

MEMORANDUM OF UNDERSTANDING
BETWEEN
CITY OF FARMERSVILLE
AND
**THE FARMERSVILLE MID-MANAGEMENT
EMPLOYEE ASSOCIATION**

(JULY 1, 2024 - JUNE 30, 2025)

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ARTICLE I. GENERAL PROVISIONS

Section 1. Application:

This Memorandum of Understanding (MOU) serves as the labor agreement between the City of Farmersville and the Farmersville Mid-Management employees. The agreement shall be effective as of July 1, 2024, and shall terminate on June 30, 2025.

Section 2. Amendments and Revisions:

Recommendation for the amendment and revision of policies and procedures may be made by the Personnel Officer after compliance with Government Code Chapter 3500 et seq. Unless otherwise noted, amendments and revisions shall become effective upon adoption of a resolution by City Council.

ARTICLE II. SALARY PLAN

Section 1. Salary on Appointment:

New employees will normally be hired at Step A salary amount of the appropriate position range as identified in the Salary Schedule (Exhibit A). If unusual recruitment difficulties are encountered with a candidate that is exceptionally well qualified, an appointment at a higher step may be authorized by the City Manager.

Section 2. Salary Adjustments:

Salary Step Increases, as shown in the Salary Schedule, shall be considered on the employee's employment date anniversary, and shall be based on a satisfactory evaluation and recommendation by the employee's department head.

- a. Tier 1 employees are those hired prior to January 01, 2018 and shall be eligible for Step increases as shown in the Tier 1 salary schedule as adopted.
 - b. Tier 2 employees are those hired on/after January 01, 2018, and shall be eligible for step increases as shown in the Tier 2 salary schedule as adopted.
8. Authorized salary adjustments shall become effective at the beginning of the pay period of the beginning of the fiscal year, based on a satisfactory evaluation.

- C. If, in the supervisor's judgment, the employee's performance does not justify an adjustment on the anniversary date, the employee shall be re-evaluated before the expiration of the six (6) months. If the employee receives a satisfactory evaluation at the end of the six (6) month period and a recommendation from the department head for a salary adjustment, the employee will receive said adjustment. In such an event, the employee shall maintain the same anniversary date.
- D. The granting of an official leave of absence of more than thirty (30) continuous calendar days, other than for military leave, shall cause the employee's salary adjustment date to be extended the number of calendar days of leave.
- E. Should an employee's approved adjustment be overlooked; upon discovery of the error the employee shall receive a supplemental payment compensating said employee for the adjustment he/she would have received had the adjustment been granted at the appropriate time.

Section 3. Salary on Promotion:

An employee who is promoted to a position in a class with a higher salary range shall be paid at the appropriate range and step amount effective as of the date of the promotion. The appropriate range and step amount shall be determined by the employee's department head with the approval of the City Manager.

Section 4. Salary on Demotion:

An employee who is demoted to a position in a class with a lower salary range shall be paid at the appropriate range and step amount effective as of the date of the demotion. The appropriate range and step amount shall be determined by the employee's department head with the approval of the City Manager.

Section 5. Salary on Transfer:

An employee who is transferred from one position to another in the same class or to another position in a similar class having the same salary range shall receive the same salary range and step class shall be treated as non-disciplinary demotions for salary, seniority, and benefit purposes.

Section 6. Salary on Position Reclassification:

When an employee's position is reclassified and the employee is appointed to the position, their salary shall be determined by the Salary Schedule classification for the new position.

Section 7. Salary on Re-employment:

An employee recalled after a layoff to their previous position shall receive the same range and step salary amount provided, they are rehired within twelve (12) months. Employees shall receive credit for prior service with City for seniority and benefit purposes provided they are rehired within twelve (12) months of the layoff.

Section 8. Acting Pay:

- A. Acting pay shall be in the salary range of the acting position's class. To receive acting pay, the employee must:
1. Be formally assigned duties appropriate to the higher class. Such assignment shall be confirmed by the processing of a personnel action form by the employee's supervisor.
 2. Work in the higher class for at least thirty (30) consecutive days.
- B. Subject to the conditions noted above, qualifying employees shall be paid acting pay for all days worked in an acting position after the first 30 days.

Section 9. Uniform and Clothing Pay/Allowances:

Sworn police employees who are required to wear uniforms shall be paid \$1,000.00 per year to be used for the purchase/maintenance and cleaning of their uniforms. A prorated amount shall be paid for any portion of a year worked.

Sworn fire employees who are required to wear uniforms shall be paid \$1,000.00 per year to be used for the purchase/maintenance and cleaning of their uniforms. A prorated amount shall be paid for any portion of a year worked.

Public Works management employees will be allowed a boot allowance of \$300.00 annually. In addition, Public Works management employees shall receive an annual uniform allowance of \$640 paid in December of each year.

Non-sworn administrative management staff shall receive a clothing allowance of \$250 annually. A prorated amount shall be paid for any portion of a year worked.

Section 10. Salary Schedule/Salary and Classification Plan:

The Tier 1 Salary Schedule (attached as Exhibit A) shall remain in full force as of July 1, 2017, and shall provide ranges with six (6) steps of 5% each. The Tier 2 Salary Schedule (attached as Exhibit B) shall provide ranges set with eight (8) steps of 3.125% each.

A 10% adjustment shall be reflected in the salary schedule in consideration for the employee paying the Employee contribution of the PERS.

Section 11. Computation of Salary for Payroll Purposes:

The monthly salary shall be those amounts as shown in Exhibit A for Tier 1 employees and Exhibit B for Tier 2 employees of this article and will be paid bi-weekly at the amount equal to the result of multiplying the monthly amount by 12 and dividing by 26.

Section 12. Cost of living:

A. A 2.50% adjustment shall be made to the Salary Schedule effective July 1, 2024.

The pay changes will be effective at the beginning of the first full pay period after the start of the fiscal year July 1, 2024.

ARTICLE III. WORK PERIOD/OVERTIME

Section 1. Work Period:

- A. The normal work period for administrative, clerical, and non-sworn police personnel shall be a period of forty (40) hours within a period of seven (7) consecutive days starting at 12:00 A.M. on Wednesday, and ending at 11:39 P.M. on the following Tuesday and in the same increments thereafter. Management Employees shall not be eligible for overtime for hours worked in excess of forty (40) hours in a pay period.
- B. This section is not to be interpreted as prohibiting the adoption of different work periods or schedules in the respective departments with the preapproval of City manager.

ARTICLE IV. LEAVE OF ABSENCE WITH PAY

Section 1. Sick Leave:

Following completion of six (6) months or continuous full-time service, an employee shall be credited with six (6) days of sick leave. Thereafter for each calendar month or service in which the employee is paid for more than two-thirds (2/3) of the working days in such month, they shall be credited with one (1) day of sick leave. Unused sick leave may be accumulated without limit.

Upon the approval of the department head and the personnel officer, an employee having less than six (6) months of continuous service may be permitted to use sick leave. Such sick leave shall be an advance on credited sick leave and, should the employee terminate before the completion of six (6) months of service, the amount of sick pay received will be deducted from their final check.

- A. Credited sick leave may be used for the absence on account of:
- 1) An employee's bona fide illness, injury, or pregnancy.
 - 2) The treatment or examination of the employee includes, but not limited to, medical, dental, optometric, psychological, or psychiatric.
 - 3) For serious illness or injury of a member of the employee's immediate family (i.e., spouse, parent, brother, sister, child, stepchild, mother-in-law, father-in-law, grandchild, grandchild, or grandparent). Use of sick leave under this section is restricted to a maximum of six (6) days each fiscal year. For purposes of this section, "serious illness or injury" is defined as an illness or injury of such severity that death is imminent, or someone be immediately available to assist the afflicted and/or monitor their condition.
- B. Sick leave usage is subject to the approval of the employee's department head or immediate supervisor, in the absence of the department head. The department head may require evidence in the form of a physician's certificate, or otherwise verifying the reason for an employee's absence during the time for which sick leave is requested. A failure to submit the required verification shall result in denial of sick leave usage and constitute grounds for disciplinary action.
- C. No employee shall be entitled to sick leave with pay while absent from duty on account of the following:
- 1) Disability arising from sickness or injury supposedly self-inflicted or caused by any of their own willful misconduct.
 - 2) Sickness or disability sustained while on leave of absence without pay.
- D. Sick leave shall not be used in lieu of or in addition to vacation.
- E. An employee who has completed a minimum of five (5) years' continuous service and who leaves in good standing shall be paid at their salary rate then in effect for 30% of their unused sick leave.
- F. Observed Holidays occurring during sick leave shall not be counted as a day of sick leave.
- G. Sick leave is not accrued by or credited to non-regular, emergency, seasonal, relief, or temporary employees paid solely on an hourly or daily basis.
- H. Part-time employees who regularly work at least twenty-nine (29) hours per week, but less than forty (40) hours per week, with at least six (6) months of continuous service shall be entitled to sick leave pay accrued at one-half (1/2) the rate of full-time employees.
- I. Any employee who does not use any sick time in a full fiscal year will be granted an added day of vacation, regular part-time positions shall receive 1/2 day, on July 1st of the next fiscal year.

Section 2. Vacation Accrual and Carryover Policy:

A. Employees shall accrue vacation at the following rates.

Years of Completed Service	Vacation Accruals	Maximum Accumulation at the end of Fiscal Year
0 to 2	(4.31 hrs. /pay period)	14 days
3 to 4	(4.92 hrs. /pay period)	16 days
5 to 9	(5.54 hrs. /pay period)	18 days
10+	(6.15 hrs. /pay period)	20 days

B. Vacation accrual shall be capped at (3) three times the employee's annual accrual.

a. Employees who reach their cap will cease to accrue vacation leave time unless a waiver is provided at the request of their department head and approved by the City Manager.

C. Regular part-time employees with at least six (6) months of continuous service shall accrue vacation time at the rate of 3.3 hours per month of Service.

a. Vacation accrual for part-time employees shall be capped at (1) one time the annual accrual.

Section 3. Use of Vacation Time:

After the completion of six (6) months of continuous service, an employee may apply for vacation leave not to exceed the number of hours earned.

- A. Vacations shall be taken at times approved by the department head with due regard to the wishes of the employee and the particular regard for needs of City.
- B. Unless otherwise provided by department rules, employees shall submit vacation requests to their supervisor at least ten (10) calendar days prior to the intended start of vacation.
- C. An employee who terminates their city employment shall be paid for all unused vacation.
- D. No person shall be permitted to work for compensation for the City during their vacation.
- E. In the event that one or more city holidays fall within an annual vacation leave, such holiday shall not be charged as vacation leave, however, extension of the vacation leave for the period of such holiday(s) is subject to approval of the employee's department head.
- F. With the exception of terminating employees, pay will not be given in lieu of vacation time that is not taken.

Section 4. Vacation Buy Back:

Each fiscal year, after using 60 hours of Vacation leave, an employee may sell back up to a maximum 36 hours of Vacation leave per year. In order to sell back hours, an employee must have a minimum of 100 hours in their bank before the employee can cash out the 36 hours.

Section 5. Holidays:

A. Management personnel shall receive paid time off for each of the following holidays:

- New Year's Day
- Martin Luther King Jr. Day
- President's Day
- Cesar Chavez Day
- Memorial Day
- Juneteenth
- Independence Day
- Labor Day
- Veteran's Day
- Thanksgiving
- Day following Thanksgiving
- Christmas Eve
- Christmas
- New Year's Eve
- Employee's Birthday
- Any special holidays declared by the Mayor, Governor, or President

8. In the event a holiday falls on a Saturday, the preceding Friday will be the day that the employees will observe as the holiday. In the event a holiday falls on a Sunday, the following Monday will be the day that the employees will observe as the holiday.

C. In the event any employee does not utilize all of their holiday time by the end of the last pay period in the fiscal year, he/she shall carry the time over and shall be compensated at an hourly rate at the time of separation with the City.

Section 6. Civic Responsibility Leave:

A. Absence from work because of required trial jury duty will be considered an excused absence with pay. To receive their full salary the employee shall turn into the administrative department any payment for trial jury duty, excluding pay for travel and meals.

- B. In accordance with the California Elections Code, Sections 14400 and 14401, if a registered voter employee does not have sufficient time outside of regular working hours within which to vote at general, direct primary or presidential primary elections, they may take off working time as will, when added to their voting time outside their working hours, enable them to vote. The scheduling of the time referenced above shall be subject to the prior approval of the respective department head and shall normally be at the beginning or end of a work shift. A maximum of two (2) hours may be taken with pay to vote provided a ballot stub is given to the department head upon returning to work.

Section 7. Temporary Military Leave:

Payment of employees on temporary military leave as governed by section 395.1 of Military and Veteran Code of the State of California, which states:

"Any public employee which is on temporary military leave or absence and who has been in the service of the public agency from which the leave is taken for a period of not less than one year immediately prior to the date on which the absence begins shall be entitled to receive their salary or compensation as such public employee for the first thirty (30) days in any one year of public agency service, all service of said public employee in the recognized military service shall be counted as public agency service."

Section 8. Management Administrative Leave:

- A. Employees in the Management Bargaining Unit may be authorized administrative, or management leave each fiscal year depending upon individual performance, departmental workload, special problems, or long periods of emergency work, provided approval is obtained from City manager prior to the time being taken. Administrative Leave shall be allocated, on an annual basis, in accordance with the following schedule:

- Administrative Analyst 100 hours
- Police Commander 100 hours
- Battalion Chief 100 hours
- Finance Manager 100 hours
- Public Works Supervisor 100 hours
- HR Manager 100 hours

- B. Administrative leave will be received by the employee in a lump sum at the beginning of the fiscal year. Up to 20 hours of unused administrative leave will automatically be paid out at the last check in June of each year. No hours will be carried over to the following fiscal year.
- C. Employees shall be compensated for unused administrative leave upon separation at the current hourly rate of earnings.

Section 9. Bereavement Leave:

In the event of the death of a member of the employee's immediate family (i.e., spouse, registered domestic partner, parent, brother, sister, child, stepchild, mother-in-law, father-in-law, grandchild, or grandparent), an employee may use up to 5 days off with the approval of their department head. An employee may use up to 3 days of Sick Leave in addition to bereavement leave, if needed, with the approval of their department head.

ARTICLE V. HEALTH & WELFARE

Section 1. Workers Compensation:

- A. An employee of City who is disabled, whether temporarily or permanently, by injury or illness arising out of and in the course of their duties, shall be compensated as follows: on the first, second and third day of the injury, employee shall use accrued sick leave, vacation, floating holiday and/or compensatory time off for full salary continuance.

Section 2. Medical Verification:

Employees may be required to provide medical verification of their ability to perform required tasks. Such verification may be requested when the City has cause to believe that the employee's condition presents a hazard to the employee, other employees, or the public.

Section 3. Health, Dental and Vision Insurance:

- A. For the period of July 1, 2023, through June 30, 2024, City of Farmersville shall pay the premiums for Tier 1 employees and their dependents for a Healthcare Program, Dental Plan, and Vision Plan in accordance with the rules and regulations governing those programs as described in Exhibit C at no cost to the employee.
- B. For the period of July 1, 2023, through June 30, 2024, Tier 2 employee's the City of Farmersville shall provide a fixed contribution of up to \$1,150 towards the purchase of a Healthcare Program, Dental Plan, and Vision Plan for the employee and their dependents in accordance with the rules and regulations governing those programs as described in Exhibit C.
- C. Tier 1 Employees may, at their discretion, "Opt Out" of Healthcare coverage for their dependents, spouse, and themselves and be eligible for the following incentive, per pay period, for a maximum allowable incentive of \$150.00.

1. Opt Out of Dependent coverage (all dependents)	\$50
2. Opt Out of Spousal coverage	\$50
3. Opt Out of Employee Coverage	\$50

During an approved leave of absence or absence without pay, an employee may continue their health insurance coverage by paying City in advance for each month, or portion thereof, in which they are absent plus a 5% administrative fee.

Section 4. Retirement:

City shall provide the Public Employees Retirement System (PERS) retirement to all employees. The City shall pay the various employer's rates. Employees shall pay the employee contribution to PERS and be responsible for any future increases to the Employee rate in accordance with current PERS rules and guidelines. For Mid-Management employees, at no time shall the cost be more than 12% of base pay, any additional employee cost shall be paid by the City.

For non-public safety personnel, the City shall pay for the (2%) @ 60 retirement programs for "classic" employees and (2%) @ 62 for "new" employees. For public safety personnel, the City shall pay for the (2%) @ 55 retirement program for "classic" employees and (2%) @ 57 for "new" employees.

Additionally, City shall pay (6.2%) of the employee's salary towards the employee share of Social Security. The (6.2%) contribution to social security by the City for the employees shall not count in any computation towards the PERS retirement program provided for in this section.

Section 5. Life Insurance:

City shall provide a life insurance policy of \$100,000 for each management employee.

ARTICLE VI. MANAGEMENT BENEFITS

Section 1. Mileage Reimbursement:

Employees who, at the city's request, use a private vehicle on city business shall be reimbursed for mileage at the Federal GSA rate per mile. Prior approval from the department head must be obtained.

Section 2. Tuition Reimbursement Program:

- A. All full-time personnel are eligible to participate in the City's tuition reimbursement program. Employees must obtain their department head's approval prior to taking a requested course. This approval must be obtained in writing prior to starting the course.
- B. Each course approval is contingent upon there being a relationship between course and/or degree and the employee's present or reasonable anticipated duties. The department head shall determine whether such a relationship exists.
- C. Once the department head's approval is obtained the request will be forwarded to the City manager for final approval. Upon successful completion of the class, (grade "B-" or

better) the employee shall provide the finance department with a copy of the grade report and all receipts and cancelled checks relating to the tuition expenses incurred. Once all necessary information is received by finance, the finance department will make the appropriate payment.

- D. Reimbursement will not exceed the per unit cost for an equivalent class taken at a state college/university subject to a maximum reimbursement in any one fiscal year of \$2,000 per employee.
- E. Employees that terminate employment with City, voluntarily or involuntarily prior to three years after completing a course that he/she received a tuition reimbursement, shall be responsible to pay back to City a portion of the reimbursement received. For each month worked after the reimbursed course is completed, employee shall be forgiven 2.78% of the reimbursement.

Section 3. Bilingual Pay:

- A. Effective July 1, 2021, any new eligible employees shall receive \$100 a month for fluency in conversational and written Spanish. Such fluency shall be determined through a competency examination developed and administered by City.
- B. Any employees receiving bilingual pay. Prior to July 1, 2021, shall have their 3.5% incentive pay converted to their equivalent dollar amount as of June 30, 2021.

these employees shall receive the converted fixed amount going forward regardless of changes to salary.

Section 4. Long Term Disability and Life Insurance:

All full-time employees are provided with long-term disability and life insurance coverage.

Section 5. Vehicle Take-Home Program:

The following positions shall be allowed to take home city vehicles pursuant to those policies adopted by their respective departments: Police Commander, and Public Works Supervisor.

Section 6. Certification Pay:

City shall provide 2.5% above the employee's normal hourly or monthly rate for obtaining and maintaining a maximum of one certificate and is approved by the City Council. It shall also include a 2.5% increase for a notary license.

City shall provide 5.0% Deputy City Clerk incentive pay above the employee's normal hourly or monthly rate.

Section 8. Deferred Compensation:

If an employee elects to participate in a voluntary deferred compensation retirement program, the City shall match each dollar contributed by employee up to four percent (4%) of employee's reoccurring pay.

Section 9. Longevity Pay:

After an employee has worked for the City for at least ten years, the employee shall be entitled to longevity pay. Longevity pay shall be equal to 5% of employee's base salary and shall only be awarded pending the following two conditions: employee is on the top step of their job classification scale and the employee received a satisfactory rating in their most recent annual performance evaluation. An additional 5% shall be paid in the event the employee has worked for at least 20 years and the same conditions described above exist.

Section 10. Parity Clause:

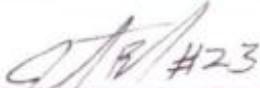
If an employee bargaining group is granted an increase in benefit the management employee supervising their group shall be granted the same increase in benefit, provided they are contractually eligible for the benefit.

Section 11. Healthy Living Pay:

The City shall provide employees with an annual \$180 healthy living incentive to maintain their health and wellness payable in two payments, one in December and one in June.

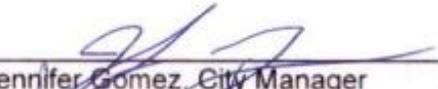
IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding on this 16th day of April 2024.

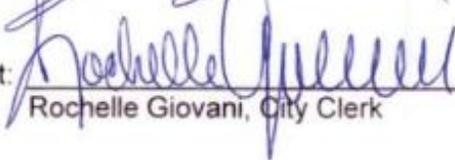
MANAGEMENT EMPLOYEES

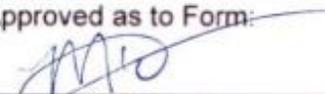
By: 
Justin Baker, Public Works

By: 
Betina Ashoori, Finance Manager

CITY OF FARMERSVILLE

By: 
Jennifer Gomez, City Manager

Attest: 
Rochelle Giovani, City Clerk

Approved as to Form: 
Michael Schulte, City Attorney