## MEMORANDUM OF AGREEMENT

The City of Pensacola (the "City") and the American Federation of State, County, and Municipal Employees ("AFSCME") Florida Council 79, by and through the undersigned president of Local 3253 ("the Union") are hereinafter collectively referred to as the "Parties."

WHEREAS, on September 23, 2021, the City and the AFSCME hereby reach this Memorandum of Agreement ("Agreement") on compensation as follows (with the understanding that additional bargaining sessions will be required to address other matters in the collective bargaining agreement):

The Parties have agreed to the following amendments/changes to the 2018 Collective Bargaining Agreement that become effective on October 1, 2021
reflected as follows:

Article 27. Wages.

October 1, 2021: All currently employed bargaining unit employees will receive a three percent (3.0%) wage increase to their base pay. Those bargaining unit members who are at the maximum cap or exceed the maximum cap because of this pay increase will receive the equivalent three percent (3.0%) pay increase exceeding the maximum cap as a one-time payment.

October 1, 2022: All currently employed bargaining unit employees will receive a three percent (3.0%) wage increase to their base pay. Those bargaining unit members who are at the maximum cap or exceed the maximum cap because of this pay increase will receive the equivalent three percent (3.0%) pay increase exceeding the maximum cap as a one-time payment.

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October 1, 2023: All currently employed bargaining unit employees will receive a three percent (3.0%) wage increase to their base pay. Those bargaining unit members who are at the maximum cap or exceed the maximum cap because of this pay increase will receive the equivalent three percent (3.0%) pay increase exceeding the maximum cap as a one-time payment.

## 3. Merit Pay

For the Term of this Collective Bargaining Agreement, final performance evaluations will be conducted annually, as determined by management. Specific due dates, Performance Evaluation form(s), and instructions will be disseminated by management. Final authority to approve final performance ratings rests solely with management and the decision is not grievable.

The Summary score is based on the rating points in each section and is included as the final summary score section of the performance management evaluation rating process that will be electronically submitted to Human Resources for processing at the end of each Fiscal Year. To be eligible for a merit pay increase, new employees must have successfully completed the probationary period.

The final summary score will be used to determine qualification for a merit pay increase and the level of any merit pay allocation (see chart below):

Summary Rating	Point Range	Merit Increase Recommended
Exceeds Expectations (E)	3.50 - 5.00	2% Merit Increase
Meets Expectations (M)	2.50 - 3.49	1% Merit Increase
Does Not Meet (DNM)*	0.00 - 2.49	0% Merit Increase

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\*NOTE: An employee who was rated DNM, but successfully completed a Performance Improvement Plan (PIP) after the ninety (90) day evaluation period that results in a revised score of two and one half (2.5) or higher, may earn a merit increase of up to 1% retroactive to the date the employee would have normally received the merit adjustment. Anyone subject to formal disciplinary action (i.e. Suspension w/o pay, or Demotion) during the rating period will not be eligible for a merit increase greater than 1%. Management has the discretion to determine whether to recommend merit pay adjustments, to include instances of a PIP or Formal Discipline, to Human Resources.

The effective date for merit pay increases will be beginning October 1, 2021, and on each following October 1<sup>st</sup> through to October 1, 2023 respectively. Any changes made to the provisions of the Merit Performance Plan will be conferred, in advance, with the bargaining unit. Those bargaining unit members who are at the maximum cap or exceed the maximum cap because of this pay increase will receive the equivalent merit pay increase exceeding the maximum cap as a one-time payment.

Additionally, should the Merit Performance Plan be discontinued for any reason, the annual eligibility and funding for up to 2% increase each October 1st will continue during the term of this Agreement.

4. One-Time Premium Payment

On October 1, 2021, all currently employed bargaining unit members who have at least one-hundred eighty days (180) of service with the City will receive a one-time premium payment of fifteen (15) percent of base pay, up to a maximum of \$10,000.00. The one-time premium payment will be made by separate check and not included in the

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9/23/21 REL 9/23/21 bargaining unit member's regular paycheck. This one-time premium payment will not be paid in future years and will not be included as language in the Parties' Collective Bargaining Agreement.

IN WITNESS THEREOF, the parties have set their signatures on the date last written below.

AFSCME Representative

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