

FY 2026-2027

MEMORANDUM OF UNDERSTANDING

BETWEEN

CITY OF OAKDALE, CALIFORNIA, HEREINAFTER KNOWN AS "CITY",

AND

MANAGEMENT AND CONFIDENTIAL BARGAINING UNIT

HEREINAFTER KNOWN AS "UNIT"

SECTION 1. GENERAL

1.01 Intent and Purpose

It is the intent and purpose of this Memorandum of Understanding (MOU) to set forth the understanding of the parties regarding, but not limited to, matters relating to wages, hours, and terms and conditions of employment between employees represented by the Unit and the City.

The Unit agrees to recommend ratification to its membership and City agrees to recommend to the City Council of the City of Oakdale that all terms of this Memorandum be adopted in full by resolution of the City Council. Upon such adoption, all terms and conditions of this Memorandum shall then become effective without further action by either party on **July 1, 2026**, and be valid for one year.

1.02 Recognition

For the purpose of meeting and conferring in accordance with the Meyers-Milias-Brown Act, the Management and Confidential Bargaining Unit is formally recognized as the duly authorized representative of all full-time job classifications with the exception of Miscellaneous (OMEBU), Police (OPOA), and Senior Management employees.

1.03 Scope of Meeting and Conferring

The scope of representation shall include, but not be limited to; wages, hours, and other items and conditions of employment. Notwithstanding the foregoing, nothing is intended to circumscribe or modify the exclusive management rights of the City of Oakdale in accordance with applicable laws and the Merit System Rules and Regulations.

1.04 Continuation

The purpose of this MOU is to describe the salary and benefits offered to employees of this bargaining unit. This MOU supersedes and replaces all previous MOU's and side letters.

1.05 Constitutionality

If any section, subsection, subdivision, sentence, clause, or phrase of this MOU is for any reason held to be illegal or unconstitutional, such decision shall not affect the validity of the remaining portions of this MOU.

1.06 No Strike Clause

Employees represented by the Unit shall not engage in any strike, sit-down, slowdown, or work stoppage during the life of this MOU.

1.07 Modified Work Schedule

Members of this unit will be able to work a 9/80 alternative work schedule. Employees will work 80 hours over nine days instead of 80 hours over ten days. The hours of operation and the details of the 9/80 schedule will be determined by the Department Head. In the event of economic distress or other operational needs that require the City to eliminate the 9/80 schedule, the City will meet and confer with Management and Confidential Bargaining Unit (MCBU).

1.08 Legal Services

The City will provide interim contract legal services for all Management/Confidential members who are not otherwise represented and are questioned in regard to any investigation from outside law enforcement authorities resulting from or related to a critical incident occurring within the scope of his/her employment.

SECTION 2. COMPENSATION

2.01 Salaries

All members of the bargaining unit will receive a salary increase the first pay period of July 1, 2026.

The City will provide a 6.5% net adjustment for this group, based on members' annual salaries. The City developed a new salary schedule featuring 2.5% increases between ranges and 5% increases between steps. Each existing classification was placed within the new schedule at the range that aligned with its current compensation, between Step A and Step E. This placement resulted in varying salary adjustments for individual employees. The remaining available amount, after accounting for placement on the new salary schedule, was applied at a cost-of-living adjustment (COLA), resulting in a 4.3% COLA for this group.

2.02 Contract Re-opener Clause

In the event the City grants a larger cost-of-living increase or health contribution to any other unit for the period of this contract, the City agrees to adjust the cost-of-living increase and health insurance contribution negotiated with the Management Confidential Unit to an equivalent amount.

2.03 Merit Pay

Merit adjustments may be made by the City Manager on an annual basis of 2.5% to a maximum of 5% of base pay.

The maximum Merit Pay is 7.5% of base pay. There shall be no automatic adjustment to the 7.5% ceiling. All increases shall require a full performance evaluation, recommendation by the Department Director, and approval of the City Manager.

2.04 Deferred Compensation

Employees may elect a monthly payroll deduction in an amount permissible under the City plan to be placed in a deferred compensation program administered at no cost by the City. Such monies deposited would be tax-deferred and subject to income tax in the year they are withdrawn from the deferred compensation program.

The City will provide a two percent (2%) employer matching contribution to employees' deferred compensation upon completion of one (1) year of employment.

2.05 Uniform Allowance

On the first pay period of each new fiscal year, the Police Lieutenants shall receive an annual uniform allowance. The Police Lieutenants shall receive the amount equal to the uniform allowance agreed to in the Police Officers Association MOU.

2.06 Incentive Pay

Employees entering the Management/Confidential Unit from the Police bargaining unit shall retain any incentive pay they received at the time they were a member of the aforementioned bargaining unit.

2.07 Pay Differentials

Individuals in the Management/Confidential Unit may apply for any of the following incentives:

A. Bilingual Pay

Each Department Director shall, annually, determine the number of bilingual employees needed for oral translation within their department. For purposes of this Article, bilingual is defined as Spanish, Southeast Asian languages(s) common to this area, sign language, or other languages deemed desirable by the Department Director.

A review panel made up of three experts (as determined by the department director) will assess the qualifications of employees wishing to volunteer. Two of the three panel members must agree that the person is capable of bilingual translation.

Employees who pass the review panel and are needed in this capacity by the

department shall be paid an additional 2.5% on their base pay, provided they maintain their bilingual skill competency. Employees must agree to use their bilingual skills at the direction of the department. Employees failing to use their bilingual skills at the direction of the City shall immediately lose their qualification for the additional 2.5% bilingual pay.

B. Notary Pay

Each employee who is not required as a condition of employment and is directed by the City to obtain a Notary Commission from the Secretary of State shall be paid an additional 2.5% on their base pay, provided they maintain and renew their Commission as required by law. Employees must use their notary skills at the City's direction. Employees failing to use their notary skills at the direction of the City shall immediately lose their qualification for the additional 2.5% notary pay.

C. Education Incentive

Employees of this bargaining unit who achieve a degree highlighted below, from an accredited institution, that is not required in their job description, shall receive an education incentive:

BA/BS Degree	1%
Master's Degree	2.5%

Education Incentives will have a 2.5% cap for all members of the Management/Confidential Unit, except for police lieutenants. Police Lieutenants are eligible for education incentives under the OPOA MOU.

To be eligible for the educational incentive, an employee must have completed their probationary period. Any employee who is on probation as a result of a promotion shall be eligible for the appropriate incentive during the promotional, probationary period.

SECTION 3. LEAVE

3.01 Vacation

Management/Confidential employees may accrue vacation leave to a maximum balance of twice the employee's yearly entitlement. Accumulation of vacation time shall be in accordance with the following vacation entitlement schedule:

<u>Years of Service</u>	<u>Weeks of Vacation</u>
0 through 3 years	80 Hours
4 through 8 years	120 Hours
9 through 15 years	144 Hours
16 and over	160 Hours
20 plus	8 Hours per year of service up to a max of 200 hours

The vacation accrual period will be extended to 3 years for members of this unit who have been denied the ability to use their accrued vacation by their Department Director due to City needs. This does not include employees who declined the opportunity to use vacation. Prior to reaching the second year of the maximum vacation balance, the employee must submit a written request to their Department Director for review and approval at the discretion of the Director and the City Manager.

3.02 Holidays

The City agrees to provide employees covered by this agreement fourteen paid holidays per year, to include the following:

1. New Year's Day, January 1st
2. Martin Luther King, Jr. Day, Third Monday in January
3. Presidents' Day, Third Monday in February
4. Good Friday
5. Memorial Day, Last Monday in May
6. Independence Day, July 4th
7. Labor Day, First Monday in September
8. Veterans Day, November 11th
9. Thanksgiving Day, Fourth Thursday in November
10. Friday after Thanksgiving
11. Christmas Eve, December 24th
12. Christmas Day, December 25th
13. New Year's Eve, December 31st
14. A "floating" holiday

It is the intent of this agreement that employees covered shall receive fourteen paid holidays, regardless of their assigned workweek. When a holiday falls on a Saturday, the preceding Friday shall be deemed a holiday. When a holiday falls on a Sunday, the following Monday shall be deemed a holiday. When an employee is required to work on a holiday, another day may be selected in lieu of the holiday with the consent of the City Manager.

For each recognized paid holiday, employees shall be compensated for the hours they were regularly scheduled to work on that day had the holiday not occurred.

3.03 Management Leave

In recognition of the long hours required to perform at the Management/Confidential level, including attendance at numerous meetings outside normal working hours, the following Management Leave policy shall be implemented:

Each Management/Confidential employee shall receive eighty (80) hours of Management Leave per fiscal year. Forty (40) hours may be carried over into the following fiscal year. At no time shall the employee have more than 120 hours of Management Leave days on

the books. There is no cash value/payment for unused management leave on the books at termination or retirement.

3.04 Management Leave Option

Management/Confidential employees shall be afforded the option of receiving twenty-four (24) hours of additional Management Leave per year at the discretion of the Department Director.

3.05 Vacation Sell Back

Management/Confidential employees will be allowed to sell back, at each employee's discretion, up to forty hours (40) of vacation or holiday time at the beginning of each fiscal year, payable the first pay period in July and cash out up to forty (40) hours of vacation or holiday time, payable the first pay period in December of each fiscal year. Employees must notify the Finance Department of their decision two (2) weeks prior to check issuance. Payment will be made by separate checks.

3.06 Sick Leave

Employees shall earn sick leave at the rate of eight (8) hours for each month, or fraction thereof, worked. There shall be no limit to the amount of sick leave that may be accrued. Time off and time accrued shall be based on 2080 hours worked for the year.

Sick leave shall not be considered as a privilege that an employee may use at his own discretion, but shall be granted only upon the recommendation of the department head. Sick leave shall be allowed and used only in the case of necessity, actual personal sickness or disability, medical, or dental treatment.

In accordance with the California Labor Code, Section 233, employees may use **up to half of their annually accrued sick leave benefits** to care for a sick family member, including a child, parent, spouse, or registered domestic partner as defined by the City's Merit System Rules and Regulations.

3.07 Annual Sick Leave Conversion Plan

Any employee who has not taken more than 36 hours of sick leave during the twelve (12) month period beginning the first pay period in July and ending the second pay period in June of each year shall be entitled to convert up to 40 hours of unused sick leave to pay.

3.08 Leave of Absence

Management/Confidential employees shall be granted a leave of absence with full pay for jury service, appearances required of employee as a witness, or attendance in court resulting from employee's official duties. Any compensation received from those activities shall be remitted to the City.

3.09 Bereavement Leave

Up to three (3) days of paid bereavement leave may be granted to a regular employee by the head of his or her department in the event of the death of a family member. For the purposes of this section only, the employee's family shall mean the spouse, parent, child, brother, sister, father-in-law, mother-in-law, brother-in-law, sister-in-law, or a close relative residing in the household of the employee.

Employees are also entitled to up to five (5) days of job-protected bereavement leave in accordance with California law. Any bereavement leave exceeding three (3) days, up to a total of five (5) days, may be taken as unpaid leave or charged against the employee's accrued sick leave, vacation, or other available paid time off balances, and does not require approval by the City Manager. Requests for bereavement leave beyond five (5) days shall be subject to approval by the department head, and any such approved additional time shall be unpaid by the City.

SECTION 4. EDUCATION

4.01 The City will assume any cost of continued training/certification or recertification required for a position within this group (POST, Notary, etc.). The costs include travel with per diem, registration, tuition, book/course materials, certifications, bonds, and other reasonable costs considered legitimate City expenditures.

4.02 The Police Lieutenant will be granted the POST per diem rate.

4.03 In order to promote continued development of skills, knowledge, and abilities among the Management/Confidential Unit, the City Manager may grant time to attend professional, technical, or managerial workshops, courses, conferences, conventions, seminars, or related activities. All such requests shall be submitted in writing to the City Manager with adequate justification. Attendance shall be at the City Manager's discretion.

The costs for attendance at these activities, including travel, registration, tuition, book/course materials, or other reasonable costs, are considered legitimate City expenditures when provided for in the annual City budget and approved by the City Manager.

SECTION 5. CIVIC ORGANIZATION MEMBERSHIP FEES

5.01 Management/Confidential personnel are encouraged to maintain membership in appropriate civic organizations. These memberships serve to acquaint the City with current information in the community. The City will include the costs of these membership fees in the respective department budgets to a maximum of \$1,000.00 per year for this entire group. Membership in these organizations shall not interfere with the employee's productivity or duties. Employees will not be allowed to perform any duties related to a civic organization event while on City time.

SECTION 6. HEALTH AND MEDICAL INSURANCE

- 6.01** The City shall continue to offer medical, dental, and vision plans as those plans are currently structured or as the plan providers may amend the plans from time to time. The City may substitute plans currently offered with plans of substantially similar benefits.

The City will pay the cost of medical, dental, vision, and prescription insurance for employees and dependents to a maximum of one thousand two hundred dollars (\$1,200) per month, plus fifty percent (50%) of any amount in excess.

The City agrees to establish IRS Section 125 tax savings plans for premiums and flexible spending accounts (i.e., medical reimbursements and dependent care). The employees shall be responsible for any enrollment and administration expenses relating to the flexible spending accounts.

6.02 Health Insurance Opt-Out

Employees who opt out of the City-provided health plans shall be entitled to 50% of the one thousand two hundred (\$1,200) City contribution. Employees who opt out will be reimbursed on the first full pay period day in December. Reimbursements will be for the previous twelve (12) calendar months. Employees will receive reimbursement via a separate check.

SECTION 7. RETIREE HEALTH SAVINGS PLAN

- 7.01** Upon retirement after a minimum of ten (10) years of City service, Management/Confidential employees may convert **50%** of unused sick leave to pay for health insurance premiums during retirement. The value of the sick leave will be kept in an account in the employee's name at the value it held at the time of retirement and may be drawn on for health care until all funds are used. This benefit may be used in combination with the sick leave payout described in paragraph (1) of Section 610 – Payment on Termination of the City of Oakdale Merit System Rules and Regulations.

SECTION 8. LIFE INSURANCE AND LONG-TERM DISABILITY INSURANCE

- 8.01** The City agrees to pay the premium on term life insurance for a flat amount of \$75,000 for each insurable Management/Confidential unit employee.

The City pays the premium for a long-term disability insurance benefit that is 66 2/3% of insured earnings less income from other sources (sick leave, disability, etc.)

SECTION 9. RETIREMENT

- 9.01** For non-sworn employees, the City shall provide the PERS 2.5% at 55 Local Miscellaneous Members Retirement Program.

- 9.02** For sworn employees, the City shall provide the PERS 3% at age 50 Local Safety Members' Retirement Program (also known as CHP Plan).
- 9.03** The City's contract with the Public Employees' Retirement System (PERS) has been amended and shall provide the following additional benefits:
1. One-year highest compensation benefit as outlined in Government Code Section 20042 for Miscellaneous Employees.
 2. 1959 Survivor Benefit at the increased level, as provided for in Government Code Section 21573; Level 3 for Miscellaneous and Police employees and Level 4 for Fire employees.
 3. Credit for unused Sick Leave as provided for in Government Code Section 20965 as follows:

"20965. A local miscellaneous member and a local safety member, whose effective date of retirement is within four months of separation from employment with the employer which granted the sick leave credit, shall be credited at his or her retirement with 0.004 year of service credit for each unused day of sick leave certified to the board by his or her employer. The certification shall report only those days of unused sick leave that were accrued by the member during the normal course of his or her employment and shall not include any additional days of sick leave reported for the purpose of increasing the member's retirement benefit. Reports of unused days of sick leave shall be subject to audit and retirement benefits may be adjusted where improper reporting is found. This section shall not apply to any contracting agency nor to the employees of a contracting agency until the agency elects to be subject to this section by contract or by amendment to its contract made in the manner prescribed for approval on contracts, except that an election among the employees is not required, or, in the case of contracts made after September 26, 1974, by express provision in the contract making the contracting agency subject to this section. This section shall only apply to members who retire after the effective date of the contract amendments."
- 9.04** The Employees of this bargaining unit shall reimburse the City (8% for Non-Sworn and 9% for Sworn) for the employee contribution paid to PERS by the City on behalf of the employees.
- 9.05** The City shall report the 8%/9% employee contribution as Employer Paid Member Contributions in compliance with Government Code Section 20636(c).
- 9.06** All new hires will have a retirement formula based on the provisions found in the Public Employees' Pension Reform Act of 2013 (PEPRA).
- 9.07** In the FY 2018-2019 – FY 2021-2022 MOU, members received a 3% raise on January 1, 2019, and a 3% raise on January 1, 2020. In exchange for these raises,

the members agreed to contribute 2% toward the Employer's PERS contribution. These are not new contributions and will continue in this agreement and future agreements unless removed through the collective bargaining process.

SECTION 10. TERMS AND CONDITIONS

10.01 Duration

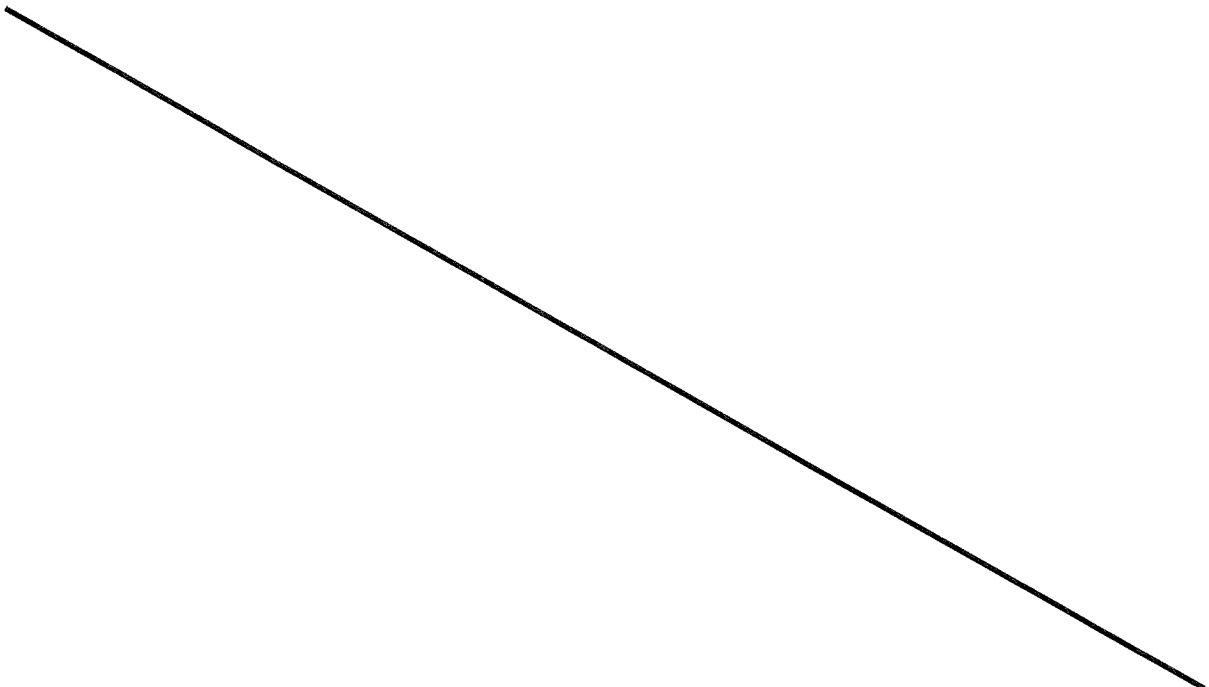
The terms of this MOU shall become effective **July 1, 2026**, and continue in effect until **June 30, 2027**, unless modified, changed, or otherwise altered by force of law or by mutual agreement between the parties of this agreement.

10.02 Conflicts

This MOU shall govern in all conflicts between this agreement and any other related City documents, except where demonstrated conflict exists with State or Federal law.

10.03 Matters Affecting Wages, Etc.

It is mutually understood that all matters affecting wages, hours, and other terms and conditions of employment proposed or intended for modification through City ordinance, resolution, or by any similar vehicle causing the same shall be submitted to the Management and Confidential Bargaining Unit for their concurrence pursuant to Government Code Sections 3500 through 3511.



Date 4/23/26

Signature J. RAMAR
Jerry Ramar, City Manager

Date 4/22/26

Signature Christina Smith
Christina Smith, Representative
Management and Confidential Bargaining Unit

Date 4/22/26

Signature A. Stever
Andrew Stever, Representative
Management and Confidential Bargaining Unit

Date 4/23/26

Signature Colleen Andersen
Colleen Andersen, Representative
Management and Confidential Bargaining Unit

Date 4/22/26

Signature Julie Inacio
Julie Inacio, Representative
Management and Confidential Bargaining Unit

MEMORANDUM OF UNDERSTANDING / MANAGEMENT & CONFIDENTIAL UNIT

SALARY SCHEDULE

EFFECTIVE PAY PERIOD STARTING 6/27/2026 - Effective July 1, 2026, through June 30, 2027

Classification	Old Range	New Range	STEP						STEP				
			A	B	C	D	E		A	B	C	D	E
			Monthly						Hourly				
Executive Assistant	428	406	7,184.67	7,543.47	7,921.33	8,318.27	8,734.27		41.45	43.52	45.70	47.99	50.39
Recreation Supervisor	433	409	7,727.20	8,113.73	8,519.33	8,945.73	9,392.93		44.58	46.81	49.15	51.61	54.19
Maint Worker Supervisor	433	409	7,727.20	8,113.73	8,519.33	8,945.73	9,392.93		44.58	46.81	49.15	51.61	54.19
Accounting Manager	434	411	8,113.73	8,519.33	8,945.73	9,392.93	9,862.67		46.81	49.15	51.61	54.19	56.90
Management Analyst	434	411	8,113.73	8,519.33	8,945.73	9,392.93	9,862.67		46.81	49.15	51.61	54.19	56.90
Public Services Manager	438	414	8,732.53	9,169.33	9,628.67	10,110.53	10,616.67		50.38	52.90	55.55	58.33	61.25
Capital Projects Manager	439	415	8,945.73	9,392.93	9,862.67	10,356.67	10,874.93		51.61	54.19	56.90	59.75	62.74
Asst Finance Director	442	417	9,392.93	9,862.67	10,356.67	10,874.93	11,419.20		54.19	56.90	59.75	62.74	65.88
Council Serv. & Legis. Record Mgr	442	417	9,392.93	9,862.67	10,356.67	10,874.93	11,419.20		54.19	56.90	59.75	62.74	65.88
WWTP Supervisor	442	417	9,392.93	9,862.67	10,356.67	10,874.93	11,419.20		54.19	56.90	59.75	62.74	65.88
Public Works Superintendent	443	418	9,626.93	10,108.80	10,614.93	11,145.33	11,703.47		55.54	58.32	61.24	64.30	67.52
Assistant to the City Manager	443B	419	9,862.67	10,356.67	10,874.93	11,419.20	11,989.47		56.90	59.75	62.74	65.88	69.17
Police Lieutenant	444	423	10,874.93	11,419.20	11,989.47	12,589.20	13,218.40		62.74	65.88	69.17	72.63	76.26