



City of Grass Valley City Council Agenda Action Sheet

Title: Approval of Memorandum of Understanding with the Grass Valley Police Officers' Association (Unit 6) for July 1, 2026 - June 30, 2028.

CEQA: Not a Project

Recommendation: Staff recommends that the City Council: 1) Adopt Resolution No. 2026-51 approving the Memorandum of Understanding (MOU) between the City of Grass Valley and the Grass Valley Police Officers' Association (Unit 6) for the two-year period of July 1, 2026, through June 30, 2028; 2) Approve additional FY 2026-27 budget authority in the amount of \$60,600 to fund the increased medical contributions and cash-in-lieu-of-medical benefit effective January 1, 2027; and 3) Authorize the Interim City Manager to execute the MOU on behalf of the City.

Prepared by: Jennifer Styczynski, Finance Director

Council Meeting Date: 09/22/2026

Date Prepared: 09/03/2026

Agenda: Consent

Background Information: The City of Grass Valley and the Grass Valley Police Officers Association (GVPOA) have negotiated a successor Memorandum of Understanding covering the period of July 1, 2026, through June 30, 2028.

The proposed MOU reflects the terms agreed upon by the City and GVPOA and addresses compensation, salary schedule changes, medical contributions, cash in lieu of medical benefits, leave provisions, and other terms and conditions of employment.

Discussion: The significant provisions of the proposed two-year MOU include the following:

Salary

- **2% Salary Increase:** Effective retroactively to the first full pay period following July 1, 2026, salaries for each classification shall be increased by two percent (2%). The retroactive increase will be paid in the first full pay period following City Council approval of the MOU.
- **New Top Step:** Effective the first full pay period following January 1, 2028, the City will implement a new top salary step equal to five percent (5%).
- **Step Advancement:** The MOU establishes eligibility provisions for employees affected by implementation of the new top step:

- Employees whose normal anniversary date occurs less than one year after their most recent step increase will remain eligible for a step advancement on their established anniversary date.
- Employees whose most recent step increase occurred more than one year prior to implementation of the new top step will be eligible for a step advancement upon implementation. Following that advancement, the employee's anniversary date for future step increases will be reset to the implementation date.
- **Salary Step Flexibility:** During the term of the MOU, the City reserves the right to eliminate up to two salary steps at the lower end of the salary ranges. Prior to implementing such a change, the City will meet and confer with GVPOA regarding the impacts of the proposed action.

Medical Benefits

Effective January 1, 2027, the City's monthly medical contributions will be increased to the following amounts:

Coverage Level	Monthly City Contribution
Employee Only	\$1,214
Employee Plus One	\$2,022
Family	\$2,530

The MOU also establishes a \$605 per month cash-in-lieu-of-medical benefit, effective January 1, 2027, for eligible employees who waive City medical coverage in accordance with the City's applicable requirements.

Reproductive Loss Leave

The MOU also adds a provision providing employees with reproductive loss leave, establishing leave rights related to qualifying reproductive loss events. This provision is included as part of the negotiated terms of the successor MOU.

Council Goals/Objectives: Approval of this MOU supports the City's Strategic Plan goal of maintaining a qualified and competitive workforce while ensuring that compensation and benefits remain consistent with the City's operational needs and fiscal capacity. The negotiated agreement provides a framework for compensation and benefit costs over the two-year term while maintaining responsible financial management and budgetary oversight.

Fiscal Impact: The 2% salary increase effective July 1, 2026, was included in the City's FY 2026-27 adopted budget and therefore does not require additional budget authority.

The MOU will result in additional personnel costs beginning January 1, 2027, associated with the negotiated increase in City medical contributions and the \$605 per month cash-in-lieu-of-medical benefit. The estimated additional cost for these benefits for the remainder of FY 2026-27 is \$60,600.

Staff recommends that the City Council approve additional budget authority in the amount of \$60,600 to fund the increased medical benefit costs for FY 2026-27. The

ongoing costs associated with these provisions will be incorporated into future fiscal year budgets.

The implementation of the new 5% top step effective January 2028 may result in additional personnel costs during FY 2027-28. These costs will be evaluated and incorporated into the FY 2027-28 budget as appropriate.

Funds Available: Yes

Account #: 100-201-50130 (Health / Dental / Vision / Life Ins) \$40,800
200-201-50130 (Health / Dental / Vision / Life Ins) \$19,800

Reviewed By: Interim City Manager

Attachments: Resolution No. 2026-51
Memorandum of Understanding - Unit 6 Redlined