

EMPLOYMENT AGREEMENT

This Employment Agreement (“Agreement”) is effective as of the 23 day of February 2026, except as otherwise provided herein, between The Town and Village of Woodstock, (together “Woodstock”), by and through the Town Selectboard and Village Trustees, and Eric Duffy (“Employee”).

In consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Employment.

(a) Term. Woodstock hereby employs Employee and Employee hereby accepts such employment on the terms contained herein. This Agreement supersedes all prior employment agreements, whether oral or written, existing prior to the Effective Date of this Agreement. Employee is an at-will employee subject to the termination provisions as set forth herein. The period during which the Employee is employed hereunder shall hereinafter be referred to as the “Term.”

(b) Position and Duties. During the Term, Employee shall serve in the position of Municipal Manager, shall have the responsibilities generally set forth in 24 V.S.A. §§ 1235-38 as they relate to Town Managers and the Village of Woodstock Charter, and shall have such other powers and duties as may from time to time be prescribed by the Town Selectboard and Village Trustees of Woodstock (the “Woodstock Boards”), provided that such duties are consistent with Employee’s position. During the Term, Employee shall devote his full working time and efforts to the business and affairs of Woodstock. Notwithstanding the foregoing, Employee may volunteer for religious, charitable, or other community activities as long as such services and activities are disclosed to the Woodstock Boards and do not materially interfere with Employee’s performance of his duties to Woodstock as provided in this Agreement.

(c) Schedule. Dutiful performance of Employee’s responsibilities routinely requires work beyond what can be accomplished within a conventional eight-hour workday or forty-hour workweek. Attendance at night meetings is an expected and required component of the Employee’s responsibilities, though attendance may, on limited occasions, be excused for significant cause, such as observance of religious holidays. Due to the nature of the work that includes frequent evening meetings, Employee may have flexibility in his on-site daily schedule, subject to the expectation that because the position is community focused, Employee is expected to be present on site in the Town offices as business may require. Notwithstanding the foregoing, Employee may work remotely periodically with the prior notice to the Board Chairs, or Vice Chairs if the Chairs are not available, and department heads. At all times, Employee shall be reachable and responsive during normal business hours. If Employee’s remote schedule is deemed unsatisfactory by the Boards, the Boards and Employee will implement a remediation plan within five [5] business days following notice to Employee. If a remediation plan is not implemented within five [5] business days of notice to Employee, Employee’s ability to work remotely shall require approval from the Board Chairs until a new plan is agreed upon. Employee

is exempt from overtime pay under the Fair Labor Standard Act's executive exemption and therefore is not entitled to be paid for time worked in excess of forty hours per week and is not entitled to additional compensation in the form of compensatory time.

(d) Personnel Policy. Woodstock has adopted, and from time-to-time amends, a Personnel Policy for its employees. Employee shall be subject to and shall receive the benefits of the Woodstock Personnel Policy, except where the Personnel Policy conflicts with or is inconsistent with the terms set forth in this Agreement or the Village Charter (as the latter may be amended from time to time), or with other applicable controlling Vermont law. In the event of a conflict between the provisions of the Personnel Policy and this Agreement or the provisions of the Village Charter, the terms set forth in this Agreement shall govern.

2. Compensation and Related Matters.

(a) Salary. Employee's salary shall remain at the 2026 rate through the end of the fiscal year on June 30, 2026. Effective July 1, 2026, Employee's annual salary shall be increased to \$176,000. This increase in salary effective July 1, 2026, is all inclusive and in lieu of any bonus and COLA compensation during Woodstock's 2026-2027 fiscal year. Employee's salary may be reviewed periodically by the Woodstock Boards, and any future increases (outside of standard annual COLA increases) are solely within the Woodstock Boards' discretion. The Salary shall be payable in a manner that is consistent with Woodstock's usual payroll practices.

(b) COLA Increase. In consideration of Employee's increase in Salary effective July 1, 2026, Employee shall not be eligible for a Cost-of-Living Adjustment ("COLA") increase in the 2026-2027 fiscal year, regardless of what other employees may receive for COLA on July 1, 2026. After the 2026-2027 fiscal year, Employee may be eligible for a COLA increase as may be determined from time to time for other non-union employees of Woodstock, provided that Employee's COLA increase, if any, shall not exceed 5%, unless the Woodstock Boards specifically approve a greater amount. Any future COLA increase to Employee's salary after the 2026-2027 fiscal year shall be effective on July 1st of each fiscal year in which a COLA increase is authorized.

(c) Expenses. Employee shall be entitled to receive prompt reimbursement for all reasonable expenses incurred by him during the Term related to services hereunder, in accordance with the policies and procedures then in effect and established by Woodstock, and specifically including: professional dues and subscriptions in professional associations for municipal managers including by not limited to the International City Managers Association, official business travel, and membership fees or dues in local civic clubs and organizations as may be appropriate for a Municipal Manager.

(d) Equipment. Employee shall be provided with a laptop computer and cell phone and such other electronic equipment as reasonable and necessary to perform his professional duties, subject to approval by the Boards.

(e) Other Benefits. During the Term, Employee shall be eligible to participate

in or receive benefits under Woodstock's employee benefit plans in effect from time to time, subject to the terms of such plans, including health, dental and long-term disability insurance. If Employee decides not to participate in Woodstock's health insurance, he shall be eligible to receive a sum, minus required withholdings, equal to 50% of the health insurance premium that would be paid by Woodstock to insure Employee and eligible family members, consistent with Woodstock's personnel policies. Employee shall be eligible for a transportation allowance of \$4,000.00 per year, less required taxes and withholdings, to be paid in quarterly installments in accordance with Woodstock's payroll procedures.

(f) Retirement Benefits. Employee shall be enrolled in the Vermont Municipal Employees Retirement System (VMERS), as set forth in 24 V.S.A. §5051 et seq., as may be amended. Employee may elect to participate in the International City/County Management Association Deferred Compensation Plan. Details of these programs are available on the State Treasurer's Website.

(g) Paid Vacation and Sick Time. Employee shall be entitled to vacation in accordance with Woodstock's policies in effect. For purposes of vacation only, at time of this agreement going into effect, employee shall be considered to have reached 20 years of service and, therefore, shall be entitled to up to six (6) weeks of vacation per year. A year is the 365-day period from the date of commencement of Employee's initial employment. Employee is required to notify Woodstock Boards of any single vacation, including holidays, which is greater than five (5) consecutive days and shall provide such notification thirty days in advance of the start of that vacation, unless personal circumstances make advance notice of such plans impossible, in which case Employee will make every effort to give timely notice. Further, Employee must obtain advance approval from the Woodstock Boards for any vacation of more than fifteen (15) consecutive calendar days. Employee may carry vacation days into the following year, up to a maximum of 30 days. At the conclusion of employment, Employee will be compensated for any unused vacation time consistent with the Woodstock Personnel Policy then in effect. In addition to vacation, Employee shall be entitled to accrue the number of applicable paid sick days in accordance with Woodstock's Personnel Policy. In the event the personnel policy is amended with respect to vacation leave, regardless of any such amendment, Employee shall be eligible for no less than 6 weeks of vacation per year.

3. Termination. During the Term, Employee's employment hereunder may be terminated without any breach of this Agreement under the following circumstances:

(a) Death. Employee's employment hereunder shall terminate upon his death.

(b) Disability. Woodstock may terminate Employee's employment if he is disabled and unable to perform the essential functions of Employee's then existing position or positions under this Agreement with or without reasonable accommodation for a period of 90 days (which need not be consecutive) in any 6-month period. If any question shall arise as to whether during any period Employee is disabled so as to be unable to perform the essential functions of Employee's then existing position or positions with reasonable accommodation, Employee may, and at the request of Woodstock shall, submit to Woodstock a certification in reasonable detail by a physician as to whether Employee is so disabled or how long such disability is expected to

continue, and such certification shall for the purposes of this Agreement be conclusive of the issue. Employee shall cooperate with any reasonable request of the physician in connection with such certification. If such question shall arise and Employee shall fail to submit such certification, Woodstock's determination of such issue shall be binding on Employee.

(c) Termination by Woodstock for Cause. Woodstock may terminate Employee's employment hereunder at any time for Cause, subject to an affirmative majority vote of the members of the Woodstock Boards. For purposes of this Agreement, "Cause" shall mean: (i) conduct by Employee constituting a material act of misconduct in connection with the performance of his duties, including, without limitation, misappropriation of funds or property of Woodstock; (ii) the commission by Employee of any felony or a misdemeanor involving moral turpitude, deceit, dishonesty or fraud, (iii) any conduct by Employee that would reasonably be expected to result in material harm to the interests or reputation of Woodstock; (iv) continued failure by Employee to perform his duties (other than by reason of Employee's physical or mental illness, incapacity or disability) or negligence in the performance of his duties hereunder, in either case which has continued for more than 30 days following written notice from the Woodstock Boards; or (v) a material violation by Employee of Woodstock's written employment policies.

(d) Termination by Woodstock Without Cause. Woodstock may terminate Employee's employment hereunder at any time without Cause upon a majority vote of the members of the Woodstock Boards. Any termination by Woodstock of Employee's employment under this Agreement which does not constitute a termination for Cause under Section 4(c) and does not result from the death or disability of Employee under Section 4(a) or (b) shall be deemed a termination without Cause.

(e) Voluntary Resignation by Employee. Employee may voluntarily resign his employment hereunder by providing to Woodstock Boards no less than sixty [60] days' written notice unless the parties otherwise agree to a shorter notice period. At Woodstock's option, Employee may be relieved of all duties and his employment will end on the date of notice of his voluntary resignation to Woodstock Boards, in which case Woodstock shall provide Employee with continuation of salary and benefits for the remainder of the sixty-day notice period, or for the remainder of a shorter notice period if agreed to by the parties, subject to section 2(b) of this Agreement. Any voluntary resignation is not considered a termination for purposes of this Agreement.

(f) Notice of Termination. Except for termination as specified in Section 3(a), any termination of Employee's employment by Woodstock or any such termination by Employee shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon.

(g) Date of Termination. "Date of Termination" shall mean: (i) if Employee's employment is terminated by his death, the date of his death; (ii) if Employee's employment is terminated on account of disability under Section 3(b) or by Woodstock for Cause under Section 3(c), the date on which Notice of Termination is given; and (iii) if Employee's employment is terminated by Employee under Section 3 (e), 60 days after the date on which a Notice of

Resignation is given. Notwithstanding the foregoing, in the event that Employee gives a Notice of Resignation to Woodstock, Woodstock may unilaterally accelerate the Date of Termination, and such acceleration shall not result in a termination by Woodstock for purposes of this Agreement.

4. Compensation Upon Termination.

(a) Termination Generally. If Employee's employment with Woodstock is terminated for any reason, Woodstock shall pay or provide to Employee (or to his authorized representative or estate) (i) any Salary earned through the Date of Termination (subject to, and in accordance with, Section 2(b) of this Agreement), unpaid expense reimbursements and unused vacation that accrued through the Date of Termination, on or before the time required by law but in no event more than 30 days after Employee's Date of Termination; and (ii) any vested benefits Employee may have under any employee benefit plan of Woodstock through the Date of Termination, which vested benefits shall be paid and/or provided in accordance with the terms of such employee benefit plans (collectively, the "Accrued Benefit").

(b) Termination by Woodstock Without Cause. During the Term, if Employee's employment is terminated by Woodstock without Cause as provided in Section 3(d), then Woodstock shall pay Employee his Accrued Benefit. In addition, subject to Employee signing a separation agreement containing, among other provisions, a general release of claims in favor of Woodstock in a customary and reasonable form satisfactory to Woodstock (the "Separation Agreement and Release"), including but not limited to certain covenants related to confidentiality and non-disparagement as may reasonably be required, which such Separation Agreement and Release shall become irrevocable within 30 days after the Date of Termination, Employee shall be entitled to receive a severance payment in an amount equal to six (6) months of his then current compensation. Employee explicitly agrees that he shall not be entitled to any further severance and that he would not be otherwise entitled to the six (6) months of severance unless he executes the Separation Agreement and Release.

5. Section 409A.

(a) The parties intend that all payments and benefits under this Agreement either (i) be exempt from Section 409A of the Internal Revenue Code, including under the short-term deferral and separation pay exceptions, or (ii) be provided in a manner that complies with Section 409A, and this Agreement shall be interpreted and administered consistent with that intent.

(b) Woodstock makes no representation or warranty and shall have no liability to Employee or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, such Section.

6. Litigation Cooperation. During and after Employee's employment, Employee shall cooperate fully with Woodstock in the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of Woodstock which relate to events or occurrences that transpired while Employee was employed by Woodstock. Employee's full cooperation in connection with such claims or actions shall include, but not be limited to,

being available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of Woodstock at mutually convenient times. During and after Employee's employment, Employee also shall cooperate fully with Woodstock in connection with any investigation or review of any federal, state, or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while Employee was employed by Woodstock. Woodstock shall reimburse Employee for any reasonable out-of-pocket expenses incurred in connection with Employee's performance of obligations pursuant to this Section 6

7. Performance Evaluation. The Woodstock Boards shall jointly review and evaluate Employee's performance periodically, typically annually as time permits. The performance evaluation shall be based on goals and objectives, as may be determined by the Woodstock Boards necessary for the proper operation and attainment of Woodstock's policy objectives. Goals and objectives shall be subject to discussion and review by Employee prior to assessment of Employee by the Woodstock Boards based on such goals and objectives.

8. Indemnification. Woodstock shall defend and indemnify Employee as may be required by law (including but not limited by 24 V.S.A. §§ 901, 901a) for claims arising directly from Employee's good faith performance of official duties within the scope of employment. Such indemnification shall be limited to reasonable legal fees, costs of defense, and judgments or settlements approved by the applicable Woodstock Board, subject to any applicable insurance coverage, deductibles, or policy limits. Employee shall not be entitled to indemnification for any claims arising from Employee's gross negligence, willful misconduct, bad faith, criminal acts, or violations of law. Woodstock may, in its sole discretion, elect to advance defense costs, subject to repayment if indemnification is not required or permitted by law.

Woodstock shall control the defense of any claim, including counsel selection, and may compromise and settle any such claim or legal action and pay the amount of any settlement or judgment without the prior consent of Employee.

9. Governing Law, Mediation, and Consent to Jurisdiction. This is a Vermont contract and shall be construed under and governed in all respects by the laws of the State of Vermont, without giving effect to the conflict of laws principles of such State. With respect to any disputes concerning federal law, such disputes shall be determined in accordance with the law as it would be interpreted and applied by the United States Court of Appeals for the Second Circuit. In the event of a disagreement regarding the terms of this Agreement, which cannot be worked out informally between the parties, Woodstock and Employee agree to conduct mediation prior to seeking any judicial remedy. Any such mediation shall be conducted in Woodstock by a neutral mediator of Woodstock's choosing. Following mediation, to the extent that any court action is permitted consistent with or to enforce this Agreement, the parties hereby consent to the jurisdiction of the Superior Court of the State of Vermont and the United States District Court for the District of Vermont. Accordingly, with respect to any such court action, Employee (a) submits to the personal jurisdiction of such courts; (b) consents to service of process; and (c) waives any other requirement (whether imposed by statute, rule of court, or otherwise) with respect to personal jurisdiction or service of process.

10. Integration. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements between the parties concerning such subject matter.

11. Withholding. All payments made by Woodstock to Employee under this Agreement shall be net of any tax or other amounts required to be withheld by Woodstock under applicable law.

12. Assignment. Neither this Agreement, nor any rights or obligations hereunder, may be assigned by one party without the consent of the other, except that this Agreement shall be binding upon and inure to the benefit of any successor or successors of Woodstock, whether by merger, consolidation, or otherwise, and reference herein to Woodstock shall be deemed to include any such successor or successors.

13. Enforceability. If any portion or provision of this Agreement (including, without limitation, any portion or provision of any section of this Agreement) shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

14. Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Agreement, or the waiver by any party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

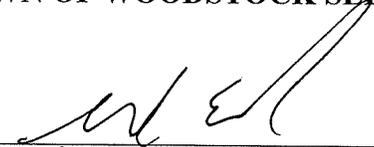
15. Notices. Any notices, requests, demands and other communications provided for by this Agreement shall be sufficient if in writing and delivered in person or sent by a nationally recognized overnight courier service or by registered or certified mail, postage prepaid, return receipt requested, to Employee at the last address Employee has filed in writing with Woodstock or, in the case of Woodstock, at its main offices, to the attention of the Chairs of the Woodstock Boards. Notices shall be effective upon receipt. Woodstock may change its notice address by notice to Employee specifying a new address.

16. Amendment. This Agreement may be amended or modified only by a written instrument signed by Employee and by a duly authorized representative of Woodstock.

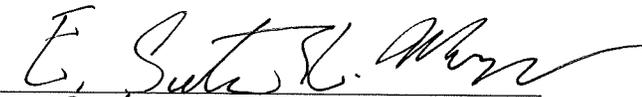
17. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be taken to be an original; but such counterparts shall together constitute one and the same document.

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the date and year first above written.

TOWN OF WOODSTOCK SELECTBOARD

By: 
Name: *RAYMOND BOURGEOIS*
Title: Chair, on behalf of the Town Selectboard

VILLAGE OF WOODSTOCK TRUSTEES

By: 
Name: *Seton McIlroy*
Title: Chair, on behalf of the Village Trustees

EMPLOYEE

By: 
Eric Duffy