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**MEMORANDUM OF UNDERSTANDING**

**BETWEEN**

**CITY OF FOLSOM**

**AND**

**FOLSOM POLICE OFFICERS**  
**ASSOCIATION**

**July 1, 2010 through June 30, 2013**

Folsom File No. 482-21 10-001

Res 8710 08/05/2010



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## PREAMBLE

This Memorandum of Understanding, hereinafter referred to as "the Agreement", entered into by the City of Folsom, hereinafter referred to as "the City", or "the employer", pursuant to Section 3500 et seq. of the Government Code of the State of California and the Folsom Police Officers Association, hereinafter referred to as "the Association" or "FPOA" has as its purpose the promotion of harmonious labor relations between the City and the FPOA; establishment of an equitable and peaceful procedure for the resolution of differences; and the establishment of rates of pay, hours of work, and other terms and conditions of employment.

It is understood and agreed that this Memorandum of Understanding (MOU) supersedes and replaces all previous such actions on these points by and between the City of Folsom and the Folsom Police Officers Association. Where ordinances and policies that may conflict with the Memorandum of Understanding exist, the Memorandum of Understanding will prevail.

The term "Agreement" as used herein means the written agreement provided under section 3505.1 of the Government Code.

## ARTICLE I RECOGNITION AND COVERAGE

### A. Recognition:

Folsom Police Officers Association is recognized as the exclusive representative, as provided in the City's Employer-Employee Relations Rules for all employees assigned to the Police Bargaining Unit in the following classifications and any other classification which is agreed between the parties to be included in the Police Bargaining Unit.

Community Service Officer  
Communications Supervisor  
Dispatcher I/II  
Police Officer  
Police Records Clerk  
Police Records Supervisor  
Police Sergeant  
Property and Evidence Technician

B. Total Agreement:

This Memorandum of Understanding constitutes a full and complete agreement by the parties and contains all of the matters upon which the parties have reached agreement. Therefore, except as provided herein, the City and the Association, for the duration of this Agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated to bargain collectively, with respect to any subject or matter referred to or covered in this Agreement, as well as any subject or matter not referred to or covered in this Agreement.

C. Severability of Provisions:

Should any section, clause or provision of this Agreement be declared illegal by final judgment of a court of competent jurisdiction, such invalidation of such section, clause or provision shall not invalidate the remaining portions hereof, and such remaining portions shall remain in full force and effect for the duration of this Agreement. In the event of such invalidation, the parties agree to meet and confer concerning substitute provisions for provisions rendered or declared illegal.

## ARTICLE II MANAGEMENT RIGHTS

All City rights and functions, except those which are expressly abridged by this Agreement, shall remain vested with the City. The rights of the City include, but are not limited to, the exclusive right to:

- A. Manage the City generally and to determine issues of policy.
- B. Determine the existence of facts which is the basis of management decisions.
- C. Determine the necessity for and organization of any service or activity conducted by the City, and to expand or diminish services.
- D. Determine the nature, manner, means, technology, and extent of services to be provided to the public.
- E. Determine methods of financing.
- F. Determine types of equipment or technology to be used.

- G. Determine and/or change the facilities, methods, technology, means, organizational structure, and size and composition of the work force, and to allocate and assign the work by which the City operations are to be conducted.
- H. Determine and change the number of locations, relocations, and types of operations, processes, and materials to be used in carrying out all City functions, including, but not limited to, the right to contract for or sub-contract any work or operation of the City.
- I. Assign work to and schedule employees in accordance with requirements as determined by the City, and to establish and change work schedules and assignments upon reasonable notice and good faith meet and confer.
- J. Lay off employees from duties because of lack of work or funds, or under conditions where continued work would be ineffective or non-productive.
- K. Establish and modify productivity and performance programs and standards.
- L. Dismiss, suspend without pay, demote, reprimand, withhold salary step increases, or otherwise discipline employees for cause.
- M. Determine minimum qualifications, skills, abilities, knowledge, selection procedures and standards, and job classifications, and to reclassify employees.
- N. Hire, transfer, promote, and demote employees.
- O. Determine policies, procedures, and standards for selection, training, and promotion of employees.
- P. Establish reasonable employee performance standards including, but not limited to, quality and quantity standards; and to require compliance therewith.
- Q. Maintain order and efficiency in City facilities and operations.
- R. Establish, publish, and/or modify rules and regulations to maintain order and safety and health in the City. The City agrees to meet and confer on any items that fall within the scope of Government Code Section 3500 et. seq.
- S. Restrict the activity of an employee organization on the municipal property and on municipal time except as set forth in the City's Personnel Rules.
- T. Take any and all necessary action to carry out the mission of the City in emergencies.

### ARTICLE III NO STRIKE

FPOA agrees that during the term of this Agreement, neither it nor its officers, employees, representatives, or members will engage in, encourage, sanction, support or suggest any strikes, work stoppages, boycotts, slow downs, mass resignations, mass absenteeism or any other similar actions which would involve suspension of, or interference with, the normal work of the City of Folsom. In the event that FPOA members participate in such activities in violation of this provision, FPOA shall notify those members so engaged to cease and desist from such activities and shall instruct the members to return to their normal duties.

### ARTICLE IV EMPLOYEE RIGHTS

A. Union Bank Time:

1. Employees in the bargaining unit may, but are not required to, donate accrued Annual Leave, Holiday Leave, or Furlough Time in no less than one-half (.5) hour increments, into a bank of hours from which designated FPOA representatives may draw time for the purposes of conducting association business, including but not limited to, training programs and seminars. Donated time will be transferred from the donating employee's accrued Annual Leave, Holiday Leave, or Furlough Time to the Union Bank as a one-time donation or from Annual Leave on a regular basis each pay period.
2. The FPOA President or designee must approve, fill out and submit a leave request slip for all employees using the Union Bank. The release of employees on Union Bank Time shall be subject to the needs of the City, as determined by the Police Chief.
3. The FPOA shall submit a request to the Police Chief or designee for the release of employees on Union Bank Time at least 7 calendar days prior to the desired time off or as otherwise approved by the Police Chief.

B. Non-discrimination:

The City agrees not to discriminate against any employee because of membership in the Association or because of any activities on behalf of the Association. The City further agrees not to discriminate, harass, or reprimand against any employee as a result of their exercise of their rights under this



Agreement, or under Section 3500 et seq., of the Government Code of the State of California.

C. Access to Personnel Files:

The City shall maintain only one (1) personnel file on each person in the Human Resources Department. A duplicate personnel file shall be maintained at the Police Department. Both files shall be kept secured.

Upon request by an employee, the employee and/or his/her authorized representative may review the personnel files during regular business hours, except where denial of access is authorized by statute.

Information contained in an employee's personnel file shall be confidential and available for inspection only to authorized management/administrative personnel and the supervisor of the employee; except, however, that information in an employee's personnel file may be released pursuant to court order, subpoena, or with a release signed by the employee. The department shall notify the employee of the existence of such court order, subpoena, or a motion for court order to gain access to the personnel file prior to the release of any information.

No material which relates to the employee's conduct, attitude, work performance, or service will be included in his/her personnel file without being signed and dated by the author of such material. Before such material is placed in the employee's file, the department head shall provide the employee the opportunity to review the material and sign and date it. A copy of such material shall be provided to the employee. The employee shall have the right to insert in his/her file within thirty (30) days of the employer placing the item in the file, supplementary material and a written response to any item in the file. Such response shall remain attached to the material it supplements for as long as the material remains in the file.

Internal affairs investigations shall be kept in a separate file under the employee's name and shall be purged and destroyed after five (5) years. Such files shall be maintained in the Police Department.

D. Purging Personnel Files:

Upon the request of the employees, and with the approval of the Police Chief, counseling memos and reprimands shall be removed from personnel files after two (2) years. These items along with disciplinary actions (i.e., suspensions, reductions in pay, and demotions shall be removed and destroyed after five (5) years in accordance with the City's records retention policy.

## ARTICLE V SALARY AND OTHER COMPENSATION

A. Salary Ranges:

The salary ranges for each job classification in the Police Bargaining Unit are set forth in Addendum A of this Agreement. It is understood that implementation of any salary increase or market adjustment may vary slightly due to rounding.

B. Salary Step Increases:

Beginning July 1, 2010 and ending June 30, 2011, employee advancement through the salary range (Section 1.04.030 of City Personnel Rules) shall be frozen. Employees who would normally have advanced to a higher step during this period shall advance to the next higher step twelve (12) months from their anniversary date and shall not receive any retroactive payment nor shall the elapsed time period between July 1, 2010 and June 30, 2011 be counted for any future step advancement.

C. Additional Salary Step:

Effective July 1, 2012, the parties agree to add an additional step to the top of the salary range for all classifications in the FPOA bargaining unit. Salary ranges shall thereafter consist of six salary steps: Step A, step B, step C, step D, step E, and step F, with approximately 5% between each step.

Employees who have had satisfactory performance and who have been at step E of the salary range for more than twelve (12) months shall be moved to step F. Employees who are at step E less than 12 months and have had satisfactory performance will move to step F on their anniversary date. Employees shall continue to move through the salary range pursuant to City personnel rules.

D. Clothing/Uniform Allowance:

1. Plain Clothes Assignments:

When the Police Chief assigns employees to a plain clothes assignment (for more than 3 months consecutively), such employees shall receive a clothing allowance of \$1000.00 per year. Plain clothes assignments are those assignments that require professional business attire. Other plain clothes assignments that do not require daily wearing of professional business attire may qualify for the allowance based upon individual written approval by the Chief of Police. Appropriate justification shall be made for

such approval.

Employees assigned to a plain clothes assignment shall be responsible for the cleaning of their own clothing, except that employees in a plain clothes assignment may have their department issued uniforms cleaned as needed based upon uniformed or overtime assignments.

Clothing allowance shall be paid annually in conjunction with bi-annual shift changes, on or before January 20<sup>th</sup> and on or before July 20<sup>th</sup> of each fiscal year. Employees assigned to a plain clothes assignment in January or in July of each year shall receive the annual clothing allowance for the year, payable as described above. Employees assigned to a plain clothes assignment after shift changes will receive a pro-rated clothing allowance.

2. Other:

The City agrees to provide the initial issue of uniforms to all sworn employees of the department. The City shall pay for the cleaning of all uniforms. The City will replace any uniform or equipment authorized by the department that has been lost, stolen, damaged or rendered unserviceable as a result of on-duty activity.

The City agrees to report to PERS the estimated value of \$850 per fiscal year for each uniformed employee for purposes of cleaning, maintaining and replacing uniforms.

3. Other FPOA Represented Employees:

The City agrees to provide the initial issue of uniforms to all non-sworn employees, consistent with department policy.

The City shall replace any uniform or authorized equipment, which has been lost, stolen, damaged or rendered unserviceable as a result of on-duty activity.

E. Educational Incentive Pay:

1. Employees shall be eligible to receive education incentive pay after the employee has completed their one (1) year probationary period.

a. Exception: Employees hired into the department as "lateral hires" shall receive education incentive pay upon hire.

2. Police Officers and Sergeants will be entitled to receive educational

incentive pay based on the following:

Police Officers

Either:

- a. Police Officers who possess the following degree(s) from a recognized college or university:
  - (1) Associate of Arts degree shall receive a salary increase of 5%.
  - (2) Bachelor of Arts/Science degree shall receive a salary increase of 10%.
  - (3) In no event shall an officer who possesses both an Associate of Arts degree and a Bachelor of Arts/Science degree receive more than 10%.

Or:

- b. Police Officers who possess the following POST certificates:
  - (1) Intermediate POST certificate shall receive a salary increase of 5%.
  - (2) Advanced POST certificate shall receive a salary increase of 10%. In no event shall an officer who possesses both an Intermediate POST certificate and an Advanced POST certificate receive a salary increase of more than 10%.

Sergeants

Either:

- a. Sergeants who possess the following degree(s) from a recognized college or university:
  - (1) Associate of Arts (AA) degree shall receive a salary increase of 5%.
  - (2) Bachelor of Arts/Science (BA/BS) degree shall receive a salary increase of 10%.
  - (3) In no event shall a Sergeant who possesses both an AA degree and a BA/BS degree receive more than 10%.

Or:

- b. Sergeants who possess the following POST certificates:
  - (1) Intermediate POST certificate shall receive a salary increase of 5%.
  - (2) Advanced POST certificate shall receive a salary increase of 10%.
  - (3) In no event shall a Sergeant who possesses both an Intermediate POST certificate and an Advanced POST certificate receive more than 10%.
- 3. With the exception of Item 5 below, no Police Officer or Sergeant who possesses an AA or BA/BS college degree(s) and POST certificate(s) shall receive a total EIP salary increase of more than 10%.
- 4. Communications Supervisors, Dispatchers, Police Records Clerks, Property & Evidence Technicians, Records Supervisors:
  - a. Dispatchers with the possession of Dispatch POST certification shall receive 7.5%.
  - b. Records Supervisor with the possession of POST certification shall receive 7.5%.
  - c. Dispatchers. Property & Evidence Technicians or Police Records Clerks with possession of:
    - Associate of Arts Degree shall receive 2.5%.
    - Bachelor of Arts Degree shall receive 5%.
  - d. With the exception of Item 5 below, no Dispatcher or Technician who possess an AA or BA/BS college degree(s) and Dispatch Certification receive a total EIP salary increase of more than 10%.
- 5. Masters Degree:

Employees hired prior to July 1, 2010 who are in possession of a Masters of Arts/Masters of Science degree receive an additional 5% incentive. Degrees shall be related to the field of Law Enforcement or Public Administration as approved by the Chief of Police. Employees hired on or after July 1, 2010 shall not qualify for an additional 5% for a Masters of Arts/Masters of Science degree.
- 6. Notwithstanding subsections 1 through 5 above, for the period beginning

July 1, 2010 and ending June 30, 2011, employee advancement from one Education Incentive Pay level to the next EIP level shall be frozen. Employees who would normally have advanced to a higher EIP level during this period shall advance to the next higher level twelve (12) months from the date they would have otherwise qualified and shall not receive any retroactive payment.

F. Tuition Reimbursement Policy:

With the advance written approval of the Department and City and upon satisfactory completion with a grade "C" or better, the City shall reimburse an eligible, permanent unit member for the cost of tuition from a recognized college or university (on a course-by-course basis) for courses having a strong nexus to City law enforcement duties and benefit to the City. All classes will be taken on the unit member's own time.

1. Eligibility:

- a. In order to qualify for tuition reimbursement, a unit member shall have attained permanent status (successfully completed entry-level probation) as a unit member in Folsom. No reimbursement will be made for classes taken during the eligibility period or prior to attaining permanent status. Classes successfully challenged will not be eligible for reimbursement.
- b. Recognized colleges or universities are those institutions of higher learning accredited by one or more of the following accrediting organizations: Middle States Association of Colleges and Schools, New England Association of Schools and Colleges, North Central Association of Colleges and Schools, Northwest Commission on Colleges and Universities, Southern Association of Colleges and Schools, and Western Association of Schools and Colleges.

2. Tuition shall be reimbursed as follows:<sup>1</sup>

- a. For unit members who have completed a total of 60 or less undergraduate <sup>2</sup>semester units, the City will reimburse a unit

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<sup>1</sup> A college quarter system will be converted to a semester system. The semester system that coincides with that used at CSUS will be used.

<sup>2</sup> Upon specific approval of the Chief of Police, a unit member who has completed a total of 60 or less undergraduate semester units, may be reimbursed at the CSUS rate referenced in (b) for a lower division course if currently enrolled in CSUS in a four-year course of study and the lower division units are part of that course of study.

member in the amount of the cost of per unit tuition for a resident student enrolled at a Los Rios Junior College District community college.

- b. For unit members who have a total of 61 or more undergraduate semester units, the City will reimburse a unit member in the amount of the cost of per semester tuition for either a part time student or full time student (depending on the number of units carried by the unit member for the semester) for a California resident student enrolled at California State University, Sacramento (CSUS).
  - c. For unit members who are enrolled in a graduate program, the City will reimburse a unit member in the amount of the cost of per semester tuition for either a part time student or full time student (depending on the number of units carried by the unit member for the semester) for a California resident student enrolled at California State University, Sacramento (CSUS).
3. In any one semester or quarter, the maximum reimbursement for class(es) required books in total shall be a maximum of \$500 per semester.
4. Approval of Tuition Reimbursement Claims:

Approval of a claim for tuition reimbursement shall be as follows:

- a. Claims for tuition reimbursement will be denied for any course or class that has not received prior written approval by the Department and City.
  - b. Tuition reimbursement shall be on a course by course basis.
  - c. All requests for tuition reimbursement, whether for a single class or a class that is part of an approved program are subject to available funds as determined by the City. Approval for any program does not guarantee approval or available funds for any subsequent class.
- (1) In order to expedite tuition reimbursement claim approval, a unit member may seek City approval to enter into a course of study for a specified degree or certificate. Degree or certificate program approval must have a strong nexus to City law enforcement duties as approved in writing by the Department. A request for approval of a degree program or

certificate shall include a current, full course description inclusive of mandatory core and elective course options.

- (2) For each selection of an elective option, the unit member shall obtain the approval of the Department based upon the option most beneficial to the Department and City.
  - (3) If a course of study approval has been granted, the unit member may submit the previously granted approval and indicate the completed course description included in the approval.
- d. Tuition reimbursement is not authorized for course work (unit credit) that applies to previous academic or professional experience. Nor is reimbursement authorized for course work necessitated by a change in a course of study, major, a repetition of a course for any reason or other academic circumstance.

G. Canine Officers:

Officers assigned to the Canine Program will be compensated for thirty (30) minutes each day (at time and one-half) for time spent off-duty caring for their dogs.

H. Night Shift Differential - Dispatchers:

1. Subject to item 2 below, the City agrees to pay employees in the classification of Dispatcher a night shift differential of a flat \$.75 per hour for working the 2200 Hrs. to 0600 Hrs. shifts.
2. At such time that the work schedule for Dispatchers is changed from a 12 hour shift to another work schedule, the City will increase the night shift differential from \$.75 per hour to \$1.00 per hour. The department will designate which hours/shifts shall qualify for payment of night shift differential.

I. Training Differential - Dispatchers:

City agrees to pay employees in the classification of Dispatcher an additional 5% salary differential when assigned the responsibility for training newly hired Dispatcher(s).

When the Police Chief assigns a Dispatcher the duties of Core Communications Training Officer, the Dispatcher shall receive the 5% pay differential for the



duration of the assignment.

J. Training Differential – Master Officer:

The Chief of Police may designate up to 7 CORE Master Officer training positions (PTO/ITO/CTO/CSTO/TTO) that carry assignment pay. The assignments shall be appointed or renewed annually.

- Assignments shall be for a period of one (1) year in duration.
- Assignments can be renewed annually by the Chief of Police at his or her discretion.
- Officers shall have no administrative appeal of any decision not to renew an assignment at the end of the one year term.
- The Chief of Police may remove an officer from an assignment for just cause during the one (1) year term of the assignment. Just cause shall include, but not be limited to, poor performance of the duties of the assignment, misconduct or failing to maintain team goals/performance.
- Officers may appeal any removal from an assignment within the one year period through the existing disciplinary appeal process.
- The Master Officer program will be established by policy.
- CORE Master Officer assignments carry additional responsibilities as detailed in the policy.

When an officer is assigned as a PTO, ITO, CTO, TTO, or CSTO, he/she shall receive a pay differential of 5% for all hours worked while assigned to train another employee.

Any PTO reassigned to another shift to perform the duties of a PTO shall receive the 5% pay differential for the duration of that assignment. Such reassignments shall be made pursuant to current operating procedure.

When an officer is assigned by the Police Chief as a Core Patrol Master Officer/Training Officer, the officer shall receive the 5% pay differential for the duration of the assignment.

K. Longevity Pay:

1. Subject to subsections b and c below, the City will pay employees represented by the FPOA for their continued longevity based on the following formula. The Longevity Pay increments will be paid on a monthly basis.

	2 1/2%	After 10 years of full-time City service
Additional	2 1/2%	After 15 years of full-time City service

Additional 2 1/2% After 20 years of full-time City service

Longevity pay shall not exceed a total of 7 1/2% per month for an employee with twenty or more years of full-time City service.

2. Notwithstanding subsection a above, for the period beginning July 1, 2010 and ending June 30, 2011, employee advancement from one Longevity Pay increment to the next increment shall be frozen. Employees who would normally have advanced to a higher increment during this period shall advance to the next higher increment twelve (12) months from their anniversary date and shall not receive any retroactive payment nor shall the elapsed time period between July 1, 2010 and June 30, 2011 be counted for any future advancement.
3. Employees hired after July 1, 2010 shall not be eligible to receive Longevity Pay.

## ARTICLE VI RETIREMENT

### A. Public Employees Retirement System (PERS) -- Formula:

1. All safety employees hired prior to June 30, 2010 shall receive the retirement benefit of 3% @ 50. All safety employees hired on or after July 1, 2010 shall receive the retirement benefit of 2% @ 50.
2. All miscellaneous employees hired prior to June 30, 2010 shall receive the retirement benefit of 2.7% @ 55. All miscellaneous employees hired on or after July 1, 2010 shall receive the retirement benefit of 2% @ 55.
3. All employees hired prior to June 30, 2010 shall receive the retirement benefit based on the single highest twelve (12) months of compensation. All employees hired on or after July 1, 2010 shall receive the retirement benefit based on the employee's highest average monthly compensation during thirty-six (36) consecutive months of employment as provided in state law pertaining to PERS.
4. Should another employee organization representing a City bargaining unit agree to a retirement benefit formula for safety employees or miscellaneous employees that is different than the benefit formulas in Article VI, Section A, subsections 1, 2, or 3, the FPOA shall be given the option to amend the appropriate retirement benefit formula contained herein to match the retirement benefit formula agreed to with the other

employee organization. Any change shall be applied prospectively.

B. Public Employees Retirement System (PERS) -- Retirement Benefit:

1. Effective July 1, 2010, the City agrees to pay the full cost of employer contributions to the Public Employees' Retirement System (PERS) for all employees in the Police bargaining unit, as currently contracted with PERS. Employees shall pay the employee share of retirement according to the following implementation schedule:
  - a. Effective July 1, 2010, safety employees shall pay 5% of the employee share of retirement and miscellaneous employees shall pay 5% of the employee share of retirement.
  - b. Effective July 1, 2011, safety employees shall pay 7% of the employee share of retirement and miscellaneous employees shall pay 7% of the employee share of retirement.
  - c. Effective July 1, 2012, safety employees shall pay 9% of the employee share of retirement and miscellaneous employees shall pay 8% of the employee share of retirement.
2. Should another employee organization representing a City bargaining unit agree to an employee retirement contribution schedule that is less than the employee retirement contribution schedule in Article VI, Section B, subsection 1, paragraphs a, b, and c above, the FPOA shall be given the option to amend the employee contribution amounts contained herein to match the employee retirement contribution amounts agreed to with the other employee organization. Any change shall be applied prospectively.
3. The City agrees to continue Government Code Section 20691, Conversion of Employer Paid Member Contributions (EPMC), for miscellaneous employees.

C. Retiree Health Insurance:

1. Existing employees who retire<sup>1</sup> from City service on July 1, 2007 or later may participate in the health insurance plans made available by the City for active

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<sup>1</sup> "Existing employees" are exclusively permanent and/or probationary employees of the City of Folsom on the date this Addendum is approved by the Folsom City Council. "Retire" or "retiree" is defined as any classified City employee who (1) applies for retirement with the Public Employees' Retirement System (PERS) within ninety (90) days after terminating employment with the City; and (2) receives a PERS retirement benefit.

employees. The amount of the City's monthly contribution shall be determined as set forth below. Any costs that exceed the maximum paid by the City towards retiree health insurance costs shall be borne by the retiree.

- a. Employees who retire with less than 5 years of service<sup>2</sup> shall not be eligible to receive any City contribution toward the cost of retiree health insurance.
- b. Employees who retire with more than 5 years of service shall qualify for a monthly City retiree health insurance contribution.
  - (1) Subject to the maximum set forth in Item 1.c. below, the City retiree health insurance contribution shall be as follows:
  - (2) Retiree only – an amount equal to the City's contribution towards active employee health insurance for the category of "employee only."
  - (3) Retiree and one dependent – an amount equal to the City's contribution towards active employee health insurance for the category of "employee plus one."
  - (4) Retiree and two or more dependents - an amount equal to the City's contribution towards active employee health insurance for the category of "employee plus one" plus \$100.
- c. The City's monthly contribution toward the cost of retiree health insurance shall not exceed the maximum monthly contribution paid by the City to active employee health insurance for the categories of employee only (for retiree only), employee plus one (for retiree plus one dependent), and employee plus one plus \$100 (for retiree plus two or more dependents), as of January 1, 2012.
  - (1) The January 1, 2012 cap for each category shall be adjusted each January thereafter by an amount not the exceed 3%, depending on the percent increase in the Consumer Price Index (CPI), U.S. Department of Labor, for November - November of the previous year, Index CPI-W, Urban Wage Earners and Clerical Workers, Series #CWUR0400SA0, United States. (Example, if the cost of living for the specified period increases by 2%, the cap shall be increased by 2%. If the cost of living for the specified period increases by 4%, the cap shall be increased by 3% (cost of living increases in the cap shall be rounded to the nearest tenth.)

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<sup>2</sup> "Service" is defined as full time (or equivalent) continuous permanent and/or probationary employment status with the City of Folsom.

2. Pursuant to applicable law, as soon as administratively possible the City shall establish a tax exempt Voluntary Employee Benefit Association (VEBA) or Retiree Health Savings Account (RHSA) for all employees in the Police Bargaining Unit. The purpose of the VEBA/RHSA is to provide a mechanism whereby employees may voluntarily contribute toward future costs of retiree health insurance premiums and related expenses. The principles governing VEBA/RHSA shall be established by the City Human Resources Department.
  - a. The City shall contribute \$25 per pay period into the VEBA/RHSA for each probationary/permanent employee hired after the effective date of this MOU.
3. Retiree Health Benefits Reopener
  - a. The City agrees to conduct a bi-annual actuarial study of the cost of health benefit programs for employees who retire from City employment. The first actuarial study shall be conducted not later than July 1, 2007.
  - b. A copy of the completed actuarial study shall be sent to each employee organization that represents City employees. Upon request of either the City or FPOA, the parties agree to reopen the MOU and meet and confer in good faith on MOU provisions covering health, dental, and/or vision insurance programs for active employees and/or active employees who retiree from City employment.
  - c. If the City and an employee organization other than FPOA reopen that employee organization's MOU on the MOU provisions referenced in Item 3.b. above, the City will immediately notify FPOA and offer to meet and confer.

4. Retiree Dental and Vision Insurance

Employees who retire from City service must have at least 60 months of continuous service as a City employee to qualify for dental and vision insurance benefits provided to active employees.

D. Social Security Retirement Plan:

Employees in the Police Bargaining Unit shall maintain enrollment in the federal Social Security System (F.I.C.A.).

## ARTICLE VII INSURANCE

The City's obligation for health, dental, vision, life and disability insurance coverage is limited to plan contribution. Plan content, including eligibility criteria, is determined by the respective carriers.

### A. Health Insurance:

1. Beginning January 1, 2011, the City's maximum monthly contribution for active employee health insurance coverage shall be adjusted annually to an amount equal to 50% of the increase above the 2010 Kaiser monthly premium rate for employee only category (\$507.89), employee plus 1 category (\$1,015.78), and employee plus 2 or more category (\$1,320.52), rounded to the next whole number.

#### Example:

Employee only category: The 2010 monthly premium for Kaiser employee only is \$507.89 and the City's maximum monthly contribution is \$486.00. If this premium increases by 10% for 2011, or to \$558.68, the City's contribution for 2011 for the employee only category would be computed as follows:  $\$558.68 - \$507.89 = \$50.79$ ,  $\$50.79 \times 50\% = \$25.40$ ,  $\$486.00 + \$25.40 = \$511.40$ . After rounding to the next whole number, the City's maximum contribution for health insurance for the employee only category would be \$511 per month.

Employee plus 1 category: The 2010 monthly premium for Kaiser employee plus 1 is \$1,015.78 and the City's maximum monthly contribution is \$972.00. If this premium increases by 10% for 2011, or to \$1,117.36, the City's contribution for 2011 for the employee plus 1 category would be computed as follows:  $\$1,117.36 - \$1,015.78 = \$101.58$ ,  $\$101.58 \times 50\% = \$50.79$ ,  $\$972.00 + \$50.79 = \$1,022.79$ . After rounding to the next whole number, the City's maximum contribution for health insurance for the employee plus 1 category would be \$1,023 per month.

Employee plus 2 or more category: The 2010 monthly premium for Kaiser employee plus 2 or more is \$1,320.52 and the City's maximum monthly contribution is \$1,263.00. If this premium increases by 10% for 2011, or to \$1,452.57, the City's contribution for 2011 for the employee plus 2 or more category would be computed as follows:  $\$1,452.57 - \$1,320.52 = \$132.05$ ,  $\$132.05 \times 50\% = \$66.03$ ,  $\$1,263 + \$66.03 = \$1,329.03$ . After rounding to the next whole number, the City's maximum contribution for

health insurance for the employee plus 2 or more category would be \$1,329 per month.

2. Employees who select a health plan with higher monthly premiums than the maximum monthly premium paid by the City (Section A, item 1 above) shall pay the difference through payroll deduction. Should employees select a health plan with lower monthly premiums than the maximum monthly premium paid the City, the City's contribution shall be limited to the cost of the monthly premium.

B. IRS 125 Reimbursement Account:

The City will provide access to an IRS 125 Reimbursement Account. Employees may participate in the account pursuant to administrative procedures established by the City.

C. Health Benefits Labor-Management Committee:

The parties agree to participate in a city-wide Health Benefits Labor-Management Committee to review existing health benefit programs, plan changes, and cost containment. The Health Benefits Labor-Management Committee shall be open to all employee organizations representing City employees. FPOA may select up to two representatives to participate in Committee meetings.

Employees who participate in Committee meetings shall do so without loss of compensation.

D. Dental Insurance:

Dental insurance will be provided by Delta Dental Plan. The City will contribute 100% of the monthly premium for an employee, employee and dependent, or employee and family as set forth in the plan document.

E. Vision Care:

Vision coverage will be provided Vision Services Plan. The City will contribute 100% of the monthly premium for an employee, employee and dependent, or employee and family as set forth in the plan document.

F. Life Insurance:

The City agrees to continue to pay premiums to provide \$40,000 life insurance coverage and \$40,000 accidental death and dismemberment coverage for employees in the bargaining unit for the term of this Agreement.

Eligible dependents shall receive \$1,000 life insurance coverage.

G. Short Term Disability Program:

The City agrees to provide a Short Term Disability Insurance Program as provided in the plan document, with the City paying 100% of the monthly premium rate for the weekly indemnity insurance program (short term disability) of 60% of salary for 26 weeks. The waiting period for initiation of benefits under the plan shall be 12 calendar days. This program is for non-job related injuries or illness.

H. Long Term Disability Program:

The City agrees to provide a long term disability program for employees in the bargaining unit as provided in the plan document. The plan shall provide for a maximum benefit of 60% of salary, up to age 65. This program is for non-job related injuries or illness.

ARTICLE VIII  
HOURS OF WORK AND OVERTIME

A. Work Shifts and Work Schedules:

The Police Chief or designee shall establish work shifts and work schedules for all employees. Employees shall work shifts of eight, nine, ten, eleven or twelve hours based on the Police Department's needs.

The Police Department may redefine the first and last day of any scheduled workweek for each shift. The redefined workweek will be implemented for each work schedule based on the Police Department's scheduling requirements.

Prior to any permanent change in work schedules, the department will give notice to the FPOA and, if requested by the FPOA, meet over the impact of such change.

As a result of a scheduled shift rotation, should an employee be required to work a different shift with less than a 12 hour period off between the old shift and the new, that employee shall be granted up to one scheduled shift off or paid administrative leave to insure adequate rest between shifts.

All FLSA 7K exemptions for Police officers will apply, e.g., hours worked and overtime provisions, unless modified by this Memorandum of Understanding.



