COMPENSATION PLAN

BETWEEN THE COUNTY OF HUMBOLDT &

ELECTED & APPOINTED DEPARTMENT HEADS

EFFECTIVE JANUARY 1, 2025, THROUGH AND INCLUSIVE OF DECEMBER 31, 2026

Contents

Applicability

This plan covers the salaries and benefits of elected and appointed department heads of the County of Humboldt (excluding the Board of Supervisors).

Public Employees' Retirement System

I.R.S. Code Section 414 (H) (2)

The County shall implement I.R.S. Code Section 414 (H) (2) by having employees pay their own required members' contributions to the Public Employees' Retirement System. This shall apply to both miscellaneous and safety categories as follows:

Tier One Retirement Plan

County Hire Date	Employee Type	Retirement Formula	Final Compensation Period
On or before June 5, 2012	Miscellaneous	2.7% @ 55	Single highest year salary
On or before December 31, 2012	Safety	3% @ 50	Highest three (3) year average salary

Tier Two Retirement Plan

County Hire Date	Employee Type	Retirement Formula	Final Compensation Period
June 6, 2012 to December 31, 2012	Miscellaneous	2% @ 55	Highest three (3) year average salary
On or after January 1, 2013	Safety	2.7% @57	Highest three (3) year average salary

Tier Three Retirement Plan

County Hire Date	Employee Type	Retirement Formula	Final Compensation Period
On or after January 1, 2013	Miscellaneous	2% @ 62	Highest three (3) year average salary

Retirement Cost Sharing GC 20516

All employees in this unit receiving miscellaneous or safety retirement benefits shall pay three (3) percent of pensionable income towards the Employer CalPERS retirement rate. The County has taken the appropriate steps to amend its contract with CalPERS so that employee contributions towards the employer retirement rate are credited to the employee's account with CalPERS (in accordance with Section 20516 of the Government Code).

Compensation for Appointed Department Heads

A. Salary advancements for personnel who are on a range and step compensation plan are predicated on length of service as follows:
   a. All such employees shall receive an automatic increase of one (1) step on the first day of the pay period following the date that the employee's total actual hours in paid status equals thirteen (13) pay periods of full-time service rendered by him/her to the County in the same class.
   b. Thereafter, each such employee shall receive an automatic one-step increase up to and including Step E when their total hours in a paid status at each step equals twenty-six (26) pay periods of full-time service rendered by him/her to the County in the same class.
   c. The effective dates of each step increase will be the anniversary date of such employee.

Compensation for Elected Department Heads.

A. Salary advancements for personnel who are on a range and step compensation plan are predicated on length of service as follows:
   a. All such employees shall receive an automatic increase of one (1) step on the first day of the pay period following the date that the employee's total actual hours in paid status equals thirteen (13) pay periods of full-time service rendered by him/her to the County in the same class.
   b. Thereafter, each such employee shall receive an automatic one-step increase up to and including Step E when their total hours in a paid status at each step equals twenty-six (26) pay periods of full-time service rendered by him/her to the County in the same class.
   c. The effective dates of each step increase will be the anniversary date of such employee.

Sick Leave Payoff

Employees newly hired into an appointed department head position after December 31, 1996, shall not be eligible for compensation for unused sick leave upon separation from County service. Remaining sick leave will be reported to CalPERS and converted to service credit in accordance with the County's CalPERS contract(s). Employees promoted/appointed to an appointed department head position after December 31, 1996, shall be eligible for compensation for unused sick leave upon separation from County service if their original hire date was prior to January 2, 1997.

Sick Leave Conversion

Any County employee hired prior to January 2, 1997, may, in the 36 months prior to retirement, elect to have any portion of accumulated sick leave that is subject to compensation upon retirement, compensated by having the cash equivalent deposited into deferred compensation, subject to applicable State and Federal laws. The employee may elect to do this in one deposit or to have up to three separate deposits in three separate consecutive calendar years.
At no time shall an employee reduce their accumulated sick leave to less than three weeks by deposit into deferred compensation.
Any sick leave subject to compensation that remains upon separation shall be paid to the employee by check or by deposit into deferred compensation, at the employees' option.

Holidays

Appointed department heads shall receive a total of two (2) floating holidays effective the first full pay period of each fiscal year. One of the floating holidays must be used during the fiscal year earned and does not carry over into the next fiscal year.

Administrative Leave for Appointed Department Heads

80 hours of administrative leave will be available to each appointed department head, effective the first pay period beginning in July through the last pay period beginning in June. Such leave shall not be carried into succeeding fiscal years, and such leave shall be forfeited upon termination of employment. Employees hired into an appointed department head position shall receive 80 hours of administrative leave effective upon the date of hire and may be allowed to use such leave immediately.

A. Under unusual circumstances, if an appointed department head is unable to utilize their administrative leave during the fiscal year because of a natural disaster or some other emergent condition which has significantly increased their workload, the appointed department head may request that the unused administrative leave be carried into the next fiscal year. The employee must make the request in writing to the Human Resources Director on or before June 15. Administrative leave carried over but not used prior to September 30 shall be forfeited.

Vacation Conversion

For the calendar year 2026, appointed department heads shall have the option to convert up to 160 hours of vacation credit to cash. Such conversion shall be administered as follows:

A. Employees may request to convert vacation credit during the month of November, on a form provided by the Auditor-Controller's Office.
B. Employees may convert the amount of vacation that they accrue in one calendar year up to a maximum of 160 hours.
C. Said cash shall be paid to employees or contributed to the employee's county sponsored tax-deferred 457 or Roth 457 plan account(s) on either the first or the second payday in December.
D. Employees may only request vacation conversion one time per calendar year.

For the calendar year 2027, appointed department heads shall have the option to convert the amount of vacation they accrue in one calendar year up to a maximum of 160 hours of vacation credit to cash, based on an election made in the preceding calendar year. Such conversion shall be administered as follows:

A. The Auditor-Controller will send a notice in the month of November to eligible employees informing them of the opportunity to request a conversion of vacation credit for the following calendar year.
B. The vacation conversion request must be submitted to the Payroll Division before December 31st of the year preceding the payment of said conversion. This request cannot be changed or revoked after December 31st of that year.
C. Said conversion will be paid to employees, minus applicable payroll deductions, or contributed to the employee's county sponsored 457 plan account(s) on the first payday in December.
D. Employees are not eligible for vacation credit conversion in the calendar year that they are hired.
E. Employees that change bargaining units after electing to convert vacation credit will have vacation credit converted as follows:
    a. Employees who change bargaining units and are no longer eligible for vacation conversion will not receive a vacation conversion.
    b. Employees who change bargaining units to a bargaining unit that allows for more, or less, vacation conversion will receive the vacation conversion based upon the election made when the employee was eligible and made the election.

Benefits

In addition to benefits that may be provided by other written policies, the following benefits will be made available to elected and appointed department heads:

A. Life insurance in the amount of $20,000
B. Annual Physical Examination

1. All elected and appointed department heads covered by this Plan shall be eligible for a physical examination every other fiscal year. The County shall pay for such exam. Prior to the implementation of this benefit, the contents of the physical examination and the provider for the exam shall be mutually agreed to by the County and representatives of the elected and appointed department heads covered by this Plan.

C. Insurance Coverage

Effective the first full month following Board of Supervisors adoption of the 2025-2026 Compensation Plan, the County health insurance premium contribution for CalPERS health insurance includes two components.

1. The County will pay a percentage of premiums for the lowest cost CalPERS medical plan available in Humboldt County. Employee only coverage will be paid by the County at 89.61% of the monthly premium. Dependent coverage will be paid by the County at 69.01% of the monthly premium for employee and one dependent, and at 64.27% of the monthly premium for employee plus two or more dependents.

2. In addition, the County will pay up to an additional $200.00 per month which combined with the first component shall not exceed one hundred percent of the monthly premium for the health insurance plan selected by the employee. These contributions are made through the County's Flexible Benefit Plan and are inclusive of the County's required employer contribution.

3. Effective the first full month following board adoption of this MOU, the County will increase its contribution to cover 100% of the employee's increase to the lowest cost health insurance plan's premium for the remainder of health plan year 2025 to 2026. These increased employer contributions in 2025 and 2026 will apply to each of the following: Employee Only, Employee Plus One Dependent, and Employee Plus Two or More Dependents. The County's premium contribution will continue to include the $200.00 per month supplement that went into effect during the term of January 1, 2022, through December 31, 2024, as described in paragraph two above.

4. For both active and retired employees, the County, in compliance with CalPERS regulations, shall contribute the minimum monthly premium required in the County's CalPERS contract for medical insurance. This minimum monthly premium shall be included in the County's contribution to the Flexible Benefit Plan as described above. Should the minimum monthly County contribution increase due to CalPERS requirements, the new amount shall be included in the County's contribution to the Flexible Benefit Plan as described.

5. Employees who choose not to participate in a County sponsored medical plan and can certify coverage in another health insurance plan shall be entitled to receive $693.00 per month opt-out incentive. Employees shall be eligible to receive the opt-out incentive under either of the following two circumstances.

   i. Bona Fide Religious Objection. An employee may choose not to participate in a County sponsored medical plan if they are a member of a bona fide religious body which has an objection to medical insurance to the extent allowed by law. To do so any employee must present a written declaration to the County Director of Human Resources that the employee is a member of a bona fide religious body (by name) which objects to medical insurance. Newly hired employees who provide such declaration prior to the start of their medical insurance coverage will not be required to participate in a County sponsored medical plan unless required by law. Current employees who are covered by a County sponsored medical plan will be removed from the medical plan the month following the receipt of their written declaration by the County Director of Human Resources unless otherwise required by law.

   ii. Alternative Group Health Insurance Coverage. An employee who has alternative group health insurance coverage may receive the opt-out incentive subject to the following conditions:

      a. The employee certifies that the employee and all individuals in the employee's tax family for whom coverage is waived, have alternative Minimum Essential Coverage as defined by the Patient Protection and Affordable Care Act through a provider other than a federal marketplace, a state exchange or an individual policy.

      b. During the county's annual open enrollment period, the employee must complete an annual written attestation confirming that the employee and the other members of the employee's tax family are enrolled in alternative Minimum Essential Coverage. The employee agrees to notify the county no later than 30 days if the employee or other member(s) of the employee' tax family lose coverage under the alternative Minimum Essential Coverage Plan.

      c. The employee understands that the county is legally required to immediately stop conditional op-out payments if the county learns that the employee and/or members of the employee's tax family do not have the alternative Minimum Essential Coverage.

D. Dental Insurance. The current County provided dental insurance coverage shall be maintained during the term of this Compensation Plan with the County paying 100% of employee and eligible dependent premiums. The calendar year maximum benefit will be $1,500 per person.

E. Vision Coverage. The current County provided vision coverage shall be maintained during the term of this Memorandum of Understanding with the County paying 100% of the premium for employee and eligible dependents (those covered on the County medical insurance). The calendar year maximum benefit is $210.00 per person.

Catastrophic Leave for Appointed Department Heads

A. Definition of Catastrophic Illness or Injury

Catastrophic illness or injury is a severe illness or injury which is expected to incapacitate the employee for an extended period of time, and which creates a financial hardship because the employee has exhausted all of his/her accumulated paid leave time. Catastrophic illness or injury is further defined as a debilitating illness or injury of an employee's spouse, domestic partner, son or daughter that results in the employee being required to take time off from work for an extended period to care for the family member, when this creates a financial hardship because the employee has exhausted all his/her accumulated paid leave time. An employee's job-related illness or injury subject to workers' compensation coverage shall not be eligible for this catastrophic leave provision.

B. Conditions Under Which Paid Leave Time May Be Donated to an Employee

a. Any employee may donate accumulated vacation, compensatory time or holiday time to an eligible employee. Sick leave cannot be donated.
b. Donations must be made in increments of four (4) hours from the donating employee.
c. The donation of paid leave time is irreversible. Should the employee receiving the donated hours not use all donated leave for the catastrophic illness/injury, any balance will remain with that employee or will be converted to cash upon the employee's separation from County employment.
d. Donated paid leave time shall be converted to its cash value and then credited to the recipient in hours at the recipient's base hourly rate as holiday credit.
e. Employees donating paid leave time shall do so in writing on a form developed by the County.
f. All donation transactions shall be credited effective the pay period following submittal of
g. the form requesting the paid time donation.

C. Conditions Under Which Paid Leave Credits May be Used
    a. The employee requesting to use "catastrophic leave" shall submit a written request to the County Administrative Officer (CAO) for review. The request must include a written statement from a licensed physician verifying the illness or injury. If the CAO approves the request, it shall be forwarded to the Human Resources Department for implementation, along with the form from the employee donating time to the affected employee.
    b. The affected employee must have exhausted any accumulated paid leave time for which they are eligible (sick, vacation, compensatory, holiday) prior to utilizing catastrophic leave.
    c. Any paid leave time accrued by the affected employee while using donated time must be used during the next pay period.
    d. Only employees who accrue vacation are eligible to receive donated paid leave time.
    e. The use of donated paid leave time shall not exceed three months for any one catastrophic illness/injury.
    f. In no event shall a leave for the recipient employee be granted for longer than one year from the time the employee is unable to work in his/her regular job.

Voluntary Furlough

Appointed department heads may request a voluntary unpaid furlough using the following guidelines:

A. The leave (furlough) would be granted only after prior approval of the County Administrative Officer (CAO).
B. Leave is not to exceed 520 hours per year.
C. Leave is not to be used in lieu of medical leave.
D. Credits toward sick leave, vacation, and holiday eligibility would accrue as if the employee were in paid status.
E. Leave shall be granted without requiring the employee to use other accumulated leave time first.
F. Leave shall be granted only to those employees who are in paid status the entire workday before and the entire work day after the leave day(s).
G. Leave shall not be available to employees on other leave without pay.

Longevity Pay

Employees who have ten (10) years of uninterrupted continuous County service shall be eligible for an increase in compensation of 5.25%, effective the pay period following ten (10) years of County service. Longevity calculations shall be counted from the initial date of hire into any regular or grant position as long as there has been no separation from County service. Time spent in layoff status, on medical leave or any unpaid leave greater than 30 calendar days shall not be counted as time worked for longevity calculations. Should an employee be separated from County employment due to layoff and then return to regular County employment while in layoff status their calculation for longevity purposes shall be based on their initial date of hire into a regular or grant position prior to the date of layoff. Effective July 8, 2007, employees who have twenty (20) years of uninterrupted continuous County service shall be eligible for an increase in compensation of an additional 5.25%, for a total of 10.5%.

Compensation Increase for Added Workload/Staffing/Program Responsibilities

Should a department head have a significant increase in regular employee staffing levels; and/or workload due to increased overall number of County employees; and/or added defined or separate programs increasing their individual department responsibility, they shall be eligible for added compensation utilizing the following criteria:

A. A combination of increased staffing and workload as well as the addition of at least 1 major new defined or separate program.
B. A combination of increased regular employee staffing (at least 50% over the immediately preceding 10 years) and the addition of several major new programs.

It is understood that the programs must be new, have significant impact on the responsibility level of the department head and must be substantially different in nature from programs that were provided previously or must be a major addition to a current program, for example, Managed Care in the Mental Health Department.

Added compensation shall range from a minimum of 5% (for #1 above) to a maximum of 10% (#2 above). The Board of Supervisors may increase the compensation within the range of 5% to 10% should they determine that the increased individual department head responsibility falls somewhere between #1 and #2.

A department head who believes they meet the criteria for added compensation under this policy should send a letter to the County Administrative Officer (CAO) and Personnel Director, requesting consideration under the policy and stating the specific reasons why they should be considered. The CAO and Human Resources Director shall review the request and prepare a report to the Board of Supervisors with their recommendation(s). If added compensation is approved by the Board of Supervisors said increase shall be effective the first day of the pay period following approval by the Board of Supervisors.