

Resolution No. 2008-235 N.C.S.  
of the City of Petaluma, California

**RESOLUTION ESTABLISHING THE 2008-2009 COMPENSATION PLAN  
FOR DEPARTMENT DIRECTORS IN UNIT 8**

**WHEREAS**, the employees in Unit 8 are not represented by any recognized employee organization; and,

**WHEREAS**, the City Manager, pursuant to Section 28, City of Petaluma City Charter, is required and empowered to make a recommendation to the City Council on matters related to employee's compensation; and,

**WHEREAS**, the City Manager has reviewed and concurs with the proposed 2008-2009 Compensation Plan for Department Directors in Unit 8, and does recommend the City Council ratify said Compensation Plan.

**NOW, THEREFORE, BE IT RESOLVED** that the 2008-2009 Compensation Plan for Department Directors in Unit 8, being in the best interests of the City, is ratified and the terms and conditions of said Compensation Plan shall be effective July 1, 2008 through June 30, 2009.

Under the power and authority conferred upon this Council by the Charter of said City.

**REFERENCE:**

I hereby certify the foregoing Resolution was introduced and adopted by the Council of the City of Petaluma at a Regular meeting on the 15<sup>th</sup> day of December, 2008, by the following vote:

Approved as to  
form:

City Attorney

**AYES:**

Barrett, Freitas, Harris, Nau, O'Brien, Vice Mayor Rabbitt, Mayor Torliatt

**NOES:**

None

**ABSENT:**

None

**ABSTAIN:**

None

**ATTEST:**

City Clerk

Mayor

ATTACHMENT A

Summary of Changes to the  
Unit 8 Compensation Plan – Department Directors  
Fiscal Year 2008-2009

A complete copy of the Unit 8 Compensation Plan – Department Directors Fiscal Year 2008-2009 is on file in the City Clerk's office.

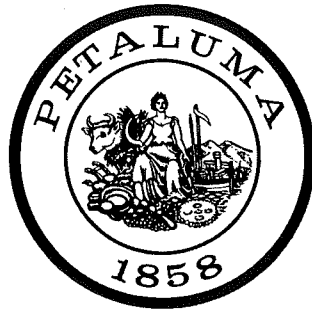
1. Benefits – Health Plan Contribution

The City agrees to continue to make a health plan contribution in the dollar amount of CalPERS Health Premium amount for Kaiser-Bay Area/Sacramento less the City's one-hundred one dollar (\$101.00) Public Employees' Medical and Hospital Care Act (PEMHCA) contribution times ninety-five percent (95%) for each employee and his/her family members for calendar year 2009.

Employees shall contribute to his/her CalPERS Health Premium in the amounts less the City's one-hundred and one dollar (\$101.00) PEMHCA contribution and less the benefit dollar amount in effect and paid by the City.

2. Revised new language that reflects change in policy, practice, or law or updated language.

- A. Term of Agreement
- B. Vacation – Accrual
- C. Vacation – Payment at Separation
- D. Administrative Leave
- E. Health Benefits – Active Employees
- F. Health Benefits – Retired Employees
- G. Life Insurance



**UNIT 8**

**COMPENSATION PLAN  
DEPARTMENT DIRECTORS**

**FISCAL YEAR 2008-2009**

## TABLE OF CONTENTS

<u>Section</u>	<u>Provision</u>	<u>Page</u>
<b>SECTION 1 – TERM OF COMPENSATION PLAN</b>		1
<b>SECTION 2 – SALARIES</b>		1
2.1	Salaries	1
2.3	Salaries - Emergency Operation Center	1
<b>SECTION 3 – SPECIAL COMPENSATION – UNIFORM ALLOWANCE</b>		1
<b>SECTION 4 – HOLIDAYS</b>		1
4.1	Holidays – Fixed Holidays	1
4.2	Holidays – Floating Holidays	2
<b>SECTION 5 – VACATION</b>		2
5.1	Vacation – Accrual Rate and Maximum Accrual Limits	2
5.2	Vacation – Scheduling	2
5.3	Vacation – Adjustment for Holidays	2
5.4	Vacation – Payment at Separation	3
<b>SECTION 6 – LEAVES – ADMINISTRATIVE LEAVE</b>		3
6.1	Administrative Leave - Annual Credit of Leave	3
6.2	Administrative Leave - Pro-Ration of Leave Hours	3
6.3	Administrative Leave - Annual Payment for Unused Leave	3
6.4	Administrative Leave - Payment at Separation	3
<b>SECTION 7 – LEAVES – SICK LEAVE</b>		3
7.1	Sick Leave – Eligibility	3
7.2	Sick Leave – Accrual	3
7.3	Sick Leave – Transfer	3
7.4	Sick Leave – Retirement Payout	4
<b>SECTION 8 – LEAVES – INDUSTRIAL INJURY LEAVE</b>		4
<b>SECTION 9 – LEAVES – BEREAVEMENT LEAVE</b>		4
<b>SECTION 10 – LEAVES – VICTIMS OF DOMESTIC VIOLENCE AND SEXUAL ASSAULT LEAVE</b>		5
<b>SECTION 11 – LEAVES – MILITARY LEAVE</b>		5
<b>SECTION 12 – LEAVES – ELECTION OFFICER LEAVE AND VOTING LEAVE</b>		5
<b>SECTION 13 – LEAVES – SCHOOL VISITATION LEAVE</b>		5
<b>SECTION 14 – LEAVES – LEAVE OF ABSENCE WITHOUT PAY</b>		5
<b>SECTION 15 – LEAVES – JURY DUTY LEAVE</b>		5
<b>SECTION 16 – FAMILY CARE AND MEDICAL LEAVE (FMLA &amp; CFRA)</b>		6
16.1	FMLA and/or CFRA Leave	6
16.2	FMLA and/or CFRA – Second Opinion	6
<b>SECTION 17 – LEAVES – PREGNANCY DISABILITY LEAVE</b>		6
<b>SECTION 18 – DISCRIMINATION, HARASSMENT, AND RETALIATION PROHIBITED</b>		6
<b>SECTION 19 – REASONABLE ACCOMMODATION</b>		6
<b>SECTION 20 – CALIFORNIA PUBLIC EMPLOYEES’ RETIREMENT SYSTEM</b>		6

<u>Section</u>	<u>Provision</u>	<u>Page</u>
<b>SECTION 21 – HEALTH BENEFITS – ACTIVE EMPLOYEES</b>		7
21.1	Active Employees – PEMHCA Contribution	7
21.2	Active Employees – Additional Benefit	8
21.3	Active Employees - Additional Benefit – January 1, 2008	8
21.4	Active Employees - Additional Benefit – January 1, 2009	8
21.5	Active Employees - Employee Contribution	8
<b>SECTION 22 – HEALTH BENEFITS – RETIRED EMPLOYEES</b>		8
22.1	Retired Employees – CalPERS and PEMHCA	8
22.2	“Unequal Contribution” Method for Health Care Premium Payments for Retirees	8
22.3	CalPERS Annuitant – PEMHCA Health Benefits	9
22.4	Less Than 12 Years of Service – Not Receiving PEMHCA Health Benefits	9
22.5	Less Than 12 Years of Service – Receiving PEMHCA Health Benefits	9
22.6	12-19 Years of Service – Not Receiving PEMHCA Health Benefits	9
22.7	12-19 Years of Service – Receiving PEMHCA Health Benefits	10
22.8	20 Years or More of Service – Not Receiving PEMHCA Health Benefits	10
22.9	20 Years or More of Service – Receiving PEMHCA Health Benefits	10
<b>SECTION 23 – CASH IN-LIEU OF HEALTH AND DENTAL BENEFITS</b>		11
<b>SECTION 24 – SECTION 125 PLAN</b>		11
<b>SECTION 25 – DENTAL INSURANCE</b>		12
<b>SECTION 26 – VISION INSURANCE</b>		12
<b>SECTION 27 – LIFE INSURANCE</b>		12
<b>SECTION 28 – EMPLOYEE ASSISTANCE PROGRAM</b>		12
<b>SECTION 29 – DISABILITY INSURANCE</b>		13
<b>SECTION 30 – DEFERRED COMPENSATION</b>		13
30.1	Deferred Compensation Plan – 457 Plan	13
30.2	Deferred Compensation Plan – Discretionary Plan -401 (A)	13
<b>EXHIBIT A SALARY TABLE</b>		14

## SECTION 1 - TERM OF COMPENSATION PLAN

This Compensation Plan shall be effective for a one (1) year term, fiscal year commencing July 1, 2008 and ending June 30, 2009.

## SECTION 2 - SALARIES

### 2.1 Salaries

Salary Ranges shall be as specified in Exhibit "A" for each classification.

### 2.2 Salaries – Emergency Operation Center

Employees of Unit 8 who are required to work when called to an activated Emergency Operation Center (EOC) local emergency shall be paid at their regular hourly rate for all hours beyond their normal workday.

## SECTION 3 – SPECIAL COMPENSATION – UNIFORM ALLOWANCE

The classifications of Police Chief and Fire Chief shall receive three-hundred dollars (\$300.00) per year as a Uniform Allowance. This amount shall be paid in December.

## SECTION 4 - HOLIDAYS

### 4.1 Holidays – Fixed Holidays

The City shall observe twelve (12) fixed-date holidays. These holidays shall be established for the City's fiscal year as determined by City Council resolution. The holidays for fiscal year 08/09 are as follows:

- Independence Day
- Labor Day
- Columbus Day
- Veterans' Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Eve
- Christmas Day
- New Year's Day
- Martin Luther King Day
- Presidents' Day
- Memorial Day

When a holiday falls on a Saturday, that holiday will be observed on the prior Friday. When a holiday falls on a Sunday, that holiday will be observed on the following Monday. Should this conflict with a Friday or Monday designated holiday, the Friday or Monday holiday will occur on the preceding Thursday or following Tuesday.

Observance by an employee of a designated religious event may be granted, if practical, with at least seven (7) days prior approval required for such leave, under the following methods:

- (A) Time charged to accrued vacation allowance; or
- (B) Time off without pay.

4.2 Holidays – Floating Holidays

During the Fiscal Year the City will authorize one (1) "Floating Holiday" per employee, which may be taken by the employee at a time selected by the employee, subject to operational requirements and approval determined by the City. Employees hired between July 1, and December 31, will be eligible for a "Floating Holiday" during the course of the Fiscal Year.

**SECTION 5 - VACATION**

Unit 8	Years of Service	Vacation Accrual (hrs)	Accrual Limit (hrs)
	0-4	80	240
	5-9	120	360
	10	128	384
	11	136	408
	12	144	432
	13	152	456
	14	160	480
	15	168	504
	16	176	528
	17	184	552
	18	192	576
	19 or greater	200	600

5.1 Vacation – Accrual Rate and Maximum Accrual Limits

Employees shall accrue vacation hours at the rate specified in the above table. The City Manager may at his/her discretion set an annual vacation accrual rate for an employee above the accrual rate in the table in section 5.

Vacation time shall not be accumulated in excess of three (3) years or three times an employee's annual vacation accrual as indicated in the vacation chart above.

5.2 Vacation – Scheduling

The times during a calendar year in which an employee may take his/her vacation shall be determined by the City Manager with due respect for the wishes of the employee and particular regard for the needs of the service. If the requirements of the service are such that an employee cannot take part or all of his/her annual vacation in a particular calendar year, such vacation shall be taken during the following calendar year.

5.3 Vacation - Adjustment for Holidays

Employees who are granted time off for scheduled holidays shall not have such holidays charged as vacation leave when the vacation leave and holiday(s) coincide.

5.4 Vacation – Payment at Separation

Employees who separate City employment shall be paid for all accrued unused vacation leave earned prior to the effective date of separation.

**SECTION 6 – LEAVES – ADMINISTRATIVE LEAVE**

6.1 Administrative Leave – Annual Credit of Leave

Employees shall be credited with eighty (80) hours of administrative leave each fiscal year.

6.2 Administrative Leave - Pro-Ration of Leave Hours

Employees hired or appointed after July 1 shall be credited with a pro-rated amount of administrative leave based upon hire or appointment date through June 30.

6.3 Administrative Leave – Annual Payment for Unused Leave

Employees shall receive payment for up to forty (40) hours of unused administrative leave at the end of the fiscal year. Payment shall be at the employee's base pay rate as of June 30. Payment shall be made on the last pay period of the fiscal year.

6.4 Administrative Leave - Payment at Separation

Employees who separate employment shall receive payment of up to forty (40) hours of unused administrative leave. Payment shall be at the base pay rate at the time of separation.

**SECTION 7 – LEAVES – SICK LEAVE**

7.1 Sick Leave – Eligibility

Sick leave with pay shall be granted to all employees as set forth in this section. Sick leave is not a right, which an employee may use at his discretion, but rather, shall be used only in case of personal illness, disability or the serious illness or injury of an employee's family member, which requires the employee's attention. The term family members shall include: spouse, children, parents, spouse's parents, brothers, sisters or other individuals whose relationship to the employee is that of a dependent or near dependent.

7.2 Sick Leave – Accrual

Sick leave shall accrue to all full-time employees at the rate of eight (8) hours for each month of continuous service. No employee shall accumulate more sick leave in any year than provided

7.3 Sick Leave – Transfer

Employees wishing to donate hours of sick leave to another employee may do so by sending a written request, approved by his/her department director, to the Human Resources office naming the individual to receive the sick leave and the amount donated, with the following restrictions:

- (A) Employees who wish to transfer sick leave must retain a minimum of 160 hours of sick leave to be eligible to transfer sick leave.
- (B) Transfer amounts shall be limited to the number of actual hours needed and used by the receiving employee.
- (C) Any donated sick leave hours unused by recipient shall be returned to the donor.

- (D) The employee receiving the sick leave transfer must have zero (0) hours of accrued sick leave, vacation, and CTA leave on the books.
- (E) Employees may not buy or sell sick leave. Only the time may be transferred.
- (F) Employees may not transfer sick leave upon separation of service.
- (G) Transfer of sick leave shall be allowed between all Units.
- (H) No more than ninety (90) workdays of sick leave may be received by an employee for any one illness or injury.

7.4 Sick Leave – Retirement Payout

In the event of the death or retirement of an employee who has completed ten (10) or more years of continuous service with the City, the employee shall be paid or shall receive to his/her benefit fifty percent (50%) of his accumulated but unused sick leave not to exceed four-hundred-eighty (480) hours. The employee may elect not to receive this benefit and instead place all sick leave hours into the CalPERS sick leave conversion benefit.

**SECTION 8 – LEAVES – INDUSTRIAL INJURY LEAVE**

Benefits shall be payable in situations where miscellaneous employee absence is due to industrial injury as provided in California State Workers' Compensation Law. During the first three (3) workdays when the employee's absence has been occasioned by injury suffered during his/her employment and he/she receives workers' compensation, he/she shall receive full pay. Following this period, sick leave may be a supplement to the workers' benefits provided the employee. Compensation is at his/her regular rate for a period not to exceed six (6) months, or until such sick leave is exhausted, or the disability is abrogated, or that employee is certified "permanent and stationary" by a competent medical authority. The City shall pay him/her the regular salary, based on the combination of the workers' compensation benefit plus sick leave.

All public safety employees receiving full salaries in lieu of temporary disability payments pursuant to Section 4850 of the labor code are entitled to accumulate sick leave during such periods of sick leave. Sick leave for industrial injury shall not be allowed for a disability resulting from sickness, self-inflicted injury, or willful misconduct.

The City may retire any employee prior to the exhaustion of accumulated sick leave, at which time all accrued but unused sick leave shall be abrogated, subject only to the limitations provided under this Compensation Plan.

**SECTION 9 – LEAVES – BEREAVEMENT LEAVE**

An employee shall be granted up to thirty-two (32) hours of bereavement leave in the event of death in the employee's immediate family. For the purpose of bereavement leave, immediate family shall mean spouse, qualified domestic partner, father, father-in-law, mother, mother-in-law, brother, brother-in-law, sister, sister-in-law, child (including stepchildren), step-parents, grandparents and grandchildren or person with whom the employee has a relationship in loco parentis. Up to an additional eight (8) hours of accrued sick leave may be granted to supplement bereavement leave.

In the event an employee must travel more than three-hundred (300) miles to attend a funeral or memorial service, an additional eight (8) hours of bereavement leave shall be granted instead of the use of eight (8) hours of sick leave.

**SECTION 10 – LEAVES – VICTIMS OF DOMESTIC VIOLENCE AND  
SEXUAL ASSAULT LEAVE**

The City of Petaluma provides appropriate leave, in accordance with California Labor Code Section 230.

**SECTION 11 – LEAVES – MILITARY LEAVE**

The City of Petaluma shall grant military leave benefits to eligible employees in accordance with California's Military Leave Laws found in Military & Veteran's Code 389 *et seq.*, the Federal Uniformed Services Employment and Re-employment Rights Act (USERRA), found at 389 U.S.C. 4301

*et seq.*, and the City of Petaluma Resolution No. 2004-200 N.C.S. Employees in the Ready Reserves of the Armed Forces who are ordered to active military duty or training under Executive Order 13223, shall have continued benefits in effect throughout his/her active duty training for a period of three-hundred sixty-five (365) calendar days or until the date of discharge from military service, whichever occurs first, unless this policy is changed by action of the City Council.

**SECTION 12 – LEAVES – ELECTION OFFICER LEAVE AND VOTING LEAVE**

When an employee's actual work schedule otherwise would prevent the employee from voting in any State, County, or General election, the employee may be granted up to two (2) hours of paid time to vote, in accordance with Election Code 14000. The employee must provide the City with at least two (2) working day's notice that he or she will be taking time off to vote.

**SECTION 13 – LEAVES – SCHOOL VISITATION LEAVE**

Employees may take up to forty (40) hours in a year to participate in the child's school activities, in accordance with Labor Code section 230.8.

**SECTION 14 – LEAVES – LEAVE OF ABSENCE WITHOUT PAY**

The City Manager may grant a regular or probationary employee leave of absence without pay pursuant to State and Federal Law. Good cause being shown by a written request, the City Manager may extend such leave of absence without pay or seniority or benefits for an additional period not to exceed six (6) months. No such leave shall be granted except upon written request of the employee setting forth the reason for the request, and the approval will be in writing. Upon expiration of a regularly approved leave or within a reasonable period of time after notice to return to duty, the employee shall be reinstated in the position held at the time leave was granted. Failure on the part of an employee on leave to report promptly at its expiration, or within a reasonable time after notice to return to duty shall be cause for discharge.

**SECTION 15 – LEAVES – JURY DUTY LEAVE**

Any employee summoned for jury duty shall be entitled to a leave of absence with full pay for such period of time as may be required to attend the court in response to such summons. Any employee may

retain payment for travel but shall make payable to the City any and all fees which the employee may receive in payment for service as a juror. For Grand Juries this compensation shall not extend beyond twenty (20) working days.

## **SECTION 16 - FAMILY CARE AND MEDICAL LEAVE (FMLA & CFRA)**

### **16.1 FMLA and/or CFRA Leave**

The City shall provide family and medical care leave for eligible employees as required by City policy, state and federal law and as specifically provided in the Federal Family and Medical Leave Act of 1993 (FMLA) and the California Family Rights Act of 1993 (CFRA). If possible, employees must provide thirty (30) days advance notice of leave.

### **16.2 FMLA and/or CFRA – Second Opinion**

The employee shall provide the City with a health care provider certification. The City, at City expense, may require a second opinion on the validity of the certification. Should a conflict arise between health providers, a third and binding opinion, at City expense shall be sought.

## **SECTION 17 – LEAVES – PREGNANCY DISABILITY LEAVE**

The City shall provide pregnancy disability leave (PDL) for eligible employees as required by City policy and applicable law and as specifically provided in the Fair Employment and Housing Act and the Family Medical Leave Act. If possible, employees must provide thirty (30) days advance notice of leave.

## **SECTION 18 - DISCRIMINATION, HARASSMENT, & RETALIATION PROHIBITED**

The City and its employees are prohibited from discriminating against an applicant or employee because the employee is in a "protected class" (based on age, race, etc.) in taking any personnel actions (such as hiring, promotion, discipline, etc.) Employees are prohibited from harassing any employees due to race, sex, age, etc. The City and its employees are prohibited from retaliating against an employee because the employee has filed a complaint of discrimination or harassment or opposed actions by other employees that constituted discrimination or harassment.

## **SECTION 19 - REASONABLE ACCOMMODATION**

In accordance with the California Fair Employment and House Act (FEHA) and the Americans with Disability Act (ADA), the City will reasonably accommodate any know protected disability of an employee.

## **SECTION 20 – CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

Effective June 30, 2001, the City provided Police Safety members with the three percent (3%) at fifty (50) formula retirement plan. The City's contract with CalPERS includes the following optional benefits:

- Fourth Level - 1959 Survivor's Benefit as provided in Section 21382.5 (June 30, 1996).
- Military Service Credit as provided in Section 20930.3 (January 4, 1996).
- One-Year Final Compensation as provided in Section 20024.2 (July 1, 1982).

- Credit for Unused Sick Leave as provided in Section 20862.80 (July 1, 1982).
- Cost of Living Allowance two percent (2%) as provided by Section 21335 (July 1, 1982).
- Retired Death Benefit of five-hundred dollars (\$500.00) as provided in Section 21620 (July 1, 1982).
- Death Benefit Continues as provided in Section 21551 (January 1, 2000).
- Prior Service Credit as provided in Section 20055 (July 1, 1982).

Effective June 30, 2001, the City provided Fire Safety members with the three percent (3%) at fifty (50) formula retirement plan. The City's contract with CalPERS includes the following optional benefits:

- Fourth Level - 1959 Survivor's Benefit as provided in Section 21382.5 (May 4, 1998).
- Military Service Credit as provided in Section 20930.3 (January 4, 1996).
- One-Year Final Compensation as provided Section 20024.2 (November 1, 1981).
- Credit for Unused Sick Leave as provided in Section 20862.80 (November 1, 1981).
- Post Retirement Survivors Allowance – fifty percent (50%) as provided by Sections: 21624, 21626, and 21628 (January 1, 1987).
- Cost of Living Allowance two percent (2%) as provided by Section 21335 (November 1, 1981).
- Retired Death Benefit of five-hundred dollars (\$500.00) as provided in Section 21620 (November 1, 1981).
- Post Retirement Survivor Allowance Continues as provided in Section 21635 (January 1, 2000).
- Death Benefit Continues as provided in Section 21551 (January 1, 2000).
- Prior Service Credit as provided in Section 20055 (November 1, 1981).

The City provides Miscellaneous members with the two percent (2%) at fifty-five (55) formula retirement plan. The City's contract with CalPERS includes the following optional benefits:

- Third Level - 1959 Survivor's Benefit as provided in Section 21573 (April 5, 1999).
- Military Service Credit as provided in Section 20930.3 (January 1, 1992).
- One-Year Final Compensation as provided Section 20024.2 (November 1, 1980).
- Credit for Unused Sick Leave as provided in Section 20862.80 (November 1, 1980).
- Cost of Living Allowance two percent (2%) as provided by Section 21335 (April 1, 1971).
- Retired Death Benefit of five-hundred dollars (\$500.00) as provided in Section 21620 (December 1, 1969).
- Death Benefit Continues as provided in Section 21551 (January 1, 2000).
- Prior Service Credit as provided in Section 20055 (January 1, 1950).

The City shall continue to defer that portion of the employee's contribution paid to CalPERS through section 414(h)(2) of the Internal Revenue Code pursuant to City of Petaluma Resolution 90-363 N.C.S.

## **SECTION 21 – HEALTH BENEFITS – ACTIVE EMPLOYEES**

### **21.1 Active Employees – PEMHCA Contribution**

The City currently provides health benefits through the California Public Employees' Retirement System (CalPERS) Health Benefits Program under the Public Employees' Medical and Hospital Care

Act (PEMHCA). The City's employer contribution for each employee shall be the minimum required by PEMHCA. The City pays this contribution directly to CalPERS.

21.2 Active Employees - Additional Benefit

Effective January 1, 2008 and January 1, 2009 the City shall provide active employees with an additional monthly benefit as identified in the charts below and explained as follows; the cost of the monthly CalPERS Health Premium for Kaiser – Bay Area/Sacramento less the City's PEMHCA contribution times ninety-five percent (95%) for each employee and his or her family members. For example, effective January 1, 2008, the monthly premium at the Kaiser rate for single health benefit coverage is \$470.67. The additional benefit would be calculated as \$470.67 less \$100.00 times 95% = \$352.14

21.3 Additional Benefit – Effective January 1, 2008

Coverage	2008 Kaiser Rate	City Monthly PEMHCA Contribution	Maximum Additional Monthly Benefit Contributed by the City
Single	\$470.67	\$100.00	\$352.14
2-Party	\$941.34	\$100.00	\$799.27
Family	\$1,223.74	\$100.00	\$1,067.55

21.4 Additional Benefit – Effective January 1, 2009

Coverage	2009 Kaiser Rate	City PEMHCA Contribution	Maximum Additional Benefit Contributed by the City
Single	\$508.30	\$101.00	\$386.94
2-Party	\$1,016.60	\$101.00	\$869.82
Family	\$1,321.58	\$101.00	\$1,159.55

21.5 Employee Contribution

Employees shall contribute to his/her CalPERS Health Premium in the amounts less the City's PEMHCA contribution and less the additional benefit paid by the City.

**SECTION 22 – HEALTH BENEFITS – RETIRED EMPLOYEES**

22.1 Retired Employees – CalPERS and PEMHCA

The City currently provides health benefits through the California Public Employees' Retirement System (CalPERS) Health Benefits Program under the Public Employees' Medical and Hospital Care Act (PEMHCA). In order for a retired employee to be eligible to receive health benefits through CalPERS upon retirement, a retired employee must meet the following definition of "annuitant" under CalPERS law:

- (A) Employee must be a member of CalPERS; and
- (B) Employee must retire within one-hundred-twenty (120) days of separation from employment with the City of Petaluma and receive a monthly retirement allowance from CalPERS.

22.2 "Unequal Contribution" Method for Health Care Premium Payments for Retirees

The City uses the "unequal contribution" method for health care premium payments for annuitants (retirees) as permitted under Government Code section 22892. Under this method, the City is

required annually to increase the total monthly annuitant health care contribution to equal an amount not less than the number of years the City has been in the PEMHCA program multiplied by five percent (5%) of the current monthly employer contribution for active employees until the time the City's contribution for annuitants equals the City's PEMHCA contribution paid for active employees.

By way of explanation, for calendar year 2009, the formula for determining the City's PEMHCA contribution for retirees is as follows:

15 years in the PEMHCA program x 5% = 75% x \$101 (minimum employer contribution for active employees for 2009) = \$75.75.

The City pays this contribution directly to CalPERS. The retiree is required to contribute to the cost of the health benefit coverage. The retiree's monthly contribution shall be the cost of the monthly health benefit premium less the amount of the City's contribution.

22.3 CalPERS Annuitant – PEMHCA Health Benefits

In accordance with the PEMHCA provisions if an employee is a CalPERS annuitant as defined in Section 22.1 and receives health benefits under the PEMHCA, the employee is eligible to receive the City's PEMHCA contribution amount specified in Section 24.5 below, regardless of the number of years of service with the City of Petaluma.

22.4 Less Than 12 Years Of Service – Not Receiving PEMHCA Health Benefits

A retired employee with less than twelve (12) years of service with the City of Petaluma who is not enrolled in the CalPERS health benefit program does not receive any retiree benefit from the City.

22.5 Less Than 12 years of Service – Receiving PEMHCA Health Benefits

A retired employee with less than twelve (12) years of service with the City of Petaluma who is a CalPERS annuitant as defined in Section 22.1 and enrolled in the CalPERS health benefit program is eligible to receive the City's PEMHCA contribution amount. according to the following schedule:

Calendar Year	City's PEMHCA contribution
2008	\$70.00
2009	\$75.75
2010	As determined by the "unequal contribution" method formula or \$80.00, whichever is greater
2011	As determined by the "unequal contribution" method formula or \$85.00, whichever is greater
2012	As determined by the "unequal contribution" method formula or \$90.00, whichever is greater
2013	As determined by the "unequal contribution" method formula or \$95.00, whichever is greater
2014	As determined by the "unequal contribution" method formula or \$100.00, whichever is greater

22.6 12-19 Years of Service – Not Receiving PEMHCA Health Benefits

A retired employee with twelve to nineteen (12-19) years of service with the City of Petaluma who is not enrolled in the CalPERS health benefits program shall receive direct payments in the

amount of one-hundred-twenty dollars (\$120.00) each month, effective the first month following the expiration of health benefit coverage.

**22.7 12-19 Years of Service – Receiving PEMHCA Health Benefits**

A retired employee with twelve to nineteen (12-19) years of service with the City of Petaluma who is a CalPERS annuitant as defined in Section 22.1 and enrolled in the CalPERS health benefit program is eligible to receive the City’s PEMHCA contribution amount specified in this section. The City’s cash retiree benefit is sent directly to the retiree.

Calendar Year	City Monthly PEMHCA contribution	City Monthly Cash Retiree Benefit	Total Benefit Amount
2008	\$70.00	\$50.00	\$120.00
2009	\$75.75	\$44.25	\$120.00
2010	As determined by the “unequal contribution” method formula or \$80.00, whichever is greater	Total Benefit amount of \$120.00 minus City monthly PEMHCA contribution	\$120.00
2011	As determined by the “unequal contribution” method formula or \$85.00, whichever is greater	Total Benefit amount of \$120.00 minus City monthly PEMHCA contribution	\$120.00
2012	As determined by the “unequal contribution” method formula or \$90.00, whichever is greater	Total Benefit amount of \$120.00 minus City monthly PEMHCA contribution	\$120.00
2013	As determined by the “unequal contribution” method formula or \$95.00 or whichever is greater	Total Benefit amount of \$120.00 minus City monthly PEMHCA contribution	\$120.00
2014	As determined by the “unequal contribution” method formula or \$100.00, whichever is greater	Total Benefit amount of \$120.00 minus City monthly PEMHCA contribution	\$120.00

It is the responsibility of the retiree to notify the City in writing if he or she is no longer participating in the CalPERS health benefit program. Following receipt of the written notice, the City will commence direct payment of the one-hundred-twenty dollars (\$120.00) at the beginning of the following month.

**22.8 20 Years or More of Service – Not Receiving PEMHCA Health Benefits**

A retired employee with twenty (20) or more years of service with the City of Petaluma who is not enrolled in the CalPERS health benefits program shall receive direct payments in the amount of one-hundred-forty dollars (\$140.00) each month, effective the first month following the expiration of health benefit coverage.

**22.9 20 Years or More of Service – Receiving PEMHCA Health Benefits**

A retired employee with twenty (20) years or more of service with the City of Petaluma who is a CalPERS annuitant as defined in Section 22.1 and enrolled in the CalPERS health benefit program shall receive a benefit payment of one-hundred-forty dollars (\$140.00) per month as specified in this section.

The City’s cash retiree benefit is sent directly to the retiree.

The following chart indicates the amount of the City’s PEMHCA contribution and the amount of the cash payment to the retiree in the coming years:

Calendar Year	City Monthly PEMHCA contribution	City Monthly Cash Retiree Benefit	Total Benefit Amount
2008	\$70.00	\$70.00	\$140.00
2009	\$75.75	\$64.25	\$140.00
2010	As determined by the "unequal contribution" method formula or \$80.00, whichever is greater	Total benefit amount of \$140.00 minus City monthly PEMHCA contribution	\$140.00
2011	As determined by the "unequal contribution" method formula or \$85.00, whichever is greater	Total benefit amount of \$140.00 minus City monthly PEMHCA contribution	\$140.00
2012	As determined by the "unequal contribution" method formula or \$90.00, whichever is greater	Total benefit amount of \$140.00 minus City monthly PEMHCA contribution	\$140.00
2013	As determined by the "unequal contribution" method formula or \$95.00, whichever is greater	Total benefit amount of \$140.00 minus City monthly PEMHCA contribution	\$140.00
2014	As determined by the "unequal contribution" method formula or \$100.00, whichever is greater	Total benefit amount of \$140.00 minus City monthly PEMHCA contribution	\$140.00

It is the responsibility of the retiree to notify the City in writing if he or she is no longer participating in the CalPERS health benefit program. Following receipt of the written notice, the City will commence direct payment of the one-hundred-forty dollars (\$140.00) at the beginning of the following month.

### **SECTION 23 - CASH IN-LIEU OF HEALTH AND DENTAL BENEFITS**

Employees with health and or dental benefit insurance coverage from a source other than the City, or employees with health and dental benefit insurance coverage from a City employee, may request cash in lieu of health and dental benefits. To be eligible for the cash in-lieu benefit program employees must waive his/her coverage under the City's health and/or dental benefits, agree to the terms and conditions of the cash in-lieu benefit program and have written verification of health and/or dental benefits insurance.

The cash in-lieu amount for health coverage shall be in the amount of fifty percent (50%) of the health insurance premium amount of the CalPERS Kaiser – Bay-Area/Sacramento that the City would otherwise pay for the employee and his or her family members. The cash in-lieu amount for dental insurance benefits shall be in the amount of fifty percent (50%) of the established dental program composite rate.

Upon declining medical and/or dental insurance, the employee will be required to meet the terms and conditions regarding the City's medical and/or dental plan. If an employee decides to stop receiving the medical/dental cash back and wishes to re-enroll into the City's medical and/or dental plan, then he/she must meet the current terms and conditions of the City's medical and/or dental plan. The City cannot guarantee that once the employee leaves a particular medical and/or dental plan, he/she may be able to re-enroll in his/her prior plan and under the same terms and conditions of his/her prior plan.

### **SECTION 24 – SECTION 125 PLAN**

The City of Petaluma has established and shall offer to eligible employees an Internal Revenue Code (IRC) Section 125 plan. The Section 125 plan is subject to federal law and plan provisions.

The Section 125 Plan offered by the City provides employees with a tax savings through the following programs:

- (A) Pre-Tax Health Insurance Premiums  
This program allows employees to pay his or her share of health insurance premiums with pre-tax dollars.
  
- (B) Flex Spending Accounts (FSAs)
  - (1) Medical Reimbursement  
This program permits employees to pay for common out-of-pocket medical expenses (not covered by insurance) such as deductibles, co-pays, and vision and dental care with pre-tax dollars.
  
  - (2) Dependent Care Reimbursement  
This program permits employees to pay for most child and or dependent care expenses with pre-tax dollars.

#### **SECTION 25 – DENTAL INSURANCE**

The City shall provide a dental plan for the term of the Compensation Plan and pay the total premium costs for the employee and eligible dependents. The maximum benefit amount is one-thousand-five-hundred dollars (\$1,500.00) per person per calendar year. Orthodontic coverage shall be provided for dependent children under the age of nineteen (19) years and is 50% of the dentist's allowed fee (subject to a \$1,000.00 lifetime maximum per person).

#### **SECTION 26 – VISION INSURANCE**

The City shall provide a vision plan for employees and eligible dependents. The cost shall be paid for by the City. Employees are eligible for eye exams every twelve (12) months with a twenty-five (\$25.00) deductible. Frames are available every twelve (12) months with a maximum benefit of one-hundred-twenty dollars (\$120.00) and lenses are available every twelve (12) months with a maximum benefit of two-hundred dollars (\$200.00).

#### **SECTION 27 – LIFE INSURANCE**

The City shall provide employees with life insurance in the amount of one and one-half (1.5) times the employee's annual salary rounded to the nearest even dollar, not to exceed two-hundred thousand dollars (\$200,000.00)

#### **SECTION 28 – EMPLOYEE ASSISTANCE PROGRAM**

The City will provide an Employee Assistance Program to employees and his/her immediate families. This licensed counseling service will provide assistance and referrals for marriage and family problems, alcohol and drug dependency, emotional, personal, and stress-related concerns and other issues. All counseling services are confidential.

## **SECTION 29 – DISABILITY INSURANCE**

The City shall provide for a long-term disability plan, with the premium to be paid for by the City.

## **SECTION 30 - DEFERRED COMPENSATION**

### **30.1 Deferred Compensation Plan – 457 Plan**

The City of Petaluma shall make available to the members of this unit the City's Deferred Compensation Plan.

### **30.2 Deferred Compensation Plan – Discretionary Plan – 401(A) Plan**

The City of Petaluma shall make available to the members of this unit the City's 401 (A) Plan. New members will have an opportunity to designate a one-time choice of an additional employee contribution level within ninety (90) days of their appointment date. For additional information, contact the Human Resources office.

**EXHIBIT A – SALARY TABLE**  
**Department Directors Compensation Plan- Unit 8**

Salary Ranges Effective July 1, 2008

<b>Classification</b>	<b>Salary Range</b>
<b>Assistant City Manager</b>	\$9,449.18 – \$12,262.43
<b>Director of Administrative Services</b>	\$9,449.18 – \$12,262.43
<b>Director of Community Development</b>	\$9,449.18 – \$12,262.43
<b>Director of General Plan</b>	\$8,167.88 - \$10,601.48
<b>Director of Parks &amp; Recreation</b>	\$8,590.66 – \$11,153.48
<b>Director of Public Works</b>	\$9,449.18 – \$12,262.43
<b>Director of Water Resources &amp; Conservation</b>	\$9,449.18 – \$12,262.43
<b>Fire Chief</b>	\$11,585.00 – \$13,902.00
<b>Police Chief</b>	\$11,700.00 – \$15,500.00