

TEHAMA COUNTY
and
MICHELLE SCHMIDT
EMPLOYMENT AGREEMENT
for the position of
Executive Director, Health Services Agency

THIS AGREEMENT, is made and entered into on August 25, 2026 and effective commencing September 6, 2026 by and between the Tehama County Board of Supervisors, hereinafter called "COUNTY" and MICHELLE SCHMIDT, hereinafter called "SCHMIDT" both of whom understand as follows:

WITNESSETH

WHEREAS, COUNTY desires to employ the services of SCHMIDT as Executive Director, Health Services Agency from the effective date hereof until September 5, 2029; and

WHEREAS, it is the desire of COUNTY to provide certain benefits, to establish certain conditions of employment and to set working conditions for SCHMIDT; and

WHEREAS, SCHMIDT desires employment in the position described above; and

WHEREAS, except as otherwise provided herein, all provisions of the personnel rules and regulations of the COUNTY relating to leave, expense reimbursement, retirement and pension system contributions, and other benefits and working conditions as they now exist or hereafter may be amended, also shall apply to SCHMIDT as they would to any employees of the County; and

WHEREAS, the COUNTY Board shall fix any such terms and conditions of employment, as it may determine from time to time, relating to the performance of SCHMIDT provided such terms and conditions are not inconsistent with or in conflict with the provisions of this agreement or any other law.

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

Section 1: Duties

COUNTY hereby agrees to employ SCHMIDT as the Executive Director, Health Services Agency to perform the functions and duties as specified in the Executive Director, Health Services Agency classification specification heretofore or hereinafter approved by the Tehama County Board of Supervisors and to perform other legally permissible and proper duties and functions of the Health Services Agency Department from time to time as may be assigned.

Except as otherwise provided by COUNTY, a workweek is defined to consist of seven (7) consecutive calendar days, Sunday through Saturday, consisting of forty (40) hours. SCHMIDT shall report for work at her regular established headquarters and shall return hereto at the

conclusion of the day's work, except for off-site COUNTY business, or as otherwise established.

Section 2: Term

SCHMIDT agrees to remain in the exclusive employ of COUNTY until September 5, 2029 and further agrees to accept no other employment that may conflict with SCHMIDT's performance of duties until this termination date, unless said termination date is affected as hereinafter provided.

Section 3: Salary

For purposes of this agreement, SCHMIDT shall be considered an overtime-exempt County employee. The salary and benefits provided under this agreement shall constitute the total compensation for all services provided by SCHMIDT under this agreement.

In full consideration for services rendered, and the satisfactory job performance of specified duties, COUNTY agrees to pay SCHMIDT hereto an annual salary, payable in twenty-six (26) installments, on the same biweekly basis as other employees of the COUNTY, and prorated on actual hours worked within the annual period. Annual salaries will be as follows:

September 6, 2026 through September 5, 2027	\$165,806.00 Annually
September 6, 2027 through September 5, 2028	\$174,096.00 Annually
September 6, 2028 through September 5, 2029	\$182,801.00 Annually

In the event that, during the term of this contract, COUNTY agrees to adjustments in employment compensation, such as increases or reductions in salary, increased contributions to CalPERS, or changes to other benefits for all classifications represented by the Tehama County Management Employees Association, herein after called "TCMEA", SCHMIDT's employment compensation will be adjusted by an equal percentage. Any such adjustments shall be effective for all calendar months commencing after the effective date of the adjustment as stated in the Memorandum of Understanding between COUNTY and the TCMEA currently in effect (hereinafter the "MOU").

Notwithstanding any other provisions of this contract, the COUNTY's Board of Supervisors reserves the right, in its sole discretion, to increase the compensation paid by COUNTY to SCHMIDT during the term of this contract. The compensation stated in this contract shall not be deemed to be a fixed amount for the entire term of this contract, and may be increased, in the discretion of the Board of Supervisors, consistent with the California Constitution, Article XI, Section 10, subdivision (a).

Except as stated above, COUNTY shall not at any time during the term of this agreement reduce the salary, compensation or other financial benefits of SCHMIDT, except with the concurrence of SCHMIDT and then only to the degree of such a reduction across-the-board for all employees of the Department in which SCHMIDT is employed (including a reduction resulting from employee furloughs).

Except as provided in the cell phone allowance, partial months will be prorated based on the number of days this contract is in force during the month calculated as a percentage of the total number of calendar days in the month.

Section 4: Cellular Telephone Allowance

As SCHMIDT's duties require the use of a cellular telephone in the course of County business, COUNTY agrees to provide SCHMIDT a cellular telephone allowance of \$60 per month to cover all costs of related equipment and service. This cellular telephone allowance is not considered part of salary and is therefore not included in California Public Employees' Retirement System calculations for SCHMIDT and shall not be prorated.

Should SCHMIDT elect not to receive the cellular telephone allowance as described above, SCHMIDT may request a County-issued cellular telephone in lieu of the allowance.

Section 5: Automobile

Should it be required that SCHMIDT use her personal vehicle in the performance of her official County duties, it is agreed that SCHMIDT will be reimbursed at the approved County reimbursement rate. This mileage reimbursement is not considered part of salary and is therefore not included in California Public Employees' Retirement System calculations for SCHMIDT.

Section 6: Personal Time Off (PTO)

SCHMIDT at the time of execution of this agreement shall no longer be eligible to accrue sick leave; however, any existing sick leave balances shall be carried forward and available to SCHMIDT for use for a non-work-related absence due to:

- a. The inability of an employee to be present or perform the employee's duties because of personal illness, off-duty injury, or confinement for medical treatment
- b. Personal medical or dental appointments, which are impractical to schedule outside of regular working hours
- c. The need of the employee to attend to an immediate family member who is ill or injured for up to a maximum of six (6) days per fiscal year. For purposes of this Section, "Immediate family member" includes only: 1) A spouse or registered domestic partner; 2) A child, which for purposes of this article means a biological, adopted, or foster child, stepchild, legal ward, or a child to whom the eligible employee stand in loco parentis. This definition of a child is applicable regardless of age or dependency status; 3) A biological, adoptive, or foster parent, stepparent, or legal guardian of an eligible employee or of the eligible employee's spouse or registered domestic partner, or a person who stood in loco parentis when the eligible employee was a minor child; 4) A grandparent, step-grandparent, or great grandparent; 5) A grandchild; 6) A sibling; and 7) A designated person.

In lieu of accruing vacation or sick leave, SCHMIDT shall accrue and have credited to her personal account, Personal Time Off (PTO) leave. PTO shall accrue at a rate of 240 hours per year (9.23 hours per pay period) of full-time service (prorated for any part-time work or unpaid leaves). Accrual of PTO shall continue until such time SCHMIDT has accrued a total balance of five hundred (500) hours, at which point the accrual of additional time beyond 500 hours shall cease.

SCHMIDT shall have one (1) personal holiday (8 hours) added to her PTO balance each July 1st, subject to the 500-hour cap.

The Board of Supervisors may, in its discretion and at SCHMIDT's request, compensate SCHMIDT for up to sixty (60) hours of accumulated PTO leave, once per calendar year, in lieu of

PTO time off with pay, consistent with the method utilized by COUNTY for members of TCMEA.

Section 7: Management Leave

SCHMIDT shall have five (5) paid management leave days (40 hours) added to her Management Time Off (MTO) bank each July 1st. MTO and the MTO bank are separate and distinct from PTO and PTO bank. MTO does not constitute additional wages, and shall not be considered vested for any purpose. All MTO shall be used within the fiscal year in which it was granted, or SCHMIDT will lose that MTO.

In the event that, during the term of this Agreement, COUNTY and the TCMEA agree to increase or decrease the number of paid MTO hours for employees represented by TCMEA, or that such adjustment is otherwise lawfully imposed by COUNTY, then the number of MTO hours credited to SCHMIDT hereunder shall be increased or decreased by an equal amount, commencing the following July 1st.

Section 8: Holidays

SCHMIDT shall be entitled to COUNTY holidays in accordance with members of TCMEA.

Also consistent with the method utilized by COUNTY for members of TCMEA, if SCHMIDT is in a non-pay status on both workdays immediately adjacent to the holiday, SCHMIDT shall not receive pay for the holiday.

Section 9: Health and Life Insurance

COUNTY agrees to provide comprehensive medical, vision, life and dental insurance for SCHMIDT and her dependents. The method utilized to calculate the portion of the premium, if any, paid by COUNTY shall be consistent with the method utilized by COUNTY to calculate the contribution for employees covered by the MOU. SCHMIDT may elect to participate in the County's Premium Only Section 125 benefit program, which allows pre-tax benefits for employees' contributions to the group health insurance premium.

COUNTY will make an Employee Assistance Program (EAP) available. The EAP will provide personal counseling on legal services and personal and work related issues for SCHMIDT and/or members of her immediate family.

COUNTY will allow SCHMIDT to establish an employee-funded Flexible Spending Account, which currently provides employees with the options of Dependent Care Assistance and Unreimbursed Medical Expenses. The plan year maximum for Flexible Spending Accounts will be determined by the contribution limits set by the Internal Revenue Service.

Section 10: Retirement

The parties acknowledge and agree that SCHMIDT is a local miscellaneous member of the California Public Employees' Retirement System (CalPERS), and a "Classic" employee as defined in the California Public Employees' Pension Reform Act of 2013.

SCHMIDT shall participate in the CalPERS 2% @ 55 defined benefit program, as set forth in the California Public Employees' Pension Reform Act of 2013. Retirement is integrated with Social Security.

The parties acknowledge and agree that the required CalPERS member contribution for SCHMIDT shall be seven percent (7%) of the compensation paid to SCHMIDT hereunder. COUNTY will not pay any part of the required member contribution on behalf of SCHMIDT.

The CalPERS retirement plan includes "Pre-Retirement Optional Settlement 2 Death Benefit" as described in Government Code 21548.

Upon Public Employees' Retirement System or Social Security Retirement or upon the death of an employee, the sick leave balance of an employee with less than fifteen (15) continuous years of County service shall be reduced by one hundred seventy-six (176) hours. The employee or the employee's estate shall be entitled to fifty per cent (50%) of the value of the sick leave remaining, if any. After fifteen (15) continuous years of County service and upon Public Employees' Retirement System or Social Security retirement or upon the death of any employee, the employee or the employee's estate shall be entitled to fifty per cent (50%) of the value of the employee's sick leave balance. Payment made under this Section shall be made in a lump sum if the value of the remaining sick leave is equal to or less than two thousand dollars (\$2,000.00) or in increments of not less than two thousand dollars (\$2,000.00) per month if the value of the remaining sick leave is greater than two thousand dollars (\$2,000.00).

Section 11: Deferred Compensation

SCHMIDT may participate in those Section 457 Deferred Compensation Plans the COUNTY offers to its other employees on the same terms as the MOU. In the event that, during the term of this Agreement, COUNTY and the TCMEA agree to increase or decrease the matching deposit for employees represented by the TCMEA, or that such adjustment is otherwise lawfully imposed by COUNTY, then the matching deposit provided to SCHMIDT hereunder shall be increased or decreased by an equal amount, commencing the following month.

Section 12: Professional and Official Travel

COUNTY hereby agrees to pay for travel and subsistence expenses of SCHMIDT in accordance with adopted COUNTY travel policy for professional and official travel, meetings and occasions adequate to continue the professional development of SCHMIDT and to adequately pursue necessary official functions for COUNTY, including conferences specific to the Executive Director, Health Services Agency functions and such other related national, regional, state and local governmental groups and committees thereof which SCHMIDT serves as a member, subject to the COUNTY budget as approved by the COUNTY Board of Supervisors.

COUNTY also agrees to pay for travel and subsistence expenses of SCHMIDT, in accordance with adopted county travel policy, for short courses, institutes and seminars that are necessary for her professional development and for the good of the COUNTY, subject to the COUNTY budget as approved by the COUNTY Board of Supervisors.

If SCHMIDT is assigned to temporary work at such distance from her regular headquarters that it

is impractical to return thereto each day, or to her regular place of abode, SCHMIDT will be allowed personal expenses or per diem as established by the Board of Supervisors.

Section 13: Resignation

Nothing in this agreement shall prevent, limit, or otherwise interfere with the right of SCHMIDT to resign from her position with COUNTY. If SCHMIDT voluntarily resigns her position with COUNTY before expiration of the aforesaid term of her employment, then SCHMIDT shall give COUNTY two months' notice in advance, unless the parties agree otherwise.

Section 14: Termination and Severance Pay

The Executive Director, Health Services Agency serves at the will of the COUNTY. Nothing in this agreement shall prevent, limit, or otherwise interfere with the right of the COUNTY to terminate the services of SCHMIDT at any time. If SCHMIDT is terminated by the COUNTY before expiration of the aforesaid term of employment, and if SCHMIDT is willing and able to perform her duties under this agreement, and if termination is for other than "just cause," then the COUNTY will pay SCHMIDT a lump-sum cash payment. Said lump-sum cash payment shall be equal to the lesser of three month's aggregate salary and benefits or the aggregate salary and benefits for the remaining term of this agreement.

If termination is for "just cause" or disability that cannot reasonably be accommodated, then no severance payment shall be made.

SCHMIDT shall also be compensated for all unused earned PTO leave in the same manner as is provided for unused earned vacation leave in the MOU. MTO is not considered vested, and SCHMIDT shall receive no compensation for unused MTO.

Section 15: Industrial Injury or Illness

Should SCHMIDT be absent from work as a result of a work-related disability, and is receiving temporary disability indemnity payments provided for by the Labor Code of the State of California, SCHMIDT may elect to utilize State Disability Insurance, MTO and/or PTO to supplement her temporary disability indemnity payments, up to a maximum of full salary. During the time SCHMIDT is receiving temporary disability indemnity payments, which are supplemented by State Disability Insurance and accrued leave, SCHMIDT shall continue to accumulate additional MTO/PTO, and is entitled to continuation of the employee's insurance benefit program on the normal premium-sharing formula. Following exhaustion of all accumulated MTO/PTO, SCHMIDT's insurance benefits shall be continued on the normal premium-sharing formula for a maximum of six (6) full calendar months, following the date of exhaustion of other forms of County paid time off.

If SCHMIDT is absent by reason of industrial disability, SCHMIDT may be returned to work by COUNTY and given temporary light duties within the employee's ability to perform, with the consent of her physician. The duration of any such period of temporary work shall be determined by COUNTY. SCHMIDT shall be compensated at the then-current rate of pay while engaged in such temporary duties. COUNTY may require SCHMIDT when requesting to return to work after an absence caused by disability or illness, to submit to a medical examination by a physician or physicians approved by COUNTY for the purpose of determining that such employee is physically

and mentally fit and able to perform the duties of the Executive Director, Health Services Agency position without hazard to self or to her fellow workers, or to her own permanent health.

Nothing herein shall be construed nor applied in a way which is inconsistent with any employee right under the State of California Workers' Compensation Act or related statutes, or be construed to waive any rights contained therein.

Should SCHMIDT return to work from a work place industrial injury or illness, SCHMIDT shall receive up to four (4) hours of paid release time per visit or appointment with a physician or other appropriate healthcare provider providing ongoing medical treatment prescribed by the workers' compensation physician that is in relation to the industrial illness or injury itself. The release time is permitted until SCHMIDT has been deemed permanent and stationary by the workers' compensation physician or workers' compensation third party administrator.

Section 16: Incapacity and Unpaid Leave

Subject to all applicable provisions of the Family Medical Leave Act (FMLA), California Family Right Act (CFRA), and any other statute or regulation pertaining to leaves or disability, if SCHMIDT is permanently disabled and cannot be reasonably accommodated, or is otherwise unable to perform her duties because of sickness, accident, injury, mental incapacity or health, COUNTY shall have the option to terminate this agreement.

In the event that a non-statutory leave is approved by the Board of Supervisors due to SCHMIDT's incapacity, or for any other reason, SCHMIDT shall not receive any salary, stipend or other compensation hereunder once SCHMIDT's accrued leave balances have been exhausted. Time spent on an unpaid leave of absence shall not be treated as COUNTY service for any purpose under this Agreement and SCHMIDT shall not accrue PTO benefits while on unpaid leave.

If the COUNTY believes SCHMIDT is abusing leave, they may require satisfactory evidence of sickness or disability before payment of leave will be made.

Should SCHMIDT fail to return to work within three workdays of the expiration of approved leave, SCHMIDT shall be deemed to have tendered an automatic resignation. However, when there are extenuating or mitigating circumstances which delay the employee's return, the COUNTY will allow SCHMIDT an opportunity to provide the circumstances to make a final determination of employment by way of appealing a finding that SCHMIDT had automatically resigned.

Health insurance will be continued on the normal premium share-of-cost basis for the duration of any statutory leaves of absence. Prior to five (5) years of continuous regular COUNTY service, if SCHMIDT is on a leave of absence beyond any accrued leaves, SCHMIDT may maintain the COUNTY's group health insurance coverage for one (1) full calendar month on the normal premium share-of-cost basis. After five (5) or more years of continuous regular COUNTY service, if SCHMIDT is on a leave of absence beyond any accrued leaves, SCHMIDT may maintain the COUNTY's group health insurance coverage for a total of three (3) months on the normal premium cost-sharing basis. SCHMIDT may receive the insurance continuation payment by the employer only once in a twelve (12) month period. The twelve (12) month period begins the date SCHMIDT returns to work from the leave of absence in which SCHMIDT completed the use of the one (1)

month or three (3) month insurance continuation payment benefit referred to in this section.

Section 17: Performance Evaluation

The Chief Administrator shall review and evaluate the performance of SCHMIDT at least once during each year. Said review and evaluation shall be conducted in a manner consistent with COUNTY Department Head evaluation policies. Said criteria may be added to or deleted from as COUNTY may from time to time determine, in consultation with SCHMIDT. Further, the COUNTY Chief Administrator shall provide SCHMIDT with a summary written statement of the findings and provide an adequate opportunity for SCHMIDT to discuss her evaluation with the Chief Administrator, and as appropriate, the Board of Supervisors.

At the time of evaluation, COUNTY and SCHMIDT shall define such goals and performance objectives that they determine necessary for the proper operation of the Health Services Agency Department and shall further establish a relative priority among those various goals and objectives, said goals and objectives to be reduced to writing. The goals and objectives shall generally be attainable within the time and budgetary resources provided.

In effecting the provisions of this Section, COUNTY and SCHMIDT mutually agree to abide by the provisions of applicable law.

Section 18: Safety

COUNTY desires to maintain a safe place of employment for COUNTY employees and to that end, COUNTY shall make all reasonable provisions necessary for the safety of employees in the performance of their work.

Section 19: Indemnification

To the extent that SCHMIDT is acting in her official capacity as the Executive Director, Health Services Agency, SCHMIDT shall be considered as a COUNTY employee for purposes of indemnity and the COUNTY shall defend, save harmless, and indemnify SCHMIDT against any tort, professional liability claim or demand or other legal action arising out of an alleged act or omission occurring within the course and scope of SCHMIDT's duties as Executive Director, Health Services Agency.

Section 20: Bonding

COUNTY shall bear the full cost of any fidelity or other bonds required of SCHMIDT under any law or ordinance.

Section 21: Notices

Notices pursuant to this agreement shall be given by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows:

- A. COUNTY: Chairman of the Board of Supervisors, 727 Oak Street, Red Bluff CA, 96080
- B. SCHMIDT: MICHELLE SCHMIDT at the permanent address on record with the COUNTY Auditor

Alternatively, notices required pursuant to this agreement may be personally served in the same

manner as is applicable to civil judicial practice. Notice shall be given as of the date of personal service or as the date of deposit of such written notice in the course of transmission in the United States Postal Service.

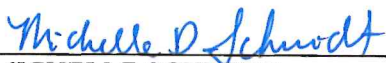
Section 22: General Provisions

- A. The text herein shall constitute the entire agreement between the parties.
- B. This agreement shall be binding upon and inure to the benefit of the heirs at law and executors of SCHMIDT.
- C. This agreement shall become effective commencing September 6, 2026.
- D. If any provision, or portion thereof, contained in this agreement is held unconstitutional, invalid or unenforceable, the remainder of this agreement or portion thereof shall be deemed severable, shall not be affected, and shall remain in full force and effect.

IN WITNESS WHEREOF, the Tehama County Board of Supervisors has caused this agreement to be signed and executed in its behalf by its Chairperson, and duly attested by the Clerk of Tehama County, and SCHMIDT has signed and executed this agreement, both in duplicate, the day and year first above written.



TOM WALKER
Chairman, Board of Supervisors



MICHELLE SCHMIDT
Employee

Approved as to form:

MARGARET LONG
County Counsel

E-Contract Review
Approval as to Form

Department Name: Health Services Agency

Vendor Name: Michelle Schmidt

Contract Description: For the purpose of employing the services of Schmidt

APPROVED AS TO FORM:

A handwritten signature in dark ink, consisting of a large, stylized capital 'M' with a horizontal line extending to the right, enclosed within a circular loop.

Date: 08/10/2026

Office of the Tehama County Counsel
Margaret Long, County Counsel