CITY OF
FOLSOM
DISTINCTIVE BY NATURE

MEMORANDUM OF UNDERSTANDING
BETWEEN
CITY OF FOLSOM
AND
FOLSOM MIDDLE MANAGEMENT GROUP

January 1, 2026 – December 31, 2028

Table of Contents

ARTICLE I – RECOGNITION AND COVERAGE 4

1. Recognition 4

ARTICLE II – NO STRIKE OR LOCKOUT 5

1. No Strike 5
2. Lockout 5

ARTICLE III – COMPENSATION 5

1. Salary Increases 5
2. Salary Ranges 5
3. Salary Range Adjustments 6
4. Deferred Compensation 6
5. Bi-Lingual Pay 7
6. Public Employees Retirement System (PERS) 7
7. Retirement Optional Settlement 2 Death Benefits (Survivors) 8
8. Retiree Health Insurance 8
9. Retiree Dental and Vision Insurance 9
10. Out of Area Health Premium Plan 10
11. Use of Accrued Leave Time Pending Retirement 11
12. Education Incentive Pay 11
13. Cell Phone 12

ARTICLE IV – INSURANCE 13

1. Health Insurance 13
2. Health Insurance – Cash Back 15
3. Health Benefits Labor-Management Committee 15
4. Dental Insurance 15
5. Vision Plan 16
6. Short Term Disability Insurance 16
7. Long Term Disability Insurance 16
8. Life Insurance 16
9. Domestic Partner 16

ARTICLE V – HOURS, HOLIDAYS AND LEAVES 16

1. Management Leave 16
2. Longevity Pay 17
3. Retention Pay 17
4. Management/Supervisory Employee Hours of Work 18
5. Annual Leave 18
6. Sick Leave 19

7. Compensation Upon Service Separation 19
8. FMMG Catastrophic Leave Bank 20
9. Tuition Reimbursement Policy 21
10. Holidays 24

ARTICLE VI – POSITION CLASSIFICATION 24

1. Employee Classification Study Requests ..... **Error! Bookmark not defined.**
2. Market Survey 24

ARTICLE VII – MISCELLANEOUS 25

1. Salary on Status Changes 25
2. Bi-Weekly Pay Schedule/Alternate Work Schedules 28
3. Employee Wellness 28

ARTICLE VIII – PERFORMANCE EVALUATIONS 28

1. Performance Evaluations 28

ARTICLE IX – EMPLOYEE DISCIPLINE 29

1. Employee Discipline 29

ARTICLE X – GRIEVANCE PROCEDURE 34

ARTICLE XI – TERM OF AGREEMENT 36

1. Term of MOU 36
2. Total Agreement 36

APPENDIX A – LIST OF OCCUPIED CLASSES IN BARGAINING UNIT 38

APPENDIX B – FMMG SALARY RANGES 40

PREAMBLE

On this date hereinafter subscribed, authorized representatives of the City of Folsom, herein called "City", and authorized representatives of the Folsom Middle Management Group, herein called "FMMG ", made and entered into this Memorandum of Understanding (MOU).

It is understood and agreed that this agreement supersedes and replaces all prior agreements between the City and FMMG covering the matters contained herein. Where ordinances and policies conflict with this Memorandum of Understanding, the Memorandum of Understanding shall prevail.

The term "Agreement" or “Memorandum of Understanding” as used herein means the written agreement provided under Section 3505.1 of the Government Code.

This MOU is subjected to all existing State laws and ordinances, resolutions and personnel rules of the City, except as expressly provided to the contrary by this MOU.

ARTICLE I – RECOGNITION AND COVERAGE

1. Recognition

FMMG is recognized as the exclusive representative group, as provided in the City's Employer-Employee Relations Rules, for all employees assigned to the Middle Management Bargaining Unit. The City recognizes the Folsom Middle Management Group as a unique employee group and acknowledges their contributions and dedication to the achievement of the City's goals. In recognition, the City agrees to ensure that FMMG's benefit package differentiates from those of other employee groups. Classifications included in the Middle Management Bargaining Unit are listed in Appendix A to this MOU. All classifications listed in "Appendix A - List of Classes in Bargaining Unit", and any successor classifications, are included in this bargaining unit.

Classes will be added or deleted from the Middle Management Bargaining Unit pursuant to City Personnel Rules. The City agrees to notify FMMG at such time as the City creates, deletes, or modifies a job classification. Upon request of FMMG, the City agrees to meet and confer on assignment of the classification to the Middle Management Bargaining Unit.

On a monthly basis the City shall provide FMMG with a list of City employees within the Middle Management Bargaining Unit by class, name, hourly wage, step placement, anniversary date, and employment status (permanent, full-time, or part-time).

The City agrees to establish payroll deductions for normal and regular monthly FMMG

membership dues and assessments, should FMMG choose to implement such deductions with the signed approval of each FMMG member to be assessed.

ARTICLE II – NO STRIKE OR LOCKOUT

1. No Strike

FMMG 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, picketing 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 FMMG members participate in such activities in violation of this provision, FMMG shall notify those members so engaged to cease and desist from such activities and shall instruct the members to return to their normal duties.

2. Lockout

No lockout of employees shall be instituted by the City during the term of this MOU.

ARTICLE III – COMPENSATION

1. Salary Increases

A. Effective full execution of this Agreement, or January 1, 2026, whichever is later, all employees represented by FMMG shall receive a salary increase of 3%.

B. Effective January 1, 2027, all employees represented by FMMG shall receive a salary increase of 3%.

C. Effective January 1, 2028, all employees represented by FMMG shall receive a salary increase of 3%.

2. Salary Ranges

A. Appendix B shows the new salary ranges for each job classification effective January 1, 2026. Salary range steps shall be approximately 3% between steps. The range and steps include any salary increase received pursuant to Article III, Section 1.

Procedures for step advancement, promotion, demotion, transfer, and layoff as set forth in City of Folsom Personnel Rules and Regulations, and this MOU, shall apply. Anniversary dates shall remain the same.

3. Salary Range Adjustments

A. Effective January 1, 2026 or upon full execution of this Agreement whichever is later, the salary ranges for the following classifications shall receive a 5% salary increase as a market adjustment:

1) Water Treatment Plant Manager
2) Water Treatment Plant Supervisor
3) Utilities Maintenance Manager
4) Utilities Maintenance Supervisor
5) Wastewater Collection Manager
6) Wastewater Collection Supervisor
7) Water Distribution Manager
8) Water Distribution Supervisor
9) Associate Civil Engineer
10) Principal Engineer
11) Senior Civil Engineer
12) Solid Waste Manager
13) Solid Waste Supervisor
14) Environmental Specialist Supervisor

4. Deferred Compensation

A. Effective the first full pay period following Folsom City Council ratification of this MOU, for employees participating in the City's deferred compensation program, the City agrees to make the following matching contributions in accordance with the following schedule:

Length of Service	Maximum City Matching Contribution
0 –10 years	$300.00 per month
10 – 15 years	$325.00 per month
15 – 20 years	$350.00 per month
20+ years	$400.00 per month

B. The City agrees to explore additional 457 plan options within six (6) months following the effective date of this MOU. The City will notify FMMG prior to making any plan changes.

5. Bi-Lingual Pay

Should the need arise, the parties agree during the term of this Agreement to set up a process whereby employees may track the use of bilingual skills, and to meet and confer if the use of bilingual skills become a regular part of the employee's duties and responsibilities.

6. Public Employees Retirement System (PERS)

A. Retirement Formula

(1) Miscellaneous employees hired by the City of Folsom on or prior to May 16, 2011, shall receive the retirement benefit of 2.7%@55. Miscellaneous employees hired by the City of Folsom on or after May 17, 2011, who qualify as CalPERS Classic members, shall receive the retirement benefit of 2%@55. Miscellaneous employees hired by the City of Folsom on or after January 1, 2013, who qualify as CalPERS PEPRA members shall receive retirement benefits pursuant to the California Public Employees' Pension Reform Act of 2013 (PEPRA).

(2) Miscellaneous employees hired by the City of Folsom on or prior to May 16, 2011, shall receive the retirement benefit based on the single highest twelve (12) months of compensation. Miscellaneous employees hired by the City of Folsom on or after May 17, 2011, 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 CalPERS.

(3) Should another employee organization representing a City bargaining unit agree to a retirement benefit formula for miscellaneous employees that is different than the benefit formula in Article III, Section 7A, Item (1) or (2), FMMG 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. Retirement Contributions

(1) Miscellaneous employees hired by the City of Folsom on or prior to May 16, 2011, shall pay 8% of the employee share of retirement. Miscellaneous employees hired by the City of Folsom on or after May 17, 2011, who are CalPERS Classic members shall pay 7% of the employee share of retirement.

(2) Miscellaneous employees who are CalPERS PEPRA members shall pay the employee share of retirement as specified and adjusted by CalPERS.

C. EPMC

Pursuant to Government Code section 20691, the City agrees to include the amount of the City's payment of the employee's final year of compensation for PERS retirement computation purposes.

7. Retirement Optional Settlement 2 Death Benefits (Survivors)

The City agrees to continue to provide the Pre-Retirement Optional Settlement 2 Death Benefit pursuant to Government Code Section 21548.

8. Retiree Health Insurance

A. Employees hired on or prior to May 8, 2007, who retire[1] from City service may participate in the Kaiser or other City insurance plans made available by the City for active 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.

(1) Employees who retire with less than 5 years of service[2] shall not be eligible to receive any City contribution toward the cost of retiree health insurance.

(2) Employees who retire with more than 5 years of service shall qualify for a monthly City retiree health insurance contribution.

(3) Subject to the maximum set forth in Section 8A(4) below, the City retiree health insurance contribution shall be as follows:

a. Retiree only – an amount equal the City's contribution towards active employee health insurance for the category of "employee only."

[1] "Employees" are exclusively permanent and/or probationary employees of the City of Folsom hired on or before May 8, 2007. "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.
[2] "Service" is defined as full time (or equivalent) continuous permanent and/or probationary employment status with the City of Folsom.

b. Retiree and one dependent – an amount equal to the City's contribution towards active employee health insurance for the category of "employee plus one."

c. 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 two or more" until the retiree reaches age 55. Thereafter, the City's contribution towards a retiree with two or more dependents shall be an amount equal to the City's contribution towards active employee health insurance for the category of "employee plus one" plus $100.

(4) Effective January 1, 2012, 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 two or more until age 55 and employee plus one plus $100 after age 55 (for retiree plus two or more dependents).

(5) The January 1, 2012, cap for each category shall be adjusted each January thereafter by an amount not to 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).

B. The City shall contribute $25 per pay period into a Health Reimbursement Arrangement (HRA) for each permanent employee hired after May 8, 2007. The principles governing the HRA shall be established by the Internal Revenue Service (IRS) and the City Human Resources Department.

9. Retiree Dental and Vision Insurance

Effective January 1, 2020, employees who retire from City service must have at least 120 months of continuous service as a City employee to qualify for dental and vision insurance benefits provided to active employees. The City shall contribute 5% of the premium per year of City service, up to an 80% City contribution.

10. Out of Area Health Plan

A. OAHP shall work in conjunction with the Health Reimbursement Arrangement (HRA) provided by the City to active employees. Each OAHP retiree will obtain a participant account.

B. Only retirees who (a) are not eligible for Medicare who reside outside of the service area as defined by the City health insurance carriers; (b) qualify for retiree health coverage pursuant to Article III, Section 7; and (c) agree to disenroll from the current group medical benefit plan for retiree health coverage may participate in OAHP.

C. Once a retiree opts to participate in OAHP, the retiree shall thereafter be prohibited from returning to retiree health coverage.

D. The City will contribute to the retiree's participant account on a monthly basis in an amount equal to the amount of the City's contribution for employee only, employee plus 1 or employee plus family coverage based on the retiree's marital status at the time of OAHP election. Eligible dependents not covered at the time of election will not be added at a later date. Annual confirmation of dependent eligibility will be required. The City's contribution would be used for premiums to obtain health coverage and other qualified out-of-pocket medical expenses. Under no circumstances shall the contribution be higher than the City paid premiums for similarly situated in-area employees. The retiree shall be responsible for administrative costs established by the HRA plan administrator.

E. Upon the death of, or martial dissolution from, the retiree's spouse on record at the time of election to participate in the OAHP, the funding level will be adjusted to employee only. Subsequent spouse(s) from any subsequent marriage(s) (i.e. post initial OAHP election) shall not be eligible to participate and funding will remain at employee only. In the event of the retiree's death, surviving spousal benefits will conform to City practices applicable to employees participating in City plans. Should the retiree obtain coverage from another source (e.g. coverage by spouse), the funding will cease and will not be reinstated.

F. Rules and procedures governing OAHP shall be determined and administered by the City's Human Resources Department. Disputes regarding the OAHP shall be appealed to the City Manager or designee and shall not be subject to arbitration.

11. Use of Accrued Leave Time Pending Retirement

A. With prior approval of the City Manager or designee and pursuant to procedures established by the Human Resources Director, employees who have declared their intention to retire from employment with the City of Folsom may use accrued Annual Leave or Administrative Leave to extend their retirement date beyond the last day worked.

B. Notwithstanding any other provision of this MOU, accrued Annual Leave or Administrative Leave used to extend a retirement date shall not result in the accrual of additional Annual Leave, Sick Leave, or Administrative Leave.

C. Requests to extend a retirement date pursuant to this section shall be submitted to the City Human Resources Department. This provision shall be administered pursuant to procedures established by the City Human Resources Department.

12. Education Incentive and Special Certification/License Pay

A. For employees hired on January 1, 2020, or later, education incentive pay is limited to job related degrees not required in their classification description and approved by the employee's department head and the City's Human Resources Director. The incentives listed below are non-cumulative and paid at the highest rate:

- Bachelor's degree: $300 per month.
- Master's degree: $300 per month.
- Bachelor's/Master's (in unrelated field): $150.00 per month.

B. For employees hired before January 1, 2020, educational incentive pay is frozen at the dollar amount paid on December 31, 2019. No increase in this dollar amount will occur unless this amount is less than the amount listed in subparagraph A above, at which point the amount will be adjusted to the higher level.

C. Payment of education incentive will begin effective the first pay period after the employee provides the Human Resources Department with the appropriate documentation, which includes a copy of transcripts or diploma. It is the responsibility of each employee to notify the Human Resources Department of his/her eligibility for education incentive and to provide the appropriate documentation.

D. Employees who qualify for the education incentive and who received City paid tuition reimbursement (Article V, Section 8) will not receive education incentive pay until they have reimbursed the City for the cost of the tuition reimbursement. Once payment is made in full for tuition reimbursement, the education incentive will start and be paid directly to the employee. Reimbursing the City will consist of delaying the incentive pay until an amount equivalent to the tuition reimbursement has been withheld. For example, if an employee qualified for $300 per month in education incentive payment, but had received $3,000 in tuition reimbursement, the employee's incentive payment would be delayed 10 months from the education incentive effective date.

E. Special Certification/License Pay

a. The City may authorize special certification/license pay to employees. Such authorization must be approved by the Department Head and Human Resources.

To qualify for such pay, the certification or license shall meet the following criteria, as determined by the City:

1. Certification/license is for duties required by the City.
2. Certification/license is for duties not specified in the employee's job classification.
3. Certification/license must be renewable.
4. The employee is not already receiving additional compensation for the certification/license.

The City will determine the amount of the special certification/license pay.

b. The City shall maintain a Certification/License Pay Schedule identifying approved certifications and associated pay amounts.

i. This schedule shall be updated annually and reviewed with FMMG
ii. Certifications and licenses not currently listed in the schedule may be proposed by FMMG for the City's review.

13. Cell Phone

A department head, with City Manager approval, may approve the issuance of a city cell phone or may authorize the use of the employee's personal cell phone for work purposes.

If an employee opts to use his/her personal phone for work purposes the City will provide employee with a maximum monthly cell phone stipend of $50.00. The monthly stipend shall cover expenses, charges, maintenance and replacement of the employee's phone including damage, loss, theft or other operational issues affecting the phone during private use or during the course and scope of employment. The City shall have no further liability for these items beyond the stipend amount. If an employee opts to use his/her personal cell phone, employee will provide the cellular phone record of business calls during work hours upon request of the City.

14. Boot Allowance

A. The City will reimburse employees the actual cost of purchasing work boots. Only employees required by the City to wear work boots are eligible for reimbursement. Employees may request reimbursement for new boots up to once per year per employee and will be reimbursed the actual cost up to $325. This section applies to boots purchased after January 1, 2026.

B. Nothing in this section shall prohibit the City from providing work boots for employees at City expense.

C. This section shall be administered pursuant to procedures established by the City Human Resources Department.

ARTICLE IV – INSURANCE

1. Health Insurance

A. The City's maximum monthly contribution for active employee health coverage for the year 2025 is as follows:

Employee only: $754
Employee plus one: $1,506
Employee plus family: $1,955

B. The City's maximum monthly contribution for active employee health insurance will be adjusted annually. If there is an increase in the Kaiser HMO monthly premium, the City will cover 50% of the increase, adding it to the previous year's contribution for employee-only, employee plus one, and employee plus two or more coverage levels. The final amount will be rounded to the next whole number. The employee is responsible for the difference between the applicable premium and the City's contribution. If there is no

premium increase, the City's contribution remains unchanged.

Example:

If the previous year's City contribution for the employee-only coverage was $500 and the Kaiser HMO premium increased by $20, the new City contribution would be:

$500 + (50% of $20) = $500 + $10 = $510

C. Employees who select a health plan with higher monthly premiums than the maximum monthly premium paid by the City (Section A and B 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.

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

E. The City's maximum monthly contribution for active employee health insurance coverage shall not be reduced below eighty percent (80%) of the health benefit plan that represents the lower overall premium cost to the City (not including any High Deductible plans).

F. High Deductible Health Plans

i. The City agrees to offer High Deductible Health Benefit Plans in addition to the HMO plans offered by the health benefit plan carriers.

ii. The City agrees to make available a Health Savings Account (HSA) to employees who select either of the High Deductible Health Benefit Plans.

iii. Fifty percent (50%) of the difference between the City's monthly contribution towards the cost of the Kaiser HMO Health plan premiums as set forth in Article IV, Section 1 of the MOU and the monthly premium for a High Deductible Health Plan shall be contributed into the employee's HSA. Tax status of contributions, contribution amounts, and use of HSA funds shall be in accordance with federal and state law.

2. Health Insurance – Cash Back

A. Probationary or permanent employees, who certify to the Human Resources Department that they have group health insurance coverage with comparable benefits to health plans offered by City, may decline to participate in City health insurance coverage.

B. Employees who decline to participate in City health insurance coverage shall receive a cash back payment from the City of $300 per month for each month the employee does not participate in City health insurance coverage.

C. Employees who have declined to participate in City health plan coverage pursuant to this section may enroll in City health plan coverage only during the annual open enrollment period.

D. This section shall be administered pursuant to procedures established by the City Human Resources Department.

E. Employees who decline health insurance coverage shall continue to be eligible to participate in the City's vision and dental plans.

F. An employee whose spouse is employed by the City and receives health insurance is also eligible to receive the cash back payment.

3. Health Benefits Labor-Management Committee

The parties agree to participate in a joint Health Benefits Labor-Management Committee to review existing health benefit programs, including, but not limited to, the cost containment, direct contracting for health benefit plans, and creation of a health benefits cafeteria plan. The Health Benefits Labor-Management Committee shall be open to all employee organizations representing City employees. FMMG may select up to two City employees to participate in Committee meetings. Employees who participate in Committee meetings shall do so without loss of compensation.

4. Dental Insurance

The City will offer at least one dental insurance plan to eligible employees. The City will contribute 80% of the monthly premium for an employee, employee and dependent, or employee and family as set forth in the plan document. Employees will contribute 20% of the monthly premium. The City's obligation for dental insurance coverage is limited to the plan document. The dental carrier shall determine dental plan coverage.

5. Vision Plan

Vision coverage will be provided by Vision Services Plan (VSP). The City will contribute 80% of the monthly premium for an employee, employee and dependent, or employee and family as set forth in the plan document. Employees will contribute 20% of the monthly premium. The City's obligation for vision insurance coverage is limited to plan contributions.

6. Short Term Disability Insurance

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

7. Long Term Disability Insurance

The City agrees to provide a long-term disability program for employees in the Middle Management Bargaining Unit as provided in the plan document. Plan coverage shall provide a maximum benefit of up to 60% of salary, up to age 65. The maximum payment on this plan is subject to plan agreement.

8. Life Insurance

The City agrees to provide $60,000 of life insurance coverage to each employee in the Middle Management Bargaining Unit, and $2,000 for each dependent. Employees may purchase additional life insurance coverage for themselves and/or their dependents through the City's life insurance carrier pursuant to procedures established by the City's Human Resources Department. The City's obligation to life insurance coverage is limited to the plan contribution.

9. Domestic Partner

For purposes of insurance coverage, "dependent" shall include a domestic partner who has been certified by the Secretary of State's Office pursuant to Family Code Sections 297 et seq.

ARTICLE V – HOURS, HOLIDAYS AND LEAVES

1. Management Leave

Employees in the Middle Management Bargaining Unit shall receive 80 hours per year of

management leave. Current rules governing the use of accrued management leave (formerly known as administrative leave) shall continue to apply.

An employee in the Middle Management Bargaining Unit who is required by his or her department head to regularly attend meetings during non-work hours may be allocated up to a total of 100 hours per year of management leave. Annually, department heads shall provide a list to the City Manager of those employees who they feel are deserving of the additional management leave. A list of meetings requiring routine attendance by the employee shall be included with each employee's name. The list shall be submitted for the City Manager's review and approval no later than July 1 of each year, and employees on the list notified by August 15. An employee who has not been included on the list may request that he/she be permitted to accrue additional management leave time. Such requests are subject to final approval by the City Manager.

This section shall not be subject to the Grievance/Arbitration provisions of this Agreement.

2. Longevity Pay

A. Subject to subsection B below, employees hired on or before July 1, 2010, in the FMMG bargaining unit shall be eligible to receive longevity pay beginning with ten (10) or more years of City service. The Longevity Pay formula is based on 2 1/2% increments and is as follows:

2½% after ten (10) years of City service;
an additional 2½% for a total of 5% after fifteen (15) years of City service;
an additional 2½% for a total of 7½% after twenty (20) years of City service.

B. Employees hired after July 1, 2010, shall not be eligible to receive Longevity Pay.

3. Retention Pay

A. Subject to subsection c. below, employees in the FMMG bargaining unit shall be eligible to receive Retention Pay beginning with ten (10) or more years of continuous City service.

B. Retention Pay shall be 2 ½% of the employees' base salary.

C. Employees receiving Longevity Pay (Article V, Section 2) shall not be eligible to receive Retention Pay.

All special pay in this Section shall be deemed longevity pay and reported to CalPERS as special compensation pursuant to C.C.R. Section 571.

4. Management/Supervisory Employee Hours of Work

Consistent with City Policy #204 (Management Leave Policy) or as modified, management and supervisory employees who are exempt from the Fair Labor Standards Act (FLSA) shall work an average workweek of 40 hours. The salary received by those employees shall be considered full compensation for all time that is required for the employee to perform the duties of the position to which he/she is assigned.

Management and supervisory employees may be required to work hours in excess of the average workweek of 40 hours. The City Manager may approve additional compensation for management and supervisory employees in recognition of a large number of hours worked in a workweek due to a long-term, extreme emergency situation. Otherwise, hours worked in excess of the average workweek are not compensable.

Management and supervisory employees who are not required to work a normal workday or part thereof shall receive full compensation without deduction if the absence does not reduce the employees average work week below 40 hours within the 24 pay periods ending the pay period in which the absence occurred.

5. Annual Leave

A. Employees shall receive the following Annual Leave credits:

Length of Service	Annual Leave Allowance
0 – 5 years	16 hours per month
5 –10 years	18.68 hours per month
10-15 years	21.34 hours per month
15+ years	24 hours per month

B. Except as specified in Article V, Section 6 below, employees shall not accrue sick leave. However, employees who have accumulated sick leave hours shall retain such hours and may use such leave credits pursuant to Article V, Section 6, Sick Leave, of this MOU. All Vacation Leave shall be converted to Annual Leave on an hour for hour basis[3].

C. Annual leave credits may be used for any approved absence, including vacation and illness or injury. When annual leave is used for vacation, it shall be scheduled pursuant to City Personnel Rules. When annual leave is used for illness or injury leave (e.g., sick leave) purposes, it shall be taken pursuant to City Personnel Rules.

3 The parties agree that "vacation Leave" shall henceforth mean "annual leave".

D. There shall be an annual leave cap of 320 hours. Employees with annual leave balances that exceed the annual leave cap of 320 hours as of the date of ratification of this MOU may retain such balances until the annual leave balances are reduced to the 320-hour cap.

1) In the event the City does not approve annual leave for an employee in an amount sufficient to reduce accumulated annual leave to 320 hours, the number of hours that exceed 320 hours shall be rolled over into sick leave until the annual leave balance is reduced to the 320-hour cap.

E. Employees may continue to cash-out annual leave per fiscal year on an hour-for-hour basis at the employee's regular straight-time hourly rate pursuant to procedures established by the Human Resources Department.

G. Employees may request one cash out per fiscal year (July 1 – June 30) of not more than 60 hours of annual leave only after an employee has used 40 hours of annual leave in the same fiscal year.

H. Accrued annual leave shall be cashed out upon separation of employment with the City on an hour for hour basis.

6. Sick Leave

A. Sick leave may be used by employees for purposes enumerated in City Personnel Rules.

B. Consistent with PERS law, the City has amended the City's contract with CalPERS to permit sick leave to be converted to service credit for purposes of retirement (Government Code section 20965).

C. Accrued sick leave shall not be cashed out.

D. There shall be no maximum on the number of hours of sick leave an employee may accrue (bank).

7. Compensation Upon Service Separation

Probationary employees in the classified service who separate from city service shall be entitled to payment for accrued annual leave and holiday hours earned on a pro-rata basis up to the date of separation.

Regular full-time employees in the classified service, regardless of service length, shall be entitled to payment for annual leave and holiday time up to their date of separation.

Payment shall be made on an hour-for-hour basis at the employee's regular straight-time hourly rate of pay.

8. FMMG Catastrophic Leave Bank

The purpose of the FMMG catastrophic time bank is to enable employees to receive and donate accrued annual leave and compensating time off (CTO) credits to assist employees who have no leave and who will suffer a financial hardship due to a prolonged illness, injury, bereavement or other FMLA qualifying event to themselves or a member of the immediate family as defined in City Personnel Rules. The following conditions shall apply:

A. Individuals who request donated leave must do so in writing and have proper certification of need on file with Human Resources.

B. Catastrophic Leave will be available only to employees who are unable to work due to a prolonged catastrophic non-industrial illness or injury which is estimated to last for at least thirty (30) calendar days and have exhausted all of their own paid leave through a bona fide serious illness or injury.

An employee may receive up to twenty-four (24) hours of Catastrophic Leave for bereavement, based on the death of the employee's spouse, parent, sibling, child, grandchild, or grandparent if all of their own paid leave has been exhausted.

Full-time permanent employees may receive a maximum parental leave of four (4) weeks, consisting of up to one hundred sixty (160) hours of continuous paid leave. Catastrophic Leave shall only be used once the employee has exhausted all their own paid leave.

C. The time bank shall be administered by the City.

D. An employee may be on disability insurance and use the time bank credits in the same manner that annual leave is used to supplement disability insurance benefits.

E. All donations are to be confidential between the donating employee and the City.

F. Donations are limited to annual leave and compensatory time. Sick leave may not be donated under this plan. Employees donating to the time bank must have eighty (80) hours of annual leave available after making a donation. Donations are capped at no more than 320 hours total per calendar year to the individual requesting donations. Distribution will be on a payroll to

payroll basis.

G. Donations should be a minimum of four (4) hours per each donation form submitted.

H. Donating employees must sign an authorization form (prepared by the City) and specify the number of hours and type of leave donated to the catastrophic leave bank. These hours are allocated to employees as needed, subject to the cap. Employees who donate leave cannot designate which co-worker should receive the donated hours. Employees relinquish all rights and claims to hours donated.

I. Hours of donated leave shall be valued at the recipient's regular base wage.

J. Donations shall be subject to applicable tax laws. An employee donating accrued leave or an employee receiving donated leave shall waive all tax liability of the City through the establishment of the catastrophic time donation program.

K. Availability of catastrophic leave time shall not delay or prevent the City from taking action to medically separate or disability retire an employee.

L. The City may require a physician's statement stating that the presence of the employee who is requesting catastrophic leave time to care for an ill or injured immediate family member is necessary.

9. Tuition Reimbursement Policy

With the advance written approval of an employee's department director and the Human Resources Director, and upon satisfactory completion with a grade "B" 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 the employee's job classification and will benefit the City. All classes will be taken on the employee's own time.

A. Eligibility:

1. In order to qualify for tuition reimbursement, an employee shall have attained permanent status (successfully completed entry-level probation). 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.

2. Recognized colleges or universities are those accredited by Regional Accrediting Organizations as recognized by the Council for Higher Education Accreditation (CHEA). Current (2019-2020) regional accrediting organizations are: Accrediting Commission for Community and Junior Colleges (ACCJC); Western Association of Schools and Colleges; Higher Learning Commission (HLC); Middle States Commission on Higher Education (MSCHE); New England Commission of Higher Education (NECHE); Northwest Commission on Colleges and Universities (NWCCU); Southern Association of Colleges and Schools Commission on Colleges (SACSCOC); WASC Senior College and University Commission (WSCUC).

B. Tuition shall be reimbursed as follows:

1. Fifty percent (50%) of the cost of tuition, up to a maximum of $4,000 per fiscal year for employees working towards a Bachelor of Arts, Bachelor of Science, Masters of Art, or Masters of Science degree at an accredited college or university.

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

1. Claims for tuition reimbursement will be denied for any course or class that has not received prior written approval by the employee's department director and City.

2. Tuition reimbursement shall be on a course by course basis by the employee's department head and Human Resources Director and should have a strong nexus to the employee's job classification, the employee's career development at the City or is a requirement for a degree program that has a strong nexus to the employee's job.

3. All requests for tuition reimbursement 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.

4. Reimbursement requests and grade reports must be turned in to the employee's department and the Human Resources Department within ninety (90) days of course completion.

5. Any employee voluntarily terminating their employment within twenty-four (24) months of receiving reimbursement under this section will be responsible for repaying the City of Folsom the full amount of the reimbursement received. An employee involuntarily separated (termination, lay-off or industrial disability retirement) will not be required to reimburse the City.

D. Student Loan Repayment Option

Effective January 1, 2020, tuition reimbursement may be used for the purpose of repaying student loans incurred prior to or during City employment with the following conditions:

1. The expense was from a recognized college or university that is accredited by an accrediting organization approved by the City.

2. The request shall be toward an unpaid student loan balance at the time of the request.

3. The education/degree has a strong nexus to the employee's job classification or the employee's career development or will be of benefit to the City all of which shall be determined solely by the City.

4. The maximum reimbursement shall be up to $3,000 per fiscal year or $9,000 in total over the employee's entire length of service with the City.

5. Reimbursement by the City shall be on a 50/50 matching basis with the employee. For example, the employee must pay $6,000 to get $3,000 of reimbursement from the City.

6. All requests are subject to available funds as determined by the City.

7. Documentation of the employee payment toward the debt shall be furnished at the request of the City and no reimbursement will be approved unless such documentation is acceptable to the City.

8. Reimbursement will be subject to IRS regulations.

9. Employee may not receive both student loan debt reduction payment and tuition reimbursement at the same time, during any fiscal year.

10. Any employee terminated for cause or voluntarily terminating their employment (including retirement), within thirty-six (36) months of receiving reimbursement under this section will be responsible for repaying the City the full amount of the reimbursement received. Any employee involuntarily separated by layoff or disability retirement will not be required to reimburse the City.

11. This Section shall not be subject to Article X, Grievance Procedure, of this MOU.

10. Holidays

A. The City shall observe the following holidays:

- New Year's Day (January 1)
- Martin Luther King Day
- President's Day (Washington's Birthday)
- Memorial Day
- Independence Day
- Labor Day
- Veterans Day
- Thanksgiving Day
- Friday following Thanksgiving Day
- December 24
- Christmas Day
- December 31
- Personal Holiday

B. Classified employees shall be entitled to one (1) personal holiday (8 hours) per calendar year. Personal holiday shall be taken in the same manner and under the same rules as vacation leave. Employees on their initial probationary period must complete probation before they can take their personal holiday.

ARTICLE VI – POSITION CLASSIFICATION

1. Market Survey

A. The City will conduct a market survey of benchmark classes as determined by FMMG and the City of Folsom. The market survey shall be concluded not later than 120 days prior to the expiration of this MOU.

B. The purpose of the market survey is to determine the relationship of the total compensation for employees in the job classifications identified in Article III, Section 3 when compared to comparable job classifications in the following agencies: City of Davis, City of Fairfield, City of Rocklin, City of Roseville, City of Sacramento, City of West Sacramento, County of Sacramento, El Dorado Irrigation District, San Juan Water District, Sacramento Suburban Water District and Nevada Irrigation District.

C. Compensation, for purpose of this survey, shall constitute the following

elements and criteria:

1. Monthly base salary (top step in the salary range).
2. Maximum monthly contribution to health insurance (medical, dental and vision).
3. Employer monthly payment of employee share of retirement.
4. Maximum Education/Certification Incentive Pay, broken into monthly equivalents.
5. The City's contribution towards employee Social Security.
6. Maximum longevity or retention pay made available to new employees.
7. Maximum employer contribution to deferred compensation.

D. The market survey will include base salary and total compensation, by classification, comparing the City of Folsom to those agencies identified in this Article VI, Section 2, subsection B. The parties agree to meet and confer over survey results.

ARTICLE VII – MISCELLANEOUS

1. Salary on Status Changes

A. Promotion: An employee who is promoted to a position in a classification with a higher salary range shall be placed in the step in the new salary range that is at least 5% above the current base salary. An employee thus promoted is therefore assigned a new salary anniversary date effective of the date of promotion.

An employee who is promoted to a higher class effective within thirty (30) calendar days of a step increase within the lower class range shall be eligible first to receive the within range increase and then the higher step as provided in this section, providing that the employee's performance was satisfactory for salary advancement in the lower class and that the higher class is reasonably within the career path of the lower class which shall be determined by the City Manager.

B. Demotion: Employees may only be demoted for purposes of employee discipline or layoff. An employee who is demoted to a position in a class with a lower salary range shall be reduced in salary to the step in the lower class

salary range as follows:

i. Disciplinary demotions may be assigned to any salary step in the lower class range which is at least one (1) step less than that received in the class from which demoted. A new anniversary date shall be established on the effective date of the demotion.

C. Transfer: An employee who is transferred from one position to another position in the same class, or to another position in a class having the same salary range and substantially similar duties, shall be compensated at the same step in the salary range as previously received without a change in the anniversary date.

D. Reinstatement/Reemployment: An employee who is reinstated or reemployed in a position previously occupied pursuant to the City's Personnel Rules and Regulations shall receive not more than the step in the salary range received prior to separation, and a new anniversary date shall be assigned based on the reinstatement or reemployment date.

E. Range Assignment Change

i. Whenever a class is reassigned to either a higher or lower salary range by the City Council, the salary of each incumbent in such class on the effective date of the reassignment shall be adjusted accordingly. If the position is reassigned or reclassified to a higher range, and the incumbent is appointed to the position, the incumbent's salary shall be the step that is at least 5% above the current base salary. If the position is reassigned to a class having a lower salary range, the salary and anniversary date of the employee shall not change, and the salary of the employee shall be designated as a "Y" rate and shall not change during continuous regular service until the salary of the new position exceeds the employee's present salary.

ii. When a salary range reassignment becomes effective within thirty (30) calendar days of an employee's salary anniversary date, the employee shall first receive the within range step increase and then receive the corresponding step adjustment, provided that the employee's performance was satisfactory for salary advancement upon eligibility for step increases.

F. Compensation Upon Reclassification: The salary of an employee in a position that is reclassified shall be determined as follows:

i. If the position is reclassified to a class with the same salary range as

the previous class, and if the incumbent is appointed to the reclassified position, the salary rate shall apply to a change of class title.

ii. If the position is reclassified to a class with a higher salary range, and the incumbent is appointed to the position, the incumbent's salary shall be the step that is at least 5% above the current base salary. The employee shall receive a new anniversary date upon reclassification in this manner.

iii. If the position is reclassified to a class with a lower salary range than the previous class, and if the incumbent is appointed to the reclassified position, the employee's salary shall not change. If the employee's salary is greater than the maximum step of the lower salary range, the employee's salary shall be "Y" rated until such time as any general cost-of-living increase, inequity adjustment, or other salary increase results in a monthly salary appropriate for the class. The employee's salary anniversary date shall not change and shall not require a new probationary period.

G. Compensation for Working in A Higher Classification (Acting Pay)

i. On occasion an employee may be required to perform duties of another classification with a higher salary range because of a temporary vacancy in that position. The employee's salary will be adjusted to compensate for the higher level of duties. In such cases, the City will adhere to CalPERS regulations regarding these types of assignments (i.e., out-of-class assignments, temporary upgrade pay, or non-pensionable extra duty pay) and assign appropriately per these regulations (Government Code section 20480).

In order to receive adjusted compensation for working in a higher classification the employee must be assigned in writing by the department head, assume and perform substantially all the duties and responsibilities of the position, and perform them for at least one week (five consecutive working days).

Compensation for working in a higher classification shall consist of a flat five percent (5%) increase above the employee's current salary or the lowest salary within the higher salary range, whichever is greater, but not to exceed the maximum of the range established for the higher classification.

ii. Work periods in higher-class assignments shall not apply toward seniority or time-in-class consideration for promotional or layoff purposes as regard the higher class.

iii. If an employee and his/her department head agree that the employee be assigned on a temporary basis for training purposes, no compensation will be due the temporarily assigned employee. In no case shall such training be for more than thirty (30) calendar days. After two (2) weeks a progress report will be given to the employee in order to evaluate the employee's success in the training program.

2. Bi-Weekly Pay Schedule/Alternate Work Schedules

Should the City decide to implement a bi-weekly pay schedule (26 pay periods per year) in lieu of the current bi-monthly pay schedule (24 pay periods per year), the City agrees to notify FMMG and meet and confer with FMMG on the impact on employees in the Middle Management Bargaining Unit. The parties also agree to meet and confer over alternate work schedules, including, but not limited to, 4/10 and 9/80 work schedules.

3. Employee Wellness

The City agrees to work with FMMG towards the goal of implementing an employee wellness program. The City and FMMG agree to create a Wellness Advisory Committee. The Committee shall hold regular meetings to explore maximizing current health benefit programs and incentives to achieve such elements as a tobacco-free lifestyle and other healthy choices.

ARTICLE VIII – PERFORMANCE EVALUATIONS

1. Performance Evaluations

A. When an employee's scheduled step increase is withheld due to unsatisfactory performance, the employee shall retain his/her salary anniversary date.

B. Denial of a step increase may be appealed to the Human Resources Director. This section shall not be subject to the Grievance and Arbitration provisions of this MOU.

ARTICLE IX – EMPLOYEE DISCIPLINE

1. Employee Discipline

A. Policy: It is the policy of the City that discipline of City employees be imposed on an appropriate and consistent basis. When an employee engages in misconduct or when job performance is unsatisfactory in the judgment of the City, disciplinary action may be initiated.

B Definition: As used herein, "disciplinary action" means written reprimand, suspension without pay, reduction in pay, demotion, or dismissal (see City Personnel Rules).

C. Application:

(1) Permanent Status: This provision shall only apply to employees with permanent status with the City.

(2) Probationary Status: An employee in probationary status shall have no right to grieve or arbitrate release from probationary appointment.

(3) Temporary Employee: An employee in a temporary position shall have no right to grieve or arbitrate release from temporary appointment.

(4) Temporary Upgrade (Out of Class): An employee in a temporary upgrade status shall have no right to grieve or arbitrate release from temporary upgrade status.

(5) A written reprimand shall be appealable only to the City Manager or his/her designee with the right to present the employee's position and supporting evidence, but no right to present evidence or confront or cross examine witnesses. The decision of the City Manager of designee shall be final.

(6) Upon the request of an employee, a written reprimand shall be removed from an employee's personnel file after two (2) years from the original date of issuance; provided, however, that the employee has not been subject to formal disciplinary action during the two (2) year period.

(7) A counseling memo or letter of instruction shall not be considered disciplinary action and shall not be appealable.

D. Cause for Disciplinary Action:

Discipline shall be for cause. (Personnel Rules, Section 1.08.110). Examples of conduct or performance deficiencies that may warrant discipline include, but are not limited to:

(1) Misstatement of facts during the hiring process

(2) Falsification of an entry on a City document (e.g., time card, expense report)

(3) Disclosure of confidential information

(4) Insubordination or willful disobedience

(5) Incompetence, inefficiency or unsatisfactory job performance

(6) Discriminatory, discourteous, or unbecoming behavior

(7) Theft, misuse or unauthorized use or possession of City property

(8) Dishonesty

(9) Misconduct, i.e., any behavior that brings harm or discredit to the City

(10) Being under the influence of illegal drugs or alcohol or possessing illegal drugs while on City property or on official business

(11) Possession of a firearm, weapon, or hazardous or dangerous device while on City property or on official business

(12) Conviction of a felony or misdemeanor that involves moral turpitude, or any other conviction or pleas of nolo contendere or diversion for such offense, which adversely affects, or brings discredit to, the City

(13) Excessive absence or tardiness

(14) Absence without approved leave

(15) Violation of a City rule, policy, or procedure

(16) Soliciting outside work for personal gain during the conduct of City business; engaging in outside employment for any business under contract by the City; participating in any outside employment that

adversely affects the employee's City work performance; and engaging in unauthorized outside employment.

(17) Loss or failure to maintain any license, certification, and/or clearance which is required as a minimum qualification or condition or employment for the employee's position.

(18) Abusive conduct or "bullying" that a reasonable person would find hostile, offensive, and unrelated to an employer's legitimate business interests. This may include repeated infliction of verbal abuse such as the use of derogatory remarks, insults, and epithets, verbal or physical conduct that a reasonable person would find threatening, intimidating or humiliating, or the gratuitous sabotage or undermining of a person's work performance.

E. Preliminary Notice of Disciplinary Action

(1) Prior to taking disciplinary action with a regular employee to suspend without pay, reduce pay, demote (except for demotion in lieu of layoff), or dismiss, the Department Head will provide the employee with a written preliminary notice of disciplinary action which shall contain the charges, the specific factual basis for the charges, and the nature of the proposed disciplinary action. A copy of the notice of disciplinary action shall be served upon the employee either personally or via e-mail or U.S. Mail, to the last known address of the employee. The last known address shall be deemed to be the address that is within the employee's official personnel file. If notice is provided by mail, the employee should be deemed to have received notice ten (10) calendar days after the date of mailing.

(2) The Preliminary Notice of Disciplinary Action shall include:

a. A statement of the nature of the disciplinary action;

b. The effective date of the disciplinary action;

c. A statement of the reasons for the disciplinary action;

d. Any supporting material or documentation and a statement of the employee's right to review all relevant documents and materials;

e. A statement advising the employee of the right to appeal the action, the manner and time of which the appeal must be made, and the required content of the appeal; and

f. The name and address of the person to whom all written communication regarding this appeal shall be sent.

F. Appeal of Disciplinary Actions

(1) Skelly Meeting

a. An employee who is subject to disciplinary action of suspension without pay, reduction in pay, demotion, or dismissal, shall have the right, within five (5) workdays after receiving a Preliminary Notice of Disciplinary Action to request a Skelly Meeting by filing a written request for a meeting signed by the employee or the employee's representative with the employee's consent with the City Human Resources Director.

i. The right to request a Skelly Meeting does not apply to a Written Reprimand. An employee who is subject to disciplinary action of a Written Reprimand and disagrees with the discipline is encouraged to discuss with their Department Manager. The employee may also, within five (5) days after receiving a Written Reprimand, request a meeting with the City Manager or designee by filing a written request with the Human Resources Director.

ii. The City Manager or designee shall have final authority to sustain, modify, or dismiss the Written Reprimand. This decision may be communicated orally or in writing. A Written Reprimand is not appealable beyond the City Manager or designee whose decision is final. In addition, a Written Reprimand may be removed from the employee’s personnel file after two years if subsequent disciplinary action has not occurred within that timeframe.

b. Failure to respond or inaction within the specified time will result in the waiver of the right to a Skelly meeting, or, in the case of a Written Reprimand, a meeting with the City Manager or designee, and the proposed discipline becoming final.

c. Upon a written request for a Skelly meeting, the City shall appoint a "Skelly Officer". The Skelly Officer will meet with the employee, listen to arguments and receive documents presented by the employee. Within a reasonable time and in writing, the Skelly Officer shall respond to the City, with a copy to the employee and the employee's representative, if applicable. The Skelly Officer may recommend that the City dismiss, modify, or sustain the proposed discipline.

If the proposed discipline is sustained or modified by the City after the Skelly Meeting, the disciplinary action shall be implemented. A Final Notice of Disciplinary Action shall be served in the same manner as the Preliminary Notice of Disciplinary Action, except that the Final Notice of Disciplinary Action shall include a statement advising the employee of the right to appeal the action, the manner and time in which the appeal must be made, the required content of the appeal, and name and address of the person to whom all communication regarding the appeal shall be sent.

(1) Arbitration Hearing

a. Within ten (10) calendar days after receipt of the Skelly Officer's response, disciplinary actions may be appealed to arbitration. If the employee fails to file a notice of appeal to arbitration within this time period, the disciplinary action shall become final and there shall be no further appeal.

b. The decision of the arbitrator shall be final and binding on the parties. No appeal or review of the arbitrator's decision by Writ or other mechanism before any court, administrative tribunal or any other forum on any legal theory or basis shall be possible.

c. Appeals of disciplinary actions to arbitration shall be pursuant to the Grievance and Arbitration provisions of this MOU, except that on disciplinary appeals:

i. An appeal of a disciplinary action is a complaint of a permanent employee of whether there was cause for the disciplinary action taken against the employee.

ii. The parties to the hearing and to the selection of the arbitrator shall be the employee, who may be represented by FMMG or independent counsel, and the City.

iii. The employee may be represented by FMMG; or, if the employee chooses not to be represented by FMMG, the employee may be self-represented or represented by independent counsel at the employee's own expense.

iv. The employee shall be entitled to appear personally at the hearing and produce evidence.

v. The fees and expenses of the arbitrator, a court reporter and transcript if required by the arbitrator, shall be shared equally by the parties involved.

ARTICLE X – GRIEVANCE PROCEDURE

1. **Definition:** A grievance is a complaint of an affected employee or group of employees resulting from interpretation or application of this Agreement, or City rules.

2. **Time Limits:** Grievances not presented within the time limits established for each step of this procedure shall not be considered. Should the City fail to answer within the established time limits, the grievance may be appealed to the next step of the grievance procedure.

   When days are used in this article for the purpose of establishing time limits, those limits will be presumed to have been met when the appropriate forms are either personally delivered to the affected party or deposited in the U.S. mail, as evidenced by the appropriate postmark.

   Time limits may be waived or extended by mutual agreement between the parties. As referred to in this article, all "days" are "work days."

3. **Presentation:** An employee and/or FMMG representative may present a grievance during work time provided such presentations and discussions do not disrupt City operations and are kept to a reasonable minimum.

4. **Procedure:** All grievances as defined herein shall be processed in accordance with this procedure. All grievances, beginning at Step 1 shall be filed on a form provided by the City for that purpose. FMMG may refuse to represent a grievant

and the City may refuse to consider a grievance where the aggrieved party has not followed this procedure.

A. INFORMAL STEP. Within fifteen (15) days of the event or circumstance giving rise to the grievance or within fifteen (15) days of the time the affected employee or FMMG should reasonably have been aware of the event or circumstance, the grievance shall be discussed informally with the person or persons most directly responsible for the event or circumstances which gave rise to the grievance. If the grievance is not resolved within five (5) days of the date on which it is first presented at the Informal Step, the grievant may proceed to Step 1 and file a formal grievance.

B. FORMAL. If there is no agreement at the informal level:

STEP 1. A formal grievance shall be presented in writing to the grievant' s department head. The department head shall conduct such investigation as is deemed appropriate and shall issue a written determination within ten (10) days of the date on which the grievance was appealed to the department head.

STEP 2. Within five (5) days of the Step 1 response or, if no Step 1 response is received, within twenty (20) days of the date of the Step 1 appeal, the grievance may be appealed to the City Manager or designee. The City Manager or designee shall conduct such investigation as is deemed appropriate and shall issue a written determination within ten (10) days of the date on which the grievance is first presented at Step 2. If the City Manager or designee fails to issue a written determination within the prescribed period of time or if the determination is not satisfactory to the grievant, only FMMG may request the matter of contract provision be submitted to binding arbitration. Individual employees may submit grievances relating to discipline to binding arbitration.

STEP 3. A request for binding arbitration shall be made in writing to the City Manager within fifteen (15) days of the date which the grievant received a copy of the written determination of Step 2, or in the event that no Step 2 answer is received, within twenty (20) days of the date of the Step 2 appeal.

An arbitrator may be selected by mutual agreement between the parties. However, should the parties fail to voluntarily agree upon an arbitrator, the parties shall make a joint request to the California State Mediation and Conciliation Service. The parties shall request a list of five (5) qualified arbitrators. Each party shall alternately strike one name from the list and the last remaining name shall serve as arbitrator. The first party to strike a name shall be determined by the toss of a coin.

The arbitrator's decision shall be final and binding on the City, FMMG, and the grievant(s). The arbitrator shall have no authority to add to or delete from the terms of this Agreement, or City Personnel Rules. All fees and costs of the arbitrator and court reporter, if any, shall be borne equally by the parties.

5. Letters of Reprimand

Upon request of an employee, a written reprimand shall be removed from an employee's personnel file after two (2) years from the original date of issuance; provided, however, that the employee has not been subject to formal disciplinary action during the two (2) year period.

A written reprimand shall be appealable only to the Human Resources Director and then to the City Manager with the right to present the employee's position and supporting evidence, but no right to confront or cross examine witnesses. The decision of the City Manager shall be final.

6. Short Term Suspension

The parties agree that the members of this unit are not subject to short-term suspension as defined by the Personnel Rules and Regulations of the City of Folsom.

ARTICLE XI – TERM OF AGREEMENT

1. Term of MOU

Unless specified otherwise herein, this MOU shall be effective January 1, 2026, to December 31, 2028. The parties agree to begin negotiations on a successor Memorandum of Understanding no later than 120 calendar days prior to expiration of this Memorandum of Understanding.

2. Total Agreement

This Memorandum of Understanding (MOU) constitutes a full and complete agreement by the parties and contains all the matters upon which the parties reached agreement. Therefore, except as provided herein, the City and FMMG, for the duration of this Agreement, each voluntarily and unqualifiedly waives the right and each agrees that the other should not be obligated to meet and confer with respect to any subject or matter whether or not referred to or covered in this agreement.

The terms and conditions of this MOU are executed this _____ day of _____, 20____ by the Employer-Employee Representatives whose signatures appear below on behalf of their respective organizations.

For the City:	For FMMG:
_____	_____
Bryan Whitemyer City Manager	Jamison Larson FMMG President
_____	_____
Allison Garcia Human Resources Director	Zach Bosch FMMG Representative
_____	_____
Vance Piggott City Representative	Greg Bakken FMMG Representative
_____	_____
Doris Valencia Sr. Human Resources Analyst	Andrew Tweet FMMG Representative

APPENDIX A – List of Occupied Classes in Bargaining Unit

Associate Civil Engineer
Building Inspector Supervisor
Building Official/Building Services Supervisor
Building Safety and Enforcement Manager
Building Services Manager/Chief Building Official
Capital Projects Manager
City Engineer
Code Enforcement Supervisor
Code Enforcement Manager
Community & Cultural Services Manager
Deputy Fire Marshal
Development Engineering Manager
Environmental Specialist Supervisor
Facilities Maintenance Manager
Facilities Maintenance Supervisor
Fire Protection Engineer
Housing Manager
Information Services Manager
Library Supervisor
Lighting & Landscape District Manager
Maintenance Supervisor
Management Analyst
Municipal Landscape Services Manager
Park Planning Manager
Plan Check Engineer
Planning Manager
Principal Civil Engineer
Principal Planner
Public Works Section Manager
Public Works Section Manager - Engineer
Recreation & Community Services Manager
Recreation Supervisor
Senior Civil Engineer
Senior Management Analyst
Senior Park Planner
Senior Planner
Senior Trails Planner
Solid Waste Supervisor
Solid Waste/Fleet Manager
Streets Operations Manager
Streets Operations Supervisor
Traffic/Control/Lighting Supervisor
Urban Forester

Utility Maintenance Supervisor
Utility Maintenance Manager
Wastewater Collection Supervisor
Wastewater Collection Manager
Water Distribution Supervisor
Water Distribution Manager
Water Treatment Plant Supervisor
Water Treatment Plant Manager
Zoo Supervisor
Zoo Manager

APPENDIX B – FMMG Salary Ranges

Salary Range	Salary	1	2	3	4	5	6	7	8	9
T84	Eff 1/1/26	$ 96,443.19	$ 99,336.49	$ 102,316.58	$ 105,386.08	$ 108,547.66	$ 111,804.09	$ 115,158.21	$ 118,612.96	$ 122,171.35
	Eff 1/1/27	$ 99,336.49	$ 102,316.58	$ 105,386.08	$ 108,547.66	$ 111,804.09	$ 115,158.21	$ 118,612.96	$ 122,171.35	$ 125,836.49
	Eff 1/1/28	$ 102,316.58	$ 105,386.08	$ 108,547.66	$ 111,804.09	$ 115,158.21	$ 118,612.96	$ 122,171.35	$ 125,836.49	$ 129,611.58
T86	Eff 1/1/26	$ 101,325.63	$ 104,365.40	$ 107,496.36	$ 110,721.25	$ 114,042.89	$ 117,464.18	$ 120,988.10	$ 124,617.74	$ 128,356.28
	Eff 1/1/27	$ 104,365.40	$ 107,496.36	$ 110,721.25	$ 114,042.89	$ 117,464.18	$ 120,988.10	$ 124,617.74	$ 128,356.28	$ 132,206.97
	Eff 1/1/28	$ 107,496.36	$ 110,721.25	$ 114,042.89	$ 117,464.18	$ 120,988.10	$ 124,617.74	$ 128,356.28	$ 132,206.97	$ 136,173.17
T89	Eff 1/1/26	$ 103,858.76	$ 106,974.53	$ 110,183.76	$ 113,489.28	$ 116,893.95	$ 120,400.77	$ 124,012.80	$ 127,733.18	$ 131,565.18
	Eff 1/1/27	$ 106,974.53	$ 110,183.76	$ 113,489.28	$ 116,893.95	$ 120,400.77	$ 124,012.80	$ 127,733.18	$ 131,565.18	$ 135,512.13
	Eff 1/1/28	$ 110,183.76	$ 113,489.28	$ 116,893.95	$ 120,400.77	$ 124,012.80	$ 127,733.18	$ 131,565.18	$ 135,512.13	$ 139,577.49
T91	Eff 1/1/26	$ 106,391.91	$ 109,583.67	$ 112,871.18	$ 116,257.31	$ 119,745.03	$ 123,337.39	$ 127,037.51	$ 130,848.63	$ 134,774.09
	Eff 1/1/27	$ 109,583.67	$ 112,871.18	$ 116,257.31	$ 119,745.03	$ 123,337.39	$ 127,037.51	$ 130,848.63	$ 134,774.09	$ 138,817.31
	Eff 1/1/28	$ 112,871.18	$ 116,257.31	$ 119,745.03	$ 123,337.39	$ 127,037.51	$ 130,848.63	$ 134,774.09	$ 138,817.31	$ 142,981.83
T92	Eff 1/1/26	$ 109,051.70	$ 112,323.25	$ 115,692.95	$ 119,163.74	$ 122,738.65	$ 126,420.81	$ 130,213.44	$ 134,119.84	$ 138,143.43
	Eff 1/1/27	$ 112,323.25	$ 115,692.95	$ 119,163.74	$ 122,738.65	$ 126,420.81	$ 130,213.44	$ 134,119.84	$ 138,143.43	$ 142,287.74
	Eff 1/1/28	$ 115,692.95	$ 119,163.74	$ 122,738.65	$ 126,420.81	$ 130,213.44	$ 134,119.84	$ 138,143.43	$ 142,287.74	$ 146,556.37
T93	Eff 1/1/26	$ 111,711.51	$ 115,062.86	$ 118,514.75	$ 122,070.19	$ 125,732.29	$ 129,504.26	$ 133,389.39	$ 137,391.07	$ 141,512.80
	Eff 1/1/27	$ 115,062.86	$ 118,514.75	$ 122,070.19	$ 125,732.29	$ 129,504.26	$ 133,389.39	$ 137,391.07	$ 141,512.80	$ 145,758.19
	Eff 1/1/28	$ 118,514.75	$ 122,070.19	$ 125,732.29	$ 129,504.26	$ 133,389.39	$ 137,391.07	$ 141,512.80	$ 145,758.19	$ 150,130.93
T94	Eff 1/1/26	$ 117,506.66	$ 121,031.86	$ 124,662.81	$ 128,402.70	$ 132,254.78	$ 136,222.42	$ 140,309.10	$ 144,518.37	$ 148,853.92
	Eff 1/1/27	$ 121,031.86	$ 124,662.81	$ 128,402.70	$ 132,254.78	$ 136,222.42	$ 140,309.10	$ 144,518.37	$ 148,853.92	$ 153,319.54
	Eff 1/1/28	$ 124,662.81	$ 128,402.70	$ 132,254.78	$ 136,222.42	$ 140,309.10	$ 144,518.37	$ 148,853.92	$ 153,319.54	$ 157,919.12
T95	Eff 1/1/26	$ 120,444.33	$ 124,057.66	$ 127,779.38	$ 131,612.77	$ 135,561.15	$ 139,627.98	$ 143,816.82	$ 148,131.33	$ 152,575.27
	Eff 1/1/27	$ 124,057.66	$ 127,779.38	$ 131,612.77	$ 135,561.15	$ 139,627.98	$ 143,816.82	$ 148,131.33	$ 152,575.27	$ 157,152.53
	Eff 1/1/28	$ 127,779.38	$ 131,612.77	$ 135,561.15	$ 139,627.98	$ 143,816.82	$ 148,131.33	$ 152,575.27	$ 157,152.53	$ 161,867.10
T96	Eff 1/1/26	$ 123,381.99	$ 127,083.45	$ 130,895.96	$ 134,822.83	$ 138,867.52	$ 143,033.55	$ 147,324.55	$ 151,744.29	$ 156,296.62
	Eff 1/1/27	$ 127,083.45	$ 130,895.96	$ 134,822.83	$ 138,867.52	$ 143,033.55	$ 147,324.55	$ 151,744.29	$ 156,296.62	$ 160,985.52
	Eff 1/1/28	$ 130,895.96	$ 134,822.83	$ 138,867.52	$ 143,033.55	$ 147,324.55	$ 151,744.29	$ 156,296.62	$ 160,985.52	$ 165,815.08
T97	Eff 1/1/26	$ 126,466.53	$ 130,260.53	$ 134,168.35	$ 138,193.40	$ 142,339.20	$ 146,609.38	$ 151,007.66	$ 155,537.89	$ 160,204.02
	Eff 1/1/27	$ 130,260.53	$ 134,168.35	$ 138,193.40	$ 142,339.20	$ 146,609.38	$ 151,007.66	$ 155,537.89	$ 160,204.02	$ 165,010.14
	Eff 1/1/28	$ 134,168.35	$ 138,193.40	$ 142,339.20	$ 146,609.38	$ 151,007.66	$ 155,537.89	$ 160,204.02	$ 165,010.14	$ 169,960.45
T98	Eff 1/1/26	$ 129,705.36	$ 133,596.53	$ 137,604.42	$ 141,732.55	$ 145,984.53	$ 150,364.07	$ 154,874.99	$ 159,521.24	$ 164,306.88
	Eff 1/1/27	$ 133,596.53	$ 137,604.42	$ 141,732.55	$ 145,984.53	$ 150,364.07	$ 154,874.99	$ 159,521.24	$ 164,306.88	$ 169,236.08
	Eff 1/1/28	$ 137,604.42	$ 141,732.55	$ 145,984.53	$ 150,364.07	$ 154,874.99	$ 159,521.24	$ 164,306.88	$ 169,236.08	$ 174,313.16
T99	Eff 1/1/26	$ 136,190.63	$ 140,276.35	$ 144,484.64	$ 148,819.18	$ 153,283.76	$ 157,882.27	$ 162,618.74	$ 167,497.30	$ 172,522.22
	Eff 1/1/27	$ 140,276.35	$ 144,484.64	$ 148,819.18	$ 153,283.76	$ 157,882.27	$ 162,618.74	$ 167,497.30	$ 172,522.22	$ 177,697.89
	Eff 1/1/28	$ 144,484.64	$ 148,819.18	$ 153,283.76	$ 157,882.27	$ 162,618.74	$ 167,497.30	$ 172,522.22	$ 177,697.89	$ 183,028.82
T104	Eff 1/1/26	$ 152,630.46	$ 157,209.37	$ 161,925.65	$ 166,783.42	$ 171,786.93	$ 176,940.53			
	Eff 1/1/27	$ 157,209.37	$ 161,925.65	$ 166,783.42	$ 171,786.93	$ 176,940.53	$ 182,248.75			
	Eff 1/1/28	$ 161,925.65	$ 166,783.42	$ 171,786.93	$ 176,940.53	$ 182,248.75	$ 187,716.21			
T106	Eff 1/1/26	$ 160,357.37	$ 165,168.09	$ 170,123.13	$ 175,226.83	$ 180,483.63	$ 185,898.15			
	Eff 1/1/27	$ 165,168.10	$ 170,123.14	$ 175,226.83	$ 180,483.64	$ 185,898.15	$ 191,475.09			
	Eff 1/1/28	$ 170,123.14	$ 175,226.83	$ 180,483.64	$ 185,898.15	$ 191,475.09	$ 197,219.35			
T107	Eff 1/1/26	$ 164,366.31	$ 169,297.30	$ 174,376.22	$ 179,607.50	$ 184,995.73	$ 190,545.60			
	Eff 1/1/27	$ 169,297.30	$ 174,376.22	$ 179,607.50	$ 184,995.73	$ 190,545.60	$ 196,261.97			
	Eff 1/1/28	$ 174,376.22	$ 179,607.50	$ 184,995.73	$ 190,545.60	$ 196,261.97	$ 202,149.83			