



# Folsom City Council Staff Report

<b>MEETING DATE:</b>	12/9/2025
<b>AGENDA SECTION:</b>	New Business
<b>SUBJECT:</b>	Resolution No. 11518 - A Resolution Authorizing the City Manager to Execute a Memorandum of Understanding Between the City of Folsom and the Folsom Middle Management Group
<b>FROM:</b>	Human Resources Department

## **RECOMMENDATION / CITY COUNCIL ACTION**

The Human Resources Director recommends that the City Council pass and adopt Resolution No. 11518 – A Resolution Authorizing the City Manager to Execute a Memorandum of Understanding Between the City of Folsom and the Folsom Middle Management Group.

## **BACKGROUND / ISSUE**

The existing Memorandum of Understanding (MOU) between the City of Folsom and the Folsom Middle Management Group expires on December 31, 2025. The parties began negotiations on a new MOU on September 9, 2025, and reached a tentative agreement on November 24, 2025. The Folsom Middle Management Group ratified the tentative agreement on December 3, 2025. The new proposed successor MOU is being presented to the City Council on December 9, 2025, for consideration and approval.

## **POLICY / RULE**

Government Code Title 1, Division 4, Chapter 10 commonly known as the Meyers-Milias-Brown Act requires that representatives of the Governing Body of a public agency shall meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of recognized employee organizations. Both parties shall endeavor to reach a tentative agreement within the scope of representation, and, if a tentative agreement is reached and ratified by the respective parties, they shall prepare a written memorandum of understanding.

**ANALYSIS and FINANCIAL IMPACT**

A tentative agreement was reached by the parties and the proposed successor Memorandum of Understanding, which will be effective January 1, 2026, contains the following changes that have some economic impact, as outlined below. The changed provisions are as follows:

1. The MOU term will be for three (3) years: January 1, 2026, through December 31, 2028.
  
2. Effective January 1, 2026, the following classifications shall be increased to the salary range which is closest to 5% above the current salary range as a market adjustment:
  - a. Water Treatment Plant Manager
  - b. Water Treatment Plant Supervisor
  - c. Utilities Maintenance Manager
  - d. Utilities Maintenance Supervisor
  - e. Wastewater Collection Manager
  - f. Wastewater Collection Supervisor
  - g. Water Distribution Supervisor
  - h. Water Distribution Manager
  - i. Associate Civil Engineer
  - j. Principal Engineer
  - k. Senior Civil Engineer
  - l. Solid Waste Manager
  - m. Solid Waste Supervisor
  - n. Environmental Specialist Supervisor

The cost of the special salary increase will be approximately \$140,747 in the first year in salary and benefits.

- General Fund (010) - \$33,030
- Water (520) - \$53,179
- Sewer (530) - \$34,834
- Solid Waste (540) - \$19,704

3. A Cost-of-living adjustment (COLA) will be provided for each year of the agreement:
  - Year 1: Effective January 1, 2026
    1. 3% for all classifications
    2. The cost for the first year of the COLA will increase salary and benefits approximately \$278,862
      - General Fund (010) - \$204,697
      - Water (520) - \$32,037
      - Sewer (530) - \$25,818
      - Solid Waste (540) - \$16,310

- Year 2: Effective January 1, 2027
  1. 3% for all classifications
  2. The cost for the second year of the COLA will increase salary and benefits approximately \$432,197
    - General Fund (010) - \$244,859
    - Water (520) - \$87,772
    - Sewer (530) - \$62,472
    - Solid Waste (540) - \$37,094
  
- Year 3: Effective January 1, 2028
  1. 3% for all classifications
  2. The cost for the third year of the COLA will increase salary and benefits approximately \$445,163
    - General Fund (010) - \$252,205
    - Water (520) - \$90,406
    - Sewer (530) - \$64,346
    - Solid Waste (540) - \$38,207

The total cost of this agreement is as follows:

	Market Adj.	COLA			Cost by Fund
	Year 1	Year 2	Year 3		
<b>General Fund (010)</b>	\$ 33,030	\$204,697	\$244,859	\$252,205	\$ 734,790
<b>Water (520)</b>	\$ 53,179	\$ 32,037	\$ 87,772	\$ 90,406	\$ 263,394
<b>Sewer (530)</b>	\$ 34,834	\$ 25,818	\$ 62,472	\$ 64,346	\$ 187,469
<b>Solid Waste (540)</b>	\$ 19,704	\$ 16,310	\$ 37,094	\$ 38,207	\$ 111,316
<b>Total</b>	\$ 140,747	\$278,862	\$432,197	\$445,163	

4. Boot Allowance
  - Employees required by the City to wear work boots may request reimbursement for new boots up to once per year per employee and will be reimbursed the actual cost up to \$325.00.
  
5. Health Insurance – Cash Back
  - Employees who decline City health insurance coverage will receive an increase in their cash-in-lieu benefit from \$250 to \$300 per month.
  - The cost of the increase in cash back pay will be approximately \$4,200 in the first year.
  
6. Special Certification/License Pay
  - The City may authorize special certification/license pay to employee with authorization by the Department Head and Human Resources.
  - The City will determine the amount of the special certification/license pay.
  
7. A variety of non-economical and clarification language changes were also agreed upon.

**ATTACHMENTS**

1. Resolution No. 11518 - A Resolution Authorizing the City Manager to Execute a Memorandum of Understanding between the City of Folsom and the Folsom Middle Management Group.
2. Proposed Memorandum of Understanding between the City of Folsom and the Folsom Middle Management Group for the term of January 1, 2026, through December 31, 2028.

Submitted,

  
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Allison Garcia, Human Resources Director