

**AMENDMENT NO. 2
TO EMPLOYMENT AGREEMENT BETWEEN THE
CITY OF MOORPARK AND TROY BROWN**

This Amendment No. 2 to the February 7, 2018 Employment Agreement, as previously amended, ("Employment Agreement") between the CITY OF MOORPARK, a California municipal corporation and general law city ("the CITY"), and TROY BROWN ("EMPLOYEE"), an individual, is made and entered into this 6th day of June, 2019.

RECITALS

WHEREAS, on February 7, 2018, the CITY and EMPLOYEE entered into an Employment Agreement for the Non-Competitive Service, at-will position of City Manager; and

WHEREAS, the CITY and EMPLOYEE entered into Amendment No. 1 to the 2018 Employment Agreement on May 3, 2018; and

WHEREAS, the City Council has completed its annual review of Employee's performance and the parties desire to make certain changes to the Employment Agreement.

NOW, THEREFORE, it is mutually agreed by and between the parties to amend the Employment Agreement as follows:

Section 1. Effective June 8, 2019, Subsection 4.A, Base Salary is amended to read in its entirety as follows:

"Base Salary. Effective with the pay period beginning June 8, 2019, City shall pay Employee an annual salary of \$221,104, subject to legally permissible or required deductions and withholding, prorated and paid on City's normal pay days. Employee's salary is set in the City's Salary Plan covering the City Manager's position, with an hourly rate of \$106.30. Employee shall be compensated according to the City's biweekly pay schedule. Identification of an hourly rate herein is to account for absences from work of less than eight (8) hours per work day or forty (40) hours per work week, consistent with the Fair Labor Standards Act and the City's practices. Employee's salary is compensation for all hours worked. Employee shall be exempt from the overtime pay provisions of California law (if any) and federal law. Effective with the pay period beginning on July 6, 2019, Employee shall receive the same 1% cost-of-living allowance granted to the City's Non-Competitive Service management employees. This will result in an annual base salary of \$223,308.80 and an hourly rate for accounting purposes of \$107.36."

Section 2. Subsection 4.B(1), Fringe Benefit Package, is amended to read in its entirety as follows:

“In addition to base salary and except as expressly provided in this Agreement, Employee shall receive the fringe benefits (retirement, deferred compensation, medical insurance, dental insurance, vision insurance, life insurance and annual physical) under plans, policies and controlling documents adopted by the City Council, and as they may be amended from time to time. Such fringe benefits are subject to the terms and conditions of the applicable plan, policy or other controlling documents, including laws and regulations, where applicable. To the extent that a benefit is granted to Employee and the benefit or its administration is not adequately addressed in the plans, policies and controlling documents or this Agreement, reference may be made to the comparable benefit as applied to Department Heads in the Management Benefits Resolution to fill any gaps, but not to change the terms of this Agreement.”

Section 3. Subsection 4.B(2), Annual Leave, is amended to read in its entirety as follows:

“Employee shall accrue annual leave at a rate of 9.24 hours per pay period. Upon actually reporting for duty on or after the Effective Date, Employee will be granted an initial annual leave balance of forty (40) hours. Leave use shall be calculated based on an eight-hour day. The minimum increment of Annual Leave that may be used is one quarter hour (15 minutes). Employee may accrue up to a maximum accumulated Annual Leave balance of seven hundred forty-four (744) hours of Annual Leave. When Employee’s accumulated Annual Leave balance reaches the stated maximum number of hours, accrual of Annual Leave shall cease. As long as Employee has at least three hundred sixty (360) hours of Annual Leave accumulated, forty (40) hours of such accumulated leave may be cashed out as deferred compensation in January of each year.”

Section 4. Subsection 4.B(4), Administrative Leave, is amended to read in its entirety as follows:

“Employee shall accrue administrative leave at the rate of approximately ninety-six (96) hours per year, accrued at the rate of 3.69 hours per pay period, with administrative leave pro-rated for partial years. Administrative Leave must be taken by the end of the calendar year ending December 31. Any unused, accumulated Administrative Leave totaling sixteen (16) hours or less at the end of a calendar year will be automatically converted to Annual Leave. Any accumulated Administrative Leave exceeding sixteen (16) hours at the end of a calendar year will not be carried over, and the Administrative Leave balance will be zero (0) at the beginning of each new calendar year, with the exception of the permitted leave carryover.”

Section 5. Subsection 4.B(5), Other Leaves and Holidays, is amended to read in its entirety as follows:

“Employee shall be entitled to other leaves and to holidays as provided in the City Council adopted Management Benefits Resolution or as otherwise applicable to

other full-time City positions, and as such Resolution or other acts of the City Council may be amended from time to time. To the extent that leave programs vary by employee group, reference will be made to the benefit for Department Heads. As a salaried, overtime exempt employee, Employee's base salary includes compensation for work performed on any holidays."

Section 6. Subsections 4.B(13), (14), (15), (16), (17), (18) and (19) are added to read in their entirety as follows:

"(13) Dental and Vision Insurance. For fiscal years 2018-19 and 2019-20, City will pay the full premium for employee and dependent coverage for the dental and vision programs. For subsequent fiscal years, Employee will receive the same premium contributions as Department Heads. City reserves the right to change benefit providers, which may cause specific benefits to vary based on the approved provider network or insurance.

"(14) Medical Insurance Cafeteria Plan.

"City shall continue a cafeteria plan (Section 125 Premium-Only Plan) for medical insurance, and the City's contribution for Employee shall consist of a medical insurance allowance of up to one hundred percent (100%) of the PERS Choice insurance Preferred Provider Organization (PPO) plan family rate, and such contribution shall be inclusive of the minimum CalPERS medical insurance payment amount as specified in Section 22892 et seq. of the Government Code.

"The medical insurance cafeteria plan contribution, as specified above, is intended to pay for medical insurance for the employee and eligible dependents. An employee may convert up to a maximum of \$300.00 of the medical insurance cafeteria plan allowance to cash or a deferred compensation payment each month, if not used for payment of CalPERS medical insurance costs for employee and/or eligible dependents (hereinafter referred to as in-lieu payment). The in-lieu payment shall be prorated over twenty-four (24) pay periods in a calendar year; and upon termination of employment, the in-lieu payment shall be prorated for the final paycheck, based on actual days worked, including any use of paid accumulated leave or holiday pay in that final pay period.

"If Employee elects to waive medical insurance coverage for himself and eligible dependents, proof of alternative medical insurance coverage shall be provided at the time of open enrollment each year, and the Employee shall certify he will continue such alternative coverage so long as he receives an in-lieu payment. City agrees to provide this in-lieu payment option only so long as provider does not object and this action is consistent with applicable federal and state laws, including the Affordable Care Act or any successor thereto. Once Employee has selected an option for insurance coverage and/or in-lieu payment that would begin January 1 of each calendar year, he may not change his selected option until the next open enrollment date of the medical insurance plan, except as is permitted by law. All medical insurance costs that exceed

the City's maximum allowance for the calendar year shall be paid by Employee through payroll deduction."

"(15) Comprehensive Annual Physical. Having completed one year of service with the City, Employee is eligible for a City-paid comprehensive physical examination every two (2) years prior to age 50, and every year after age 50, with a maximum, cumulative City contribution of One thousand two hundred dollars (\$1,200.00) for each pre-approved comprehensive physical examination, as a supplement for costs not covered or funded by medical insurance (including any specialized examinations, tests, follow-up tests, and laboratory costs).

"(16) Life Insurance. Employee shall be provided term life insurance policy at two hundred fifty thousand dollar (\$250,000) face value. Life insurance coverage for Employee's dependents shall be the same as that provided for Competitive Service employees.

"(17) Deferred Compensation. Employee shall be entitled to a deferred compensation contribution made by the City into an approved deferred compensation program of three percent (3.0%) of gross base salary. Effective with the pay period beginning July 6, 2019, Employee shall be entitled to a deferred compensation contribution made by the City into an approved deferred compensation program of four percent (4.0%) of gross base salary.

"(18) CalPERS Retirement. Employee shall be enrolled as a member under the City's contract with the California Public Employee's Retirement System, under the appropriate benefit formula. City shall pay the employee CalPERS contribution, not to exceed seven percent (7%) of base salary, to the extent permitted by law. The CalPERS retirement benefits to be paid by City are subject to terms of the City's contract with CalPERS and applicable law and regulations.

"(19) Tuition Reimbursement. Employee shall be eligible to receive tuition reimbursement for courses pre-approved by the City Council and consistent with the rules, including tuition reimbursement rates, approved by the City Council for Competitive Service employees."

Section 7. Section 8, Severance, Subsection A is amended to read in its entirety as follows:

"A. If Employer terminates this Agreement (thereby terminating Employee's Employment), without cause, Employer shall pay Employee a lump sum severance benefit in:

an amount equal to nine (9) months of his then applicable base salary if terminated (without cause) while this Agreement remains in effect."

Section 8. Except as revised by this Amendment No. 2, all of the other provisions of the Employment Agreement, as previously amended, shall remain in full force and effect.

CITY OF MOORPARK

EMPLOYEE

By: *Janice S. Parvin*
Janice S. Parvin, Mayor

By: *Troy Brown*
Troy Brown, City Manager

Attest:

Deborah Traffenstedt
Deborah Traffenstedt
Assistant City Manager/City Clerk

