed by an entity other than the City during the Severance Period at a lesser salary than her final salary with Employer, the Severance Pay for the

remainder of the Severance Period shall be the difference between Employee's final salary with Employer and her then current salary in her new position. If Employee is reemployed during the Severance Period at a greater salary than her final salary with Employer, the Severance Pay shall cease. Notwithstanding the above, in the event the Employee is terminated because of (1) Employee's breach of this Agreement, or a continued breach of managerial Duties, about which Employee has been provided written notice and a thirty (30) day period to cure, or (2) the Employee's commission of (i) any illegal act involving personal gain to the Employee, (ii) a felony, or (iii) a misdemeanor which involves moral turpitude, then and in that event, the Employer shall have no obligation to pay the Severance Pay.

Employee will be deemed to have "Good Reason" to terminate employment if:

(1) Without Employee's consent, the Employer, at any time during the term of this Agreement, (a) materially reduces the salary or other financial benefits of the Employee in a greater percentage than an applicable across-the-board reduction for all City employees, (b) materially breaches this Agreement by failing to increase Employee's salary or other benefits in the same percentage that is applicable to all other City employees, or (c) otherwise materially breaches or refuses to comply with any other provisions benefiting Employee contained herein, and

(2) Employee (a) provides Employer with notice of such reduction or failure within ninety (90) days of the initial existence or within (90) days in which the Employee may have become reasonably aware of the condition, whichever occurs last (b) Employer does not remedy such condition within thirty (30) days of such notice, and (c) Employee terminates employment no later than two years after the initial existence of such condition.

Section 5. Resignation. The Employee shall give the Employer a sixty (60) day notice in advance in the event Employee voluntarily resigns the position and appointment with the Employer. Employer may, in its discretion, waive the notice period and allow Employee to immediately resign with no further obligation to Employee under this Agreement.

Section 6. Suspension. The City may suspend the Employee with full pay and benefits at any time.

Section 7. Indemnification. The City agrees to defend, save harmless and indemnify the Employee against any tort, negligence, or 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 her Duties as Employee. The City also agrees to compromise, settle, or defend any such claim or suit, and to pay the amount of any legal fees, settlement or judgment rendered thereon. The provisions of this Section shall not apply to a settlement or judgment which arises out of an action which results in her conviction of any illegal act in the performance of her Duties.

Section 8. Vehicle Allowance/Cell Phone. The Employee shall be paid a vehicle allowance which is equivalent to that received by Department Directors employed by the City. The vehicle allowance shall be paid to Employee as part of the City's payroll. In addition, travel outside the four counties in which High Point is located will be reimbursed at the approved legal rate.

Upon Employee's start date, Employee shall receive a City-issued cell phone, and City will be responsible for arrangements for connection and expenses associated with the account. The City provides a monthly cell phone stipend to employees, including Department Directors. In the event the Employee desires to switch from a City-issued cell phone to a monthly cell phone

stipend, she shall have that option to do so. At that time, Employee will return the City-issued phone and begin receiving a stipend equal to that which is paid to Department Directors. Such payment will be paid to Employee as part of the City's payroll.

Section 9. Professional Development. The City shall provide for the payment of the Employee's professional dues and continuing education expenses, and for other job-related fees, publications and training programs/conferences such as those that may be sponsored by the UNC School of Government, North Carolina League of Municipalities, North Carolina City/County Management Association, ICMA or other recognized professional organization. The City shall also provide for the payment or reimbursement of all reasonable and necessary job-related expenses of the Employee, including travel expenses incurred outside the four counties in which the City lies.

The City acknowledges that Employee's attendance at the North Carolina City/County Managers' Association Conference in June 2021 will provide valuable education to Employee that will also benefit the City while Employee serves as City Manager. Therefore, the City agrees to pay the actual expenses required for Employee to attend the June 2021 North Carolina City/County Managers' Association Conference. Employee must submit records verifying the actual expense incurred by her for attendance at the Conference by July 30, 2021.

Section 10. Other Remuneration. The City currently offers all employees a 1% matching contribution to their 401k accounts and Employee shall be eligible to participate in this benefit to the same extent and subject to the same terms as all City employees. At the time of executing this Agreement, Employee has indicated that she will not be participating in the City's health insurance plan which will result in a savings to the City. For this reason, to the extent permitted by the terms of the NC 401(k) or 457 deferred compensation plan, and in addition to

the matching 1% contribution, the City agrees to make a 4% contribution to your 401(k), which will not require a matching employee contribution. This additional 4% shall remain in effect for as long as the Employee continues to decline City's health insurance coverage. In the event Employee decides to participate in the City's health coverage, the 4% non-matching City contribution shall be reduced to 2%. To the extent permitted by applicable plan documents, City contributions shall be made biweekly on the City's regular payroll schedule. The City will provide term life insurance for Employee in an amount equal to one year's gross salary at the time of death.

Section 11. Sick and Vacation Leave. The City will accept the transfer of Employee's accrued sick leave from her previous employer. Furthermore, Employee shall receive twelve (12) vacation days' leave to be effective the first day of employment. In addition, Employee shall accrue annual leave per pay period at the highest rate allowed by the Personnel Resolution beginning on the first day of employment. Employee will be governed by the provisions of the Personnel Resolution concerning accrual and use of vacation and sick leave, all other benefits, and any other matter not specifically addressed in this Agreement. Any sick leave that Employee has accumulated from previous employer will be rolled over and thereafter, effective the first day of employment, the Employee shall accrue sick leave per pay period at the rate equivalent to highest rate allowed by the City's Personnel Resolution.

Section 12. Relocation Expenses & Residency. City will pay reasonable corporate moving and relocation expenses not to exceed \$10,000 to assist Employee, with a request that Employee use a local, High Point company for these services. The City will provide payment based upon receipt of valid invoices and the City will make payment directly to the vendor(s) providing the services for the relocation. Expenses up to \$1,500.00 may be paid directly to

Employee and thereafter, the City will make payment directly to the vendor(s) providing the services for the relocation.

Employee must establish and maintain a primary residence within the corporate High Point City limits and accomplish such within nine (9) months from the initial date of employment.

Section 13. General Provisions. The rights of the Employee under this Agreement are not assignable, voluntarily or involuntarily by operation of law or otherwise, nor may any of her Duties or obligations under this Agreement be assigned or delegated, except in the usual and ordinary course of business, without the prior consent of the City Council. No waiver of any term, provisions or condition of this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be or construed as a further waiver or continuing waiver of any such term, provision or condition or as a waiver of any other term, provision or condition of this Agreement. The provisions of this Agreement are severable. The invalidity, in whole or in part, of any provision of this Agreement shall not affect the validity or enforceability of any other of its provisions. If one or more provisions hereof shall be so declared invalid or unenforceable, the remaining provisions hereof shall remain in full force and effect and shall be construed in the broadest possible manner to effectuate the purposes hereof. This Agreement shall be governed by and interpreted in accordance with the laws of the State of North Carolina. This Agreement contains the entire agreement between the parties and supersedes all prior oral and written agreements, understandings, commitments, and practices between the parties with respect to the employment of the Employee by the City. Any amendment or modification to this Agreement, including salary and benefit adjustments, must be in writing and signed by both parties.

Section 14. Section 409A Compliance. Any payments and benefits under this Agreement that are subject to the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (“Section 409A”), are intended to comply with the requirements of Section 409A. Therefore, this Agreement and all payments and benefits provided hereunder, shall be interpreted and administered consistently with the requirements of Section 409A, to the extent Section 409A is applicable. Payments to be made under Section 4 are hereby designated and shall at all times be treated as a series of separate payments and not a single payment. Payments under Section 4 are, to the maximum extent possible, intended to be exempt from Section 409A as short-term deferrals and then as separation pay due to involuntary separation from service. Throughout this Agreement, the term “Separation from Service” shall mean separation from service within the meaning of Code Section 409A(a)(2)(A)(i) and applicable regulations and guidance thereunder. The parties agree that in no event shall any payment required to be made pursuant to this Agreement that is considered deferred compensation within the meaning of Section 409A be accelerated or delayed in violation of Section 409A. Employer does not represent or guarantee that any particular federal or state income, payroll, or other tax treatment will result from Employee’s receipt of payments or benefits pursuant to this Agreement. Employee is solely responsible for the proper tax reporting and timely payment of any income tax or interest for which Employee is liable as a result of Employee’s receipt of payments or benefits pursuant to this Agreement.

Section 15. Rules Applicable to Reimbursements or In-Kind Benefits. All reimbursements or in-kind benefits provided under this Agreement that are subject to Section 409A shall be provided in accordance with the rules of this Section 15. The amount of expenses eligible for reimbursement, or in-kind benefits to be provided, during Employee’s taxable year

may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year. The reimbursement of an eligible expense must be made on or before the last day of Employee's taxable year following the taxable year in which the expense was incurred. Employee's right to reimbursement or in-kind benefits may not be liquidated or exchanged for another benefit. To the extent there is a conflict between this Section 15 and any other provision of this Agreement, the terms of this Section 15 shall prevail.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

CITY OF HIGH POINT

Jay Wagner, Mayor

EMPLOYEE

Tasha Logan Ford

Approved by the High Point City Council on

The ____ day of _____, 2021.