

**Side Letter to  
Compensation Plan – Unit 8 Department Directors**

**Carry Over of Unused Administrative Leave  
June 30, 2010**

The City of Petaluma continues to face a serious and challenging financial situation and wishes to avoid the cash payment of unused administrative leave at the end of the 2009/2010 fiscal year. Therefore, an employee at his or her option may carry over up to forty (40) hours administrative leave into the 2010/2011 fiscal year that would otherwise be paid at the end of the 2009/2010 fiscal year.

The Unit 8 Compensation Plan effective July 1, 2008 to June 30, 2009 has expired. Employees continue to operate under the terms and conditions of the Unit 8 Compensation Plan until a new Compensation Plan is approved by the City Council. The terms of this Side Letter are separate from the approval of a Compensation Plan. This Side Letter shall be effective June 30, 2010 through June 30, 2011.

1. Section 6.3 of the Unit 8 Compensation Plan provides for the payment of up to forty (40) hours of unused administrative leave at the end of the fiscal year. Payment is made at the employees' base pay rate as of June 30 and made on the last pay period of the fiscal year.
2. The City continues to face a serious and challenging financial situation and wishes to avoid the cash payment of unused administrative leave at the end the 2009/2010 fiscal year. Therefore, an employee at his or her option may carry over up to forty (40) hours administrative leave into the 2010/2011 fiscal year that would otherwise be paid at the end of the 2009/2010 fiscal year. Any hours carried forward would be placed in the employees' administrative leave bank.
3. The unused carry over administrative leave must be used on or before June 30, 2011 and no cash payment will be made on this carry over leave.
4. Section 6.4 of the Unit 8 Compensation Plan provides for the payment of up to forty (40) hours of unused administrative leave at the time of separation. An employee who separates employment shall receive no cash payment for his or her unused carry over administrative leave from the 2009/2010 fiscal year.

**City of Petaluma**



John C. Brown, City Manager

6-30-10

Date