

STATE OF NORTH CAROLINA
COUNTY OF CABARRUS

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
25-CVS- _____

MICHAEL K. DOWNS,
Plaintiff,
v.
CABARRUS COUNTY
Defendant.

**VERIFIED
COMPLAINT**

NOW COMES Plaintiff Michael K. Downs (“Plaintiff” or “Mr. Downs”), complaining of Defendant, and alleges and says as follows:

Parties and Nature of the Action

1. Mr. Downs is a citizen and resident of Cabarrus County, North Carolina. Mr. Downs is 63 years old. Prior to January 21, 2025, Mr. Downs was County Manager for Cabarrus County (the “County” or “Defendant”).

2. The County is a body politic organized and existing under Section 153A of the North Carolina General Statutes. Under North Carolina law, the County is subject to suit for claims of breach of contract and has no sovereign immunity therefor by expressly entering into a valid contract through an authorized agent.

3. This is an action for breach of such a contract that the County entered into with Mr. Downs. As demonstrated below, the County flagrantly breached Mr. Downs’ employment contract in bad faith through the actions of a majority of its Board of County Commissioners (the “Commissioners”), namely by the malicious and baseless actions of County Commission Chairman Christopher A. Measmer (“Measmer”), County Commissioner Larry G. Pittman (“Pittman”), and County Commissioner Laura B. Lindsey (“Lindsey”), acting as a cabal of ill will

in terminating Mr. Downs and replacing him with an inexperienced crony, minion, and clandestine former partner of Measmer.

Background to the County's Breach of Contract

4. Mr. Downs first became employed with the County in June 1986 as a zoning inspector. His performance was so outstanding that in the following years, he was promoted to County Zoning Administrator and subsequently became Development Services Director, Public Safety Services Director, and Deputy County Manager.

5. In 2011, the Board of County Commissioners sought to employ Mr. Downs as County Manager and to ensure that he would remain in such service to the County for many years.

6. The County therefore entered into a "County Manager Employee Agreement" with Mr. Downs effective November 21, 2011 (the "Original Agreement") in accordance with North Carolina law. A true and accurate copy of the Original Agreement is attached hereto as Exhibit A.

7. Among other terms, the Original Agreement set forth an initial annual salary for Mr. Downs and further provided that if the County should terminate Mr. Downs at any time "with or without cause," the County would pay Mr. Downs a sum equal to nine (9) months' pay, along with all associated benefits.

8. Subsequently, the County entered into an "Amendment to County Manager Employment Contract" with Mr. Downs dated "as of the 31st day of October, 2022" (the "2022 Amendment") in accordance with North Carolina law. A true and accurate copy of the 2022 Amendment is attached hereto as Exhibit B.¹

9. Among other terms, the 2022 Amendment contained a new, increased annual salary for Mr. Downs and further provided that should the County terminate Mr. Downs "for any reason

¹ The Original Agreement and all amendments described herein are collectively referred to as the "Agreement."

with or without cause,” the County would pay Mr. Downs a lump sum severance payment equal to eighteen (18) months’ pay as well as all “associated benefits.” Under the 2022 Amendment, he was also entitled to a \$30,000.00 bonus.

10. Later, the County entered into a “Second Amendment to County Manager Employment Contract” with Mr. Downs dated “as of the 9th day of November, 2023” (the “2023 Amendment”) in accordance with North Carolina law. A true and accurate copy of the 2023 Amendment is attached hereto as Exhibit C.

11. Among other terms, the 2023 Amendment contained a new, increased annual salary for Mr. Downs and further provided he “shall also be paid a ‘thank you’ bonus [the “Thank You Bonus”] for the next year of this Agreement as amended of \$30,000.00, which shall be paid to Employee at the end of each calendar quarter in \$7,500.00 payments, beginning from the anniversary date of the Agreement.”

12. Under the terms of the 2023 Amendment, there were no conditions attached to or required for the County’s obligation to make payment of the Thank You Bonus to Mr. Downs other than his employment under the Agreement.

13. The 2023 Amendment made no changes to Section 4 of the 2022 Amendment, which set forth the County’s obligation to pay severance sums to Mr. Downs equal to eighteen (18) months’ salary and associated benefits “if Employer terminates Employee for any reason, with or without cause.”

14. In fact, the 2023 Amendment expressly provided, “***All*** other provisions of the Agreement and Amendment, not specifically changed by this Second Amendment shall be considered to be incorporated into this Second Amendment and ***shall continue in full force and effect***” [Emphasis added].

15. Subsequently, the County entered into a “Third Amendment to County Manager Employment Contract” with Mr. Downs dated “as of the 31st day of October, 2024” (the “2024 Amendment”) in accordance with North Carolina law. A true and accurate copy of the 2024 Amendment is attached hereto as Exhibit D.

16. Among other terms, the 2024 Amendment contained a new, increased annual salary for Mr. Downs and, in addition, restated the same Thank You Bonus terms as in the 2023 Amendment.

17. As with the 2023 Amendment, the 2024 Amendment made no changes to Section 4 of the 2022 Amendment, which set forth the County’s obligation to pay severance sums to Mr. Downs equal to eighteen (18) months’ salary and associated benefits “if Employer terminates Employee for any reason, with or without cause.”

18. In fact, the 2024 Amendment expressly provided, “***All*** other provisions of the Agreement, Amendment, and Second Amendment, not specifically changed by this Third Amendment shall be considered to be incorporated into this Third Amendment and ***shall continue in full force and effect***” [Emphasis added].

19. As described below, the County terminated Mr. Downs’ employment and has breached the Agreement by failing to pay the severance and bonus sums due thereunder. This is because Measmer, Pittman, and Lindsey do not care whether the County honors its contractual commitments if they do not like the promises to which the County is legally bound.

FIRST CLAIM FOR RELIEF
(Breach of Contract)

20. Mr. Downs realleges the allegations contained in the foregoing paragraphs, which are incorporated by reference herein as if the same were fully set forth.

21. On December 2, 2024, Measmer, who had previously been serving as a Commissioner, was elected Chairman of the Commissioners, and Lindsey was elected Vice

Chairman. Measmer, Lindsey, and Pittman then formed a majority voting block to advance an agenda personally directed by Measmer.

22. In an open meeting of the Commissioners on January 21, 2025, Measmer publicly presented Mr. Downs with an undated letter terminating his employment (the “Termination Letter”), effective immediately. Mr. Downs had no prior notice of the termination.

23. In the Termination Letter, Measmer, without any factual or good faith basis, purported to fire Mr. Downs for cause.

24. The pretextual reason for the firing arose from a decision of the Commissioners on or about May 15, 2023 for the County to purchase certain real property (known as the “ACN Building”) for use as the County’s Human Services building and associated Behavioral Health facility. Prior to closing on the transaction, the purchase (the “Purchase”) was required to be approved by the North Carolina Local Government Commission (“LGC”). That process involved in relevant part the following:

- a. Dealings with the LGC in connection with the Purchase were headed by then-Commission Chairman Steve Morris (“Mr. Morris”). At the time, Mr. Morris served as Mr. Downs’ direct supervisor.
- b. Prior to the LGC’s decision as to whether to approve the Purchase, the County had obtained appraisals for the ACN Building.
- c. The first such appraisal was based on what is known as the “comparable sales” approach and resulted in an appraised value for the ACN Building of approximately \$23.8 million (the “Initial Appraisal”). Although that Initial Appraisal purported to look to sales of comparable properties in determining a value for the ACN Building, the appraiser had in fact only located properties outside of Cabarrus County as the purported “comparable sales.”
- d. Subsequently, County staff obtained a second appraisal (the “Second Appraisal”) that utilized what is known as the “cost approach,” which analyzes the costs one might incur in building a structure identical to the

one being appraised.² The Second Appraisal resulted in an appraised value for the ACN Building of approximately \$54 million.

- e. The asking price for the ACN Building was approximately \$50 million, but the County was able to negotiate the purchase price down to approximately \$42 million, the lowest price that the sellers would accept.
- f. By the time that the LGC deliberated on the Purchase, Mr. Morris and County staff had provided both the Initial Appraisal and the Second Appraisal to LGC members and staff. Mr. Downs had personally emailed and mailed to each LGC member a packet that contained information on both appraisals.
- g. In a meeting on October 1, 2024, the LCG approved the Purchase. Prior to doing so, members of the LGC questioned Mr. Morris and County staff members at length as to the reasons behind the differences between the two appraisal amounts.
- h. Measmer was present and personally heard and observed the LCG's lengthy discussion of and questions concerning *both* appraisals.

25. Undeterred by the truth, Measmer concocted the following excuse for terminating Mr. Downs publicly, without notice and without justification, stating in pertinent part in the Termination Letter as follows:

[W]hat was not disclosed to the LGC was the existence of a \$24 million appraisal.

....

Failing to disclose this appraisal to the entity responsible for assessing and approving financing to local governments damages the credibility of the County in applying for its financing in this project.

....

Either you were directly involved in failing to disclose the \$24 million appraisal to the LGC or you lacked oversight and accountability over the deputy county manager involved.

26. The allegations of Measmer set forth in the immediately preceding paragraph that “what was not disclosed to the LGC was the existence of a \$24 million appraisal,” that there was a “Fail[ure] to disclose this appraisal to the entity responsible for assessing and approving

² According to JPMorgan Chase & Co., the cost approach is properly used “when comparable properties are difficult to locate.” <https://www.jpmorgan.com/insights/real-estate/commercial-real-estate/commercial-real-estate-valuation-approaches>

financing to local governments,” and a “fail[ure] to disclose the \$24 million appraisal to the LGC” were false when made and intentionally so—since it is indisputable that Measmer was personally present to see and hear that the LCG possessed all the information in question and took time to review, debate, and question all such information.

27. Thus, Measmer’s alleged “just cause” for firing Mr. Downs was a fiction created out of whole cloth. Mr. Downs therefore was in actuality terminated without cause. Further, neither the Original Agreement nor the 2022, 2023, nor 2024 Amendments makes any distinction between a firing with and without cause in connection with Mr. Downs’ severance rights, demonstrating the malice underlying Measmer’s Termination Letter.

28. Knowing his allegations were a lie, Measmer colluded with Lindsey and Pittman to vote Mr. Downs out of his job.

29. The day after his termination, Mr. Downs contacted Ms. Lundee Covington, Human Resources Director for the County, and inquired about receiving the amounts owed to him under the Agreement. Mr. Downs then learned that Measmer had instructed Ms. Covington not to pay Mr. Downs the amounts he was owed, purportedly on the grounds that the payment of an eighteen-month severance upon termination “without or without cause” was somehow illegal.

30. Consequently, as a result of the acts of Measmer, Lindsey and Pittman, the County wrongfully left Mr. Downs without his means of earning a living, without his guaranteed severance and Thank You Bonus, all by having defamed him in bad faith and under the guise of a spurious legal basis, thereby causing Cabarrus County, for the first time in nearly four decades, to break its word to its County Manager.

31. The County has yet to provide Mr. Downs with his eighteen (18) months of severance pay or the Thank You Bonus, which sums should have been paid to Mr. Downs no later than the County’s payroll period ending on January 31, 2025.

32. For the foregoing reasons, the County breached its Agreement with Mr. Downs. For the same reasons, the County also breached the covenant of good faith and fair dealing implied in all contracts under North Carolina law.

33. As but one example of such lack of good faith, *Measmer*, knowing the truth of what was disclosed to the LGC and knowing that the LGC had in fact already approved the Purchase of the ACN Building on October 1, 2024, **himself voted to give Mr. Downs a raise and Thank You Bonus** six days later on October 7, 2024 as part of a unanimous decision of the Commissioners, which decision resulted in the County's entry into the 2024 Amendment.

34. Prior to Measmer's voting on October 7, 2024 to give Mr. Downs a raise and an express "Thank You Bonus," the Original Agreement, 2022 Amendment, and 2023 Amendment—each binding the County to pay Mr. Downs severance payments with or without cause—were available for Measmer's review.

35. As a proximate result of the County's breach of contract and breach of the implied covenant of good faith and fair dealing, Mr. Downs has incurred damages in the amount of \$434,834.40 (the severance payment), and an additional \$30,000.00 (the contractually mandated bonus), resulting in a total base damages of \$464,834.40, exclusive of costs and interest, together with any attendant benefits not yet paid under the Agreement. Such benefits include without limitation a five percent (5%) contribution beyond and above his salary (*i.e.*, approximately \$23,241.72) to Mr. Downs' 401(k) plan account. He is therefore entitled to recover from the County all sums set forth in this paragraph; *i.e.*, **\$488,076.12**, together with pre- and post-judgment interest at the legal rate of eight percent (8%) per annum, and unpaid state retirement contributions and other associated benefits required by the Agreement.

Reservation of Rights

As noted above, Mr. Downs is 63 years old and was so at the time of his firing. Only thirteen (13) days following a disingenuous public notice of the County's advertisement of and invitation for the interviewing of candidates to replace Mr. Downs as County Manager, Measmer caused the Commissioners to vote to hire an individual under the age of 40 to replace Mr. Downs. Such individual had utterly no experience in working at any level in any capacity at any time as an employee of any governmental entity or agency. Such individual had no education or training in public administration.

The replacement hire's only possible "qualification" for the job is apparently an historical relationship between Measmer and himself, which relationship was hidden by Measmer, Lindsey, and Pittman from the other Commissioners and from the public. In addition, upon information and belief, a business venture between the replacement hire and Measmer was consistent with the replacement hire's qualifications and acumen—*i.e.*, it never made any money.

By the bringing of this breach of contract action, Mr. Downs does not waive and reserves all rights to assert, through filings before the federal Equal Employment Opportunity Commission ("EEOC") and in United States District Court claims for relief for age discrimination by the County under the Age Discrimination in Employment Act of 1967 ("ADEA"), 29 U.S.C. § 621 *et seq.*, 29 C.F.R. Part 1625, and/or other applicable federal or state law.

WHEREFORE, Mr. Downs respectfully prays the Court as follows:

1. That as a result of the County's breach of contract, he have and recover of such Defendant damages in the amount \$488,076.12, together with all associated benefits not yet paid under the Agreement;
2. That he recover pre- and post-judgment interest at the legal rate, running from January 31, 2025 until paid;

3. That the costs of this action, including reasonable attorneys' fees to the extent permitted by applicable law, be taxed against the County; and

4. For such other and further relief as the Court deems just and proper.

This the 19th day of March, 2025.



Mark A. Stafford, NC Bar No. 16835

STAFFORD PLLC

500 W. 5th Street, Suite 800

Winston-Salem, NC 27101

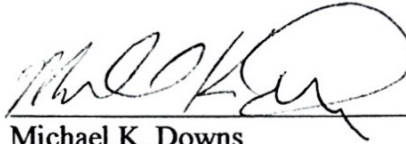
Telephone: 336-777-9326

mark.stafford@stafford-us.com

Attorney for Michael K. Downs

VERIFICATION

Michael K. Downs, being duly sworn, deposes and says that the contents of the Verified Complaint are true to his own knowledge, except as to matters stated on information and belief, and as to those matters, he believes them to be true.



Michael K. Downs

STATE OF NORTH CAROLINA

COUNTY OF Rowan

Sworn to and subscribed to before me

19th day of March, 2025.


Notary Public

My Commission Expires: 01/09/2029

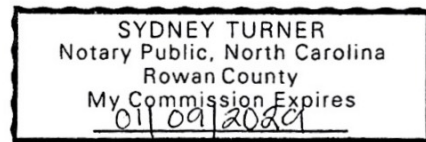


EXHIBIT A

Original 2011 Employment Agreement

STATE OF NORTH CAROLINA
COUNTY OF CABARRUS

COUNTY MANAGER
EMPLOYMENT AGREEMENT

THIS COUNTY MANAGER EMPLOYMENT AGREEMENT is made and entered into effective the 21st day of November, 2011, by and between the COUNTY OF CABARRUS, NORTH CAROLINA, ("EMPLOYER") and MICHAEL KEVIN DOWNS, ("EMPLOYEE");

PREMISES

1. The CABARRUS COUNTY BOARD OF COMMISSIONERS (the "BOARD") desires to retain the services of Michael Kevin Downs as the County Manager for the County and the BOARD expects that he will continue to serve in that capacity on a full-time basis and discharge the duties of that office during his tenure in that position; and

2. During his tenure as County Manager it is expected that numerous public projects and programs will be planned, developed, and implemented to improve and enhance the County's public services and facilities for the benefit of the citizens and taxpayers; and,

3. It is expected that various technical and legal proceedings may be raised in conjunction with the duties and responsibilities assumed by the County Manager; many of these matters may require the assistance and cooperation of the EMPLOYEE long after his employment with the County has ended; and,

4. The EMPLOYER and EMPLOYEE consider it prudent to enter into an agreement to assure continuous harmonious and effective management of the County's affairs in the event of the resignation or termination of the EMPLOYEE as the Cabarrus County Manager; and,

5. Both parties recognize the professional nature of the position of County Manager and that the recruitment and employment of an individual in the capacity of County Manager requires a lengthy and involved process; the EMPLOYER makes a major investment in time, effort, and public dollars in recruiting, selecting, and compensating the EMPLOYEE; and the EMPLOYEE by accepting the position of County Manager relinquishes the security afforded to him by the Cabarrus County Personnel Ordinance in his current capacity as Deputy County Manager.

In consideration of the above Premises and the Terms below, it is mutually covenanted and agreed by and between the parties as follows:

TERMS

SECTION I. EFFECTIVE DATE OF EMPLOYMENT

For the purposes of this Agreement, the effective date of employment of the EMPLOYEE as County Manager shall be November 21, 2011.

SECTION II. DUTIES AND RESPONSIBILITIES

EMPLOYER hereby agrees to employ EMPLOYEE as County Manager for the COUNTY OF CABARRUS, North Carolina. EMPLOYEE shall perform the functions and duties as specified in the North Carolina General Statutes, the County Code of Ordinances, the Annual Budget Ordinance and such other legally permissible duties and functions as the BOARD shall from time to time assign through action of the majority of the BOARD members.

SECTION III. TERM

- A. Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of the EMPLOYER to terminate the services of the EMPLOYEE at any time, subject only to the provisions set forth in SECTION V, Paragraph A of this Agreement.
- B. 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 the EMPLOYER, subject only to the provisions set forth in SECTION V, Paragraph C of this Agreement.

SECTION IV. RESERVED

SECTION V. TERMINATION AND POST-TERMINATION CONSULTING SERVICES

- A. EMPLOYER retains the right to terminate the employment of the EMPLOYEE as County Manager at any time, with or without cause. If EMPLOYER exercises that right, EMPLOYER agrees to engage EMPLOYEE in the provision of consulting services as outlined in this Section:
 - 1. EMPLOYEE will receive payment of salary and associated benefits equal to those he received immediately preceding termination for a period of nine (9) months.
 - 2. EMPLOYEE shall be entitled to be paid for all accumulated vacation leave in accordance with Article VI of the Cabarrus County Personnel Ordinance.
- B. EMPLOYER shall not at any time during the term of this Agreement reduce the salary or any other financial benefits of the EMPLOYEE in greater percentage than an applicable across-the-board reduction for all other employees of the County.

- C. In the event the EMPLOYEE elects to voluntarily resign his position as County Manager with the County, the EMPLOYEE shall give the BOARD at least thirty (30) days notice in advance, unless the parties agree otherwise.

SECTION VI. 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 thirty (30) consecutive days beyond any accrued sick and vacation leave, EMPLOYER shall have the option to terminate the EMPLOYEE, subject to the requirements of SECTION V, Paragraph A (1) above.

SECTION VII. SALARY

EMPLOYER agrees to pay EMPLOYEE for his services as County Manager an annual base salary of not less than \$155,000.00, in installments at the same time as other employees of the County are paid. The EMPLOYER may increase this base salary and/or benefits of the EMPLOYEE in such amounts and to such extent as the BOARD may determine desirable. Notwithstanding any other provisions of this Agreement, EMPLOYEE shall be entitled to receive cost-of-living salary adjustments on the same basis as other County employees; and EMPLOYER will increase the base salary of the EMPLOYEE or provide a bonus payment to the EMPLOYEE in an amount commensurate with the extent to which the EMPLOYEE has met the expectations of the EMPLOYER as indicated by the annual performance review of EMPLOYEE.

SECTION VIII. PERFORMANCE EVALUATION

- A. The BOARD shall review and evaluate the performance of the EMPLOYEE at least once annually. For purposes of this Agreement, it is assumed that the evaluation will be conducted on or near the EMPLOYEE'S anniversary date of employment with the county each year on or about November 21st. Said evaluation shall be in accordance with the criteria developed jointly by the EMPLOYER and EMPLOYEE. Such criteria may be modified upon agreement of both parties.
- B. An evaluation committee, composed of the Chairman and Vice-Chairman of the BOARD, shall review an evaluation proposal with the EMPLOYEE. The evaluation proposal and any change in compensation shall be presented to the full BOARD for action. EMPLOYEE shall have the right to discuss the evaluation with the full BOARD prior to their action on any compensation adjustments.
- C. Annually, the BOARD and EMPLOYEE may choose to define such goals and performance objectives which they determine appropriate within the framework of established goals and objectives. Time constraints, third party requirements, and budget limitations shall be considered in determining the relative attainment of stated

objectives and goals. These issues shall not be meant to be the sole determinant of the EMPLOYEE'S performance.

SECTION IX. AUTOMOBILE

EMPLOYEE'S duties require that he have the exclusive and unrestricted use of an automobile at all times during his employment with EMPLOYER. To this end, EMPLOYEE agrees to provide an automobile for this purpose, inclusive of insurance, maintenance, and fuel. EMPLOYER agrees to pay EMPLOYEE not less than \$5,000.00 annually for in-County travel. This amount will be added to the EMPLOYEE'S base salary and will be paid as provided in SECTION VII of this Agreement. The EMPLOYER agrees to pay the EMPLOYEE the maximum amount per mile allowed by the Internal Revenue Service for all documented mileage outside of Cabarrus County driven by the EMPLOYEE on business for the EMPLOYER.

SECTION X. VACATION, SICK LEAVE, AND HOLIDAYS

EMPLOYEE shall be entitled to the same holiday leave as all other employees of the County. EMPLOYEE shall accumulate vacation leave in accordance with Article VI, Section 4 and 5, Schedule A of the Cabarrus County Personnel Ordinance. EMPLOYEE shall accumulate sick leave in accordance with Article VI, Section 8 and 9 of the Cabarrus County Personnel Ordinance. EMPLOYEE shall retain all vacation and sick leave accumulated as an employee of Cabarrus County prior to his appointment as County Manager.

SECTION XI. HEALTH INSURANCE

EMPLOYER agrees to provide the EMPLOYEE, at a minimum, the same level of health, or any other type of insurance coverage for an individual and his family as is in effect for other County employees, including that described in Article IX, Section 2 of the Cabarrus County Personnel Ordinance.

SECTION XII. RETIREMENT

- A. EMPLOYER agrees to pay an amount equal to five (5%) percent of the EMPLOYEE'S base salary into the 401(k) program provided for other qualifying employees.
- B. The EMPLOYER shall also contribute to the County's standard retirement program with the North Carolina Local Governmental Employee Retirement System on the EMPLOYEE'S behalf in the same manner and percentage amount as is done for other County employees.

SECTION XIII. DUES AND SUBSCRIPTIONS

EMPLOYER agrees to budget for and pay for the professional dues, subscriptions, and training of the EMPLOYEE, for the good of the EMPLOYER, that is necessary for his

continuation and full participation in national, regional, and state associations and organizations necessary and desirable for his continued professional participation, growth, and advancement.

SECTION XIV. PROFESSIONAL DEVELOPMENT AND OFFICIAL TRAVEL

EMPLOYER agrees to budget for and pay the travel and other expenses of the EMPLOYEE for the professional and official travel, meetings, and occasions adequate to continue the professional development of the EMPLOYEE and to adequately pursue necessary official and other functions for the EMPLOYER.

SECTION XV. INDEMNIFICATION

EMPLOYER shall defend, save harmless, and indemnify EMPLOYEE against any tort, professional liability claim, demand or legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance by EMPLOYEE of his duties as County Manager. EMPLOYER at its expense will provide a defense for any such claim, demand, or legal action and will pay the amount of any settlement or judgment rendered therein, subject to the limits of the law and inclusive of third-party insurance. EMPLOYEE, whether or not still employed by EMPLOYER, shall fully cooperate with EMPLOYER or EMPLOYER'S legal representatives with regard to such indemnified matters.

SECTION XVI. BONDING

EMPLOYER shall bear the full cost of any fidelity or other bonds required for the EMPLOYEE under any federal law, state law, or local ordinance.

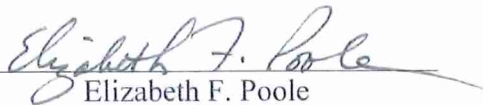
SECTION XVII. OTHER TERMS AND CONDITIONS OF EMPLOYMENT

- A. The BOARD, in consultation with the 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 not inconsistent with or conflict with the provisions of this Agreement or state law.
- B. All provisions of the regulations and rules of the EMPLOYER relating to vacation, sick leave, retirement, holidays, fringe benefits and working conditions as they now exist or hereinafter may be amended, also shall apply to EMPLOYEE as they would to other employees of the EMPLOYER, in addition to those benefits enumerated specifically for the benefit of the EMPLOYEE, except as otherwise provided in this Agreement.
- C. EMPLOYEE shall be entitled to receive the same vacation and sick leave benefits as are accorded other employees, including the provisions governing accrual and payment on termination of employment as provided for in this Agreement.
- D. EMPLOYEE shall be subject to the County Wage and Hour Policy in Appendix B of the Cabarrus County Personnel Ordinance.

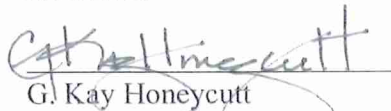
- E. If any provision, or any portion thereof, contained in this Agreement is held unconstitutional, invalid, or unenforceable, the remainder of the Agreement or portion thereof, shall be deemed severable, shall not be affected and shall remain in full force and effect.

IN WITNESS, the CABARRUS COUNTY BOARD OF COMMISSIONERS has caused this Agreement to be signed and executed in its behalf by its CHAIRMAN and duly attested and the EMPLOYEE has signed and executed this Agreement, both in duplicate.

EMPLOYER


Elizabeth F. Poole
Chairman
Cabarrus County Board of Commissioners

ATTEST:


G. Kay Honeycutt
Clerk to the Board

Date: Jan. 17, 2012

EMPLOYEE:

Date: 1-17-12


Michael K. Downs

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

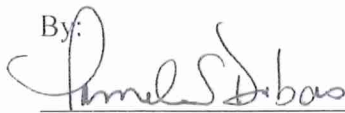
By:  1/31/12
Pamela S. Dubois
Deputy County Manager/Finance Director

EXHIBIT B

2022 Amendment to
Employment Agreement

STATE OF NORTH CAROLINA
COUNTY OF CABARRUS

AMENDMENT TO COUNTY MANAGER
EMPLOYMENT CONTRACT

This AMENDMENT TO COUNTY MANAGER EMPLOYMENT CONTRACT ("Amendment") is made and entered into as of the 31st day of October 2022 by and between the COUNTY OF CABARRUS, NORTH CAROLINA ("Employer") and MICHAEL KEVIN DOWNS ("Employee").

RECITALS

1. Employer and Employee entered into a County Manager Employee Agreement ("Agreement") on the 21st day of November, 2011 for the employment of Employee by Employer as its County Manager in accordance with North Carolina law.
2. This Agreement contained Premises that are still applicable to this Amendment.
3. The parties desire to change some of the provisions of the Agreement to reflect some modifications to the Agreement that the parties have agreed upon, based on past good performance pursuant to this Agreement by Employee.
4. The parties also desire to have the provisions of this Agreement not specifically modified in this Amendment to continue in force through the future relationship of the parties under the Agreement.

In consideration of the Recitals expressed above and the Terms contained below, which the parties agree constitutes sufficient legal consideration to make this Amendment legally binding and enforceable, the parties agree as follows.

TERMS

1. Term. The parties agree that Employee shall continue to be employed as County Manager pursuant to Section III of the Agreement.
2. Salary. Employee shall be paid an annual salary of \$265,283.20 effective November 21, 2022, reflecting a 3.5% increase in Employee's salary pursuant to his most recent annual performance review, conducted by the County Board of Commissioners on October 17, 2022. In addition, Employee shall receive the 1% cost-of-living salary adjustment received by all other County employees. Such salary adjustment is made pursuant to Section VII of the Agreement.
3. Bonus. Employee shall also be paid a bonus for the next year of this Agreement and Amendment of \$30,000.00, which shall be paid to Employee at the end of each calendar quarter in \$7,500.00 payments, beginning from the anniversary date of the Agreement. This bonus is also given pursuant to Section VII of the Agreement.
4. Termination and Post-Termination Payment. Section V of the Agreement is amended to eliminate any reference to "consulting services". Such payments under this Section shall be considered severance if Employer terminates Employee for any reason, with or without cause. Severance shall be

paid in a lump sum comprising eighteen (18) months of salary and associated benefits. Employee shall also be entitled to payment for all accumulated vacation leave in accordance with the Cabarrus County Personnel Ordinance. This change is effective immediately.

5. Automobile. The amount of travel allowance provided in Section IX of the Agreement is increased to \$12,000.00 annually. This change is effective November 21, 2022.

6. All other provisions of the Agreement, not specifically changed by this Amendment shall be considered to be incorporated into this Amendment and shall continue in full force and effect.

IN WITNESS, the parties have duly executed this Amendment as indicated below.

EMPLOYEE:

Date:

10/31/22

By:



MICHAEL KEVIN DOWNS

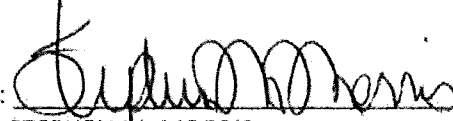
EMPLOYER:

COUNTY OF CABARRUS

Date:

10/31/22

By:



STEPHEN M. MORRIS

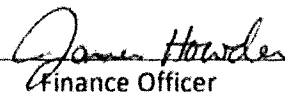
CHAIR, BOARD OF COMMISSIONERS

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

Date:

11/01/22

By:



Finance Officer

EXHIBIT C

2023 Amendment to
Employment Agreement

STATE OF NORTH CAROLINA
COUNTY OF CABARRUS

SECOND AMENDMENT TO COUNTY MANAGER
EMPLOYMENT CONTRACT

This SECOND AMENDMENT TO COUNTY MANAGER EMPLOYMENT CONTRACT ("Second Amendment") is made and entered into as of the ^{November} 9th day of ~~October~~, 2023 by and between the COUNTY OF CABARRUS, NORTH CAROLINA ("Employer") and MICHAEL KEVIN DOWNS ("Employee").

RECITALS

1. Employer and Employee entered into a County Manager Employee Agreement ("Agreement") on the 21st day of November, 2011 for the employment of Employee by Employer as its County Manager in accordance with North Carolina law.
2. That Agreement was amended by an Amendment to County Manager Employment Contract ("Amendment") signed October 31, 2022.
3. The Agreement and Amendment contained Premises that are still applicable to this Second Amendment.
4. The parties desire to change some of the provisions of the Agreement and Amendment to reflect some modifications to the Agreement as amended that the parties have agreed upon, based on past good performance pursuant to this Agreement by Employee.
5. The parties also desire to have the provisions of this Agreement as amended not specifically modified in this Second Amendment to continue in force through the future relationship of the parties under the Agreement.

In consideration of the Recitals expressed above and the Terms contained below, which the parties agree constitutes sufficient legal consideration to make this Amendment legally binding and enforceable, the parties agree as follows.

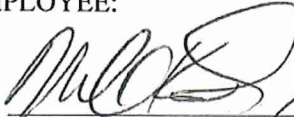
TERMS

1. Term. The parties agree that Employee shall continue to be employed as County Manager pursuant to Section III of the Agreement.
2. Salary. Employee shall be paid an annual salary of \$280,009.60 effective November 21, 2022, reflecting a 4.5% merit increase in Employee's salary pursuant to his most recent annual performance review, conducted by the County Board of Commissioners on October 16, 2023. Such salary adjustment is made pursuant to Section VII of the Agreement.
3. Bonus. Employee shall also be paid a "thank you" bonus for the next year of this Agreement as amended of \$30,000.00, which shall be paid to Employee at the end of each calendar quarter in \$7,500.00 payments, beginning from the anniversary date of the Agreement. This bonus is also given pursuant to Section VII of the Agreement.
4. All other provisions of the Agreement and Amendment, not specifically changed by this Second Amendment shall be considered to be incorporated into this Second Amendment and shall continue in full force and effect.

IN WITNESS, the parties have duly executed this Second Amendment as indicated below.

Date: 11/9/27

EMPLOYEE:

By:  11/9/27
MICHAEL KEVIN DOWNS

Date: 11/9/23

EMPLOYER:
COUNTY OF CABARRUS

By: 
STEPHEN M. MORRIS
CHAIR, BOARD OF COMMISSIONERS

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

Date: 11/9/23

By: 
Finance Officer

EXHIBIT D

2024 Amendment to
Employment Agreement

STATE OF NORTH CAROLINA
COUNTY OF CABARRUS

THIRD AMENDMENT TO COUNTY
MANAGER EMPLOYMENT CONTRACT

This THIRD AMENDMENT TO COUNTY MANAGER EMPLOYMENT CONTRACT ("Third Amendment") is made and entered into as of the 31st day of October, 2024 by and between the COUNTY OF CABARRUS, NORTH CAROLINA ("Employer") and MICHAEL KEVIN DOWNS ("Employee").

RECITALS

1. Employer and Employee entered into a County Manager Employee Agreement ("Agreement") on the 21st day of November, 2011 for the employment of Employee by Employer as its County Manager in accordance with North Carolina law.

2. That Agreement was amended by an Amendment to County Manager Employment Contract ("Amendment") signed October 31, 2022.

3. That Agreement was amended by a Second Amendment to County Manager Employment Contract ("Second Amendment") signed ~~October~~ November 9, 2023, 2023.

4. The Agreement, Amendment and Second Amendment contained Premises that are still applicable to this Third Amendment.

5. The parties desire to change some of the provisions of the Agreement, Amendment and Second Amendment to reflect some modifications to the Agreement as amended that the parties have agreed upon, based on past good performance pursuant to this Agreement by Employee.

6. The parties also desire to have the provisions of this Agreement as amended not specifically modified in this Third Amendment to continue in force through the future relationship of the parties under the Agreement.

In consideration of the Recitals expressed above and the Terms contained below, which the parties agree constitutes sufficient legal consideration to make this Third Amendment legally binding and enforceable, the parties agree as follows.

TERMS

1. Term. The parties agree that Employee shall continue to be employed as County Manager pursuant to Section III of the Agreement.

2. Salary. Employee shall be paid an annual salary of \$ 289,889.60 effective November 21, 2024, reflecting a 2.5 % merit increase in Employee's salary pursuant to his most recent annual performance review, conducted by the County Board of Commissioners on

October 7 & 21, 2024. Such salary adjustment is made pursuant to Section VII of the Agreement.

3. Bonus. Employee shall also be paid a "thank you" bonus for the next year of this Agreement as amended of \$30,000.00, which shall be paid to Employee at the end of each calendar quarter in \$7,500.00 payments, beginning from the anniversary date of the Agreement. This bonus is also given pursuant to Section VII of the Agreement.

4. All other provisions of the Agreement, Amendment and Second Amendment, not specifically changed by this Third Amendment shall be considered to be incorporated into this Third Amendment and shall continue in full force and effect.

IN WITNESS, the parties have duly executed this Second Amendment as indicated below.

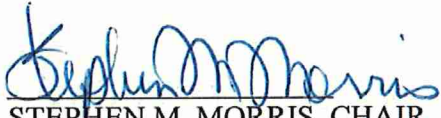
EMPLOYEE:

Date: 10/31/24

By:  10/22/24
MICHAEL KEVIN DOWNS

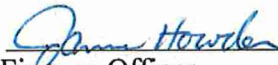
EMPLOYER:
COUNTY OF CABARRUS

Date: 10/31/24

By: 
STEPHEN M. MORRIS, CHAIR
BOARD OF COMMISSIONERS

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

Date: 10/31/2024

By: 
Finance Officer