

CITY OF MERCED
FINANCE OFFICER EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT ("Agreement") is entered into this 6th day of February 2025 by and between the CITY OF MERCED, a California municipal corporation and Charter City ("Employer" or "City") and M. Venus Rodriguez ("Employee") an individual, (sometimes collectively "the Parties").

RECITALS

A. City is a municipal corporation duly organized and validly existing under the laws of the State of California with the power to carry on its business as it is now being conducted under the statutes of the State of California and the Charter of City.

B. On or about February 5, 2018, City appointed Employee to the position of Finance Officer.

C. The Parties desire to extend Employee's employment as City's Finance Officer subject to the terms and conditions of this Agreement.

NOW, THEREFORE, it is mutually agreed by and between the undersigned Parties as follows:

SECTION 1. TERM. This Agreement shall become effective February 6, 2025 ("Effective Date"). Subject to City's right to terminate Employee's employment at any time, as provided for in this Agreement, the Term of this Agreement is five (5) years from the Effective Date and may be extended for an additional term as determined by mutual written agreement between the parties. At or around six (6) months prior to the expiration of this Agreement, the parties agree that they shall meet to discuss renewal of the Agreement and Employer shall at that time, or within a reasonable time thereafter, notify Employee of their determination in that regard. If City elects not to extend this Agreement, Employee shall not be entitled to receive severance pay pursuant to Section 7 of this Agreement.

SECTION 2. DUTIES AND AUTHORITY. Employer agrees to employ Employee as Finance Officer, to exercise the powers and authority and to perform the functions and duties specified in the Merced City Charter, the Municipal Code and all relevant resolutions, rules, regulations, procedures, applicable job description(s) and State laws, as they currently or may in the future exist.

Employee shall exercise such power and authority and perform such other functions and duties, not inconsistent with this Agreement, as Employer, by and through its City Manager and/or City Council, may legally assign.

SECTION 3. COMPENSATION AND PERFORMANCE EVALUATION.

A. Employer agrees to pay Employee at the rate of an annual base salary of Two Hundred Twenty-two Thousand Forty Four Dollars and Sixteen Cents (\$222,044.16), subject to deduction and withholding of any and all sums required for federal or state income tax, pension contributions, and all other taxes, deductions or withholdings required by then current state, federal or local law, prorated and paid on Employer's normal paydays for the City Manager, City Attorney, City Clerk, and any Department Directors not covered by collective bargaining agreements ("Executive Management Employees"). Employer shall also deduct sums Employee is obligated to pay because of participation in plans or programs described in Section 4 of this Agreement. The annual base salary of Employee shall be established by resolution of the City Council. Based on Employee's performance, as determined by City Council in the exercise of its sole discretion, Employee may receive an annual cost of living adjustment (COLA) which may be negotiated in conjunction with Employee's annual evaluation of performance. The COLA will be based on the California CPI for Urban Wage Earners and Clerical Workers for the 12 months between December and December as calculated by the Department of Industrial Relations as authorized by Government Code Section 3511.1 and 3511.2. If Employee receives a COLA, this Agreement and the publicly adopted pay scale required by PERS shall be deemed amended.

As an alternative to the annual COLA described above, this Agreement shall be deemed amended whenever the City Council adopts a resolution changing the base salary of Executive Management Employees or the manner (but not the amount) by which Executive Management Employees are paid.

B. Upon a date mutually agreed to by the parties, but no later than ninety (90) days following the Effective Date of this Agreement, Employee and Employer, by and through the City Council and in coordination with the City Manager, shall meet to set mutually-agreed upon performance goals and objectives for each year under this Agreement. Thereafter, Employee and Employer, by and through the City Council and in coordination with the City Manager, shall meet on an annual basis, or at any time or times during the period in which this Agreement remains in effect, in order for the City Council to conduct an evaluation of

Employee's performance. The City Council in coordination with the City Manager may provide Employee with a written performance evaluation in such format as the City Council and City Manager may determine.

C. Employee's compensation as discussed under this Section is not tied to the compensation of any other City employee or group of City employees, except as expressly provided in this Agreement.

SECTION 4. EMPLOYEE BENEFITS.

A. Administrative Leave. Employee shall earn ninety-six (96) hours of administrative leave per calendar year. Administrative leave must be taken in the calendar year in which it is credited to Employee. In lieu of time-off, Employee may opt to be paid for the administrative leave in December of the year earned. Administrative leave not paid in December or taken by January 31 of the year following shall be lost and not reimbursed to Employee.

B. Vacation/Sick Leave. Employee shall accrue a combined Sick Leave and Vacation Leave into a Leave Account. Employee shall accrue leave at the rate of 11.392 hours per bi-weekly pay period. Said accrual may accumulate to a maximum of 1360 hours. Employee's Sick Leave accrued prior to the effective date of Employee's Agreement dated February 5, 2018, shall remain in a separate Sick Leave account and is to be used as such.

C. Additional Benefits. Except as expressly provided herein, Employee shall receive the same health, dental, and vision insurance and CALPERS retirement benefits and be entitled to participate in plans and programs such as short term and long-term disability plans, life insurance plans, and deferred compensation plans, as are available to Executive Management Employees. This Agreement shall be deemed amended as to these benefits, and these benefits only, whenever the City Council adopts a resolution or takes action changing these benefits.

D. Cell Phone and iPad. Employee shall be entitled to the same benefits regarding the provision of a cell phone and iPad or reimbursement for cell phone and iPad expenses relating to business usage as provided to any Executive Management member.

E. Amendment. Employee's benefits provided under this Section 4 are not tied to the compensation of any other City employee or group of City

employees except as expressly provided in this Section.

SECTION 5. GENERAL BUSINESS EXPENSES.

A. Employer recognizes that Employee may incur expenses of a non-personal, job-related nature that are reasonably necessary to Employee's service to Employer. Employer agrees to either pay such expenses in advance or to reimburse the expenses, so long as the expenses are incurred and submitted according to Employer's normal expense reimbursement procedures, or such other procedure as may be designated by the City Council. To be eligible for reimbursement, all expenses must be supported by documentation meeting Employer's normal requirements and must be submitted within time limits established by Employer.

B. City shall reimburse Employee for expenses incurred attending a reasonable number of League of Cities and other similar professional conferences relevant to the performance of Employee's duties, subject to the terms of the City's Travel Expense Reimbursement policy.

C. The expenses to be budgeted and paid in the Section 5, Paragraphs A and B above, are exclusive of reasonable expenses related to events, participation in organizations, or attendance at events or meetings on behalf of the City as required by the City Council. Employer will separately budget and pay for Employee's membership and participation in community, civic or other organizations or events in which Employer requires Employee to participate.

SECTION 6. AT-WILL EMPLOYMENT RELATIONSHIP.

A. Consistent with Article VI of the City Charter, Section 600, Employee is appointed by, and serves at the pleasure of, the City Council. Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of Employer to terminate this Agreement and the employment of Employee at any time, with or without Cause, and with or without notice. Employer shall pay Employee for all services through the Effective Date of termination and Employee shall have no right to any additional compensation or payment, except as provided in Section 7, Severance and Benefit Payoff at Termination, and General Release Agreement, below.

B. Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of Employee to resign from employment with Employer, subject

only to Employee's providing sixty (60) calendar days prior written notice to Employer of the effective date of Employee's resignation.

SECTION 7. SEVERANCE AND BENEFIT PAYOFF AT TERMINATION, AND GENERAL RELEASE AGREEMENT.

A. If Employer terminates this Agreement (thereby terminating Employee's Employment) without Cause, as determined by at least four (4) affirmative votes of the members of the City Council at a Regular Meeting of the City Council, and if Employee signs, delivers to the City Council, and does not revoke, the General Release Agreement in the form attached hereto as Exhibit A, Employer shall pay Employee a lump sum benefit equal to six (6) months of Employee's then applicable base salary and shall provide Employee six (6) months of continued medical, dental, and vision benefits beginning on the Effective Date of termination (collectively "Severance").

B. If Employer terminates this Agreement (thereby terminating Employee's Employment) with Cause, as determined by at least four (4) affirmative votes of the members of the City Council at a Regular Meeting of the City Council, Employee shall not be entitled to any additional compensation or payment, including (without limitation) Severance. If the City Council intends to terminate with Cause, based on a reason or reasons set forth in subparts 5 or 6, immediately below, the Council shall first deliver to Employee a written Notice of Intent to Terminate, stating the reason or reasons for the proposed termination, and providing a thirty (30) day period for Employee to cure. If, in the City Council's independent judgment, Employee cures the identified reason or reasons for Cause termination, Employee shall not be terminated therefor. No such Notice of Intent to Terminate shall be required for any termination for Cause as defined in subparts 1 through 4, inclusive, immediately below. As used in this Agreement, Cause shall mean any of the following:

1. Conviction of a felony;
2. Conviction of a misdemeanor arising out of Employee's duties under this Agreement and involving a willful or intentional violation of law;
3. Conviction of any crime involving an "abuse of office or position," as that term is defined in Government Code Section 53243.4;

4. Willful abandonment of duties;
5. Repeated failure to carry out a directive or directives of the City Council made by the City Council as a body;
6. Any grossly negligent action or inaction by Employee that materially and adversely: (a) impedes or disrupts the operations of Employer or its organizational units; (b) is detrimental to employees or public safety; or (c) violates properly established rules or procedures of Employer.

C. If Employee terminates this Agreement (thereby terminating Employee's employment), Employee shall not be entitled to any additional compensation or payment, including Severance.

D. Upon termination (regardless of reason), Employee shall be compensated for all accrued but unused Administrative and Vacation Leave.

SECTION 8. EMPLOYEE'S OBLIGATIONS AND HOURS OF WORK.
Employee shall devote her full energies, interest, abilities and productive time to the performance of this Agreement and utilize her best efforts to promote Employer's interests. Employee's duties may involve expenditures of time in excess of the regularly established workday or in excess of a forty (40) hour workweek and may also include time outside normal office hours (including attendance at City Council meetings). Employee's base salary includes compensation for all hours worked and Employee shall be classified as an exempt employee for purposes of overtime and shall not be entitled to any form of compensation for overtime. In recognition of the significant time Employee will need to devote outside normal office hours to business activities of Employer and the exempt, salaried nature of the employment, employee is permitted to exercise a flexible work schedule, and shall be permitted to work remotely, subject to any applicable City policy relating to remote work, up to sixteen (16) business hours per calendar week. Otherwise, however, consistent with this flexibility and Employee's participation in activities out of the office, Employee will generally be expected to keep office hours at City Hall during normal business hours.

SECTION 9. CONFIDENTIALITY.

A. Employee acknowledges that in the course of her employment contemplated herein, Employee will be given or will have access to confidential and proprietary documents and information, relating to the City, its residents, businesses, employees, and customers ("Confidential Information"). Such Confidential Information may include, but is not limited to, all information given to or otherwise accessible to Employee that is not public information or would be exempt from public disclosure as confidential, protected, exempt or privileged information. Employee shall hold the Confidential Information in trust for City's benefit and shall not disclose the Confidential Information to others without the express written consent of City.

B. The obligations of Employer and Employee under this Section 9 shall survive the termination of this Agreement.

SECTION 10. OUTSIDE ACTIVITIES. Employee shall not engage in any activity, consulting service or enterprise, for compensation or otherwise, which is actually or potentially in conflict with or inimical to, or which materially interferes with her duties and responsibilities to Employer.

SECTION 11. INDEMNIFICATION. Consistent with the California Government Code, Employer shall defend and indemnify Employee, using legal counsel of Employer's choosing, against expense or legal liability for acts or omissions by Employee occurring within the course and scope of Employee's employment under this Agreement. City shall have full control over any such litigation including, without limitation, the authority to settle without Employee's consent. Employee shall provide prompt written notice to the City Attorney of any claim or litigation brought against Employee arising out Employee's employment under this Agreement and shall reasonably cooperate with the City and counsel in the defense of the same. In the event there is a conflict of interest between Employer and Employee in such a case so that independent counsel is required for Employee, Employer may select the independent counsel after having considered the input of Employee and shall pay the reasonable fees of such independent counsel consistent with City litigation guidelines and standard rates received by City from its chosen special counsel.

Notwithstanding the foregoing, and consistent with Sections 53243 through 53243.3 of the Government Code, Employee shall be required, if convicted of a crime involving an abuse of her office or position, to fully reimburse the City for:

(1) any paid leave salary offered by the City to the Employee; (2) any funds provided for the legal criminal defense of the Employee; (3) any cash settlement related to the termination that Employee may receive; and (4) any other payments received by Employee from City that in any way relate to the foregoing.

SECTION 12. OTHER TERMS AND CONDITIONS OF EMPLOYMENT. Employer, through the City Manager, may fix other terms and conditions of employment, as it may determine from time to time, relating to the performance of the Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement or applicable law.

SECTION 13. NOTICES. Notice pursuant to this Agreement shall be given by depositing written notification in the custody of the United States Postal Service, postage prepaid, addressed as follows:

EMPLOYER:
City of Merced
c/o City Clerk
678 West 18th Street
Merced, California 95340

EMPLOYEE:
M. Venus Rodriguez
(at the home address then shown in Employee's personnel file)

Alternatively, notice required pursuant to this Agreement may be personally served in the same manner as is applicable in civil judicial practice. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the course of transmission in the United States Postal Service as provided by law.

SECTION 14. GENERAL PROVISIONS.

A. Integration: This Agreement sets forth the final, complete and exclusive agreement between Employer and Employee relating to the employment of Employee by Employer. Any prior discussions or representations by or between the parties are merged into this Agreement or are otherwise rendered null and void. The parties by mutual written agreement may amend any provision of this Agreement during the life of the Agreement. Such amendments shall be

incorporated and made a part of this Agreement. The foregoing notwithstanding, Employee acknowledges that, except as expressly provided in this Agreement, her employment is subject to Employer's generally applicable rules and policies pertaining to employment matters, such as those addressing equal employment opportunity, sexual harassment and violence in the workplace, as they currently or may in the future exist, and her employment is, and will continue to be, at the will of the City Council.

B. Binding Effect: This Agreement shall be binding on the Employer and the Employee as well as their heirs, assigns, executors, personal representatives and successors in interest.

C. Choice of Law: This Agreement shall be interpreted and construed pursuant to and in accordance with the laws of the State of California and all applicable City Charter provisions, Codes, Ordinances, Policies and Resolutions. Venue for any legal dispute involving this Agreement shall be in the Superior Court of the State of California with geographic jurisdiction over the City of Merced.

D. Severability: If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall nevertheless remain in full force and effect. If any provision is held invalid or unenforceable with respect to particular circumstances, it shall nevertheless remain in full force and effect in all other circumstances.

E. Conflict with City Charter or Municipal Code. The City personnel ordinances, resolutions, rules and policies shall apply to Employee in the same manner as applied to other management employees, provided, however, in the event of a conflict between the provisions of this Agreement and the City Charter, or this Agreement and the Municipal Code, the City Charter or the Municipal Code shall prevail over this Agreement.

F. Employee's Independent Review: Employee acknowledges that she has had the opportunity and has conducted an independent review of the financial and legal effects of this Agreement. Employee acknowledges that she has made an independent judgment upon the financial and legal effects of this Agreement and has not relied upon any representation of Employer, its officers, agents or employees other than those expressly set forth in this Agreement. Employee acknowledges that she has been advised to obtain, and has availed herself of, legal advice with respect to the terms and provisions of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the dates reflected below each signature.

EMPLOYER:
CITY OF MERCED
A California Charter Municipal Corporation

EMPLOYEE:

BY: _____
Matthew Serratto, Mayor

BY: 
M. Venus Rodriguez

ATTEST:
D. SCOTT MCBRIDE, CITY CLERK

BY: _____
Assistant/Deputy City Clerk

APPROVED AS TO FORM:

BY: 
Craig J. Cornwell, City Attorney

Date 12/23/2025

ACCOUNT DATA:

BY: _____
Verified by Finance Officer