Docusign Envelope ID: F3A1B798-4BB9-4E6F-ABCC-7F02CA2F0D5E

RESOLUTION NO. 6677-2205

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEBASTOPOL APPROVING AND ADOPTING THE COMPENSATION AND BENEFITS FOR THE UNREPRESENTED EMPLOYEE GROUPS: MANAGEMENT, PROFESSIONAL, AND TECHNICAL

FOR JULY 1, 2025 THROUGH JUNE 30, 2026

WHEREAS, the City of Sebastopol maintains compensation and benefit plans for its various employee groups; and

WHEREAS, any changes to a Compensation and Benefit Plan needs to be approved by the City Council; and

WHEREAS, the City Council of the City of Sebastopol desires to set a fair compensation plan for its unrepresented employee groups: Management, Professional, and Technical employees.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Sebastopol hereby approves the July 1, 2025, through June 30, 2026 Resolution for the Compensation and Benefits Plan for the Unrepresented Employee Groups: Management, Professional, and Technical Employees as follows.

IN COUNCIL DULY ADOPTED this 17th day of June, 2025.

VOTE

Ayes: Councilmembers Carter, Hinton, Maurer, Vice Mayor McLewis and Mayor Zollman

Noes: None

Abstain: None

Absent: None

APPROVED: _____

Signed by:
Stephen Zollman
AA58527C58C4493...

Mayor Stephen Zollman

Docusign Envelope ID: F3A1B798-4BB9-4E6F-ABCC-7F02CA2F0D5E

ATTEST: DocuSigned by: Mary C Gourley 44C0774260FE430...

Mary Gourley, Acting City Manager/Assistant City Manager/City Clerk, MMC

APPROVED AS TO FORM: Signed by: Alex Mog 66BDB79D572A4EB...

Alex Mog, City Attorney

Attachment: Compensation and Benefits Plan for the Unrepresented Employee Groups

Docusign Envelope ID: F3A1B798-4BB9-4E6F-ABCC-7F02CA2F0D5E

CITY OF SEBASTOPOL

COMPENSATION AND BENEFITS PLAN

FOR THE UNREPRESENTED EMPLOYEE GROUPS

July 1, 2025 – June 30, 2026

Docusign Envelope ID: F3A1B798-4BB9-4E6F-ABCC-7F02CA2F0D5E

Contents

PURPOSE AND INTENT 5
SECTION 1 – UNREPRESENTED EMPLOYEE GROUP 5
1.1 At-Will Employees 5
1.2 For Cause Non-Represented Employee Groups 6
SECTION II - TERM 6
SECTION III - PAY PROVISION 6
SECTION IV -RETIREMENT PROVISIONS 7
4.1 CalPERS Retirement 7
1. Tier 1 7
2. Tier 2 7
SECTION V -INSURANCE PROVISION 8
V.1 Health Insurance: 8
V.2 Health Insurance in Lieu Benefit: 8
V.3 Health Care Payment Calculation for Part-Time Employees: 9
V.4 Dental Benefit: 9
V.5 Vision Care: 9
V.6 Long Term Disability Benefit: 9
VII. OTHER COMPENSATION AND BENEFIT 10
VII.1 Longevity: 10
VII.2 Vacation Accrual Limits: 10
VII.3 Cash in lieu of Vacation Pay: 10
VII.4 Vacation In Lieu Payment 10
VII.5 Administrative Leave 11
VII.6 Sick Leave: 11
VII.8 Holidays: 11
VII.9 Workers Compensation: 11
VII.10 Advances in Pay Schedule: 11
VII.11 Furlough Policy: 11
VII.12 Education Incentive: 11

ATTACHMENT 1 FURLOUGH POLICY

ATTACHMENT 2 RETIREMENT MEDICAL RESOLUTION NO. 5710 ATTACHMENT 3 RETIREE MEDICAL RESOLUTION NO. 5734 ATTACHMENT 4 REMIF RETIREE HEALTH PLAN ELIGIBILITY

GUIDELINES

Docusign Envelope ID: F3A1B798-4BB9-4E6F-ABCC-7F02CA2F0D5E

Compensation and Benefits Plan

For the Unrepresented Employee Groups

For July 1, 2025- June 30, 2026

This is the comprehensive compensation and benefits plan for the Unrepresented Employee Groups.

PURPOSE AND INTENT

This Resolution establishes the rules governing compensation and benefits for unrepresented employees. All employee groups under this Resolution are also subject to the provisions and directions in the City's Master Personnel Rules.

SECTION 1 – UNREPRESENTED EMPLOYEE GROUP

The Unrepresented Employee Group is recognized as the employee group comprised of members of the City Management, Police Management, and Professional and Technical employee units. Newly hired employees in one of these employee units will be notified of membership in the Unrepresented Employee Group at the time of hire.

The job positions included in the City Management, Police Management, and Professional and Technical employee units and the pay ranges established for each position therein are included in the Publicly Available Pay Schedule that is approved by the City Council and posted on the City's website at least annually.

This resolution supersedes Resolution 6457-2022 and any other previous resolution related to compensation and benefits for unrepresented employees.

The City is committed to recruiting and maintaining a high-performing and qualified staff. The following plan provides the basis for recognition, benefits, and compensation, effective July 1, 2025 through June 30, 2026.

1.1 At-Will Employees

With the adoption of Resolution 6650-2025 on February 18, 2025, the City Council of the City of Sebastopol removed the following Department Heads from coverage in the City's Civil Service System, thereby classifying such positions as "At-Will". The At-Will positions listed in Resolution 6650-2025 Master Personnel Rules Section 1, F. are:

Reporting to the City Council:

City Manager
City Attorney
City Treasurer,
City Clerk

Reporting to the City Manager:

Assistant City Manager
Public Works Director / City Engineer
Chief of Police
Community Development Director

Docusign Envelope ID: F3A1B798-4BB9-4E6F-ABCC-7F02CA2F0D5E

The Council has further directed that future Department Head positions, by attrition be removed from the classified service and designated as “at will”.

1.2 For Cause Non-Represented Employee Groups

For Cause, non-represented employees are covered in this plan under three distinct units as follows:

City Management

Miscellaneous:

- Administrative Services Director
- Building Official
- Public Works Operations Supervisor

Safety:

- Police Captain
- Police Lieutenant

Professional

- Accountant / Analyst

All positions above are privy to discussions on matters within the scope of bargaining and are, therefore, designated as Confidential under the Meyers-Milias Brown Act.

SECTION II - TERM

The term of this is from July 1, 2025, and end on June 30, 2026.

SECTION III - PAY PROVISION

Provision 1: For Administrative Services Director, Public Works Operations Supervisor and Accountant/Analyst positions:

Effective July 1, 2025, a 3% increase to base compensation.

Effective January 1, 2026, a 2% increase to base compensation.

Docusign Envelope ID: F3A1B798-4BB9-4E6F-ABCC-7F02CA2F0D5E

SECTION IV -RETIREMENT PROVISIONS

4.1 CalPERS Retirement

The City's contract with CalPERS provides the following retirement benefits. CalPERS determines an employee's member level as classic or new.

1. Tier 1

Retirement benefits for classic members hired on or prior to June 30, 2013 shall receive the following PERS benefits.

a) Safety

- PERS 3% @ 50 retirement formula
- Chief and Lieutenant pay 9% of the member contribution
- All other management personnel pay 7% of the member contribution

b) Miscellaneous

- 2% @55 retirement formula
- Single highest year compensation
- Employee shall pay 7% of the member contribution

2. Tier 2

New members, as defined by PERS, hired on or after January 1, 2013, shall receive the following PERS benefits.

a) Safety

- 2.7% @ age 57 retirement formula
- Three-year average of final compensation
- Employee shall pay 50% of normal cost as determined by CalPERS

b) Miscellaneous

- 2% @ age 62 retirement formula
- Three-year average of final compensation
- Employee shall pay 50% of normal cost as determined by CalPERS

- REMIF Retiree Health Plan Eligibility Guidelines are attached and incorporated in this Memorandum of Understanding. (Attachment 4)

Docusign Envelope ID: F3A1B798-4BB9-4E6F-ABCC-7F02CA2F0D5E

- Medical After Retirement Benefit/Retiree Health Plan: Resolution Number 6261 of the City of Sebastopol (known as the Master Personnel Resolution) updates the terms and conditions of the City's "Employee Medical After Retirement" program benefit to bring it into compliance with the Anthem Blue Cross and Kaiser medical plans, has been reviewed and approved by the members of this bargaining unit. The following amendments are made with respect to existing provisions of the Memorandum of Understanding between the City and the Unrepresented, by Resolution Number 5710 per Attachment 2, and Resolution 5734, per Attachment 3.

To fund future costs of retiree health premiums, those employees hired after July 1, 2006 may voluntarily participate in the existing benefit plan provided:

- The employee contributes 1% of base salary to a maximum of $60/month to a retiree trust fund, to be matched by an equal City contribution. The City contribution will not be available to any employee hired after July 1,2011.

- Employees may only elect to participate in this option within 60 days of their employment start date.

- This fund shall be managed separate and apart from the existing fund used for this purpose.

- An employee who elects to participate in this benefit but decides at a later date that he/she no longer wishes to continue in this program, may request a reimbursement of 85% of the contributions that they have made to the fund as of that date.

- An employee that leaves employment with the City prior to retirement is eligible for a 90% reimbursement of their contributions.

Resolution Number 6261 of the City of Sebastopol updates the terms and conditions of the City's "Employee Medical After Retirement" program benefit to bring it into compliance with the Anthem Blue Cross and Kaiser medical plans, has been reviewed and approved by the members of Unrepresented.

SECTION V -INSURANCE PROVISION

V.1 Health Insurance:

The City Kaiser HMO plan will be provided without premium cost to the employee, for full-time regular employees and any eligible dependents.

The REMIF Anthem Blue Cross Health Plan will continue to be an option for full-time regular employees and any eligible dependents. Any premium difference between the Kaiser HMO Plan and the Blue Shield plan shall be paid by the employee.

Part-time employees will pay a share of the City’s cost of premium that is equal to the proportional difference between the part-time employee’s regular schedule and that of a full-time employee. For instance, a part-time employee working 90% of the hours regularly schedule for a full-time employee will pay 10% of the City’s portion of premium cost (the cost of the City Kaiser HMO plan premium).

V.2 Health Insurance in Lieu Benefit:

The payment of health in lieu program is to allow employees who have double health insurance

Docusign Envelope ID: F3A1B798-4BB9-4E6F-ABCC-7F02CA2F0D5E

coverage to drop the City's insurance and receive a payment in lieu. For employees who qualify for and participate in the payment in lieu health program, the schedule for the Health Insurance In-Lieu Benefit are shown below:

Coverage	In Lieu & Salary Benefit
Full Family	20% of City "family" medical contribution
Employee + 1	20% of City "Employee +1" medical contribution
Employee only	20% of City "Employee only" medical contribution

An employee who has chosen to receive the aforementioned monthly stipend in lieu of receiving health insurance coverage may elect at the annual open enrollment period in June, to again be covered under the City sponsored health insurance plan. No employee will be entitled to receive both health insurance coverage from the City and the "in lieu" payment.

In lieu payments for part-time employees will be prorated the proportional difference between the part-time employee's regular schedule and that of a full-time employee. For instance, a part-time employee working 90% of the hours regularly scheduled for a full-time employee will receive 90% of the current in lieu benefit of a full-time employee

V.3 Health Care Payment Calculation for Part-Time Employees:

For all health benefits listed below where the City pays the full premium for employees, part-time employees that are benefitted will be required to pay a proportion equal to the proportional difference between the part-time employee's regular schedule and that of a full-time employee. For example, an employee who works 90% of the hours a full-time employee regularly works will pay 10% of the health benefit premium amount paid by the City.

V.4 Dental Benefit:

The City will provide dental insurance, without premium cost to the employee, for full-time regular employees and any eligible dependents.

V.5 Vision Care:

The City will provide vision insurance, without premium cost to the employee, for full-time regular employees and any eligible dependents.

V.6 Long Term Disability Benefit:

The parties agree that the City will add 100% of the LTD premium to the employee's monthly pay and deduct the same amount for payment of the premium. LTD benefit payments will then become nontaxable to the employee if the benefit is activated during a period of non-industrial disability.

Docusign Envelope ID: F3A1B798-4BB9-4E6F-ABCC-7F02CA2F0D5E

VII. OTHER COMPENSATION AND BENEFIT

VII.1 Longevity:

Regular full-time employees are entitled to the following longevity incentives:

- 2% on base hourly rate at the conclusion of 5 years of service
- 2% additional on base hourly rate (total 4%) at the conclusion of 10 years of service
- 2% additional on base hourly rate (total 6%) at the conclusion of 15 years of service
- 2% additional on base hourly rate (total 8%) at the conclusion of 20 years of service
- 2% additional on base hourly rate (total 10%) at the conclusion of 25 years of service

Longevity incentives are cumulative, not to exceed a maximum of 10% .Part-time prior service may be counted on a pro-rata basis.

VII.2 Vacation Accrual Limits:

A. Employee maximum vacation accrual is three times their annual accrual rate.

B. Vacation accrual rates are outlined in the City's Personnel Rules.

VII.3 Cash in lieu of Vacation Pay:

City employees may elect cash in lieu of vacation leave accrual subject to the following limitations:

1) In compliance with IRS regulations, employees must make an **irrevocable** election to receive a cash payment in lieu of vacation leave hours prior to accruing those hours.

2) Employees must submit an irrevocable election form to the Finance Department no later than December 31 of the year prior to the year in which the vacation leave will be accrued and paid out.

3) Employees must have a minimum of 100 hours of accrued vacation on the books as of December 31st of the calendar year prior to the distribution in order to be eligible to request a cash-in-lieu payment.

4) Employees may request a cash in lieu payment for up to 100 hours of vacation in any calendar year.

VII.4 Vacation In Lieu Payment

Employees shall designate the payroll date on which they wish to receive the cash payment, at the time of the request. The City finance department will cash out the requested hours no sooner than the pay period following the accrual of the entire amount of requested hours sold. For example, a full-time employee accruing eighty (80) hours of vacation leave per year accrues at a rate of 3.0769 hours per pay period. It will take this employee seven (7) pay periods to accrue twenty (20) hours sought to be cashed out. Therefore, the employee could not receive a cash payment for twenty (20) hours until the eighth pay period of the year. The amount of vacation cash-out is limited to the amount of vacation leave accrued during the calendar year.

Docusign Envelope ID: F3A1B798-4BB9-4E6F-ABCC-7F02CA2F0D5E

VII.5 Administrative Leave

To compensate overtime exempt management employees for the added hours they work, management employees will be granted a total of 100 hours Administrative Leave with pay during each fiscal year (50 hours accrued on July 1st and 50 hours accrued on January 1st.) Employees in this unit may use this time to take paid leave from work. In the first full pay period of June of each fiscal year, the City will pay out the balance in each employee's Administrative Leave accrual bank or 40 hours, whichever is smaller. Any balance left in the bank will not carry over from year to year.

VII.6 Sick Leave:

Sick leave accrual rules are outlined in the City's Personnel Rules.

VII.8 Holidays:

The City's observed holidays are outlined in the City's Personnel Rules.

VII.9 Workers Compensation:

Effective July 1, 2004, the provisions of Section 4850 of the California Labor Code shall no longer apply to PERS Miscellaneous employees in this group. CITY agrees to guarantee employees eligible for workers compensation coverage 80% of their regular salary for one year.

VII.10 Advances in Pay Schedule:

Advancement in pay schedule information can be found in the City's Personnel Rules.

VII.11 Furlough Policy:

Effective July 1, 2004, the Furlough Policy shall apply to employees within the bargaining unit, as per the attached document (Attachment 1).

VII.12 Education Incentive:

A salary increase of one-half range (2.75%) can be earned upon the successful completion of 30 semester units of college level courses related to the employee's current city position. An additional one-half salary range can be earned by the successful completion of an A.A. degree from an accredited college or university. An additional salary range may be earned by the successful completion (G.P.A. of 3.0 or better) of a B.A. degree in a major field of study related to the employee's current city position. Such off the job training programs, to qualify, shall be subject to the advance approval of the department head and City Manager.

Docusign Envelope ID: F3A1B798-4BB9-4E6F-ABCC-7F02CA2F0D5E

ATTACHMENT 1

Memorandum of Understanding

Between the Management, Mid-management and Unrepresented Employee Group and the City of Sebastopol

FURLOUGH POLICY

I. Purpose:

To define and establish a program and procedure that allows for employees currently employed with the City of Sebastopol to be furloughed from work on an unpaid basis. It is anticipated that such unpaid Furlough time may be necessary due to insufficient funding available to support full time staffing.

II. Policy:

The City of Sebastopol will have the authority to implement this Furlough program when a financial necessity is declared by the City Council. The number of hours when employees may be required to take time off without pay will be determined at the time of implementation, but no more than 40 hours for full time employees or proportion thereof for part time employees.

The City will meet and confer with employee bargaining units to discuss the implementation procedure and policy concerns that may arise during those meetings. In the interest of efficiency, the meetings will be initiated 60 days prior to and concluded 30 days before the proposed implementation date.

III. Procedure:

a) The employee will have the right to return to the same position, subject to the terms and conditions herein.

b) The reduction in pay for employees shall be prorated among all the pay periods for the full fiscal year or that portion of the fiscal year remaining should the program be implemented mid-year.

c) Furlough time may be used in conjunction with paid holidays, accumulated vacation, CTO or administrative leave.

d) Paid leave and Furloughed time taken together in any pay period shall not exceed the total number of the employee's regularly scheduled hours in the pay period.

e) Credits toward sick leave, vacation and holiday eligibility shall accrue during the furlough period as though the employee were on paid status.

f) Furlough time shall apply toward time in service for step advancement, completion of probation, and toward seniority for purposes of layoff. Furlough time will not affect an employee's salary anniversary date.'

Docusign Envelope ID: F3A1B798-4BB9-4E6F-ABCC-7F02CA2F0D5E

g) An employee will continue to receive a full year's PERS service credit.

h) Other paid leave time may not be used in lieu of Furlough time.

i) Furlough time shall not be used in conjunction with Worker's Compensation or other leave without pay.

j) The employee may request that a lump sum deduction be made to their pay for Furlough time in lieu of a prorated reduction of pay subject to approval by the Finance Director.

k) In the event an employee separates during the Fiscal Year, the Finance Department shall reconcile the number of Furlough hours and the number of Furlough hours which have been taken and shall pay the employee the value of any Furlough hours which have not been taken. Employee will pay to the City, through an adjustment of his/her final paycheck, for any Furlough hours taken which exceed the value of pay reductions to the date of separation.

l) While an employee is on Furlough Leave, the Department will not utilize temporary employees to backfill the furloughed employee, except with the City Manager's prior approval.

m) Any dispute between an employee and his or her department head regarding the implementation and application of this policy shall be resolved by the City Manager.

n) Any dispute not resolvable by the City Manager may be submitted to binding arbitration under the grievance procedure of the MOU.

Adopted by the Sebastopol City Council on August 3, 2004.

Docusign Envelope ID: F3A1B798-4BB9-4E6F-ABCC-7F02CA2F0D5E

ATTACHMENT 2

RETIREE MEDICAL RESOLUTION NO. 5710

A Resolution of the City of Sebastopol Amending Resolution Number 5673

~~WHEREAS, Ordinance Number 563 of the City of Sebastopol provides that the City Council~~ may by resolution establish rules and regulations regarding salaries and benefits.

BE IT THEREFORE RESOLVED that Resolution No. 6261, "Personnel Resolution of the City of Sebastopol", Section XIV is hereby amended as follows:

SECTION XIV INSURANCE COVERAGES

A. Health Insurance for Active Employees

City shall pay monthly premiums as defined in the MOU's for a City-sponsored group health plan for employee and qualifying dependents. In lieu of health insurance coverage, employees may choose an In-Lieu benefit, as defined in their MOU.

B. Health Insurance for Retired Employees

A retired employee is defined as receiving retirement benefits from (PERS) Public Employee Retirement System. This retiree benefit for the continuation of health insurance is intended to provide coverage to retirees and their covered dependents; who are enrolled in the plan, at the time of the employee's retirement with the exception of later addition of a (biological or adopted) newborn.

I. Employees With Less Than 10 Years of Service

Employees who retire with less than 10 years of full-time service are not eligible for the City's Medical After Retirement contribution towards premium, as defined below.

2. Employees With 10 Years or More of Service Hired Before July I, 2007

a. For SPOA employees who retired prior to July 1, 1997; and all other employees who retired prior to July 1, 1998:

City will pay the following amount for retirees:

Single person, under age of 65: Single person, over age of 65: With spouse,both under age of 65: With spouse, one over age 65:	$61.71/mo. $52.80/mo. $135.85/mo. $114.51/mo.

Docusign Envelope ID: F3A1B798-4BB9-4E6F-ABCC-7F02CA2F0D5E

With spouse, both over age 65: 105.60/mo.

b. For SPOA Employees retiring on or after July 1, 1997; and for all other employees retiring on or after July 1, 1998:

City will pay up to the following amount for retiree health insurance premiums. Coverage shall be available to employees who have had 10 years full-time paid employment with benefits, with the City. Any time spent in a paid part-time or non-paid part-time position will not count towards the 10 year minimum. For employees who wish to be covered under a City Health plan in retirement; they must be enrolled prior to retirement, otherwise they are entitled to a private plan reimbursement. Retirees are not allowed to enroll in a City Health plan after retirement, per the insurance plan agreements.

Single person, under age 65: Single person, over age 65: Employee +l, both over age 65: Employee +l, one over age 65: Employee +l, both under age 65:	$131.56/mo. $148.15/mo. $311.10/mo. $298.89/mo. $276.27/mo.

Payments for the retirees' share of the premium are due no later than 60 days from the due date (first day in the coverage month). Retirees will be dropped from the health insurance plan for non-payment of their share of the premium after 60 days, unless prior arrangements have been made.

3. Employees With 10 Years or More of Service Hired On or After July 1, 2007

For those employees hired on or after July 1, 2007, the City will contribute the same amount as defined in Section 2 above; if the employee voluntarily elects to participate in the Medical After Retirement Plan by contributing 1% of their base salary, up to $60 per month; to be matched by an equal city contribution. This benefit was eliminated for employees hired after July 1, 2011. These funds will be deposited into a separate City Retiree Health Care Trust Fund (Account # 075-2550). Employees may only elect to participate in this option within 60 days of their hire date.

Once elected, the employee may cancel their participation in this program, and may request a refund of 85% of their to-date contributions. Once an employee terminates their membership in this program, they will not be able to enroll again, in the future. An employee who leaves employment with the City prior to retirement is eligible for a 90% reimbursement of their contributions.

All other provisions mentioned in Section 2 above will apply.

C. Health Insurance Plan Requirements for Retirees

1. Disqualifying Events Under a City-sponsored Health Plan:

Docusign Envelope ID: F3A1B798-4BB9-4E6F-ABCC-7F02CA2F0D5E

Health Insurance coverage shall continue until a disqualifying event occurs. Disqualifying events shall include:

For Retiree:

1. Death of retired employee (Subscriber).
2. Termination of retired status of employee by reinstatement to full-time employment with the City.
3. Non-payment of retiree share of premium to City.

For Spouse or Dependents:

1. Divorce from the retired employee.
2. Dissolution of legally registered and valid domestic partnership from the retired employee.
3. When the retired employee's child turns 26.
4. Non-payment of surviving spouse's share of premium to City.

All qualified dependents who lose coverage on a City-sponsored Health Plan may be eligible for COBRA Health Insurance coverage continuation. A qualified dependent is any family member who was covered on the City health plan at the time of the employee's retirement. All other dependents covered on a City health plan (except for newborns or adopted infants) are non-qualified dependents.

Those individuals covered under a City-sponsored group health plan who are cancelled due to non-payment of premium, will not be eligible for COBRA Health Insurance continuation.

Whenever a qualifying or disqualifying event occurs, health insurance coverage and the City contribution towards premium shall be adjusted and or eliminated based on the current status of the retired employee. City contribution towards health insurance premium shall not be increased if the retired employee adds a family member after the effective date of retirement.

2. Notification of Dependent Changes or a Qualifying Event

Retirees must notify the City of all qualifying events and dependent changes within 60 days. If that requirement is not met, COBRA continuation coverage cannot be provided to a dependent who is ineligible for coverage. In the event the retiree neglects to notify the City of a dependent loss, the retiree will be liable to reimburse the City for the full amount of the health insurance premium paid, and any future costs, for the expense of covering an ineligible dependent on a City Health Plan.

3. Insurance Coverage for Surviving Family Members

Enrolled qualified dependents may continue health insurance coverage in both plans, after the retired employee's death. This continuation will end the date the surviving spouse remarries. A new dependent acquired during this continuation is not eligible to be enrolled as a family member. In the event of loss of coverage, the surviving family members who were previously covered under a City Health Plan, will be offered COBRA for up to 36 months, at their expense, if they are qualified dependents.

Docusign Envelope ID: F3A1B798-4BB9-4E6F-ABCC-7F02CA2F0D5E

4. COBRA Continuation

Generally, COBRA Health Insurance continuation is offered to retirees and qualified dependents when a loss of coverage occurs, due to a qualifying event for 18, 29, or 36 months, at their cost plus 2% administrative fee, based on a qualifying event. Non-payment of premium is not considered a qualifying event, and a retiree and their dependent(s) dropped from a City-sponsored group health plan for non-payment of premium, is not eligible for, and will not be offered COBRA, as defined in the Health Insurance Plan Agreements. Non-qualified dependents are only entitled to COBRA if the Subscriber is entitled to COBRA. Please refer to your COBRA General Notice for additional information.

5. Re-Enrollment

Retired employees covered under a City-sponsored group health plan may change City Health Insurance plans once per year during open enrollment which occurs in June, for coverage effective July. Once a retired employee voluntarily drops a City health insurance plan or is dropped because of non-payment of employee share of premium, or COBRA expiration, they will not be able to re-enroll in a City-sponsored group health plan in the future, as defined in the Health Insurance Policy Agreements.

6. Private Plan Reimbursement

If a retiree with 10 or more years of service, is not covered under a City-sponsored group health plan, they are entitled to receive the city-paid health insurance premium contribution, if they submit receipts to the City for reimbursement, in a timely manner. The City will reimburse up to the defined benefit level in Sections 1 or 2, once per calendar quarter, after receipts are submitted. Only requests submitted within 6 months of service will be considered for reimbursement. Reimbursement request reminder notices will not be generated by the City.

7. Positions Ineligible for Coverage

Certain positions are not eligible for medical benefit after retirement. Those positions include: Reserve Police Officers, Volunteer Firefighters, Crossing Guards, Per Diem Dispatchers, Temporary positions, and all other non-salary part-time positions. Any time served in these positions will not count towards the 10 year minimum full-time service to be eligible for health insurance coverage after retirement.

8. Insurance Plan Limitations

The City will provide retirees health insurance coverage in accordance with each insurance group plan agreement. At no point will the City ever provide a benefit greater than what is defined in any of the insurance group plan agreements, or the Federal COBRA law. If a change occurs to the group plan agreement, or Federal COBRA law, those changes will take precedence over language defined in this resolution.

BE IT ALSO RESOLVED that this Resolution supersedes all previous resolutions defining medical retirement benefits.

ADOPTED BY CITY COUNCIL ON the 18th day of November, 2008.

Docusign Envelope ID: F3A1B798-4BB9-4E6F-ABCC-7F02CA2F0D5E

ATTACHMENT 3 RETIREE MEDICAL RESOLUTION NO. 5734

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEBASTOPOL AMENDING RESOLUTION NUMBER 5710

WHEREAS, Ordinance Number 563 of the City of Sebastopol provides that the City Council may by resolution establish rules and regulations regarding salaries and benefits.

BE IT THEREFORE RESOLVED that Resolution No. 2357, "Personnel Resolution of the City of Sebastopol", Section XIV is hereby amended as follows:

SECTION XIV

INSURANCE COVERAGES

Employees With 10 Years or More of Service Hired On or After July 1, 2007

For those employees in the SEIU or SPOA employee groups hired on or after July 1, 2007, the City will contribute the same amount as defined in Section 2 above; if the employee voluntarily elects to participate in the Medical After Retirement Plan by contributing 1% of their base salary, up to $60 per month; to be matched by an equal city contribution. This benefit was eliminated for employees hired after July 1, 2011. These funds will be deposited into a separate City Retiree Health Care Trust Fund (Account # 075-2550). Employees may only elect to participate in this option within 60 days of their hire date.

Once elected, the employee may cancel their participation in this program, and may request a refund of 85% of their to date contributions. Once an employee terminates their membership in this program, they will not be able to enroll again, in the future. An employee who leaves employment with the City prior to retirement is eligible for a 90% reimbursement of their contributions.

For those employees in the Unrepresented employee group hired after February 1, 2009 who have elected this benefit, their monthly contributions of 1% base salary up to a maximum of $60/month along with the City's equal matching contribution, will transfer into their ICMA RHS Retirement Health Savings plan once per month. Once employees are enrolled in the ICMA RHS plan, they cannot cancel their participation.

All other provisions mentioned in Section 2 above will apply.

BE IT ALSO RESOLVED that this Resolution supersedes all previous resolutions defining medical retirement benefits.

IN COUNCIL DULY APPROVED AND ADOPTED 3rd day of March, 2009.